

**REGISTERED COMPANY NUMBER: 03696681 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1077139**

**REPORT OF THE TRUSTEES AND  
AUDITED GROUP FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31 MARCH 2021  
FOR  
PLAY TO THE CROWD  
(PREVIOUSLY THE LIVE THEATRE WINCHESTER TRUST)  
(A COMPANY LIMITED BY GUARANTEE)**

## **PLAY TO THE CROWD**

### **CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

	Page
Report of the Trustees	1 to 13
Report of the Independent Auditors	14 to 16
Statement of Financial Activities	17
Balance Sheet	18
Cash Flow Statement	19
Notes to the Financial Statements	20 to 32

**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 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 31st March 2021. The trustees have adopted the provisions Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

The 2020-21 year began just over a week after the first full lock down, as a result of Covid-19, had been announced by the Government which closed all theatres by force of law. From that point on the full financial year has been a story of a struggle to survive in the first half of the year and then about trying to find a way to continue to serve our communities and fulfil our charitable mission despite the ongoing challenge of the pandemic and the restrictions required.

The sharpened vision and mission statement for the charity remains as follows:

Why: To Delight and Unite

How: By inspiring people to connect with and participate in live performance - both indoors and out - and by inviting them to 'escape from the ordinary' and discover a lifelong love of theatre and the arts

What: We run a beautiful theatre, family friendly festivals and community participation programmes in and around Winchester

The name 'Play to the Crowd' reflects our commitment to encourage a broader and more diverse set of people to our work and to bring the charity forward in the consciousness of the public.

Play to the Crowd consists of Theatre Royal Winchester, Hat Fair and Playmakers as well as our wholly owned subsidiary company, Trade to the Crowd, which was established to enable our new Cafe Bar at Theatre Royal Winchester.

Our brand personality is:

**Play to the Crowd**  
Arts and Education Charity  
**Friendly**  
Warm, relaxed, relationship-building, ready to have fun along the way  
**Bold**  
Getting out there, getting involved, standing up for what's right  
**Collaborative**  
Always open to working together, listening and acting respectfully

**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**OBJECTIVES AND ACTIVITIES (Continued)**

<b>Theatre Royal Winchester</b>	<b>Playmakers</b>	<b>Hat Fair</b>
<b>Approachable</b> Expansive, amiable, inviting all - corners, the opposite of elitist	<b>Playful</b> Play as a catalyst, a training ground and a valuable, purposeful activity	<b>Cheeky</b> A little bit naughty yet always nice; full of life and gentle irreverence
<b>Vibrant</b> Buzzing, alive, colourful; full of interest, excitement and enthusiasm	<b>Curious</b> Invitational, intriguing, inquisitive - exploring questions	<b>Expressive</b> Unselfconscious, creative, committed and always captivating
<b>Sociable</b> Meeting people and making them happy, one-on-one or whole crowds	<b>Open</b> Transparent, accessible, shared - joining in at every level, for everyone	<b>Intriguing</b> Mystery and excitement that draws people in, often new, always original

Play to the Crowd's strategic objectives are:

- A Increase the number and range of people experiencing live performance and deepen their engagement
- B Bring communities together to share experiences, ideas and themes relevant to them
- C Unlock creative potential, particularly of young people and emerging or local artists
- D Offer fresh perspectives to support community cohesion and empathy
- E Encourage laughter, thought and amazement to boost people's joie de vivre and mental health
- F Build a sustainable, resilient business model, working in innovative and progressive partnerships
- G Play a leadership role in cultural development and partnerships in Winchester, across Hampshire and beyond, helping to support place making agendas
- H Sustain and develop our building for the benefit of residents, visitors, artists and businesses

Despite the challenges posed by Covid-19 and our response to it, including the development of a new business plan, our vision, mission, personality and objectives, developed through the course of our rebrand in 2019, remain intact. Indeed the experience of the pandemic has made us all the more committed to our charitable purpose and strategic priorities.

We are convinced that had we not succeeded in getting our new brand in place before the pandemic hit we would not have been as successful as we have been in ensuring the organisation's survival. This is because we were able to present a coherent vision for the future and a joined up message about who we were and the importance of our place in our community.

