
MOTIONHOUSE

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Registered No: 02515820

Charity No: 328693

MOTIONHOUSE

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MOTIONHOUSE

REPORT OF THE TRUSTEES year ended 31 March 2022

CHAIR'S STATEMENT year ended 31 March 2022

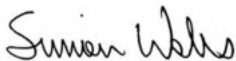
Despite the significant challenges of the year, there are many highlights to share in this report. Most importantly, Motionhouse has "bounced back" and responded to opportunities, thanks to strategic decisions taken, very careful budget management and planning, and the vital financial support of the Government's Cultural Recovery Fund 2. This enabled the company to invest in dancers and infrastructure in order to be able to perform indoor and outdoor repertoire at the earliest opportunity.

The eventual premiere of "Nobody" in September 2021 was an artistic highlight, and an emotional moment for everyone in the organisation, resulting in some of Motionhouse's strongest reviews ever received. The work continues to be seen around the country and internationally throughout 2022 and beyond.

Another stand-out moment of the year was Wondrous Stories, which launched the Birmingham 2022 Festival, the arts and culture festival of the 2022 Commonwealth Games. With its large community cast and Motionhouse at its core, this was a piece of work on a huge scale and enjoyed by 22,000 spectators over four nights, plus thousands more online viewings. For Motionhouse to create and deliver this work straight out of the Covid pandemic was a significant achievement, and testament to the operating model that ensures that these strands of artistic activity can all co-exist to benefit the broadest range of audiences.

Thank you to Arts Council England and Warwick District Council for their continued support, and to Birmingham Hippodrome where we are an Associate Company. Thank you also to the trusts and foundations and individuals who support us. We look forward to continuing to develop our new base in Leamington Spa Town Hall, which is now our creative space in the heart of our local community.

The Trustees would like to thank all of the dancers and management team for their incredible hard work and delivery during this very challenging year. It has not been easy to pick up all the pieces and recover from the disruption of Covid, but this report highlights our many achievements, and the exciting plans for the future.



Simon Wales
Chair

MOTIONHOUSE

REPORT OF THE TRUSTEES (Continued) year ended 31 March 2022

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 2022.

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 2022

Activity

Introduction

As Covid restrictions were lifted we seized all opportunities to rebuild our activity programme. We came out of lockdown into creation for a brand new touring show, Nobody, which opened in September 2021 and toured extensively for the rest of the year; we toured our outdoor work as soon as outdoor performances were allowed in Summer 2021; we gradually restarted our activities with children and young people; and were commissioned to create and perform a major large-scale outdoor production to open the Birmingham 2022 Festival, the cultural programme of the Birmingham 2022 Commonwealth Games, in March 2022.

After the devastation of the Covid pandemic in 2020-21, our strategy for 2021-22 was to be ready to perform as soon as performances were permitted again, and the sector reopened. Although there was still a lack of clarity from official guidance and a lack of confidence from our venue partners as to exactly when this would happen, barring any unexpected developments with the pandemic, there were indications that by summer 2021 we would be able to recommence our outdoor work (albeit with fewer bookings than usual), and that by the autumn, theatres would be open again.

During the months of closure, we did everything we could to reduce outgoings and increase income within the limited means available. We had made use of the furlough scheme and local authority grants, minimised all non essential operational costs, negotiated rent holidays, reduced our insurance premiums, reduced our office space, reviewed cash balances, utilised cash reserves as agreed by the Board, and launched several social media campaigns to increase donations. But with the lifting of restrictions now in sight, we needed to do everything we could to be ready once they were removed. We are an agile company and were determined to rebuild and led the way in resuming all aspects of activity as soon as this was possible. Even so we knew we would be operating in a challenging financial environment and the Board and management team worked hard to manage forecasts in a rapidly changing environment, venues were risk averse and there was a high possibility of cancellation due to Covid, so we were prudent in earnings expectations and planned the release of designated Covid recovery funds from our reserves as required. A successful application for Cultural Recovery Fund 2 (CRF2) meant we received £257,114 in early April 2021 to invest in the capacity needed to return to sustainable trading. With the help of that funding and prudent financial management 2021-22 resulted in a modest surplus and those designated funds have been retained to support the next stages of our rebuilding.

Between April 2021 and June 2021, we recruited four new dancers to replace fixed term contracted positions which had been terminated at the beginning of the pandemic, and re-recruited to five office roles, lost through a combination of organic departure and redundancy. Due to restrictions, we could not hold our usual open audition process to recruit new dancers, instead putting in place an invited workshop opportunity for young performers, led by our Rehearsal Director. We prioritised opportunities for ethnically diverse performers – one of the priorities identified by our newly formed Equality, Diversity and Inclusion group of staff and board members. Following the workshop process, we were able to offer ten-month contracts to four young dancers, three of whom were ethnically diverse.

CRF2 funding also allowed us to undertake a major overhaul of our sets, production equipment and costumes, invest in staff training and equipment (a 360-degree camera and two live stream cameras) to support our digital offer, deliver our first ever live stream broadcast open rehearsal, and to make three documentaries to help us re-engage with audiences after such a long break.

Crucially, the CRF2 support enabled us to work with our dancers to be ready to recommence activity, supporting them to rebuild their fitness levels after such a long break on furlough, and to complete the creation of Nobody

REPORT OF THE TRUSTEES (Continued)
year ended 31 March 2022

which we were also able to fully tech in our creation space in Leamington Town Hall. With this, we were ready to open and tour Nobody – a major milestone in our return to activity. We also created the excellent marketing collateral essential to re-engaging with audiences, producing production stills, marketing copy, an exciting and face-paced trailer.

