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**MOTIONHOUSE**

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**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2021**

**Registered No: 02515820**

**Charity No: 328693**

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**MOTIONHOUSE**

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## MOTIONHOUSE

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### **CHAIR'S STATEMENT year ended 31 March 2021**

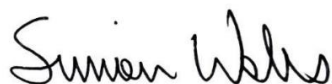
This was a year like no other for Motionhouse, and for every other organisation that has had to manage the impact of the Covid pandemic.

Years of growth and development were stopped in their tracks by Covid. It was immensely frustrating to see carefully-planned tours cancelled, all performance activities suspended, and some dancers and staff sadly being made redundant.

The Trustees wish to record their huge admiration and thanks to Motionhouse's small management team, who have steered us through the most challenging circumstances ever faced in over 30 years of its history. Their determination and resilience has ensured that Motionhouse has weathered this storm.

We would also like to record our thanks for the support of the Government's Coronavirus Job Retention Scheme, Arts Council England's Culture Recovery Fund, and Warwick District Council's local business support schemes. Without the support of this funding we may not have survived the full financial impact of Covid.

Prior to Covid, more than 130,000 people a year directly experienced the work of Motionhouse, and we are determined to "come back dancing" for audiences locally, nationally and worldwide.



**Simon Wales**  
**Chair**

**REPORT OF THE TRUSTEES  
year ended 31 March 2021**

The Board of Directors, who are also Trustees for the purposes of charity law, are pleased to present their report and financial statements for the year ended 31 March 2021.

**Public Benefit**

Motionhouse is one of the UK's most creative and exciting dance companies. We engage with our audiences through dance performances that are acclaimed for their striking use of imagery and theatricality. Underpinning the work is a long-standing and continuing intention to balance a commitment to artistic adventure with the desire always to be exciting, appealing and stimulating to the broadest audience. Access to Motionhouse's performances is an important issue for us. We monitor access to our work to ensure that the beneficiaries are wide ranging and include young and old people, low income families, ethnic minorities, disabled people and other groups and communities.

With the support of our major funders, Arts Council England, local authorities and commissioners, Motionhouse presents world class performances throughout the United Kingdom in middle scale venues. Through our festival work and through larger scale spectacles high quality dance is placed in the public arena enabling mass access to our performance work. The middle scale and festival productions also tour internationally complementing and supporting UK performances.

The Trustees are committed to ensuring that cost should not prohibit access to Motionhouse performances. Tickets for performances across the UK are at a variety of prices including a range of concessions and special offers. Motionhouse's festival repertoire takes dance into the community at no cost to audiences and allows dance to be seen in new and unusual settings. Motionhouse gives free public access to information and resources through the company's website and publications.

Motionhouse performances are supported by an extensive education and community programme. Through participatory projects group members are taught, excited and challenged. They learn new skills, create their own dance material and may go on to perform and share their work.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit (including guidance on fee charging) when considering its charitable objects and aims and in deciding what activities the charity should undertake.

**REPORT OF THE TRUSTEES (Continued)**  
**year ended 31 March 2021**

**Activity**

**Introduction**

Until the onset of the Covid pandemic in late March 2020 and its associated impacts on our activities, we were on course to continue to realise and indeed exceed the goals of our ambitious business plan. Our successful business model, prudent planning, and investment in capacity to meet demand, had enabled us to achieve an increase in turnover from ~£750k in 2017/2018 to ~£1.3m in 2018/19 and 2019/20. Until the pandemic hit, we were on track for another exceptional year of creating new work, engaging with audiences of all ages in the UK, Europe and across the world, and delivering on our ambitions for the next stage of growth as a company.

The national lockdown at the end of March 2020, followed by further lockdowns in November and January, plus the continuation of restrictions on theatres, teaching and performances during the whole of the financial year 2020/21 meant that we were unable to undertake any activity during the year, incurring a devastating loss of income resulting in cuts to the dancer and administration teams.

In amidst this we had to suddenly find a new creation space in which to make our work. Thanks to enormous support from Warwick District Council we moved into the Town Hall in central Leamington Spa in July 2020. This solidifies our already strong relationship with our Local Authority and confirms us as an anchor client in the District's planned cultural development plans.

After a year of uncertainty, cancellations, postponements and restrictions, we are starting to see activity gradually resume, and are determined to rebuild. We have made strong plans to recover and have focussed our efforts on resuming our activities. We are buoyed by our partners' confidence in our work and are proud to report that all postponed tour dates for our new theatre production have been retained, we have new bookings for our outdoor work in summer 2021, our community classes are resuming with excellent take up, and we have secured a major new commission for a large-scale outdoor production in early 2022. More than 130,000 people directly experienced the work of Motionhouse in 2019/20 before the pandemic, and we are determined to rebuild the company in order to continue providing these unforgettable experiences for our audiences locally, nationally and worldwide.

**Actions to respond to the pandemic and to survive**

With the onset of Covid all bookings for outdoor performances and a major residency at Bluestone Wales holiday resort were cancelled for summer 2020, resulting in approximately £400,000 in lost income. As it became clear that restrictions would continue into the autumn, the 2020 tour of our new theatre show Nobody was also postponed due to theatre closures. Nobody was still in creation when the pandemic started and had been due to premiere in August 2020 at one of our commissioning venues, The Gulbenkian, University of Kent. This tour, which had bookings for 54 performances at 26 venues was shifted twice during the initial stages of the pandemic, then the whole tour was rescheduled to start in April 2021. However further lockdowns in January 2021 meant that all dates were finally moved to Autumn 2021 and spring/summer 2022. It also became clear that summer festivals would not return until at least July 2021. All teaching was also cancelled from the end of March 2020 and could not resume until mid-April 2021.

We are one of the busiest touring companies in the UK and the complete loss of earned income for more than a complete financial year threatened our survival: ordinarily over 60% of our turnover is generated through earned income – our Arts Council England NPO grant accounts for 34%.