These accounts represent the activity of the group including the trading subsidiary so need to be read with this in mind throughout. Some of the notes specifically relate to the charitable activity only and some notes refer specifically to the trading subsidiary only (Trade to the Crowd). Trade to the Crowd also has its own annual accounts lodged with Companies House. It is worth noting that this has been Trade to the Crowd's first full year of operating, a year when hospitality has been entirely closed for well over half of the 12 months and restricted in its ability to operate for the entirety of the rest of the year.



**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**ACHIEVEMENT AND PERFORMANCE**

Strategic Summary

Response to the pandemic:

The Board of Trustees worked closely and at speed with the CEO to respond in a strategic way to the lock down announcement and the resulting ongoing challenge. With very little reserve and an immediate cut of income amounting to over 80% of turnover there was no time to lose in our efforts to safeguard the charity. A three pronged strategy emerged as the Board began to meet weekly with the CEO on Zoom. These weekly meetings were maintained throughout the first three months and then became fortnightly for the second three months of the year. The strategy was:

1. Make immediate use of Government support forthcoming
2. Restructure the organisation to bring down ongoing core costs
3. Launch a Survival Appeal in our community

The Board and CEO knew that they would need to ensure they not only had sufficient resource in the organisation to maintain short term solvency but, critically, that there would need to be sufficient resilience built up also to survive the 2021-22 year, which was likely to continue to be very challenging. In order to deliver that, difficult and painful decisions were essential to ensure core costs did not jeopardise the very existence of the organisation throughout 2021-22 as it emerged from lock downs and when Government support measures were withdrawn, while public confidence was still likely to be fragile. The business model of a theatre requires many people cheek by jowl in a small room. This was something that would be psychologically difficult for society for many months if not years after the pandemic subsided and the board and CEO recognised this from the outset.

All but 4 of the core staff team were furloughed and, initially, all staff, including those still working, were asked to take only 80% of their salaries. Local restrictions grants were applied for and considerable time was spent exploring the loan schemes offered by Government. We also applied to the Emergency Support for National Portfolio Organisations (NPO's) from Arts Council England.

In the meantime an eighteen month business plan was developed by the CEO with excellent support from the Finance Manager, which included a personnel restructure and painful but necessary recommendations with regard to redundancies. This was drawn up on the basis that we would be operating under restrictions and challenges for the entirety of 2020-2021 - a view taken by the Board and CEO. This approach has been proven to be wise, strategic and foresighted.

This business plan was refined over multiple drafts until it was approved by the board in June 2020 for immediate staff consultation regarding the restructure, during July.

## PLAY TO THE CROWD

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

#### ACHIEVEMENT AND PERFORMANCE (Continued)

During the same period plans were laid to launch a major Survival Appeal to coincide with what would have been Hat Fair's opening day (3rd July 2020). The Fundraising Manager was brought back from furlough in June to help with this endeavour. The day before we launched this appeal we heard from Arts Council England that we had been unsuccessful with our NPO Emergency Response Fund application. We therefore had no choice but to increase our Appeal target from £150,000 to £225,000. A challenging number had now become very challenging indeed and made it all the more critical that we pressed ahead with implementing the restructure being consulted on whilst we continued to take full advantage of the CJRS (furlough scheme) as well as local support grants. It was also early July 2020 that the Government finally announced its Culture Recovery Fund (CRF) although it then took many weeks before that became open to apply to and well into the autumn before we found out that we had been successful with CRF1. In the meantime, in August 2020, following a detailed consultation with staff, during which some changes to the plans were made, redundancy notices to 6 individuals (25% of the core staff team) were sent out with much regret.

Despite Covid challenges, both CRF and the Garfield Weston Foundation support have helped us continue to drive forward our three **Transformational Umbrella Projects** (TUP's) which formed part of the strategy devised in 2018 for growing the organisation and making it a more sustainable charity in the future.

