

REGISTERED COMPANY NUMBER: 2994954 (England and Wales)
REGISTERED CHARITY NUMBER: 1042870

REPORT OF THE TRUSTEES AND CONSOLIDATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
SOUTHWARK PLAYHOUSE THEATRE COMPANY

SOUTHWARK PLAYHOUSE THEATRE COMPANY

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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SOUTHWARK PLAYHOUSE THEATRE COMPANY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number	2994954 (England and Wales)
Registered Charity number	1042870
Registered office	77-85 Newington Causeway London SE1 6BD
Trustees	S Hickson – resigned 8 September 2021 R N Pearson G Semper K Serkis G Wellman H Whitehouse T Wood
Patrons	Sir Simon Hughes Sir Michael Caine Andy Serkis
Company Secretary	C Smyrnios
Key Management:	
Chief Executive Officer/Artistic Director	C Smyrnios
General Manager	C Beaver – until 30 June 2021
Youth & Community Director	D Workman
Communications Manager	S Safavi – until 30 September 2021
Sales and Ticketing Manager	C Spencer – from November 2021
Theatre Manager	J Deighan
Technical & Production Manager	C Compson
Auditors	Azets Audit Services 2 nd Floor, Regis House 45 King William Street London EC4R 9AN
Bankers	HSBC 28 Borough High Street London SE1 1YB

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Southwark Playhouse is all about telling stories and inspiring the next generation of storytellers and theatre makers. It aims to facilitate the work of new and emerging theatre practitioners from early in their creative lives to the start of their professional careers.

Through our schools work we aim to introduce local people at a young age to the possibilities of great drama and the benefits of using theatre skills to facilitate learning. Each year we engage with 100s of school pupils through free schools' performances and long-term in-school curriculum support.

Through our Young Company (YoCo), a youth-led theatre company for local people between the ages of 14-25, we aim to introduce young people to the many and varied disciplines of running a semi-professional theatre company. YoCo provides a training ground to build confidence and inspire young people towards a career in the arts.

Our work in the community aims to engage with local people, of all ages and backgrounds, by bringing them together to exchange ideas and promote cohesion through meaningful, long-term drama related projects.

Our theatre programme aims to facilitate and showcase the work of some of the UK's best up and coming talent with a focus on reinterpreting classic plays and contemporary plays of note. Our two flexible theatre spaces, soon to be joined by a third, enable us to offer theatre artists and companies the opportunity to present their first fully realised productions. Over the past 28 years we have produced and presented early productions by many aspiring theatre practitioners many of whom are now enjoying flourishing careers.

ACHIEVEMENT AND PERFORMANCE

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

THE YEAR IN SUMMARY

2021 began with a third national lockdown to prevent the spread of the coronavirus. The majority of the organisation's staff remained on furlough. Despite the national lockdown filming theatre production could still take place. The Sorcerer's Apprentice, the planned 2020/21 Christmas production, was instead filmed over a week in order to stream the production at a later date.

The vaccination programme began slowly at the start of the year and in February the government announced a roadmap out of lockdown. There were three steps that would allow a phased process back to something resembling normal operations. It would be on the third step of the roadmap that theatre would be allowed to reopen.

While we waited, we continued to present livestreamed performances. We presented two in the first half of the year. *Public Domain*, a verbatim play about the tech industry, and a new play by Philip Ridley titled *Tarantula*. Both were prepped over the course of a week and were presented for 3 performances. Following this we decided to offer all our previous livestreams for a small fee via our website.

Prior to the releasing of restrictions, we were fortunate to have had a successful application to Arts Council England's 2nd round of the Cultural Recovery Fund, along with the Southwark Council's, Local Restriction Support Grant, we were able to make tentative plans for how we might reopen and programme for the latter half of the year.

It was on 17 May that we were permitted to reopen albeit with social distancing. We opened a 4-week production run on that very day, a premiere of an American musical called *You Are Here*. The production took place in The Large theatre, and we continued to use the Perspex screens that we pioneered from 2020. It was promising to see that audiences were keen to come back in person although somewhat tentatively. The show sold about 60 percent of available tickets which would have been approximately 30% of a standard capacity.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE – continued

THE YEAR IN SUMMARY – continued

In August it started to feel that audiences were beginning to return as evidenced by well-sold runs of *John and Jen* and *Operation Mincemeat*. The latter, by the end of its run, performed so well that we booked in a return of the show in January 2022. It was also in August that all the organisation's staff were taken off furlough a month before the government ended the scheme.

Additionally, we had presented some incredibly strong new writing in The Little over the autumn season: *Anything is Possible If You Think About It Hard Enough* by Cordelia O'Neill, *Straight White Men* by Young Jean Lee, and *Yellowfin* by Marek Horn. All shows were nominated for and won awards at the Off West End awards.

We had been incredibly fortunate since the lifting of restrictions with regards to staff/performers contracting covid and having to isolate. However, that all changed during the Christmas period, with the advent of the Omicron strain and a spate of covid infections running throughout the staff team and visiting theatre companies. *The Rhythmics*, the production in The Large, could not catch a break with a constant stop-start to the production. After the second press performance had to be cancelled the producers reluctantly decided to cancel the show. Similarly, *The Great Gatsby* in The Little was also beset by illness and infections but managed to hobble through to the end of its run – eventually presenting less than half of its planned performances.