At the beginning of the pandemic we acted swiftly and decisively to make use of the Government's Job Retention Scheme from 1<sup>st</sup> April 2020 for all but 4.5 FTEs, with technical team on retainers, only returning for a short period

**REPORT OF THE TRUSTEES (Continued)**  
**year ended 31 March 2021**

for the planned move to the Town Hall. We closed our offices, gave notice on one of our two spaces, turned off heating, cut outgoings and supplies, negotiated a rent holiday on our rehearsal space from June-

December 2020 and claimed the local authority £25,000 Leisure Grant. From November 2020 we were able to claim the Business Support Grant for tier 3 and 4 businesses for the closure of our studio.

Despite this, the loss of earnings and the announced end to the Job Retention Scheme, which was originally scheduled to be at the end of October 2020, meant that we had to lose four administration team posts and 5 dancers. This happened through a combination of natural loss (one staff member had decided to become freelance just as the pandemic started and left in May 2020), four of the dancers were all on fixed term contracts, which were not renewed, one dancer resigned and 2 office posts were made redundant in June 2021. A final planned new post of Programme Assistant was cancelled.

Returning to activity as soon as it was safe and permitted was at the forefront of our plans. Throughout the year we remained in close and regular contact with our touring partners at theatres and festivals, working with them to ascertain when we would be able to restart our touring activities. We were in contact on an almost monthly basis with our Trustees via online video conferencing to ensure that with their support we take the best steps to secure the future of the company and to ensure our recovery once the pandemic was under control.

**The financial picture**

April 2020 found us at the high point of our planned 4-year reserves cycle, which we had worked hard to build to a) invest in creating new work in line with our established creation cycle and b) be prepared for Brexit - 50% of our earned income is from EU touring and we were preparing for its inevitable impact when the transition period ended in January 2021. This meant we could not benefit from Arts Council England's Emergency Funding or the Government's initial Cultural Recovery Fund (CRF1) as our levels of reserves were too high - the conditions for both of these support packages for arts and cultural organisations required organisations to first draw on any reserves before applying for support.

With the continued challenges of Covid, and those associated with working in the EU post Brexit, we welcomed the success of our application for the Government's Cultural Recovery Fund 2 (CRF2), for which we were eligible to apply. At the end of March 2021 we were awarded £257,144 in CRF2 support.

This support for April 2021 onwards will allow us to rebuild the team to increase capacity without which we could not respond to demand to rebuild. It also supports us in a climate which is much more uncertain than pre-pandemic. Our budgeting and forecasting are prudent in earnings expectations and the additional funds provided by CRF2 will help to mitigate additional risks. Venues are risk averse, with many proposing challenging financial deals as they negotiate their own reopening and rebuilding. We must also respond to the ongoing risk from Covid (staff absence, cancellations).

Throughout the pandemic we have used social media to generate donations from individual donors and revised our fundraising strategy, placing priority on core funding to rebuild capacity.

**Reaching people through digital activity during the pandemic**

During lockdown we shared, completely free of charge, online films of our full Earth Trilogy (3 full length theatre productions), three of our short duets and the film of our outdoor production WILD which was shared as part of two regional free digital festivals in the West Midlands. The feedback from our audiences was very moving: people

**REPORT OF THE TRUSTEES (Continued)**  
**year ended 31 March 2021**

told us that experiencing our work online had helped lift their spirits and given them a moment of joy during this challenging period for us all. We also made a short video to help give our audiences and our colleagues in the sector optimism, letting them know that ‘Whatever it takes, we’re going to come back dancing’.

Before our dancers left to go on furlough, they recorded a series of free online classes for a range of ages – from tiny tots to the over 60s, which were viewed nearly 17,000 times during the various lockdowns.

In March 2021 as part of our efforts to continue offering our audiences engaging content despite not being able to perform live, we organised a series of digital ‘drop ins’ to rehearsals via the video conferencing app, Zoom. We had fantastic feedback from the people who attended, and the format also enabled people who are not local or with reduced mobility to be present. The success of the digital format reinforced our aim to build the digital access aspects of our work. To this end, we included support to purchase for live streaming equipment and training in our CRF2 application and intend to continue to share our rehearsal process online in the future regardless of Covid restrictions. We are also planning on ‘going live’ more often from rehearsals on social media as another means of offering our audiences engaging online content.

**Plans for the future – our determination to rebuild**

In late 2020 and early 2021 Government guidelines allowed professional performers to work together in ‘bubbles’ with stringent Covid protocols in place. This allowed our dancer team to come back into the studio with our Artistic Director and Rehearsal Director to finish creating Nobody, which had been put on hold since March 2020. The period was extremely productive, and by the end of March 2021, Nobody had been significantly worked on, and the content informed by the experience of Lockdown. We are very much looking forward to sharing it with our audiences when the show finally goes on tour in September 2021, premiering at Sadler’s Wells’ The Peacock Theatre in London. We are proud to have retained virtually all our original venues for the tour despite the endless movement of dates. We are now selling tickets at venues up and down the country and in Europe. This is a testament to the popularity of our work with audiences and our venue partners’ confidence in its quality and ability to attract audiences.

As noted above, we are receiving enquiries and bookings for our outdoor productions for summer 2021. The number of bookings is by no means on par with our usual summer activity but is in line with our cautious forecasts. We are finally able to offer the final performances of the Motionhouse Goes Wild! project, which offers subsidised performances in areas of low engagement with the arts, the final year of which is supported by a multi-year grant from The Garfield Weston Foundation, who kindly granted an extension to the project in 2020, due to all performances being cancelled.

Our expertise in creating large-scale spectacle has enabled us to secure an important commission for March 2022 as part of the cultural programme of the Birmingham 2022 Commonwealth Games and we were engaged to perform in the ‘homecoming’ event at Wembley Stadium to celebrate Team GB athletes returning from the Tokyo Olympics in August 2021.

Following the success of our initial residency at Bluestone Wales in early 2020, and the subsequent cancellation of 2 other residencies due to the pandemic, we are in discussions to return to the resort in 2022.

Thanks to our CRF2 Funding, we have ambitious plans to increase our digital output to engage with our audiences. We have recently invested in live streaming equipment and training and have undertaken our first ever live stream of rehearsals. We are now planning for this to become a regular feature of our work, and are also in the process of creating 3 short documentary films about Nobody and the company to share online in the coming months.