These are:

- Transforming our building and spaces
- Transforming our relationship with audiences
- Transforming our community engagement

In particular we have been able to do the following thanks to this support:

1. Improve Theatre Royal Winchester's ventilation systems and deploy additional Covid security measures including thermal imaging and sanitisation
2. Install an additional accessible toilet which now provides more flexibility in how we use our front of house spaces with a view to more private hires
3. Install webcasting cameras, mixing and broadcasting technology as well as mobile small scale video conferencing facilities for our Meeting Room and Atrium spaces
4. Install Event Cinema capability including a cinematic quality screen, high quality digital projector, surround sound and satellite
5. Deliver online performance and participation work and employ freelance artists and creatives to help make that happen
6. Purchase a mobile trailer stage for future use out in communities

#### Artistic Outputs

The organisation made very tough decisions at the start of lockdown in March 2020 with a focus on the long term strategic survival of the organisation over and above continuing delivering activity in the short term. As a result the entire focus in the first four months of the pandemic was dedicated to this end at the expense of continued creative activity.

Having said that we did commit to the following:

1. Attempting to reschedule and continue to commit to the artists and work we had programmed
2. Paying a proportion of the fees and commissioning support we had already committed for Hat Fair 2020 even though like all Festivals in the summer of 2020 we had to cancel the event

**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**ACHIEVEMENT AND PERFORMANCE (Continued)**

July 2020 onwards -

- We reopened the Cafe Bar in the summer, as soon as we were able, as a place for creatives to meet, plan and gain solace from sharing stories and offering mutual support. It also helped us to have a physical point of contact during our Survival Appeal
- We supported some activities in our building across the summer including socially distanced Ukelele classes in our auditorium and the activities of the National Citizens' Service (NCS) bringing young people back into the building
- In September we recommenced a youth theatre offer online via Zoom
- In partnership with other organisations we promoted theatre events online
- We planned a small season of work in the autumn from November but then had to cancel that due to the November lockdown
- Thanks to CRF1 we were able to make a small Christmas show with our usual creative team for panto and even though we were then forced to close that show on Christmas Eve we were able to commit to the creatives' contracts till the planned end of the run
- We also programmed a number of other professional performances through December 2020 meaning that in total we presented 35 performances in the three weeks of December when we were able to open

The Board of Trustees would like to sincerely thank all the visiting artists, musicians, companies, performers and audiences who visited Theatre Royal Winchester, either live or online during an extraordinarily challenging 2020-21.

## PLAY TO THE CROWD

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

#### FINANCIAL REVIEW

This has been an exceptionally challenging year with the charity at real risk of going out of business by the end of September as a direct result of the pandemic. Having gone out to the community to ask them to help us survive it was also essential that we ended this year with sufficient reserve to ensure we did not have our very existence threatened again in the 2021-22 year by the ongoing challenges of the pandemic. This has been possible only due to all three parts of our strategic response to the challenge of Covid-19 exceeding our expectations:

1. Make immediate use of Government support: Because the furlough scheme was ultimately extended beyond September 2020 and then again all the way through to the end of the financial year and beyond, we were able to make good use of this to manage our staffing costs as well as ensuring our regular casual staff were supported. £256,602 of salary and wages costs were recouped through this scheme. We also were fortunate in being successful with our Culture Recovery Fund application bringing in the sum of £219,134. Much of this was spent on Covid secure measures such as improving the ventilation and investing in digital technologies but some supported us to cover core costs and rebuild a small reserve. However, we did not know if we were successful until October and had we been unsuccessful we would have found ourselves in a much more precarious position again.
2. Restructure the organisation to bring down ongoing core costs: We made the tough but necessary decision in July 2020 to restructure our staffing which enabled savings within year but also positioned us better to be sustainable as we emerge from the crisis into a world of uncertain revenues in the 2021-22 year. This proved to be a very wise decision as, even when writing this in July 2021, more than three months into the next financial year, we remain in Covid-19 restrictions with only a third of our seating capacity available to us in the auditorium.
3. Launch a Survival Appeal in our community: This third strand of our strategy was launched on what would have been the first day of Hat Fair - July 3rd 2020. We set out to raise the daunting target of £225,000 by September 2020 because, at the time of launching the appeal, we were not to know that furlough would be extended beyond September 2020 or that there was to be a Culture Recovery Fund. The community responded in an extraordinary way and we ultimately raised more than £300,000 directly from the appeal.