It was a difficult end to the year, thankfully we had reserves enough to see us through, and with a full programme booked up until autumn 2022 there was much to be hopeful about and look forward to.

CURRENT CIRCUMSTANCES

Writing this in July 2022, we have, thankfully, had a relatively uneventful year so far with regards to covid infections. One or two cancellations here and there but for the most part productions have continued as normal. Currently we are feeling the impact of a cost-of-living crisis resulting largely from the Russian invasion of Ukraine. Although we have had several successful shows it feels too early to decide if things have returned 'back to normal' and too early to understand what impacts the rising inflation will have.

YOUTH & COMMUNITY

Overview

2021 had a slightly quieter start than planned, with lockdown forcing us to move all our work back online. However, our experiences in 2020 put us in a good position to continue with a strong participatory offer for all of our groups.

Young Company

The big news this year was the launch of a brand-new Young Company for 11 – 13-year-olds, which began in the summer after lockdown ended. Alongside two experienced practitioners, we also decided to offer a paid role to an emerging practitioner, to support the group (we also did this with the 14 – 18 group). Across the remainder of the year, the group devised a piece based upon the poetry of Kae Tempest, and then towards the end of the year started rehearsing for National Theatre Connections, which they will be performing in spring 2022.

The 14-18 Company spent lockdown worked on devising their own short pieces on the theme of 'escape'. These then fed into the years' major project, which incorporated lots of new members once the summer arrived. Set up by Company 3, 'When This is Over' drew on the last year as well as thoughts around the COP26 Climate Talks that was upcoming. Youth theatres from across the country will be working on their own version of a piece using a framework presented by Company 3, telling young people's stories and putting their voices centre stage. They presented a work in progress in December, with a final performance due to be staged in Spring 2022.

The 19 – 25 Company, devised and performed a piece for online performance via Zoom. 'Nine Ways to Change the World' took a satirical look at how the end of lockdown might have been co-opted by unscrupulous players, whilst also providing a note of hope for the future. In the summer, as a way of maintaining social distancing protocol, the participants worked on monologues, which we then filmed in high quality. The Autumn term saw the group rehearse and perform a number of comic short plays by writers including Christopher Durang. The group are also in the process of exploring commissioning the first English translation of the Spanish play *Los Figurantes* by José Sanchis Sinisterra, which we will perform next year.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE - continued

YOUTH & COMMUNITY – continued

Young Company

Southwark Playhouse have been approached by the National Theatre to be a 'partner theatre' for their Connections project, which in April 2022 year will see 9 other young companies and schools' groups come and perform at the Playhouse over the course of a week as part of the NT Connections Festival. Young and Elders Company members also had the chance to be part of a workshop with playwright Tim Crouch, who wanted to try out some of the ideas in the piece he has written for the project.

We were also really pleased to be able to support company The Working Party by providing them with space to run a Young Company for young Latinx individuals from the local community – there is a large Latin American community in Elephant and Castle. Across two terms they worked together to create a new piece of theatre which they performed at Southwark Playhouse. We hope to be able to support them again in the future.

Elders Company

The first part of the year was spent online, with the participants reading and performing existing texts by artists such as Caryl Churchill, Jean Paul-Sartre and Lucy Kirkwood, and exploring how they might adapt them for online performance.

After a long summer break, the group set themselves a bigger challenge in the Autumn by rehearsing the Avant Garde Attempts on Her Life by Martin Crimp, which we aim to perform in spring 2022.

The other major news this year was that in the Autumn term, a second Elders Company was launched, to allow us to welcome lots of new members to the group. This has gone really well, with the group sharing a improvised performance in December. We will spend the early part of the new year exploring how we develop this group further and run it in parallel with our existing Company.

Encore

Formerly known as Muse of Fire, our project for adults with early-stage dementia continued to meet each week online in the early part of the year. They devised a short film of a parody of 'Mastermind'.

We spent the Autumn looking at performing our own pantomime, but as numbers in the group dwindled, as did funding, we decided to wrap the project up whilst still on a high. Some participants will be moving across to the Elders Company.

The project was featured in Arts 4 Dementia's recent report on arts for brain health - <https://arts4dementia.org.uk/wp-content/uploads/2021/09/Arts-for-Brain-Health-19-Sep-index-page-refs.pdf>

Black Writers Collective

Following their showcase at the end of 2020, this group continued to grow and meet online – monthly – for workshops and activities, including this year a Q&A with film director Destiny Ekharagh and director Tristan Finn-Aiduenu.

With a new director in summer 2020, we ended up with 32 participants on our books, four of the group having written some short plays for the 19 – 25 Young Company to perform.

People's Company

The People's Company went from strength to strength in 2021, using its online presence to reach a much wider audience.

They also staged a performance written by one of the company, Bermondsey Summers, in Autumn. This focused on the story of suffragettes from the area.