Finally, we reopened our studio for our community classes and studio hires. Uptake in some classes, particularly our offering for adults, was slow at first but gradually built over the summer months, although we were operating with greatly restricted numbers. We put in place a full Covid protocol of ventilation, temperature and symptom checks, and increased cleaning of the studio.

Outdoor touring – our first performances after Covid

Our first performances for 16 months took place outdoors in Rugby, Warwickshire, where we performed our outdoor production WILD as part of Rugby School's Festival on the Close, attended by primary school children from across the town, followed by a public, socially distanced performance in the evening.

These performances began a severely reduced summer touring season, which was limited to the UK, with no international work viable due to quarantine restrictions. To maximise income, and to protect our bookings as much as possible from Covid, we operated two dancer 'bubbles'. This allowed us to accept double bookings on the same date - important in a year when the window for events had been reduced, starting much later than usual in July 2021, and opportunities to perform were limited. It also shielded us from cancellations due to potential Covid outbreaks in the team. This strategy paid off: when one team encountered several cases of Covid, we were able to field the other team with an alternative production, thus not



Children in Rugby watch a socially distanced performance of WILD – our first performance in 16 months. Socially distancing meant audiences were very limited at many events. Image Motionhouse

losing the booking. Using this strategy, we managed to perform at 18 events to 12,827 people, a vastly reduced number on a normal year, but a significant achievement in the post-lockdown climate. At the end of the summer season, only two bookings had been completely cancelled due to Covid.

In July 2021, alongside our outdoor work, we delivered a commission as part of the BBC1 Olympic Homecoming event for GB athletes arriving back from the Tokyo Olympics. Our dancers performed an excerpt of Nobody alongside pop artist Yungblud at the concert at Wembley Arena, watched by a live audience of 8,000 in the arena, and an estimated three million on television.

Nobody – our new theatre touring production

The long-awaited premiere of our new theatre production Nobody (originally planned and booked for August 2020) took place at Sadler's Wells' The Peacock Theatre on 21st September 2021, with an extremely enthusiastic and emotive audience response, and 4-star reviews in both The Guardian and The Times, as well as several very positive ones in the dance and theatre press. Fast-moving and highly physical, Nobody explores the tension between our inner lives and how we make sense of the world around us, inspired by our collective experiences of isolation during

REPORT OF THE TRUSTEES (Continued)
year ended 31 March 2022

lockdown. The production enabled us to further develop our dance-circus style, breaking new ground in our dancers' skills. During the five-performance run, the show achieved standing ovations at every performance and 59% of tickets sold – an impressive achievement given that this large venue had only reopened a couple of weeks before our visit. Nobody then went on tour through the autumn and spring months, the first leg ending with an incredible 80% capacity achieved, with two venues selling out and two more achieving 97% and 96%. Audience responses across all venues continued to be extremely positive, with standing ovations and excellent feedback.

"My mind is blown! There are not enough words to express how exceptional this was... check out the tour dates and catch it if you can! A masterpiece of creativity..."

"Phenomenal!!! Absolutely fantastic. Possibly the best dance I've ever seen." Audience members

Our first trip outside the UK since Covid to Baltoppen in Denmark in November 2021 initially sold out, so an additional performance was added, still achieving 75% of tickets sold across the run – another testament to the popularity and quality of the production. Our visit to Denmark was also the first time we toured outside the UK since the new Brexit regulations came into force in January 2021, requiring significantly more preparation, logistics and expenditure than our pre-Brexit European touring. We also took Nobody to Karlsruhe Germany in November for two sold-out performances.

The initial Nobody tour continued until June 2022 visiting 22 venues, with more booked for Autumn 2022 and beyond. In February 2022 we visited Birmingham Hippodrome where we are an Associate Company. This gave us our first opportunity to re-start our project work with young people (outside our community classes). Our Rehearsal



Nobody, which premiered at Sadler's Wells' The Peacock in September 2021. Image Dan Tucker



Nobody – taking our dance-circus skills to the next level. Image Dan Tucker



A moment from Nobody as part of a photoshoot for The Times ahead of the premiere of the show. Image Dan Tucker



Young people from the Birmingham Hippodrome HEN Network perform onstage before Nobody. Image Motionhouse

REPORT OF THE TRUSTEES (Continued)
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Director Junior Cunningham, worked with a group of young people from the Birmingham Hippodrome HEN Network, to create a Curtain Raiser piece to be performed onstage before Nobody.

Wondrous Stories – free performance in the public realm

In 2020 we were invited by Birmingham 2022 Festival, the arts and culture programme of the Birmingham 2022 Commonwealth Games, to submit a proposal to create a large-scale outdoor performance to open their six-month long festival in March 2022. We are one of the UK's 'go-to' companies for the creation of large-scale outdoor productions, with a considerable track record in this field, having created four events for EU capital of culture celebrations, opening the London 2012 Festival in the West Midlands and our Artistic Director being invited to be the Choreographer and Movement Director of the Opening Ceremony of the London 2012 Paralympic Games.

During 2021, following a successful proposal and R&D phase, we were awarded the commission. This was publicly announced in September 2021, with creation beginning in October 2021 following the premiere of Nobody. Wondrous Stories was inspired by our connection to stories and storytelling, and took place on Centenary Square, surrounded by buildings which celebrate stories - the Library of Birmingham, Birmingham Repertory Theatre, Symphony Hall and the Hall Of Memory.