#### The Financial Position of the charity at year end

The year ends with total free reserves of £392,579 in unrestricted funds which we are very grateful to carry forward as a necessary contingency for the challenges and uncertainties we know we will face (and are already facing as this is written in July 2021) in the 2021-22 year.

Included within this amount we also have a designated fund raised from the Restoration Levy, held to support improvements to the building, of £159,912 at the end of the year.

Therefore undesignated free reserves amount to £232,667.

Although an improvement on previous years despite the pandemic, thanks to the extraordinary response of our community and the strategic foresight of Board and CEO, this still represents less than 10% of our pre pandemic annual turnover which is a modest reserve for a charity to hold.

It represents less than half of the Board's reserves aspiration for 6 months of core operating costs (£500,000) so it still requires building up further and is very likely to need to be drawn on as we navigate 2021-22.

**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**FINANCIAL REVIEW (Continued)**

Nevertheless it is an improved position from the end of 2019-20 and enables us to plan for the future with some confidence, a very different position to that which we faced only last summer.

Restricted funds such as those granted by the Garfield Weston Foundation, for example, are retained only for the specific purpose of that grant and will be deployed for that purpose during the course of the financial year. They are not, therefore part of our general reserve.

Reserves Policy

The Trustees' reserves policy is to build up an unrestricted and undesignated contingency reserve fund against general business risks and the liabilities for property maintenance of the building under the terms of the lease and to enable longer-term development of the artistic programme. It aims for this reserve to reach six months of operating costs within the next 10 years which is estimated to require £500,000.

As referenced above Play to the Crowd also has a designated fund separate to the general reserve which is built up by £1 per ticket going into the Restoration Levy, with a view to using this to lever additional investment to deliver building improvements and developments. The other £1 of the Restoration Levy goes directly into the unrestricted operational budget to ensure we can meet the requirements of our full repairing lease for our grade 2 listed building.

Volunteers

Volunteers continue to make an important contribution to the running of Play To The Crowd. Over 200 individuals, in a normal year, contribute their time voluntarily, assisting with Front of House, Marketing and related activities. Hat Fair volunteers cover technical, fundraising and crowd marshalling activities. The in kind value of the contribution of our volunteers across the organization is estimated to be worth over £90,000. The Board is hugely grateful for the outstanding contribution our volunteers give to the Charity.

**STRUCTURE, GOVERNMENT AND MANAGEMENT**

Governing Document

Play to the Crowd is a company limited by guarantee governed by its Memorandum and Articles of Association as amended pursuant to a Special Resolution of the Trust dated 13 July 1999. It is registered as a charity with the Charity Commission and as a company at Companies House.

Appointment of Trustees

The Chairperson is nominated by the board. As per board policy, board members / directors should serve a maximum of two terms of 3 years. The first term is to expire at the AGM after the board member has served an initial 3 year period of office. Board members / directors wishing to serve a second term of 3 years are to be re-elected at the AGM after the third year of the initial term has expired. A second term must be sponsored by two other directors at the AGM. There is provision under Section 27 for one additional year in exceptional circumstances.

## **PLAY TO THE CROWD**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

#### **STRUCTURE, GOVERNMENT AND MANAGEMENT (Continued)**

##### Board and Governance

The whole board of trustees have made an exceptional contribution to the survival of the charity during this year meeting weekly at the height of the challenge and then forming a dedicated Fundraising Committee which also met weekly during the Appeal period. The Board were instrumental in enabling the Survival Appeal to succeed as it did.

Observers who regularly attend Board meetings are those from Hampshire County Council, Winchester City Council and our landlords, Winchester Theatre Trust. Arts Council England are also observers although they attend less regularly.

Board members regularly discuss the artistic output, sales and financial performance, future resilience and plans for strengthening the company's relationships across the city. They also regularly review risk assessment processes and review and update the Board Risk Assessment (Register of Risks).

The four year Business Plan (2018-22) was just beginning its third year when the pandemic hit. We are now working to an eighteen month interim business plan that arose out of the restructure planning to enable survival and this began in September 2020. A new 5 year business plan will be developed during the course of 2021 to take us from 2022 to 2027.