Cherry Garden

Our long running relationship with Cherry Garden School continued into 2021. We spent two weeks embedded in the school with a drama, music, and craft/art facilitator. Across the two weeks, KS2 students worked on developing an interactive performance around the story of journeys and adventures, which was shared with the whole school at the end of the two weeks.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE – continued

Orchard Hill

In September, we began a year-long collaboration with Orchard Hill College, a college for young adults aged 19 – 25 with complex needs and disabilities. Working with us and a dedicated facilitator, we will be running weekly workshops with around 10 participants and their teachers, to develop soft skills such as communication and working together, along with theatrical skills and staging performances. The students have a range of needs and abilities, but across the first term we saw a real tangible development in their communication and collaborative skills.

Mayflower 400

Intended to run in 2020 (to celebrate the 400th anniversary of the launch of the Mayflower from Rotherhithe), we were finally able to launch this project in the Autumn term. Working with three Rotherhithe primary schools (only one of whom we had worked with before), through the use of the story of the Mayflower, students from Years 3 – 6 write their own short plays, which we will stage in January 2022 with readings by professional actors.

Shakespeare for Schools

We have appointed Nicky Allpress to direct Romeo and Juliet, our production for schools which we will stage in January 2022. Set in South London in the early 1980s, the production will make use of the '2-Tone' music scene to present a story of racial division and harmony, with a great soundtrack. We cast the show and began rehearsing before Christmas. We were hit hard by Omicron and self-isolation but are in a stronger place now for opening in January.

PSYCHEDelight

We hosted fortnightly workshops by PSYCHEDelight, who do work with refugees and asylum seekers. These are fun workshops open to families and individuals, run by the charity in space given by us for free.

FINANCIAL REVIEW

Statement of Financial Activities

The Statement of Financial Activities (SOFA) shows the extent of, and movement in, all charitable funds differentiating between restricted funds (monies provided for specific purposes) and unrestricted funds (monies which can be applied to any charitable objectives within the organisation's objectives). Unrestricted funds include funds designated by the trustees for specific future investment in the organisation. At the year end the unrestricted fund balance totalled £2,483,900 (2020: £254,001) and the restricted funds totalled £1,706,373 (2020: £1,650,296) therefore resulting in total funds at 31 December 2021 of £4,190,273 (2020: £1,904,297); of these £3,188,404 are represented by fixed assets such as buildings and equipment (2020: £3,806,010).

Total incoming resources for the year were £3,238,583 (2020: £2,159,493).

Despite being permitted to operate over the latter half of the year the impact of the Coronavirus pandemic was still evident. Significant sources of income came from loans, donations, and grants. Earned income sources were still significantly short of a normal trading year but an improvement on the previous year: theatre rental £257,758 (2020: £141,971), bar/café income £194,003 (2020: £136,573) and managed production income £24,507 (2020: £18,615).

The year's accounts show a surplus £2,285,976 (2020: £927,272) largely owing to the settlement issued by Network Rail as compensation for giving up the arches promised to us within the London Bridge Station development, which we have designated to utilise for a future new premises once one has been identified.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW – continued

Restricted Funds

Restricted Fund movements in the year largely represent grants and donations towards our capital project and youth and community projects, but also towards staffing, overheads, and other activities through Covid specific emergency funding received.

Unrestricted Funds

These represent the operational income of the charity (e.g., ticket sales, bar sales, venue hire), as well as general grants, donations, and other income towards the activities of the charity.

Reserves Policy

The reserves policy is reviewed annually by the Trustees as part of the preparation and approval process of the annual report and accounts for both Southwark Playhouse Theatre Company and Southwark Playhouse Trading Ltd.

Operational Reserve: £300,000. The Trustees have examined the requirement for free reserves i.e., those unrestricted funds not invested in tangible fixed assets, designated for specific purposes, or otherwise committed. The Trustees consider that, given the nature of the charity's work, the level of free reserves should be approximately equivalent to 3 month's annual expenditure on unrestricted funds at any one time, plus provisions for staff redundancy and similar costs. The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to the timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Unrestricted reserves are also held for the following purposes:

Capital Reserve: £1,000,000 for the future development of alternative premises at London Bridge.

Artistic Programme: £150,000 to allow for the development and production of in-house productions.

Risk Management

As part of the annual policy review trustees identified the major risks (financial, governance/compliance, operational and external risks) facing the Charity over the coming years.

Each risk is assessed accordingly to the likelihood, and potential impact, and systems and procedures to manage those risks are agreed and embedded by the trustees and staff. Some of the main risks facing the charity are:

Financial – Potential decline in charitable and sponsorship funds. Mitigation: Decrease number of productions in favour of paid hires; find new – and develop existing – sources of earned income; identify and make efficiency savings; when possible, build reserve levels.

Financial - Decline in audience numbers. Mitigation: Develop aggressive and targeted marketing strategies to bring audiences back and develop new audiences; incentivise attendance with special offers and deals; market the bar independently of the theatre.

Reputational – Safeguarding incident. Mitigation: All staff briefed on safeguarding policy – aware of procedures on how to prevent, identify and deal with potential incidents. Use of DBS checks for all those in contact with young people and vulnerable groups.