The project, which saw aerial displays and mass group dances, was built on collaboration with a range of local artists, a young female-led production company OPUS, costume design students from Birmingham City University, choreographers Sonia Sabri and Jamaal Burkmar, and poets Raza Hussein and Sebbie Mudhai. Our dancers were joined by an integrated community cast of 250 disabled and non-disabled dancers from the Critical Mass project, Freewheelin' integrated dance group and Choir With No Name, whose members are homeless or who have experienced homelessness or other challenges. The opportunity to be part of such a momentous event was life-changing for all. One young cast member told us in his feedback: "I was no longer the boy with Autism and mental health problems I was a dancer and Wondrous Stories helped me be that dancer."



Wondrous Stories by Motionhouse, opening show of the Birmingham 2022 Festival. Image Dan Tucker

From the 17 – 20 March 2022, Centenary Square was transformed into the stage for Wondrous Stories, seen live and free of charge by more than 22,000 people over four nights, receiving exceptional feedback about artistic content and inclusivity. Wondrous Stories embodies our vision and mission to create work that inspires and engages the widest audience, accompanied by an empowering, accessible participation programme. To ensure access for as wide an audience as possible (particularly in light of the pandemic), a live stream was broadcast from one of the performances on the 18th of March 2022, viewed by 14,371 people, with 53,047 impressions as at 10 August 2022 (number of people that YouTube has presented it to)

Wondrous Stories was a show for the whole of Birmingham and the region to enjoy and our audience development work centred around making it as welcoming and inclusive as possible. The success of this strategy is evidenced by postcode data collected after the performances, showing that people from a wide range of Birmingham postcodes attended, as well as substantial engagement from the region and further afield. The diversity of the audiences was also reflected in the audience demographics collected after each show, indicating that a wide range of people, disabled and non-disabled, from varying backgrounds, cultures, identities and ages attended.

REPORT OF THE TRUSTEES (Continued)
year ended 31 March 2022

“The key standout aspect was the feeling of total inclusivity from breadth of performers within the show. The display of pride and enjoyment from the performers was clear to see and drew the watching audience into the entire spectacle - a joy to behold!!!!”

Another key approach to engage people from across the region was the Wondrous Stories Post Box, via which we invited people from across the region to share their own story. These were uploaded to form a digital archive, and also formed a magical moment during the live shows: printed on brightly coloured paper, real stories of the people of Birmingham and the region were thrown into the crowd by Motionhouse performers on ‘flying bicycles’ 25 metres above the crowd.



The Wondrous Stories Post Box is launched in January 2022 with members of the cast and Perry the Bull, the official mascot of the Birmingham 2022 Commonwealth Games.



Motionhouse dancers throw real stories from people in Birmingham into the crowd during Wondrous Stories, the opening show of the Birmingham 2022 Festival. Image Dan Tucker

A focus on Equality, Diversity and Inclusion

We are committed to access and equality of opportunity in all aspects of our activity and operation. In early 2021 we created a specific Equality, Diversity and Inclusion (EDI) group with membership including trustees, senior staff, artists and other team members. The group ensures that our EDI Action Plan is regularly updated and identifies priorities.

We offer audio description, touch tours and visual stories for visually impaired audiences for our outdoor production WILD, and for Nobody. We delivered our first touch tour and audio-described performance of WILD at Greenwich + Docklands International in September 2021, and four audio described performances of Nobody during the autumn and spring tours, as well as a relaxed performance at Birmingham Hippodrome and at HOME Manchester in February 2022.

As noted above, Wondrous Stories was an opportunity for us to develop our work with an integrated cast of disabled and non-disabled performers.

In March 2021, along with many other arts and cultural organisations in the region, we also signed the newly created More Than A Moment pledge to support opportunities for the Black creative workforce in the West Midlands, which now sits within our wider intersectional approach to EDI and our EDI Action Plan.

REPORT OF THE TRUSTEES (Continued)
year ended 31 March 2022

Online and digital

Digital content and communication are key ways for us to communicate with our audiences, but during Covid we tried new ways of using online communications to reach our audiences which were very successful. During the year we:

- Held a series of Open Rehearsals on Zoom when we could not invite people into our space physically. We will continue to offer this format even now that our space has reopened to the public, as they enable people who are less mobile or who live too far away to attend.
- Created a summer showcase and a festive fundraiser online, showcasing the hard work of our community and youth groups for parents and families to enjoy online.
- In June 2021, as part of our CRF2 support, we worked with a local production company to livestream a rehearsal of Nobody, with a Q&A with our Artistic Director and dancers. This was an important part of our work to re-engage with our audiences after the pandemic, with 189 people joining us live on the night, and a subsequent 2,357 people watching the rehearsal afterwards. The event was a key part of our team training for our digital plans to 'go live' and run more online rehearsals and livestreams in the future.
- Created three documentaries ('Creating in the time of Covid', featuring the creation of Nobody, 'Becoming a Motionhouse dancer', tracking the progress of our new dancers as they began to work with the company, and 'Balancing Act', exploring how our dancers achieve some of the incredible feats in our shows.) The documentaries were created with support from our CRF2 funding and an important part of our work to re-engage with audiences after the pandemic closures.
- Live stream of a performance of Wondrous Stories (as at 10 August 2022 watched by 14,371 people, with 53,047 impressions (number of people that YouTube has presented it to)
- Provided a short excerpt of Nobody on film for Dance Passion, the BBC online celebration of dance in early 2022.
- Training to upskill our comms team in digital broadcasting and live streaming

Children, young people and work in the community

We offer opportunities for people to take part in high quality creative activities, with an ethos that everyone can dance and enjoy watching dance, so everyone should have access to it. Covid inevitably had a huge impact on this work, losing all activity in schools, with venues and in our local community during 2020-21. We resumed our classes in our studio in Leamington for people aged 7 to 60+ in April, have an active youth company and relaunched our youth board in October 2021, with the first meeting of the new board in January 2022. We have plans to restart the delivery of skills development for professional dancers in 2022-23. We are the lead dance organisation in the CW10 group of Coventry and Warwickshire schools and are part of the youth-led Warwickshire Cultural Education Partnership. We successfully applied to deliver 'arts on referral' with Arts Connect in Nuneaton in 2022-23 and have plans for a pilot project with Warwickshire Young Carers supported by the Alan Edward Higgs Charity. We have now resumed our offer of workshop activity alongside all tours as well as other bespoke activities.