##### Trustee Induction and Training

New trustees are fully informed of their legal obligations under charity and company law. New trustees are given a copy of the Memorandum and Articles of Association, recent accounts and financial performance of the charity, relevant publicity material, the latest 'Trustees' Annual Report', copies of Board minutes and the current Business Plan.

They also have an induction meeting and theatre tour. Occasional training opportunities are offered to them to support their understanding and awareness of the arts sector and their role as trustees of both a charity and a company.

They also participate in staff and Board development activities and workshops.

##### Organisation

The Board of Trustees administers the charity. The Board meets for formal board meetings four times per

The Board has four Board Action Groups, comprised of board members and senior staff and with invited experts on occasion, which meet as required to their purpose.

These Action Groups report into the main board meetings and are:

The Finance and Trading Action Group - meets in advance of every board meeting and receives the full monthly management accounts every month.

The Building and Spaces Action Group - meets to discuss and advise on operational building matters as well as capital ambitions for the Theatre Royal Winchester building and an additional space for Playmakers.



**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**STRUCTURE, GOVERNMENT AND MANAGEMENT (Continued)**

The Marketing and Development Action Group - meets regularly to support key initiatives such as brand development, the fundraising strategy development and the marketing and audience development strategy.

The Hat Fair and Playmakers Action Group - meets regularly but more frequently in the lead up to Hat Fair.

The Chief Executive is appointed by the trustees to manage the day to day operation of the charity and theatre. The Chief Executive, Deryck Newland, appointed in March 2017, has gradually evolved the staffing structure, and there was a Leadership Team of six senior staff during the 2019-20 year. The restructure forced by the pandemic reduced this to a Senior Management Team of four.

To facilitate effective operations, the Chief Executive has delegated authority from the board for operational matters including finance, employment and artistic related activity. The Senior Management Team supplies a written report on the progress of the organisation prior to each formal Board meeting and whenever requested by the Board.

Related Parties

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or Senior Manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full Board of Trustees in the same way as any other contractual relations with a related party.

Lease

Theatre Royal Winchester is the property of Winchester Theatre Trust Limited. Winchester Theatre Trust Limited raised money for the refurbishment and fitting out of the theatre, which enabled it to re-open in October 2001. The Live Theatre Winchester (now Play to the Crowd) Trust was half way through a ten year lease in March 2018 but successfully renegotiated, by Deed of Variation, an extension to the lease which is now until 2048.

Setting pay of key personnel

Pay levels for key personnel are set by assessing sector benchmarks and taking a view on balancing affordability with market forces. Trustees consider the affordability of pay rises each January or February prior to implementation in April. The Trust's Business Plan sets out the target to increase staff pay by a target minimum of 1% base increase on salary for staff who have been in post more than 1 full year. If the business can bear an additional rise trustees will consider this based on organisational performance.

On reaching 3 years' service, qualifying staff receive an additional 1% on top of base. On reaching 5 years' service, qualifying staff receive an additional 2% on top of base.

As a regrettable part of the response to Covid-19 and in addition to the restructure and redundancies, all staff earning over £20,000 were asked and agreed to take a 10% pay cut. To partly ameliorate this we used the restructure as an opportunity to standardise the working week from 39 or 40 hours to 36 hours for all staff (pro rata for part time.)

**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**STRUCTURE, GOVERNMENT AND MANAGEMENT (Continued)**

Principal risks identified by trustees and measures to manage these

The Board have approved a Board Risk Assessment which is an appendix to the 2018-22 Business Plan and they review it annually to update the level of risk and identify any new or emerging risks. Clearly the effects of the pandemic and any possible future pandemic are now added right at the top of this risk register.

The main risk areas assessed through this document are as follows:

- Pandemic or other force majeure
- Financial
- Creative
- Organisational
- Marketing and Profile related
- Building and Infrastructure related

The analysis indicates that, apart from the ravages of a force majeure event such as a pandemic, Play To The Crowd's most significant risks and their mitigating actions are:

- **Loss of public investment** - Maintain strong relationships. Seek 3 or 4 year agreements to minimise uncertainty. Develop more diverse income streams. Reduce the % turnover from public funding year on year by growing earned income as per business plan targets.