Impact, Operational & Reputational - Data breach – Mitigation: All staff trained on responsibilities under GDPR legislation; Cloud based back-up of all data with financial transaction details not available on site; clear process and rigorous strategy for dealing with breaches.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FUTURE PLANS

Newington Causeway (Current Premises)

Our current premises, an old warehouse and office building, was fitted out in 2013 as a temporary theatre while we awaited completion of the proposed new theatre at London Bridge. Our current lease runs until April 2023, and as of July 2022 we are in the process of signing off heads of terms on a 3-year extension meaning the new lease would end in April 2026. Despite the likely increase in rent it is deemed that retaining the current venue will provide much needed resources and income based on demand for space from prospective theatre companies and our community groups and activities. However, the temporary nature of the building is starting to show and is likely to need some capital investment to sustain it for a few more years but this is something we feel we can adequately manage. As we move into operating 2 buildings this site will be renamed as Southwark Playhouse Elephant.

Newington Butts

Following practical completion in late 2020 the new theatre at Newington Butts remained relatively unchanged while we negotiated the lockdown and the lifting of restrictions at our current premises. 21 Construction, the incumbent contractor, continued to attend site to resolve outstanding snagging issues.

However, since the Youth and Community Space was largely completed, we did decide to start using it for our community groups from May 2021 onwards. Having extra space helped with enforcing our covid secure guidelines.

Following our reopening at Newington Causeway, and receiving the income from Network Rail, we were able to complete some large outstanding fit-out items. These included the installation of demountable balconies and the installation of the lighting, sound, and AV infrastructure in the theatre. Although we are still awaiting the delivery of theatre equipment, owing to long delays and lead times, the theatre is ready to go.

As of writing this in July 2022, we have announced and are planning an open day at the end of July; we are also in the process of confirming an opening production for November time.

Colechurch House

Discussions continued throughout 2022 regarding our inclusion in the Colechurch House development in London Bridge. There were some refreshingly frank but constructive conversations regarding the inclusion of a theatre facility, the level of fit-out the developer, CIT, would commit to and the terms of any potential lease. After much discussion, and with the assistance of our property consultant Newsteer, we were able to agree a suitable heads of terms and theatre specification. We have since been working with the developer to get the development in front of the Southwark planning committee. As of July 2022, a committee date has been set to decide if the development goes ahead. Should that be successful a completion date for the construction of the project is set for 2026, at which point we would transfer our operations from Newington Causeway to the newly built theatre at London Bridge.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and Structure

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The maximum liability of members in the event of winding up is £1. On 31 December 2021 there were 6 members who are all Directors of the company.

Governance

The activities of the charity are supervised by the Trustees, who meet as a board four times each year, or more often if necessary. The trustees delegate the day-to-day management of the charity to its paid staff, particularly to the Chief Executive. The high quality and professional experience of the Board continue to provide strong support and direction for the Theatre's team and staff.

Trustee Recruitment

The Trustees are drawn from people who have shown a keen interest in the Theatre, giving due consideration to the required skills, experience, and diversity of the Board body. New Trustees are recommended by Trustees and the Chief Executive and are approved by the Board. Their appointment is then confirmed at the Annual General Meeting. When they are first appointed, Trustees receive an induction pack and are briefed by the Chairman and Chief Executive, as well as having the chance to meet other staff. The board's performance is reviewed annually by the Chair.

Key management

The key management personnel of the charitable company are the Board of Trustees, the Chief Executive who is also the Artistic Director, the General Manager, the Youth and Community Director, the Communications Manager, the Technical and Production Manager and the Theatre Manager. All members of the board give their time freely and no board members received remuneration in the year. Details of expenses reimbursed to trustees are disclosed in note 11. There are no related party transactions.

Remuneration for the key management is reviewed annually and set by the Board of Trustees.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Southwark Playhouse Theatre Company for the purposes of company law) are responsible for preparing the Report of the Trustees 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 Charity SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 auditors are 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 auditors are aware of that information.

Approved by order of the board of trustees on 23 August 2022 and signed on its behalf by:


.....
C Smyrnios – Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTHWARK PLAYHOUSE THEATRE COMPANY

Opinion

We have audited the financial statements of Southwark Playhouse Theatre Company (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group and Parent Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the groups and parent charitable company's affairs as at 31 December 2021, and of the group's 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTHWARK PLAYHOUSE THEATRE COMPANY**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. ; or
- the 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the groups and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTHWARK PLAYHOUSE THEATRE COMPANY

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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 is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of 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 indicators of potential bias.

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 non-compliance. 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

Azets Audit Services

John Howard (Senior Statutory Auditor)

For and on behalf of Azets Audit Services
Statutory Auditor, Chartered Accountants
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Date *20 September 2022*

SOUTHWARK PLAYHOUSE THEATRE COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
INCOME					
Donations, grants and legacies	3	7,060	136,158	143,218	1,761,351
Charitable activities	4	282,265	42,732	324,997	209,208
Other trading activities	5	194,003	-	194,003	136,573
Investment income	6	129	-	129	252
Other income	7	2,576,236	-	2,576,236	52,109
Total		<u>3,059,693</u>	<u>178,890</u>	<u>3,238,583</u>	<u>2,159,493</u>
EXPENDITURE ON					
Raising funds	8	202,081	-	202,081	181,784
Charitable activities	9	627,713	122,813	750,526	1,050,437
Total	10	<u>829,794</u>	<u>122,813</u>	<u>952,607</u>	<u>1,232,221</u>
NET INCOME/(EXPENDITURE)		2,229,899	56,077	2,285,976	927,272
RECONCILIATION OF FUNDS					
Total funds brought forward	23	254,001	1,650,296	1,904,297	977,025
TOTAL FUNDS CARRIED FORWARD		<u>2,483,900</u>	<u>1,706,373</u>	<u>4,190,273</u>	<u>1,904,297</u>

All of the results are from continuing activities and include all gains and losses recognised in this year and last.