Motionhouse 'Juniors' enjoy dancing together again in 2021. Image Motionhouse

REPORT OF THE TRUSTEES (Continued)
year ended 31 March 2022

Local and Regional role

We make a strategic contribution to the West Midlands and to Warwick District, supporting the local Creative Compact and Creative Quarter, forging partnerships, offering training and mentoring, and strengthening the regional sector. We are embedded in our local community and are a key partner for Warwick District Council. We have strong relationships with Warwick Arts Centre, MAC Birmingham and Birmingham Hippodrome, where we are an associate company, and contribute to the West Midlands Dance Development Leaders Group.

In March 2022 we were awarded 'Creative Business of the Year' and 'Business of the Year' at the Leamington Business Awards. From May 2020 – 2022, we were honoured to be one of the Mayor of Leamington's chosen charities.

We have restarted our offer of regular opportunities for local people to access our creation process 'behind the scenes' by inviting them into our creation space in Leamington Town Hall, and have plans to invite local schools to watch rehearsals in the next academic year.

In February 2022, we were able to offer a job placement on the Kickstart scheme to a young person on Universal Credit for a 6-month contract in our technical team as Company Assistant. We have recently been able to transform this into an offer of an ongoing role with the company.

Future plans

With Nobody selling and booked to tour at least to 2024, in October 2022, we will also start touring our first ever production for young children and families, Starchitects. Originally commissioned by Bluestone Wales family holiday resort in Pembrokeshire, Wales in 2019, the success of the production with families at Bluestone led us to approach theatres across the UK to tour the show, with 24 performances at 12 venues booked so far. With its blend of thrilling dance-circus and its compelling, fun and exciting storyline, Starchitects is a fantastic opportunity to introduce young children (3-10 years) to high quality dance-circus in an age-appropriate format. Importantly, it is also thoroughly entertaining for adults too, and the level of dance-circus skill is equal to any Motionhouse production. The theme of the show – space travel – lends itself well to creative educational and participatory activities to stimulate children and encourage them to take part in creative activities, supporting their development and encouraging their creativity. We have developed a case for funding support for a range access and education activities for young children around the tour.



Starchitects by Motionhouse. Image Dan Tucker

Our wider rep, including the hugely popular WILD has bookings to tour in 2022 and 2023, whilst our flexible duets are also central to a workshop and performance offer for schools, Inspire and Move. Captive will have its 10th year of touring in 2022 and our JCB show EXO will return in Summer 2022.

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In January to March 2022 we developed a green rider* to support our goals towards making our touring as sustainable as possible, and took part in the sustainable touring scheme run by Arts Council England and the Danish Arts Foundation, working with companies from both countries to explore options for sustainable touring. We will use our learnings to reflect on ways to work with partners to make our own activity more sustainable over the coming years. (*Our green rider is a document shared with venue partners outlining actions that they can take when hosting a performance to help support our environmental goals e.g. reducing/eliminating single use plastic for catering, access to recycling whilst on tour, digital tickets, etc.)

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REPORT OF THE TRUSTEES (Continued) year ended 31 March 2022

Financial review

The Motionhouse business model continues to rely on earned income from artistic activities to generate funds which, combined with the ACE NPO and other grants fund Motionhouse activities. This model had been significantly, adversely, affected by the covid pandemic.

The outlook for 2021-22 was of further uncertainty, the covid pandemic was not over although the outlook for performance activity was becoming more promising. A cautious budget for 2021-22 was set, with an anticipated deficit of £81,916 for the year that would be funded by the reserves.

In the event the demand for our productions exceeded expectations and by the year end the company financial performance was such that a surplus of £32,776 was achieved.

The CRF2 grant enabled Motionhouse to complete the new production of Nobody, and rebuild the team giving capacity to respond to demand for our productions. The level of demand experienced exceeded expectations and resulted in this financial surplus.

By April 2021 the company had this new theatre production, the established outdoor production of Wild, Captive and the Duets to offer to venues. The additional dancers gave much greater flexibility and depth and enabled an increase in performances and backfill if something (e.g. covid infection) prevented another dancer from performing.

Income

The main drivers of earned income were the Theatre and Festival performances together with the contract for the opening production for the Commonwealth Games Cultural Festival, as well as our educational and community work.

Motionhouse was chosen by the Birmingham Commonwealth Games organisation to produce and perform the opening show of the cultural festival. This was a new show called Wondrous Stories and was performed in March 2022. This was a contract that made a significant contribution to earned income of £249,460 for the year (plus £25,540 in 2022-23). This income and the tight management of costs were important factors in the achievement of a small surplus for the year, instead of the budgeted deficit.

The work carried out since the start of the pandemic to maintain contact with venues/producers to retain their interest in both Theatre and Festival performances, and rebook performances that had to be cancelled, proved to be very effective. The demand for Motionhouse productions, both Theatre and Outdoor exceeded the level included in the budget.

In addition the studio resumed its role as the base for our community, training, and professional development activity for the delivery of our community classes. It is also available for external organisations to book. (with the necessary Covid protocols in place)

The CRF2 funding was critical to the generation of earned income in 2021-22, and for 2022-23 will enable Motionhouse to recover to pre covid levels of earned income much earlier than otherwise would have been possible.