**REPORT OF THE TRUSTEES (Continued)**  
**year ended 31 March 2021**

**Financial review**

In March 2020 the Covid pandemic resulted in the closure of all of our artistic performance and community activity and from 1<sup>st</sup> April 2020 until 31<sup>st</sup> December 2020 all of the performers and most of the office staff were placed on furlough. From 1<sup>st</sup> January 2021 the performers returned to work to complete Nobody and office staff moved to flexible furlough.

During this period the people remaining at work were the Executive Director, the Artistic Director, Head of Finance, Programme Manager and the Communications & Development Director. This was not only to manage the company but also to maintain contact with venues/producers to retain their interest and rebook performances that had to be cancelled, further develop contact through social media with the Motionhouse audience to at least maintain interest in the company, and to manage the cashflow of the company.

The Motionhouse business model relies on earned income from artistic activities to generate funds which, combined with the ACE NPO and other grants fund Motionhouse activities. With the first lockdown earned income with the exception of some cancellation fees came to a halt in 2020-21.

The uncertainty in the early days prior to and during the first lockdown led to the Executive Director and Head of Finance modelling financial forecasts assuming several scenarios. It was quickly recognised that unless costs were reduced significantly, or alternative income sources found, then the reserves would be seriously reduced. Initially there was a great deal of uncertainty about the level of support likely from the UK government and other sources, as the scope of schemes such as the Job Retention Scheme became clear it became possible to more accurately assess the effects of the pandemic on Motionhouse finances.

Motionhouse was in the fortunate position of having a relatively high level of reserves following two very successful trading years.

Actions taken were :

**Staffing & Restructure**

Costs were reduced by placing all but five staff on furlough at 80% of normal pay from the 1<sup>st</sup> April 2020. They remained on furlough until 31<sup>st</sup> December 2020, with a few exceptions for a few days of particular work. There were four dancers on short term contracts ending in September 2020 that were not renewed. The replacement of a performer who had retired was delayed, the Creative Learning Producer post was left vacant, and the company was restructured to reflect the reduced income. Unfortunately this involved the redundancy of two office staff on 30<sup>th</sup> September 2020. The planned salary increase from 1<sup>st</sup> April 2020 was postponed.

**Financial Support**

The staff on furlough were eligible for the Government's Coronavirus Job Retention Scheme. Claims were submitted after the monthly payroll was paid and this funded the majority of salaries for these staff while on furlough.

Warwick District Council Business Interruption, Business Rates support, National/Local Restrictions and the Restart Grant Schemes were successfully applied for.

Grantors that had donated funds that had not been committed were approached for advice on whether these funds could be freed from restriction.

**REPORT OF THE TRUSTEES (Continued)**  
**year ended 31 March 2021**

At the start of the year we were at the high point of our planned 4-year reserves cycle, meaning that we had reserves that we could draw on to get through 2020/21. This meant that we were unsuccessful in our application for Arts Council Emergency Funding for the period April to September 2020 and ineligible for CRF1 under the terms of that scheme. We were eligible for and did apply for CRF2 and were successful, this is funding the rebuilding of the team and a return to a more normal level of activity for later in 2021/22 and beyond.

Earned income

Theatre performances - contact with venues on the tour of our new show was maintained through the year and venues have opted to rebook performances of Nobody at a later date than originally planned.

Outdoor performances – all of our outdoor touring bookings in summer 2020 were lost. We maintained contact with our festival partners with a view to rebooking some of the cancelled performances and restarted active selling in early October 2020.

Education & Community – contact with participants has been maintained throughout lockdown, with a series of free classes offered online (recorded by our dancers before they went on furlough). After planning for classes that meet guidelines in terms of distancing and hygiene, a restart is planned for early 2021. Demand for restarting classes has been good provided we can operate in a manner that is safe for teachers and participants.

Expenditure reduction

In addition to the staffing measures outlined above, costs were reduced by negotiating rent free periods for the Town Hall rehearsal premises, closing the office saving heating, cleaning, and general running costs, reducing the hours of normally regular contractors, and the cessation of normal artistic activities such as travel to venues, and consumables.

Governance

Good governance is a key part of how we operate. Oversight by the Trustees has been increased since the start of the Covid pandemic and all meetings took place via online video conferencing with additional meetings called monthly from March 2020 onwards. This ensured the input and oversight of the Trustees at all stages during this crisis. Monthly financial reporting continued, with the emphasis on forecasting and strategic planning. Additionally, contact was maintained between management and staff on furlough for mutual support.

Artistic Activity

The dancers returned to work from 1<sup>st</sup> January 2021 to continue with the creation and rehearsal of our new theatre production of Nobody. Prior to this return to work the development of detailed risk assessments and protocols for a safe return to work for performers for rehearsals and for office staff was undertaken.

The dance studio in Spencer Yard was closed for much of the year, it is now available for hire again with the necessary Covid protocols in place.

Other Financials

The move to home working drove the move of our accounting software from office based to cloud based. Quickbooks desktop was updated to QuickBooks online and the IRIS payroll was replaced by QuickBooks on line. This enabled the accounts and payroll to be run from outside the office and also reduced software licence costs.

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## MOTIONHOUSE

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### REPORT OF THE TRUSTEES (Continued) year ended 31 March 2021

#### 2021-22 and beyond

The CRF2 grant received has enabled Motionhouse to recruit additional dancers and to fill vacancies in its Marketing and Administration teams.

The additional dancers give much greater flexibility and depth and enable an increase in performances and backfill if something (e.g. covid infection) prevents another dancer from performing.

Whilst performances being negotiated could total £194,000, the budget for 2021-22 includes a prudent earned income figure of £115,000, to take into account the ongoing risk of cancellations due to Covid. The budget for the full year ends with a deficit of £27.7k, this would be funded from reserves.

#### Financial Performance

Financial performance was monitored regularly by both the management team and the Trustees. Financial forecasts were presented to the Trustees for review and approval.

Motionhouse's financial objective is to ensure financial stability and continued solvency year on year so that we can maintain our artistic aims and objectives. For the financial year ending 31 March 2021 Motionhouse recorded an overall deficit of £29,020.