The notes on pages 16 to 26 form part of these financial statements.

SOUTHWARK PLAYHOUSE THEATRE COMPANY
CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEET
AT 31 DECEMBER 2021

Company number - 02994954

	Notes	GROUP 2021 £	2020 £	Charitable Company 2021 £	2020 £
FIXED ASSETS					
Tangible assets	14	3,188,404	2,806,010	3,188,404	2,805,410
Fixed asset investment	15	-	-	100	100
		<u>3,188,404</u>	<u>2,806,010</u>	<u>3,188,504</u>	<u>2,805,510</u>
CURRENT ASSETS					
Stocks	16	5,469	4,604	-	-
Debtors	17	103,280	62,607	114,243	77,225
Cash at bank		2,198,807	576,220	2,185,284	568,898
		<u>2,307,556</u>	<u>643,431</u>	<u>2,299,527</u>	<u>646,123</u>
CREDITORS					
Amounts falling due within one year	18	(487,887)	(688,335)	(479,959)	(684,346)
NET CURRENT ASSETS		<u>1,819,669</u>	<u>(44,904)</u>	<u>1,819,568</u>	<u>(38,223)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,008,073</u>	<u>2,761,106</u>	<u>5,008,072</u>	<u>2,767,287</u>
CREDITORS					
Amounts falling due after more than one year	19	(817,800)	(856,809)	(817,800)	(856,809)
NET ASSETS		<u>4,190,273</u>	<u>1,904,297</u>	<u>4,190,272</u>	<u>1,910,478</u>
FUNDS					
Unrestricted funds		2,483,900	254,001	2,483,899	260,182
Restricted funds	23	1,706,373	1,650,296	1,706,373	1,650,296
TOTAL FUNDS		<u>4,190,273</u>	<u>1,904,297</u>	<u>4,190,272</u>	<u>1,910,478</u>

The financial statements were approved by the Board of Trustees on 23 August 2022 and were signed on its behalf by:



T Wood - Trustee

The notes on pages 16 to 26 form part of these financial statements.

SOUTHWARK PLAYHOUSE THEATRE COMPANY
CONSOLIDATED AND CHARITABLE COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	GROUP 2021 £	2020 £	Charitable Company 2021 £	2020 £
Cash used in operating activities	26	<u>2,459,613</u>	<u>473,182</u>	<u>2,453,412</u>	<u>471,203</u>
Cash flows from investing activities					
Interest received		129	252	129	252
Disposal of tangible fixed assets		-	14,000	-	14,000
Purchase of tangible fixed assets		(401,565)	(2,091,816)	(401,565)	(2,091,579)
Cash provided by (used in) investing activities		<u>(401,436)</u>	<u>(2,077,564)</u>	<u>(401,436)</u>	<u>(2,077,327)</u>
Cash flows from financing activities					
Repayment of borrowings		(462,581)	(17,860)	(462,581)	(17,860)
Cash inflows from new borrowings		-	1,320,000	-	1,320,000
Interest paid		26,991	17,250	26,991	17,250
Cash provided by (used in) financing activities		<u>(435,590)</u>	<u>1,319,390</u>	<u>(435,590)</u>	<u>1,319,390</u>
Change in cash and cash equivalents in the reporting period		<u>1,622,587</u>	<u>(284,992)</u>	<u>1,616,386</u>	<u>(286,734)</u>
Cash and cash equivalents at the beginning Of the reporting period	27	<u>576,220</u>	<u>861,212</u>	<u>568,989</u>	<u>855,632</u>
Cash and cash equivalents at the end of the reporting period	27	<u>2,198,807</u>	<u>576,220</u>	<u>2,185,284</u>	<u>568,898</u>

The notes on pages 16 to 26 form part of these financial statements.

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

Southwark Playhouse Theatre Company is a charitable company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charitable company's operations principle activities are set out on page 2.

2. ACCOUNTING POLICIES

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

a) Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and the Companies Act 2006.

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.

b) Basis of Consolidation

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, Southwark Playhouse Trading Limited, on a line by line basis in accordance with FRS 102 – section 9 and the SORP (FRS 102) – section 24.

Details of Southwark Playhouse Trading Limited are given in note 15 of the financial statements.

A separate statement of financial activities for the Charitable Company has not been present because the Charitable Company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

c) Going Concern

The Trustees have carefully reviewed the organisation's financial projections and cashflows to assess its viability amid the ongoing COVID-19 pandemic.

Despite having to remain closed for the majority of the last 24 months the organisation has managed to remain stable through fundraising activity, trading (when possible and permitted) and by reducing non-essential costs. Over the course of government lockdowns and restrictions funds were successfully raised from the following organisations: Arts Council's Emergency Response Fund; two rounds of the Culture Recovery Fund; funding from the Backstage Trust; the Julia and Hans Rausing Trust; and the London Community Response Fund. In addition, we received £140,000 from the government's Job Retention Scheme.

Since July 2021 the organisation has been able to return to normal trading operations and so far, it has presented a full roster of productions which have had a similar level of attendance as pre-pandemic.