Expenditure

A prime focus of the company continues to be cost control. Many of our activities are budget/cash limited to ensure that contributors understand the finite nature of resources. Management accounts are prepared, and the full year

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forecast reviewed on a monthly basis to monitor progress and to put any corrective actions necessary in place to ensure that financial targets will be met.

As expected, the withdrawal of the UK from the EU has resulted in increased costs, reduced tour flexibility and increased administration time and costs for performances in the EU. Fortunately demand from the EU remains strong.

The programme team successfully focussed on touring costs, both in the UK and abroad, using a wider range of solutions to keep costs down without sacrificing quality.

Investment

The new theatre production of Nobody uses IT equipment and software as an integral part of the performance. In practice the IT equipment available to the technical team proved to be inadequate for touring. Research, including full scale testing, demonstrated that the acquiring of new specialist servers and software would solve the issues and enable the theatre productions to tour without technical problems affecting the performance delivery. The decision to purchase was approved by the Board and was completed in March 2022. The equipment (gross book value £63,652) has been capitalised with a 3 year life.

The previously used equipment had already been written off from the balance sheet.

Reserves

The reserves at the start of the year were £566,159 and during the year due to the investment by the Arts Council (CRF2 grant) we were able to increase earned income significantly recording a surplus of £32,776 for the year. The reserves at year end totalled £598,935.

The reserves at year end comprised Restricted £8,750, Designated £345,000 and General reserve £245,185.

The Trustees have reviewed the reserves policy and decided that the designated reserves should comprise £200,000 for new work creation, £70,000 for vehicle replacement and £75,000 for risk mitigation/covid recovery.

The Trustees have also considered the worst-case possibility of closure and consider that the maximum cash reserve to meet closure costs is up to £200,000. This comprises Statutory Redundancy costs, photocopier lease, the Houseworks contract, and premises rental. This is included in the General reserves.

Governance

Good Governance is a key part of how we operate, and our compliance is regularly reviewed by the Board of Trustees and the Management team. Financial reporting and control is an important part of this and our performance against Budgets and Forecasts is frequently reviewed and presented to the Board. Our Risk Register plays a vital part in how the business of the Charity is monitored, and risks are categorised according to their severity, and mitigating action is taken wherever possible. Specialist Sub Committees of the Trustee Board meet regularly to review and advise on areas such as Finance, EDI, Safeguarding, and Staff Welfare. Overall, we are constantly aware of the importance of good Governance and this has a continuing influence on the operation of the Board and the Management Team.

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2022-23 and beyond

The budget for 2022-23 includes a prudent earned income figure of £494,290. The performances being negotiated and firmly booked, with other earning activities, could achieve up to £550,000, this assumes that nothing prevents these performances going ahead.

The increase in the earned income compared to 2021-22 is being generated by our wide repertoire offer including the new production of Starchitects from late Autumn, and the new Bluestone Henge contract. This is combined with strong demand for our productions from the UK and abroad.

The budgeted expenditure is also prudent, and includes the one off build/development costs for Starchitects.

Since the budget was set the current inflationary pressures have evolved and may result in challenges in terms of costs, and also may affect demand.

The budget for the full year 2022-23 is a deficit of £98.2k, the Board have reviewed this and agreed this can be funded from reserves.

Financial Performance

Financial performance was monitored regularly by both the management team and the Trustees. Regular reviews of forecast income and costs were carried out. 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 2022 Motionhouse recorded an overall surplus of £32,776.

The new financial year (2022-23) begins with a reserves balance of £598,935; comprising £245,185 unrestricted general reserves, £345,000 designated reserves, and £8,750 restricted reserves. 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 the creation of new work, vehicle replacement and risk mitigation/Covid recovery.

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).

Ordinarily, 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 2021/22.

Grants

Fundraising remains a key focus and is proving to be difficult and increasingly competitive in light of the Covid pandemic. Income includes grants and commissions (see Note 13) from:

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- Without Walls

Grants received in 2020-21 and deferred to 2021-22 were:

- The Leche Trust
- Without Walls
- Alan Edward Higgs

Grants received and deferred to 2022-23 (see Note 11) were received from:

- Creative Alliance
- Golsoncott Trust
- MAC - Midlands Arts Centre
- Saintbury Trust
- W E Dunn Charitable Trust

Donations are also received through membership of the annual giving scheme and from other individual donations.

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 2022/23 to continue 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.

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 up to £200,000 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.

MOTIONHOUSE

REPORT OF THE TRUSTEES (Continued)
year ended 31 March 2022

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.

MOTIONHOUSE

REPORT OF THE TRUSTEES (Continued) year ended 31 March 2022

Reference and Administration information

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

Articles of Association

The Articles of Association (paragraph 3.3) were amended by special resolution on 19th May 2022 to change the maximum number of Trustees from 12 to 20. This was to enable the recruitment of individuals with additional expertise to join the Board following a particularly strong response to a Board recruitment campaign. The recruitment process also strengthened the diversity of the Board composition in line with the company's EDI objectives.

Board of Trustees

The following individuals served as Trustees during the year:

Simon Wales (Chair)
Sarah Gee FRSA, MIOD
Naveen Gupta ¹
Rakhi Rajani
Toby Smith
Josie Stevens
Zaylie-Dawn Wilson (joined 19th January 2021)

The following individuals were appointed to the Board on 17th June 2022:

Catherine Cassidy
Giles Clifford
Jonathan Cochrane
Yvonne Gilligan
Martin Nwangwa
Colin Robertson
Abigail Viner

¹ Chair of the Finance & Audit Committee

Company Secretary

Andrew Johnson CGMA, ACMA

MOTIONHOUSE

REPORT OF THE TRUSTEES (Continued) year ended 31 March 2022

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 Programme Producer, the Communication and Development Director and the Head of Finance. 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.