The new financial year (2021/22) begins with a reserves balance of £566,159; comprising £182,343 unrestricted general reserves, £350,000 designated reserves, and £33,816 restricted reserves. The majority of the restricted funds are the ACE Small Capital Grant and they will reduce to zero in 2021/22 through depreciation. Restricted funds are held in accordance with the terms and conditions under which they were received. Where funding is received from particular sources to cover specific development work, those funds are reflected as income in the year in which they are received, and they are held as restricted reserves. The designated funds are for EU touring risk mitigation, the creation of new work and any requirements for Covid recovery post 2021/22.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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) (effective 1 January 2019).

In normal times Motionhouse's touring and educational work is funded by Arts Council England, grants from charitable trusts, donations, through Local Authority Service Agreements, by commissioning new touring productions, and through collaborations and fees from the performances to venues.

Motionhouse is supported by Arts Council England, core funding of £477,432 was received during 2020/21.

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## MOTIONHOUSE

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### REPORT OF THE TRUSTEES (Continued) year ended 31 March 2021

**Grants** - Fundraising remains a key focus and is proving to be difficult and increasingly competitive going forwards in light of the Covid pandemic. However the fundraising work we undertook in previous years had secured a number of grants and commissions received in 2020/21 (see Note 13) from:

Gulbenkian Theatre  
MAC - Midlands Arts Centre  
The Leche Trust  
Alan Edward Higgs  
Arts Connect  
Without Walls  
Garfield Weston Foundation

Grants received but deferred to 2021/22 in line with accounting requirements (see Note 11) were received from:

Birmingham 2022 Commonwealth Games Ltd  
Kenneth Hargreaves Charitable Trust  
Battens Charitable Trust

Donations are also received through membership of the annual giving scheme and from other individual donations. Individual donations were the subject of several campaigns during the year and increased the number of regular donors to Motionhouse.

Motionhouse again received a Key Client Strategic Contribution Award from Warwick District Council towards the delivery of its objects as an organisation.

#### **Reserves Policy**

The charitable company needs reserves to provide funds to:

- continue to meet strategic objectives if there is any major shortfall in income;
- give a breathing space should the company lose a major source of funds;
- continue to run the business if there are any unexpected expenses; and
- cover the costs associated with winding up should such an eventuality arise.

The Covid pandemic has severely disrupted the 4 year cycle that is the basis of our reserves policy (described below). The policy is unchanged in principle but had to be adapted in 2020/21 to maintain Motionhouse, and will be affected in 2021/22 and 2022/23 to focus on recovery from the pandemic.

The policy –

The amount of money required in reserve depends on the stage of the performance 'life cycle'. The company plans and budgets on a four-year cycle embracing the life cycle of researching, creating, producing and touring of performance work. The level of free reserves needed (being those unrestricted funds not required to fund fixed assets such as vehicles or technical equipment) fluctuates both between years and within years, based on activity.

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## MOTIONHOUSE

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### REPORT OF THE TRUSTEES (Continued) year ended 31 March 2021

The company policy is to achieve a level of reserves that would cover all liabilities, including the potential costs of winding up the company if circumstances required, and the Trustees believe that an adequate level of free reserves is between £100,000 to £170,000 depending on the stage in the 'life cycle', and the level and nature of activity.

The Head of Finance reports reserve levels to the Trustees each quarter as part of the review of the management accounts.

The company's investment policy is to invest surplus cash balances to maximise interest whilst not exposing the company to risk and taking into account future cash needs.

The reserves at the start of the year were £595,179 and during the year due to the actions outlined in the Financial Review section, and the support received from government and local authority, Motionhouse recorded a deficit of £29,020, funded from reserves. This was a material improvement to the initial forecast at the start of the year and will enable Motionhouse to rebuild as conditions allow.

The Trustees have considered the worst-case possibility of closure, reviewed its reserves policy accordingly and consider that the maximum cash reserve to meet current closure costs is up to £170,000. This comprises Statutory Redundancy costs, photocopier lease, the Houseworks contract, and premises rental.

The reserves at year end totalled £566,159.

#### **Covid Pandemic & Going Concern**

Motionhouse believes it can fulfil its financial obligations and settle its contractual liabilities as they fall due over the next 12 months from the balance sheet signing date. This follows a management and Trustee review of the forecast income and expenditure levels over the next 12 months and a review of the forecast net cashflow position.

The lockdowns and restrictions placed on venues resulted in the cessation of all earned income activities in 2020/21. Sufficient staff remained working, primarily at home, to manage Motionhouse. The Motionhouse business model relies on earned income from artistic activities to generate funds which, combined with the ACE NPO and other grants fund Motionhouse activities.

Whilst negatively impacted by the Covid pandemic and with significant challenges remaining, thanks to the measures we have taken and the work undertaken with the Trustees during the difficult period since the pandemic hit in 2020, the Trustees are fully satisfied that the company remains a going concern.

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## MOTIONHOUSE

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### REPORT OF THE TRUSTEES (Continued) year ended 31 March 2021

#### Reference and Administration information

Charity Name	Motionhouse
Charity Registration Number	328693
Company Registration Number	02515820
Registered Office	Spencer Yard Leamington Spa Warwickshire CV31 3SY

#### Board of Trustees

The following individuals served as Trustees during the year:

Simon Wales (Chair)  
Caroline Davis (Resigned 7<sup>th</sup> August 2020)  
Sarah Gee FRSA, MIoD  
Naveen Gupta <sup>1</sup>  
Christopher Lillington (resigned 25<sup>th</sup> July 2021)  
Rachael Magson (resigned 29<sup>th</sup> July 2021)  
Rakhi Rajani  
Toby Smith  
Josie Stevens  
Zaylie-Dawn Wilson (appointed 19<sup>th</sup> January 2021)

<sup>1</sup> Chair of the Finance & Governance Committee

#### Company Secretary

Andrew Johnson CGMA, ACMA

#### Executive Team

The services of the Executive Director, Louise Richards FRSA and Artistic Director, Kevin Finnan MBE are contracted through Houseworks Arts Limited.

The Trustees consider the senior management team to comprise the Communications & Development Director, the Head of Finance and the Programme Producer. The pay of the senior management team is set with reference to benchmarking using comparable roles in organisations similar to Motionhouse. The contract with Houseworks Arts Limited (as detailed at note 18) is negotiated in line with the Arts Council Funding Agreement.