Based on this information the Trustees believe that the accounts can be prepared on a going concern basis. As always, the financial status of the Charity will be kept under continuous review regarding any risks that may impact the going concern status so that mitigating actions can be swiftly taken.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES – continued

d) Funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

e) Income

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

- Income from donations and grants are included in incoming resources when they are receivable unless the donor has specified that the donation or grant relates to a future period.
- Income from charitable activities which represents managed productions and theatre rentals is included in income resources in the period in which relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.
- Income from trading activities which represents the income from the sale of catering and bar facilities is recognised as earned.

f) Expenditure

All expenditure is accounted for on an accruals basis and have 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 settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds comprise the costs of the front of house staff and their associated support costs.
- Expenditure on charitable activities includes the costs of performances and other educational activities undertaken to further the purpose of the charitable company and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts artistic programmes and activities. These costs have been allocated within expenditure on charitable activities.

h) Operating lease

The Charitable Company classifies the rental lease as an operating lease; the title to the building remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

i) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, at rates calculation to write off the cost of each asset on a straight line basis over the asset's estimated useful lives as follows:

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Asset Improvements	- over 3 years

Amounts included in assets under construction relate to building work on the new Southwark Playhouse Elephant theatre that is partially complete at the year end. No depreciation is charged on these amounts until the asset is complete. See Note 14.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES – continued

j) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

k) Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Accrued income is measured at the amount due to be received.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar accounts.

m) Creditors

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Other creditors and accruals are recognised at their settlement amount due.

n) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Taxation

The charitable company 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. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

p) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and Other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 1 for the carrying amount of the property plant and equipment, and note i for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

3. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Future Playhouse	-	135,958	135,958	1,167,623
The Wall	-	200	200	2,806
Other donations and grants	7,060	-	7,060	590,922
	<u>7,060</u>	<u>136,158</u>	<u>143,218</u>	<u>1,761,351</u>

In 2020, £590,922 of the income was attributable to the unrestricted fund, and the remaining £1,170,429 was attributed to the restricted fund.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Managed Production	24,507	-	24,507	18,615
Theatre Rental	257,758	-	257,758	141,971
Youth & Community (restricted)	-	42,732	42,732	48,622
	<u>282,265</u>	<u>42,732</u>	<u>324,997</u>	<u>209,208</u>

In 2020, £160,586 of income from charitable activities was attributable to the unrestricted fund and the remaining £48,622 was attributable to the restricted fund.

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Income from trading activities	194,003	-	194,003	136,573
	<u>194,003</u>	<u>-</u>	<u>194,003</u>	<u>136,573</u>

In 2020 all of the £136,573 other trading activities income was attributable to the unrestricted fund.

6. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Bank interest	129	-	129	252
	<u>129</u>	<u>-</u>	<u>129</u>	<u>252</u>

In 2020 all of the £252 investment income was attributable to the unrestricted fund.

7. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Other income	5,910	-	5,910	1,068
Job retention scheme	37,686	-	37,686	51,041
Compensation	2,532,640	-	2,532,640	-
	<u>2,576,236</u>	<u>-</u>	<u>2,576,236</u>	<u>52,109</u>

In 2020 all of the £52,109 other trading activities income was attributable to the unrestricted fund.

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

7. OTHER INCOME – continued

The compensation amount relates to the settlement issued by Network Rail as compensation for giving up the arches promised to Southwark Playhouse within the London Bridge Station development, this has been designated to utilise for a future new premises once one has been identified.

8. RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Commercial Front of office operations	22,044	-	22,044	38,789
Expenditure on trading activities	177,769	-	177,769	142,754
Future Playhouse	2,268	-	2,268	241
	<u>202,081</u>	<u>-</u>	<u>202,081</u>	<u>181,784</u>

In 2020 all the £181,784 of the expenditure in relation to raising funds was attributable to the unrestricted fund.

9. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Managed Production	627,713	-	627,713	590,086
Youth & Community	-	44,600	44,600	60,635
New Venue Costs	-	78,213	78,213	399,716
	<u>627,713</u>	<u>122,813</u>	<u>750,526</u>	<u>1,050,437</u>

In 2020 £590,086 of the expenditure in relation to charitable activities was attributable to the unrestricted fund, with the remaining £460,351 being attributable to the restricted fund.

10. EXPENDITURE

	Direct costs £	Support costs (See note 11) £	Total 2021 £	Total 2020 £
Managed Production	56,172	571,541	627,713	590,086
Youth & Community	44,600	-	44,600	60,635
New Venue Costs	6,406	71,807	78,213	399,716
	<u>107,178</u>	<u>643,348</u>	<u>750,526</u>	<u>1,050,437</u>
Raising funds	197,831	4,250	202,081	181,784
	<u>305,009</u>	<u>647,598</u>	<u>952,607</u>	<u>1,232,221</u>

11. SUPPORT COSTS

	Staff costs £	Establishment costs £	Governance costs £	Totals £
Managed Production	260,787	304,254	6,500	571,541
New Venue Costs	-	71,807	-	71,807
Raising funds	-	-	4,250	4,250
	<u>260,787</u>	<u>376,061</u>	<u>10,750</u>	<u>647,598</u>