The staff team as of 31st March 2022 comprised:

Performers:	Alexandra De La Bastide (joined June 2021) Berta Contijoch Beth Pattison Christopher Knight Daniel Massarella Joel Pradas Reguil Llewelyn Brown (joined June 2021) Nana Appiah (joined June 2021) Oliver Bell Shannon Kate Platt Trenton Scott (joined June 2021)
Rehearsal Director:	Junior Cunningham
Creative Learning manager	Hannah Lockyer (joined June 2021)
Administration – Programmes:	Victoria Collins (joined July 2021) Tom Ball (joined June 2021)
Administration – Marketing:	Jane Bailey Laura Sewell Ellen Dainty (joined June 2021)
Administration	Merritt Gray (joined June 2021)
Administration – Finance:	Andrew Johnson
Technician	Danielle Tamsin Harris (joined March 2022) Andrew Smith (joined March 2022)
Company Assistant	Lucie Wren (joined Feb 2022)

Auditors

Cooper Parry Group Limited
Cubo Birmingham
Office 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Bankers

HSBC Plc
126, The Parade
Leamington Spa CV32 4BS

MOTIONHOUSE

REPORT OF THE TRUSTEES (Continued) year ended 31 March 2022

Constitution and general objects

The charity was formed on 26 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 4 May 2022.

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 an initial term of 3 years, and may be eligible for re-election in accordance with the Articles of Association.

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 for 2021/22, as at January 2022, are detailed in the table below:

MOTIONHOUSE

REPORT OF THE TRUSTEES (Continued) year ended 31 March 2022

Nature of risk	Category	Risk management strategy
On-going C-19 impact on future financial and business plans (2022-23 & onwards)	Financial	All business planning and budget forecasts are prudent and remodelled monthly to take into account the additional/likely upcoming risks and uncertainty. Our commitment to retain capacity allows us to offer alternatives and also cover cast to support delivery where possible. Regular forecasting and review of plans.
On-going C-19 impact on immediate touring & income generation	External	Maintaining knowledge of consumer confidence/ticket sales, and awareness of actions to be taken, modelling contingency plans monthly in line with prudent budget assumptions to accommodate reduced income through Covid impact.
Brexit: operational uncertainties across different countries in terms of cost vs. income and workload	External	Drawing on our experiences to date, we continue to keep abreast of the latest information and likely impact on planning, partnerships, visas, exchange rates, travel, freight, work permits and associated costs and workload. Establishing reality of additional costs required and modelling in income & expenditure budgets and business planning.
Adverse financial impacts of not achieving fundraising targets	Financial	Prudent fundraising targets are created alongside full-cost recovery budgeting, with targeted approaches to potential funders. Income reviewed monthly as part of I&E monitoring process.
Inflationary pressures decrease purchasing power and reduces operating returns	Financial	Continue to explore income increases and diversification, including through increased scale of performing venues. Undertake careful monitoring of service contracts and cost control.

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;
- 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.

MOTIONHOUSE

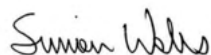
REPORT OF THE TRUSTEES (Continued) year ended 31 March 2022

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.

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 7th November 2022 and signed on its behalf.



Simon Wales
Chair

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

Year ended 31 March 2022

Opinion

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

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

We have nothing to report in this regard.

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

Year ended 31 March 2022

Opinions on 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 report of the trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require 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 19, the trustees 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

MOTIONHOUSE

Auditor's responsibilities for the audit of the financial statements INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOTIONHOUSE

Year ended 31 March 2022

Our assessment focussed on key laws and regulations the group and parent 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, Charities (Protection and Social Investment) Act 2016, 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 the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has 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.

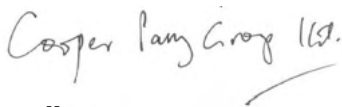
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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. 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

Cubo Birmingham
Office 401,
4th Floor,
Two Chamberlain Square,
Birmingham B3 3AX

Date: 8 November 2022

MOTIONHOUSE

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)
for the year ended 31 March 2022

Income	Note	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Grants	2	741,114	8,950	750,064	751,389
Donations	2	19,715	-	19,715	18,687
Charitable activities	3	563,009	-	563,009	114,651
Investments		64	-	64	1,805
Other – theatre tax relief		-	-	-	34,263
Total income		<u>1,323,902</u>	<u>8,950</u>	<u>1,332,852</u>	<u>920,795</u>
Expenditure					
Charitable activities	4	<u>1,266,060</u>	<u>34,016</u>	<u>1,300,076</u>	<u>949,815</u>
Total expenditure		<u>1,266,060</u>	<u>34,016</u>	<u>1,300,076</u>	<u>949,815</u>
Net income / (loss) for the year		57,842	(25,066)	32,776	(29,020)
Reconciliation of funds					
Fund balances at 1 April 2021	13	<u>532,343</u>	<u>33,816</u>	<u>566,159</u>	<u>595,179</u>
Fund balances at 31 March 2022	13	<u><u>590,185</u></u>	<u><u>8,750</u></u>	<u><u>598,935</u></u>	<u><u>566,159</u></u>

All income and expenditure derive from continuing activities.

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

The notes on pages 26 to 37 form part of these financial statements.