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**MOTIONHOUSE**

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**REPORT OF THE TRUSTEES (Continued)  
year ended 31 March 2021**

The staff team as of 31<sup>st</sup> March 2021 comprised:

Performers:	Berta Contijoch Beth Pattison Christopher Knight Daniel Massarella Joel Pradas Reguil Shannon Kate Platt Oliver Bell
Rehearsal Director:	Junior Cunningham
Lead Artist Education:	Aaron Watkinson
Administration – Programmes:	Amy Belfield (left June 2021)
Administration – Marketing:	Jane Bailey Floriane Perichon (left April 2021) Laura Sewell
Administration – Finance:	Andrew Johnson

**Auditors**

Cooper Parry Group Limited  
Park View  
One Central Boulevard  
Blythe Valley Business Park  
Solihull B90 8BG

**Bankers**

HSBC Plc  
126, The Parade  
Leamington Spa CV32 4BS

**REPORT OF THE TRUSTEES (Continued)**  
**year ended 31 March 2021**

**Constitution and general objects**

The charity was formed on 26<sup>th</sup> June 1990 as a company limited by guarantee and a registered charity. The company is governed by its articles of association that were updated and adopted on 8 October 2018.

The Objects of the Charity are for the public benefit to advance education in the dramatic and visual arts, in particular (but not exclusively), dance and similar choreographic arts, drama, mime, singing and music by their production, performance, choreography and training.

**The Organisation**

Underpinning the artistic work is a continuing commitment to excellent management at all levels. The company has a strong and experienced Board of Trustees and a dedicated and expert staff team. Through both full Trustee meetings and the Finance and Governance Committee, the Trustees actively engage in Motionhouse's development and activities at all levels. Developing new markets is a pillar of our financial and artistic planning so new performance and touring models continue to be explored.

**Recruitment and Appointment to the Board of Trustees**

Trustees are recruited and appointed on the basis of their expertise and experience, their professional and community background and other relevant experiences and skills. The Board as a whole seeks to reflect the diversity of the West Midlands and further afield.

Trustees are appointed for a period of 3 years. They are eligible for re-election subject to the conditions in the Articles of Association paragraphs 3.7, 3.8 & 3.10.

There is a Finance and Governance Committee, with a separate Trustee Chair to the main Board, which meets separately to the main Board and draws upon the experience and skills of appropriate Trustees as required.

**Trustee Induction and Training**

There is an induction programme for new Trustees. They meet with the Chair and Executive Director for an introduction to the company, observe a Trustee meeting prior to appointment, meet with the dancers for question and answer sessions, and they attend performances of indoor and outdoor productions. New Trustees also review recent accounts and Board papers with the management team.

**Risk Management**

The Trustees are responsible for the company-wide risk management. With the assistance of the management team the Trustees monitor the major risks to which Motionhouse is, or may be, exposed. Any current matters are brought to the notice of the Trustees at their quarterly meetings, unless the risk is deemed of such importance that all trustees should be alerted by electronic means in a timelier manner. During the year the company has actively reviewed the safeguarding policies and compliance with GDPR is reported on at Board meetings. During the course of this financial year, the risk register has also been refreshed and updated.

The most significant risks facing the organisation and the risk management strategy pertaining to them are detailed in the table below:

**REPORT OF THE TRUSTEES (Continued)**  
**year ended 31 March 2021**

<b>Nature of risk</b>	<b>Category</b>	<b>Risk management strategy</b>
Impact of new relationship with EU on partnerships and markets	External	Staying informed, seeking to understand likely costs, tariffs and regulations, building contingencies, looking at pricing and talking to EU partners
Covid disruption to delivery of programme through performer illness	Operational	Dancer bubble in place as well as robust Covid mitigation procedures across organisation
Ongoing disruption of Covid on income generation through impact on tour venues	External/Financial	Ongoing dialogue with all venues and partners; prudent budgeting, prudent income forecasts. This is in constant review
Covid impact on delivery of financial and business plans, and future resilience	Financial	Investment in capacity in order to cover risk of dancer loss and field alternative performance if this causes repertoire loss.
Absence or illness of key leadership team member and impact on delivery of a changing business plan	Operational	Investment in staff to support required structure to deliver activity programme. The role of Rehearsal Director supports delivery in the unexpected short-term absence of the Artistic Director

**Statement of Trustees' Responsibilities**

The Trustees (who are also directors of Motionhouse for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

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

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**MOTIONHOUSE**

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**REPORT OF THE TRUSTEES (Continued)**  
**year ended 31 March 2021**

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

This report was approved by the Trustees on 1<sup>st</sup> November 2021 and signed on its behalf by:



**Simon Wales**  
**Chair**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MOTIONHOUSE**

**Year ended 31 March 2021**

**Opinion**

We have audited the financial statements of Motionhouse (the 'charitable company') for the year ended 31 March 2021 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 group and parent charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

**Other information**

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

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

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MOTIONHOUSE**

**Year ended 31 March 2021**

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

In the light of the knowledge and understanding of the charity 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
- 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 Report of the Trustees and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below:

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to charitable company and how the charitable company are complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MOTIONHOUSE  
Year ended 31 March 2021**

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

- obtaining an understanding of the charitable company's control environment and how the charitable company have applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

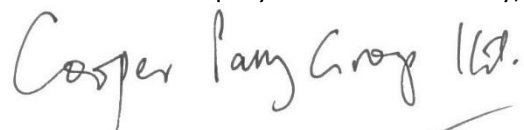
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of noncompliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](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.