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. SUPPORT COSTS – CONTINUED

	2021	2020
	£	£
Wages	260,787	266,343
Software licences	3,651	1,037
Recruitment fees	-	-
Rent & rates	108,121	108,468
Other establishment costs	222,052	469,060
Accountancy fees	4,932	4,964
Advertising & PR	4,805	6,150
Legal & professional fees	-	10,000
Consultancy fees	32,500	-
Auditors remuneration (Parent only £4,350)	10,500	7,200
Auditors remuneration – non audit work (including over/under accruals)	250	2,763
	<u>647,598</u>	<u>875,985</u>

12. NET INCOME/(EXPENDITURE)

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Net income/(expenses) is stated after charging/(crediting):				
Auditors' remuneration	10,500	7,200	6,500	4,350
Auditors' remuneration for non-audit work	250	2,763	(650)	2,000
Depreciation - owned assets	19,171	35,706	18,571	34,717

13. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	335,394	335,486	241,913	246,995
Social security costs	25,180	19,404	18,162	14,286
Pension	6,288	5,980	4,535	4,403
	<u>366,862</u>	<u>360,870</u>	<u>264,610</u>	<u>265,684</u>
The average number of employees (full time equivalent) during the year was:	<u>23</u>	<u>22</u>	<u>10</u>	<u>10</u>

Employee time has been allocated either;

- 1) To direct costs on a percentage of the time spent by an employee on an activity
- 2) To support costs allocated on a percentage basis over all the costs.

No employee received emoluments above £60,000 (2020: none).

During 2021 no trustees (2020: £nil) were paid or received any other benefits from employment with the charity. Also, during the year no trustees (2020: £nil) were reimbursed for expenses.

The key management of the charity comprise of the board of trustees and those listed on page 1 of the financial statements.

The total employee benefits of the key management personnel of the Charity were £214,121 (2020: £209,216).

SOUTHWARK PLAYHOUSE THEATRE COMPANY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

14. TANGIBLE FIXED ASSETS

CONSOLIDATED	Assets under construction £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2021	2,767,539	118,940	200,623	3,087,102
Additions	231,046	170,519	-	401,565
Disposals	-	(74,770)	(200,623)	(275,393)
At 31 December 2021	2,998,585	214,689	-	3,213,274
DEPRECIATION				
At 1 January 2021	-	80,469	200,623	281,092
Charge for year	-	19,171	-	19,171
Released on disposal	-	(74,770)	(200,623)	(275,393)
At 31 December 2021	-	24,870	-	24,870
NET BOOK VALUE				
At 31 December 2021	2,998,585	189,819	-	3,188,404
At 31 December 2020	2,767,539	38,471	-	2,806,010
CHARITY				
	Assets under construction £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2021	2,767,539	114,124	200,623	3,082,286
Additions	231,046	170,519	-	401,565
Disposals	-	(74,770)	(200,623)	(275,393)
At 31 December 2021	2,998,585	209,873	-	3,208,458
DEPRECIATION				
At 1 January 2021	-	76,253	200,623	276,876
Charge for year	-	18,571	-	18,571
Released on disposal	-	(74,770)	(200,623)	(275,393)
At 31 December 2021	-	20,054	-	20,054
NET BOOK VALUE				
At 31 December 2021	2,998,585	189,819	-	3,188,404
At 31 December 2020	2,767,539	37,871	-	2,805,410

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

15. INVESTMENT

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Investment in Southwark Playhouse Trading Limited	-	-	100	100

Southwark Playhouse Trading Limited is a private limited Company, registered number 9264350. The company was incorporated on the 15 October 2014 and 100% of the £100 ordinary share capital is owned by Southwark Playhouse Theatre Company. It has been consolidated on a line by line basis. During the period to 31 December 2021 Southwark Playhouse Trading Limited made a profit of £16,232 (2020: £6,182 loss) based on turnover £176,150 (2020: £103,653). The company had capital and reserves of £100 (2020: £6,082 Debit).

16. STOCKS

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Finished goods	5,469	4,604	-	-

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	28,000	-	28,000	-
Amounts owed by group undertaking	-	-	12,477	15,640
Other debtors	44,209	26,504	42,695	25,482
Prepayments and accrued income	31,071	36,103	31,071	36,103
	<u>103,280</u>	<u>62,607</u>	<u>114,243</u>	<u>77,225</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	144,886	33,155	141,177	33,170
Social security and other taxes	6,724	6,122	6,724	6,122
Other creditors	258,731	160,245	258,743	160,245
Accruals and deferred income (note 18A)	11,546	26,232	7,315	22,228
Bank loans (note 20)	66,000	462,581	66,000	462,581
	<u>487,887</u>	<u>688,335</u>	<u>479,959</u>	<u>684,346</u>

18A DEFERRED INCOME

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Balance at 1 January	-	456,164	-	456,164
Deferred during the year	-	-	-	-
Released during the year	-	(456,164)	-	(456,164)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

19. CREDITORS: AMOUNTS FALLING AFTER MORE THAN ONE YEAR

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans (note 20)	817,800	856,809	817,800	856,809

20. BORROWINGS

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
An analysis of loans is given below:				
Amounts falling due within one year				
Bank loans	66,000	462,581	66,000	462,581
Amounts falling due between one and two years				
Bank loans	66,000	62,581	66,000	62,581
Amounts falling due between two and five years				
Bank loans	264,000	250,325	264,000	250,325
Amounts falling due after five years				
Bank loans	487,800	543,903	487,800	543,903

Unity Trust – During 2020, a loan of £950,000 (maximum loan agreed was £1,250,000) with an interest rate of +2.9% per annum over Unity's Base Rate, repayable over 234 months. The amount is secured on the lease of 80 Newington Butts.