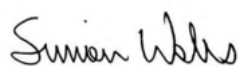
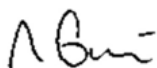
MOTIONHOUSE

BALANCE SHEET
Company Number: 02515820
as at 31 March 2022

	Note	£	2022	£	£	2021	£
Fixed assets							
Tangible assets	8		61,886			21,980	
Current assets							
Stock		1,499			1,380		
Debtors	9	53,230			42,646		
Cash at bank and in hand		<u>645,494</u>			<u>592,042</u>		
			700,223		636,069		
Creditors: amounts falling due in one year	10	<u>(163,174)</u>			<u>(91,889)</u>		
Net current assets			537,049			544,179	
Total assets less current liabilities			<u>598,935</u>			<u>566,159</u>	
Funds							
Restricted	13		8,750			33,816	
Unrestricted	13						
Designated			345,000			350,000	
General			<u>245,185</u>			<u>182,343</u>	
			<u>598,935</u>			<u>566,159</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 7 November 2022 and signed on its behalf by:

Simon Wales
Chair

Naveen Gupta
Trustee

The notes on pages 26 to 37 form part of these financial statements.

MOTIONHOUSE

STATEMENT OF CASHFLOWS
For the year ending 31 March 2022

		2022 £	2021 £
Cash flow from operating activities	19	117,040	66,891
Cash flow from investing activities			
Interest received		64	1,805
Purchase of fixed assets		(63,652)	-
Disposal of fixed assets		-	3,200
Net cash flow from investing activities		(63,588)	5,005
Net increase in cash and cash equivalents		53,452	71,896
Cash and cash equivalents at start of period		592,042	520,145
Cash and cash equivalents at end of period		645,494	592,042
Cash and cash equivalents consists of:			
Cash at bank and in hand		645,494	592,042

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

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 15 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) issued on 16 July 2014, 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.

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

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 £0 (2020/21: £34,263) has been included in these accounts.

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

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 Board have considered all material operating issues, specifically the potential severe impact of high inflation and adverse exchange rates, on operating costs. Additionally, meeting fundraising targets is a real challenge in the present environment. The Board are extremely aware of these risks and are working with the executive team to mitigate the impact wherever possible. Targets are prudent and a monthly review of actual performance against targets is in place, along with a constant dialogue between Board and staff.

The Board deems that the charity holds 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 for a period of 12 months from the date of signing these accounts.

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.

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

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

	2022 £	2021 £
Grants		
Arts Council England – Grant in Aid - Revenue	477,432	477,432
Arts Council England – CRF2 Grant	257,144	-
Warwick District Council – Key Client Strategic Contribution	2,500	2,500
UK Government - Job Retention Scheme	(11,512)	227,632
Warwick District Council - Local business support	24,500	43,825
	750,064	751,389
Donations		
Trusts and Foundations	200	6,557
Individual donations including gift-aid	19,515	12,130
	19,715	18,687
Total grants and donations	769,779	770,076

£8,950 (2020/21: £6,557) of the above income was attributable to restricted funds (further detail is given in note 13).

£760,829 (2020/21: £763,519) of the above income was attributable to unrestricted funds.

MOTIONHOUSE

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

3	Income from charitable activities	2022 £	2021 £
	Merchandise sales	2,397	1,220
	Performance, Education and Community Activity	549,612	63,431
	Co-commissioning	11,000	50,000
		563,009	114,651

£nil (2020/21: £50,000) of the above income was attributable to restricted funds.

£563,009 (2020/21: £64,651) of the above income was attributable to unrestricted funds.

4	Expenditure	Performance programme £	Education & community £	Development £	2022 £	2021 £
	Staffing costs	451,742	112,937	-	564,679	412,871
	Management and Direction	63,000	21,000	21,000	105,000	105,000
	Technical support	92,268	-	-	92,268	36,958
	Production costs	118,008	-	-	118,008	95,949
	Tour travel and subsistence	227,158	11,955	-	239,113	9,858
	Marketing/PR	26,253	1,382	-	27,635	2,419
	Premises costs	62,256	6,917	-	69,173	40,374
	Depreciation	23,511	237	-	23,748	123,365
	Office and other costs	49,726	5,526	-	55,252	118,721
		1,113,922	159,954	21,000	1,294,876	945,515

Governance Costs

Governance costs (meeting expenses)	-	-
Audit fee	4,400	3,500
Accountancy support – Tax	800	800
	1,300,076	949,815

£34,016 (2020/21: £182,827) of the above costs were attributable to restricted funds (further detail is given in note 13).

£1,266,060 (2020/21: £766,988) of the above costs were attributable to unrestricted.

MOTIONHOUSE

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

5	Staff numbers and costs	2022	2021
		No.	No.
	The full-time equivalent average number of employees (including contract, casual and part time staff) during the year was as follows:		
	Administration	7.2	6.2
	Performers	12.3	11.0
		19.5	17.2
		2022	2021
		£	£
	Staff costs		
	Wages and salaries	513,248	378,551
	Social security costs	40,290	26,663
	Pension costs	11,141	7,657
		564,679	412,871

No employee received emoluments of £60,000 or more during the year (2021 – none).

The key management personnel employed by the charitable company comprise the Programme Manager, the Finance Manager and the Communication and Development Director. The total employee benefits of the employed key management personnel of the charitable company was £97,570 (2021: £86,464).

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

6	Net outgoing resources for the financial year	2022	2021
		£	£
	Net outgoing resources for the financial year are stated after charging:		
	Auditor's remuneration		
	- audit services	4,400	3,500
	- taxation services	800	800
	Depreciation	23,748	123,363
	Exchange loss of year end foreign cash holding	288	11

7 **Trustees' emoluments**

The Trustees did not receive any remuneration in the year to 31 March 2022 or the previous year. No expenses were reimbursed to Trustees in the year (2020/21: £Nil).