  
**Glen Bott FCA**  
Senior Statutory Auditor  
For and on behalf of:

Cooper Parry Group Limited  
Chartered Accountants  
Statutory Auditor  
One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

Date: 11 November 2021

**MOTIONHOUSE**

**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating an income and expenditure account)  
for the year ended 31 March 2021

<b>Income</b>	<b>Note</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2021 Total funds £</b>	<b>2020 Total funds £</b>
Grants	2	751,389	-	751,389	476,306
Donations	2	12,130	6,557	18,687	44,282
Charitable activities	3	64,651	50,000	114,651	831,759
Investments		1,805	-	1,805	648
Other – theatre tax relief		34,263	-	34,263	58
<b>Total income</b>		<u>864,238</u>	<u>56,557</u>	<u>920,795</u>	<u>1,353,053</u>
<b>Expenditure</b>					
Charitable activities	4	766,988	182,827	949,815	1,280,649
<b>Total expenditure</b>		<u>766,988</u>	<u>182,827</u>	<u>949,815</u>	<u>1,280,649</u>
<b>Net surplus/(deficit) for the year</b>		97,250	(126,270)	(29,020)	72,404
<b>Reconciliation of funds</b>					
Fund balances at 1 April 2020	13	435,093	160,086	595,179	522,775
<b>Fund balances at 31 March 2021</b>	13	<u>532,343</u>	<u>33,816</u>	<u>566,159</u>	<u>595,179</u>

All income and expenditure derive from continuing activities.

All gains and losses recognised in the year are included above.

The notes on pages 22 to 33 form part of these financial statements.

**MOTIONHOUSE**

**BALANCE SHEET**  
**Company Number: 02515820**  
**as at 31 March 2021**

	Note	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		21,980		145,343
<b>Current assets</b>					
Stock		1,380		1,733	
Debtors	9	42,646		18,653	
Cash at bank and in hand		<u>592,042</u>		<u>520,145</u>	
		636,068		540,531	
Creditors: amounts falling due in one year	10	<u>(91,889)</u>		<u>(90,695)</u>	
<b>Net current assets</b>			544,179		449,836
<b>Total assets less current liabilities</b>			<u>566,159</u>		<u>595,179</u>
<b>Funds</b>					
<b>Restricted</b>	13		33,816		160,086
<b>Unrestricted</b>	13				
Designated			350,000		300,000
General			182,343		135,093
			<u>566,159</u>		<u>595,179</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

These financial statements were approved by the Trustees on 1 November 2021 and signed on its behalf by:




**Simon Wales**  
Chair

**Naveen Gupta**  
Trustee

The notes on pages 22 to 33 form part of these financial statements.

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**MOTIONHOUSE**

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**STATEMENT OF CASHFLOWS**  
**For the year ending 31 March 2021**

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Cash flow from operating activities</b>	19	66,894	292,443
		<hr/>	<hr/>
<b>Cash flow from investing activities</b>			
Interest received		1,805	648
Purchase of fixed assets		-	(1,260)
Disposal of fixed assets		3,198	-
		<hr/>	<hr/>
<b>Net cash flow from investing activities</b>		5,003	(612)
		<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>		71,897	291,831
<b>Cash and cash equivalents at start of period</b>		520,145	228,314
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of period</b>		592,042	520,145
		<hr/> <hr/>	<hr/> <hr/>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		592,042	520,145
		<hr/> <hr/>	<hr/> <hr/>

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## MOTIONHOUSE

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### NOTES TO THE FINANCIAL STATEMENTS year ended 31 March 2021

#### 1.1 Summary of significant accounting policies

Motionhouse is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 16 of these financial statements.

The Objects of the Charity are for the public benefit to advance education in the dramatic and visual arts, in particular (but not exclusively), dance and similar choreographic arts, drama, mime, singing and music by their production, performance, choreography and training.

The charity constitutes a public benefit entity as defined by FRS 102. 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### 1.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

The charity receives government grants in respect of Arts Council England funding. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

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## MOTIONHOUSE

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### NOTES TO THE FINANCIAL STATEMENTS year ended 31 March 2021

#### 1.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees and costs linked to the strategic management of the charitable company.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	- 33% straight line
Computers	- 33% straight line
Motor vehicles	- 25% reducing balance
Leasehold improvements	- over the remaining term of the lease

Items costing less than £1,000 are not capitalised but are written off to revenue on purchase.

Tangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

#### 1.5 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### 1.6 Taxation

Motionhouse meets the definition of charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

The charitable company is able to claim a refundable corporation tax credit under the HMRC Theatre Tax Relief Scheme. Theatre tax relief of £34,263 (2019/20: £68) has been included in these accounts.

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## MOTIONHOUSE

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### NOTES TO THE FINANCIAL STATEMENTS year ended 31 March 2021

#### 1.7 VAT

The company is registered for VAT and costs are therefore shown exclusive of VAT.

#### 1.8 Going concern

At the time of signing the accounts, the Trustees have considered the continuing effect of the Coronavirus on the going concern position and consider that this does indicate that the charity will continue to operate for a period of at least 12 months from the date of signing these accounts due to Government support been utilised, where it is appropriate to do so, and the Furlough scheme has been used for as long as possible.

The charity has sufficient reserves to absorb short-term in-period deficits.

The financial forecasts prepared by the executive team show that the charity will be able to operate within the facilities available to it.

On that basis the Trustees have prepared these financial statements on a going concern basis.

#### 1.9 Funds

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

Designated funds are unrestricted funds that have been allocated to a particular purpose/project.

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

#### 1.10 Foreign Currencies

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

#### 1.11 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

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**MOTIONHOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended 31 March 2021**

**1.12 Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**2 Income from grants and donations**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Grants</b>		
Arts Council England – Grant in Aid - Revenue	477,432	468,806
Arts Council England – Small Capital Grant	-	5,000
Warwick District Council – Key Client Strategic Contribution	2,500	2,500
UK Government – Coronavirus Job Retention Scheme	227,632	-
Warwick District Council - local business support schemes	43,825	-
	<hr/>	<hr/>
	751,389	476,306
	<hr/>	<hr/>
<b>Donations</b>		
Trusts and Foundations	6,557	35,400
Individual donations including gift-aid	12,130	8,882
	<hr/>	<hr/>
	18,687	44,282
	<hr/>	<hr/>
<b>Total grants and donations</b>	<b>770,076</b>	<b>520,588</b>
	<hr/> <hr/>	<hr/> <hr/>

£6,557 (2019/20: £37,900) of the above income was attributable to restricted funds (further detailed is given in note 13).

£763,519 (2019/20: £480,188) of the above income was attributable to unrestricted funds.