HSBC bounce bank loan – During 2020, a loan of £50,000 with an interest rate of 2.5% per annum, repayable over 59 months. This was an unsecured loan, and was paid back on the 23 June 2021.

Southwark Council Loan – During 2020, a loan of £350,000 with an interest rate of 4.5% per annum, repayable in 12 months. This was an unsecured loan, and this was paid back on the 23 July 2021.

21. OPERATING LEASE COMMITMENTS – Consolidated and charity

The charity had total commitments under an operating leases are:

	Land and buildings		Equipment	
	2021	2020	2021	2020
	£	£	£	£
Expiring:				
Not later than one year	77,500	84,212	-	-
Later than one and not later than five years	30,137	105,137	-	-
Later than five years	290,000	292,500	-	-

Our current lease expires on 8 April 2023 – with a break in April 2021 and a landlord only break in April 2022.

The lease at the current premises is on the following schedule:

9 April 2020 – 8 April 2021: £100,000 p/a

9 April 2021 – 8 April 2023: £75,000 p/a

The lease at Southwark Playhouse Elephant is for 125 years on a 'pepper-corn' rent of £2,500 p/a from 7 February 2018.

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2021 Total funds £
Consolidated:			
Fixed assets	599,369	2,589,035	3,188,404
Current assets	2,291,228	16,328	2,307,556
Current liabilities	(406,697)	(898,990)	(1,305,687)
	<u>2,483,900</u>	<u>1,706,373</u>	<u>4,190,273</u>

22a. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2020

	Unrestricted fund £	Restricted funds £	2020 Total funds £
Consolidated:			
Fixed assets	38,471	2,767,539	2,806,010
Current assets	228,665	414,766	643,431
Current liabilities	(13,135)	(1,532,009)	(1,545,144)
	<u>254,001</u>	<u>1,650,296</u>	<u>1,904,297</u>

23. RESTRICTED FUNDS – Consolidated and charity 2021

	At 1 Jan 2021 £	Income £	Expenditure £	At 31 Dec 2021 £
Restricted funds				
Youth & Community	18,196	42,732	(44,600)	16,328
The Wall	20,053	200	-	20,253
Future Playhouse	1,612,047	135,958	(78,213)	1,669,792
	<u>1,650,296</u>	<u>178,890</u>	<u>(122,813)</u>	<u>1,706,373</u>

Restricted Funds

Youth & Community

This represents funding for the Youth and Community programme, brought forward from the previous year as well as project funding secured and fully spent in the current year and funds received but to be spent in 2022.

The Wall

This represents individual donations towards Southwark Playhouse Elephant costs. A public campaign fundraising initiative set up in 2018; individuals and organisations purchase wall segments in £50 blocks, creating a personalised design to be displayed collectively as a piece of wall-art at the Southwark Playhouse Elephant. Owing to delays due to Covid 19 funds received since 2018 will be spent in 2022.

Future Playhouse

This represents funding for the Southwark Playhouse Elephant capital project, from trusts, foundations, organisations and individuals, brought forward from the previous year as well as secured and spent in the current year.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

23a. RESTRICTED FUNDS – Consolidated and charity 2020

	At 1 Jan 2020	Income	Expenditure	At 31 Dec 2020
	£	£	£	£
Restricted funds				
Managed Productions	-	-	-	-
Theatre Rental	-	-	-	-
Youth & Community	30,209	48,622	(60,635)	18,196
The Wall	17,247	2,806	-	20,253
Future Playhouse	844,140	1,167,623	(399,716)	1,612,047
	<u>891,596</u>	<u>1,219,051</u>	<u>(460,351)</u>	<u>1,650,296</u>

24. CAPITAL COMMITMENTS

As at the 31 December 2021 other than the leases detailed within note 21, the charity had no other capital commitments (2020: £nil)

25. RELATED PARTY DISCLOSURES

There were no related party transaction for the year ended 31 December 2021 (2020: none)

26. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Consolidated		Charitable Company	
	2021	2020	2021	2020
	£	£	£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	2,285,976	927,272	2,279,792	933,453
Adjustments for:				
Depreciation charge	19,171	35,706	18,571	34,717
Interest received	(129)	(252)	(129)	(252)
Decrease/(increase) in stocks	(865)	4,044	-	-
Decrease/(increase) in debtors	(40,673)	43,932	(37,018)	33,919
(Decrease)/increase in creditors	196,133	(537,520)	192,196	(530,634)
Net cash provided by (used in) operating activities	<u>2,459,613</u>	<u>473,182</u>	<u>2,453,412</u>	<u>471,203</u>

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Consolidated		Charitable Company	
	2021	2020	2021	2020
	£	£	£	£
Short-term deposits	<u>2,185,283</u>	<u>576,220</u>	<u>2,185,283</u>	<u>568,898</u>