MOTIONHOUSE

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

8 Tangible fixed assets

	Leasehold improvements	Equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
1 April 2021	29,537	434,166	28,589	99,673	591,965
Additions	-	63,652	-	-	63,652
31 March 2022	29,537	497,818	28,589	99,673	655,617
Depreciation					
1 April 2021	29,537	416,357	28,200	95,891	569,985
Charge for the year	-	19,575	389	3,782	23,746
31 March 2022	29,537	435,932	28,589	99,673	593,731
Net book value					
At 31 March 2022	-	61,886	-	-	61,886
At 31 March 2021	-	17,809	389	3,782	21,980

9 Debtors

	2022	2021
	£	£
Trade debtors	9,688	34,320
Prepayments	4,408	4,228
Accrued income	16,410	4,098
VAT debtor	22,724	-
	53,230	42,646

MOTIONHOUSE

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

10	Creditors: Amounts falling due within one year	2022	2021
		£	£
	Trade creditors	110,639	33,237
	Other taxation and social security	13,283	9,594
	Accruals	30,352	19,908
	Deferred income – (note 11)	8,750	29,000
	Other creditors	150	150
		163,174	91,889

11	Deferred income	£
	Balance at 1 April 2021	29,000
	Amount released to incoming resources	(29,000)
	Amount deferred in the year	8,750
	Balance at 31 March 2022	8,750

Deferred Income relates to grant income received in advance from the Saintbury Trust, Golsoncott Trust, W. E. Dunn Charitable Trust, Mac Birmingham & the Creative Alliance.

12 Transactions involving Trustees

No Trustee has had any beneficial interest in a material contract to which the charitable company was party.

MOTIONHOUSE

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

13	Funds	At 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2022 £
	Restricted funds					
	Capital Grants					
	ACE Small Capital Grant	27,759	-	(27,759)	-	-
	Income Grants/Commissions /Donations					
	The Leche Trust	2500	-	(2,500)	-	-
	Without Walls	500	-	(500)	-	-
	Alan Edward Higgs	3,057	-	(3,057)	-	-
	Without Walls	-	200	(200)	-	-
	Saintbury Trust	-	2,000	-	-	2,000
	Golsoncott Trust	-	1,000	-	-	1,000
	W E Dunn Charitable Trust	-	500	-	-	500
	MAC Birmingham	-	5,000	-	-	5,000
	Creative Alliance	-	250	-	-	250
		<u>33,816</u>	<u>8,950</u>	<u>(34,016)</u>	-	<u>8,750</u>
	Unrestricted funds					
	General	182,343	1,323,902	(1,266,060)	5000	245,185
	Designated – covid fund	350,000	-	-	(350,000)	0
	Designated – new work creation	-	-	-	200,000	200,000
	Designated – vehicle replacement	-	-	-	70,000	70,000
	Designated – risk mitigation/ Covid recovery	-	-	-	75,000	75,000
		<u>532,343</u>	<u>1,323,902</u>	<u>(1,266,060)</u>	<u>-</u>	<u>590,185</u>
	Total Unrestricted funds	532,343	1,323,902	(1,266,060)	-	590,185
	Total funds	<u>566,159</u>	<u>1,332,852</u>	<u>(1,300,076)</u>	<u>-</u>	<u>598,935</u>

Restricted funds represent:

The following restricted fund was used for our Community programmes – Alan Edward Higgs (£3,057)

The restricted funds received from The Leche Trust (£2,500) have been used for the development of Nobody.

The restricted funds received from Without Walls have been used for audio description of our outdoor production WILD, and touch tours.

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

13 Funds (continued)

Unrestricted funds represent:

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

Designated Covid Fund - for Covid stabilisation and post-Covid recovery, or the creation of new work.

Funds – Prior year

	At 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2021 £
Restricted funds					
Capital Grants					
ACE Small Capital Grant	149,286	-	(121,527)	-	27,759
Income Grants/Commissions /Donations					
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>33,816</u>
Unrestricted funds					
General	135,093	864,238	(766,988)	-	232,343
Designated – Covid fund	300,000	-	-	-	300,000
	<u>595,179</u>	<u>920,795</u>	<u>(949,815)</u>	-	<u>566,159</u>

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

14 Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total £
<i>Unrestricted funds</i>	61,886	528,299	590,185
<i>Restricted funds</i>	-	8,750	8,750
	<u>61,886</u>	<u>537,049</u>	<u>598,935</u>

Analysis of net assets between funds – prior year

	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
	<u>21,980</u>	<u>544,179</u>	<u>566,159</u>

15 Financial commitments

As at 31 March 2022 the charitable company had financial commitments in respect of Houseworks Arts Limited of £120,000 excl VAT (2020/21 : £117,100).

16 Capital commitments

As at 31 March 2022 the charitable company had capital commitments of £0.

17 Operating leases

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

	Land and Buildings		Other	
	2022 £	2021 £	2022 £	2021 £
Expiry date:				
Not later than one year	49,553	32,565	560	560
Later than one and not later than five years	94,721	182,422	-	1,679
Later than five years	-	3,174	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
year ended 31 March 2022

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:

	2022 £	2021 £
Management and Artistic	105,000	105,000
Choreography fee	10,000	10,000
Royalties	2,100	-
	117,100	115,000

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

	2022 £	2021 £
Net income/(loss) for the year	32,776	(29,020)
Interest receivable	(64)	(1,805)
Disposal of Fixed Asset	-	(3,198)
Depreciation of tangible fixed assets	23,746	123,365
(Increase)/decrease in Stock	(119)	353
Increase in debtors	(10,584)	(23,993)
Increase in creditors	71,285	1,194
Net cashflow from operating activities	117,040	66,896