**MOTIONHOUSE**

**NOTES TO THE FINANCIAL STATEMENTS**  
year ended 31 March 2021

<b>3</b>	<b>Income from charitable activities</b>	<b>2021</b>	<b>2020</b>
		£	£
	Merchandise sales	1,220	3,907
	Performance, Education and Community Activity	63,431	696,158
	Co-commissioning	50,000	131,694
		<u>114,651</u>	<u>831,759</u>

£50,000 (2019/20: £131,694) of the above income was attributable to restricted funds.

£64,651 (2019/20: £700,065) of the above income was attributable to unrestricted funds.

<b>4</b>	<b>Expenditure</b>			<b>2021</b>	<b>2020</b>
	<b>Performance programme</b>	<b>Education &amp; community</b>	<b>Development</b>	<b>£</b>	<b>£</b>
	£	£	£		
	Staffing costs	330,296	82,575	-	412,871
	Management and Direction	73,500	21,000	10,500	105,000
	Technical support	36,958	-	-	36,958
	Production costs	95,949	-	-	95,949
	Tour travel and subsistence	9,366	492	-	9,858
	Marketing/PR	2,299	120	-	2,419
	Premises costs	36,337	4,037	-	40,374
	Relocation to Town Hall	75,272	8,364	-	83,636
	Depreciation	122,131	1,234	-	123,365
	Office and other costs	31,575	3,510	-	35,085
		<u>813,683</u>	<u>121,332</u>	<u>10,500</u>	<u>945,515</u>
					<u>1,275,712</u>

**Governance Costs**

Governance costs (meeting expenses)	-	387
Audit fee	3,500	3,775
Accountancy support – Tax	800	775
	<u>949,815</u>	<u>1,280,649</u>

£182,827 (2019/20: £299,606) of the above costs were attributable to restricted funds (further detail is given in note 13).

£766,988 (2019/20: £981,643) of the above costs were attributable to unrestricted.

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**MOTIONHOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended 31 March 2021**

<b>5 Staff numbers and costs</b>	<b>2021 No.</b>	<b>2020 No.</b>
The full-time equivalent average number of employees (including contract, casual and part time staff) during the year was as follows:		
Administration	6.2	7.3
Performers	11.0	14.8
	17.2	22.7
	2021	2020
	£	£
<b>Staff costs</b>		
Wages and salaries (includes redundancy costs of £845)	378,551	512,565
Social security costs	26,663	30,929
Pension costs	7,657	9,831
	412,871	553,325
	412,871	553,325

No employee received emoluments of £60,000 or more during the year (2019/20 – none).

The key management personnel employed by the charitable company comprise the Programme Producer, the Head of Finance and the Communication and Development Director. The total employee benefits of the employed key management personnel of the charitable company are £86,464 (2019/20: £84,814)

Note 18 provides details of payments made to the Artistic and Executive Directors.

<b>6 Net outgoing resources for the financial year</b>	<b>2021 £</b>	<b>2020 £</b>
Net outgoing resources for the financial year are stated after charging:		
Auditor's remuneration		
- audit services	3,500	3,776
- taxation services	800	775
Depreciation	123,363	131,675
Exchange loss of year end foreign cash holding	11	-
	127,674	136,226
	127,674	136,226

**7 Trustees' emoluments**

The Trustees did not receive any remuneration in the year to 31 March 2021 or the previous year. No expenses were reimbursed to Trustees in the year (2019-20: £Nil).

**MOTIONHOUSE**

**NOTES TO THE FINANCIAL STATEMENTS**  
year ended 31 March 2021

**8 Tangible fixed assets**

	Leasehold improvements £	Equipment £	Computers £	Motor vehicles £	Total £
<b>Cost</b>					
1 April 2020	29,537	437,364	28,589	99,673	595,163
Additions	-	-	-	-	-
Disposals	-	(3,198)	-	-	(3,200)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2021	29,537	434,166	28,589	99,673	591,963
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
1 April 2020	29,537	298,029	27,809	94,445	449,820
Charge for the year	-	121,528	391	1,446	123,365
Eliminated on Disposal	-	(3,200)	-	-	(3,200)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2021	29,537	416,357	28,200	95,891	569,985
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>					
At 31 March 2021	-	17,809	389	3,782	21,980
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	-	139,335	780	5,228	145,343
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**9 Debtors**

	2021 £	2020 £
Trade debtors	34,320	11,422
Prepayments	4,228	3,431
Accrued income	4,098	3,800
	<hr/>	<hr/>
	42,646	18,653
	<hr/>	<hr/>

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**MOTIONHOUSE**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended 31 March 2021**

<b>10</b>	<b>Creditors: Amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade creditors	33,237	49,432
	Other taxation and social security	9,594	21,206
	Accruals	19,908	13,850
	Deferred income – (note 11)	29,000	6,057
	Other creditors	150	150
		<hr/>	<hr/>
		91,889	90,695
		<hr/> <hr/>	<hr/> <hr/>

<b>11</b>	<b>Deferred income</b>	<b>£</b>
	Balance at 1 April 2020	6,057
	Amount released to incoming resources	(6,057)
	Amount deferred in the year	29,000
		<hr/>
	Balance at 31 March 2021	29,000
		<hr/> <hr/>

Deferred Income relates to grant income received in advance from Birmingham 2022 Commonwealth Games Ltd, Kenneth Hargreaves Charitable Trust and Battens Charitable Trust.

**12**    **Transactions involving Trustees**

There are no related party transactions other than those disclosed in note 18.

**MOTIONHOUSE**

**NOTES TO THE FINANCIAL STATEMENTS**  
year ended 31 March 2021

13 Funds	At 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2021 £
<b>Restricted funds</b>					
<b>Capital Grants</b>					
ACE Small Capital Grant	149,286	-	(121,527)	-	27,759
<b>Income Grants/Commissions</b>					
<b>/Donations</b>					
Gulbenkian Theatre	-	35,000	(35,000)	-	-
The Leche Trust	-	2,500	-	-	2,500
Alan Edward Higgs	-	3,057	-	-	3,057
Arts Connect	-	500	(500)	-	-
Without Walls	-	500	-	-	500
Garfield Weston Foundation	10,000	-	(10,000)	-	-
MAC - Midlands Arts Centre	-	15,000	(15,000)	-	-
Without Walls – Access	800	-	(800)	-	-
	<u>160,086</u>	<u>56,557</u>	<u>(182,827)</u>	<u>-</u>	<u>33,816</u>
<b>Unrestricted funds</b>					
General	135,093	864,238	(766,988)	(50,000)	182,343
Designated	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>350,000</u>
<b>Total unrestricted funds</b>	<u>335,093</u>	<u>864,238</u>	<u>(766,988)</u>	<u>-</u>	<u>532,343</u>
<b>Total funds</b>	<u>595,179</u>	<u>920,795</u>	<u>(949,815)</u>	<u>-</u>	<u>566,159</u>

**Restricted funds represent:**

The following restricted funds have been used for our Community programmes – Arts Connect & Without Walls.

The restricted funds received from Gulbenkian Theatre & MAC – Midlands Arts Centre have been used for the development of Nobody.

The restricted funds received from Gulbenkian Theatre have been used for the build and touring of our new outdoor production WILD.

The restricted funds received from Garfield Weston Foundation have been used to support a strategic touring project which includes performances of WILD in areas of low arts engagement.

**Unrestricted funds represent:**

General - general unrestricted funds to be used at the discretion of the Trustees

Designated – these funds are for EU touring risk mitigation, the creation of new work and for Covid recovery post 2021/22.

**MOTIONHOUSE**

**NOTES TO THE FINANCIAL STATEMENTS**  
year ended 31 March 2021

**13 Funds (continued)**

Funds – Prior year	At 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2020 £
<b>Restricted funds</b>					
<b>Capital Grants</b>					
ACE Small Capital Grant	267,071	5,000	(122,785)	-	149,286
Grants for the Arts Funding	847	-	(847)	-	-
Regenesis Capital Grant	2,179	-	(2,179)	-	-
<b>Income Grants/Commissions</b>					
<b>/Donations</b>					
Gulbenkian Theatre	-	60,000	(60,000)	-	-
Dance Hub and Arts Connect	-	21,500	(21,500)	-	-
Foyle Foundation	-	20,000	(20,000)	-	-
Without Walls	-	15,495	(15,495)	-	-
Freedom Festival Hull	-	6,000	(6,000)	-	-
Garfield Weston Foundation	20,000	-	(10,000)	-	10,000
City of London Corporation	-	10,000	(10,000)	-	-
Birmingham Hippodrome	-	10,000	(10,000)	-	-
The Saintbury Trust	-	2,500	(2,500)	-	-
29 May 1961 Trust	-	4,000	(4,000)	-	-
Warwickshire County Council	-	3,000	(3,000)	-	-
MAC – Midlands Arts Centre	-	3,000	(3,000)	-	-
Seachange Arts	-	2,500	(2,500)	-	-
Hatfair Winchester	-	3,200	(3,200)	-	-
Warwick District Council	-	2,000	(2,000)	-	-
Without Walls - Access	-	800	-	-	800
Baron Davenport's Charity	-	600	(600)	-	-
	<u>290,097</u>	<u>169,595</u>	<u>(299,606)</u>	<u>-</u>	<u>160,086</u>
<b>Unrestricted funds</b>					
General	82,678	1,183,211	(980,413)	(150,383)	135,093
Designated – Covid fund	-	-	-	300,000	300,000
Designated – creation fund	100,000	-	-	(100,000)	-
Designated – continuity fund	50,000	247	(630)	(49,617)	-
	<u>552,775</u>	<u>1,353,053</u>	<u>(1,280,649)</u>	<u>-</u>	<u>595,179</u>

**MOTIONHOUSE**

**NOTES TO THE FINANCIAL STATEMENTS**  
year ended 31 March 2021

**14 Analysis of net assets between funds**

	Tangible fixed assets £	Net current assets £	Total £
<i>Unrestricted funds</i>	4,173	528,170	532,343
<i>Restricted funds</i>	17,807	16,009	33,816
	21,980	544,179	566,159
<b>Analysis of net assets between funds – prior year</b>			
	Tangible fixed assets £	Net current assets £	Total £
<i>Unrestricted funds</i>	6,008	429,085	435,093
<i>Restricted funds</i>	139,335	20,751	160,086
	145,343	449,836	595,179

**15 Financial commitments**

As at 31 March 2021 the charitable company had financial commitments in respect of Houseworks Arts Limited of £117,100 excl. VAT. (2019/20 : £117,100 excl. VAT).

**16 Capital commitments**

As at 31 March 2021 the charitable company had capital commitments of £nil (2019/20: £nil).

**17 Operating leases**

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

	Land and Buildings		Other	
	2021 £	2020 £	2021 £	2020 £
Expiry date:				
Not later than one year	32,565	-	560	2,369
Later than one and not later than five years	182,422	99,196	1,679	4,738
Later than five years	3,174	-	-	-
	188,161	99,196	2,239	7,107

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## MOTIONHOUSE

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### NOTES TO THE FINANCIAL STATEMENTS year ended 31 March 2021

#### 18 Related party transactions

The Trustees have considered the disclosure requirements of Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102) and of Financial Reporting Standard 102 and considers that the transactions requiring disclosure are as follows:

Kevin Finnan MBE and Louise Richards FRSA, Artistic and Executive Directors, are employees of Houseworks Arts Limited that charged fees for management and direction services as well as choreography fees and recharged expenses to Motionhouse under a contract for supply of services as follows:

	2021 £	2020 £
Management and Artistic	105,000	105,000
Choreography fee	10,000	10,000
Royalties	-	2,100
	<hr/>	<hr/>
	115,000	117,100
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Motionhouse performs at various venues with connections to certain Trustees. All payments made to Motionhouse for performances are at arms' length.

#### 19 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net(loss)/income for the year	(29,020)	72,404
Interest receivable	(1,805)	(648)
Gain on disposal	(3,198)	-
Depreciation of tangible fixed assets	123,365	131,675
Decrease in stock	353	2,054
(Increase)/decrease in debtors	(23,993)	105,756
Increase/(decrease) in creditors	1,194	(18,798)
	<hr/>	<hr/>
Net cashflow from operating activities	66,894	292,443
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