Hampshire County Council supported the theatre through annual core investment during 2019-20 as well as with capital support for the improvements project. However regular revenue investment from Hampshire County Council ended after the 2020-21 year.

Winchester City Council continue to revenue invest in Play to the Crowd but the pandemic has forced them to make a 20% cut. However discussions about longer term agreements are ongoing.

Play to the Crowd is three years into what is now likely to be a five year agreement with Arts Council England as part of its National Portfolio. However, this investment is restricted to Hat Fair.

- **Decline in ticket sales** - Busier more diverse programmes to attract new audiences. New ticket pricing to attract younger people. More engagement resulting in a more relevant programme. However the pandemic creates a big unknown as to the propensity for audiences to return rapidly even once the vaccine programme has been completed.
- **Burden of full repairing lease** - The Restoration Levy has made a big difference in mitigating this risk and the improvements made during the capital works this year and last year will also help as they include a new fire alarm system, better ventilation and last year a new Building Management System. Building redevelopment capital plans to support and upgrade continue to be a priority and fundraising continues for future planned phases. Each year we now prioritise an achievable number of tasks to improve the building and to minimise the risk of reactive repairs being required.



**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**REFERENCE AND ADMINISTRATIVE**

**Registered Company number**

03696681 (England and Wales)

**Registered Charity number**

1077139

**Registered office**

Theatre Royal Winchester  
21 Jewry Street  
Winchester  
Hampshire  
SO23 8SB

**Auditors**

P Underwood, FCCA  
Morris Crocker Limited  
Chartered Accountants  
Statutory Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

**Bankers**

CAF Bank Ltd  
25 Kings Hill Avenue  
West Malling  
Kent  
ME19 4JQ

National Westminster Bank plc  
48 Blue Boar Row  
Salisbury  
Wiltshire  
SP1 1DF

**PLAY TO THE CROWD**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**REFERENCE AND ADMINISTRATIVE (Continued)**

**Trustees**

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

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

Nominated Chair:	David Hill
Vice Chair:	Mark Byford
Elected Trustees:	David Hill Mark Byford Anthony Arkwright Paul Spencer Tamzin Sallis Yinnon Ezra Amy Eastwood Steve Cross Shaun Stacey Cara Honey
Chief Executive:	Deryck Newland
Company Secretary:	Jo Marlow

## PLAY TO THE CROWD

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

#### Statement of Trustees Responsibilities

The trustees (who are also the directors of Play to the Crowd 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those 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;
- 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 business.

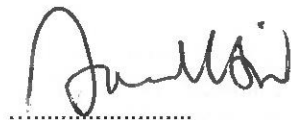
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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 information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Auditors, Morris Crocker Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 26/07/21 and signed on its behalf by:



Mr David Hill  
Chair of the Board

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PLAY TO THE CROWD**

### **Opinion**

We have audited the financial statements of Play to the Crowd (the 'charitable company') and its subsidiaries for the year ended 31 March 2021 on pages 17 to 32, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 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 group's and the parent charitable company's affairs as at 31 March 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity 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**

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PLAY TO THE CROWD**

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

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Our 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 a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

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

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning ticket sales and grant income and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income at £33,900. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality of £30,500.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
PLAY TO THE CROWD**

Substantive audit tests were designed after assessing and testing systems and controls. The systems and controls which have been designed to act as a preventative measure against fraud and error were operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The organisation has been closed for much of the financial year due to the Corona Virus pandemic. Funding has been secured after the year end to provide cash flow to continue to support the organisation. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

**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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the parent charity and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Underwood (Senior Statutory Auditor)  
for and on behalf of Morris Crocker Limited  
Chartered Accountants  
Statutory Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU



Date: 5 November 2021

PLAY TO THE CROWD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2021

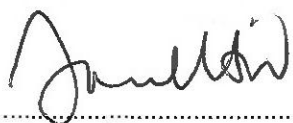
	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>INCOME FROM</b>					
Grants, donations and legacies	5	998,306	462,468	1,460,774	1,039,853
<b>Charitable activities</b>					
Charitable operations	7	111,457	-	111,457	1,254,176
Other trading activities	3 & 6	38,174	47,157	85,331	225,921
Investment income	4	169	-	169	1,900
<b>Total</b>		<b>1,148,106</b>	<b>509,625</b>	<b>1,657,731</b>	<b>2,521,850</b>
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Commercial trading operations	3 & 8	39,244	47,157	86,401	150,942
<b>Charitable activities</b>					
Charitable operations	9	633,497	339,114	972,611	1,977,570
<b>Total</b>		<b>672,741</b>	<b>386,271</b>	<b>1,059,012</b>	<b>2,128,512</b>
<b>Net income/(expenditure)</b>		<b>475,365</b>	<b>123,354</b>	<b>598,719</b>	<b>393,338</b>
<b>Transfers between funds</b>	22	-	-	-	-
<b>Taxation (trading subsidiary only)</b>		-	-	-	-
<b>Net movement in funds</b>		<b>475,365</b>	<b>123,354</b>	<b>598,719</b>	<b>393,338</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>162,700</b>	<b>404,662</b>	<b>567,362</b>	<b>174,024</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>638,065</b>	<b>528,016</b>	<b>1,166,081</b>	<b>567,362</b>

# PLAY TO THE CROWD

## CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 MARCH 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>FIXED ASSETS</b>					
Tangible assets	16	572,662	597,966	571,454	596,417
Investments	17	-	-	1	1
		<u>572,662</u>	<u>597,966</u>	<u>571,455</u>	<u>596,418</u>
<b>CURRENT ASSETS</b>					
Stocks	18	6,909	9,858	-	-
Debtors	19	84,595	75,134	78,922	75,134
Cash at bank and in hand		878,104	367,933	876,460	367,933
		<u>969,608</u>	<u>452,925</u>	<u>955,382</u>	<u>443,067</u>
<b>CREDITORS</b>					
Amounts falling due within one year	20	(376,189)	(478,529)	(355,731)	(468,672)
<b>NET CURRENT ASSETS</b>		<u>593,419</u>	<u>(25,604)</u>	<u>599,651</u>	<u>(25,605)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		1,166,081	572,362	1,171,106	570,813
<b>CREDITORS</b>					
Amounts falling due in more than one year	21	-	(5,000)	-	(5,000)
<b>NET ASSETS</b>		<u>1,166,081</u>	<u>567,362</u>	<u>1,171,106</u>	<u>565,813</u>
<b>FUNDS</b>					
Restricted funds	23	528,016	404,662	528,016	404,662
Unrestricted funds	23	638,065	162,700	643,090	161,151
<b>TOTAL FUNDS</b>		<u>1,166,081</u>	<u>567,362</u>	<u>1,171,106</u>	<u>565,813</u>

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



Mr David Hill - Trustee



# PLAY TO THE CROWD

## STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>Cash flows from operating activities</b>					
Cash generated from operations	28	603,411	425,901	601,766	424,197
		<u>603,411</u>	<u>425,901</u>	<u>601,766</u>	<u>424,197</u>
<b>Cash flows from investing activities</b>					
Interest received		169	1,900	169	1,900
Purchase of tangible fixed assets		(93,409)	(558,570)	(93,409)	(556,865)
Acquisition of subsidiary		-	-	(1)	(1)
<b>Cash provided by (used in) investing activities</b>		<u>(93,240)</u>	<u>(556,670)</u>	<u>(93,241)</u>	<u>(554,966)</u>
Change in cash and cash equivalents in the reporting period		510,171	(130,769)	508,525	(130,769)
Cash and cash equivalents at the beginning of the reporting period		367,933	498,702	367,933	498,702
<b>Total cash at the end of the year</b>		<b>878,104</b>	<b>367,933</b>	<b>876,458</b>	<b>367,933</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The total funds unrestricted of Play to the Crowd, including unrestricted fixed assets, as of 31 March 2021 stand at a positive £638,065 compared up from a positive £162,700 the previous year. In addition there is a positive sum of £528,016 held on the balance sheet as a restricted fund to be paid down for the already spent capital fixed assets from the previous year's capital project

As at 31 March 2021 Play to the Crowd had a net current assets position of £593,419.

For the year ended 31 March 2021 the Trust achieved a significant surplus of £598,719 and saw its' Cash and Bank balances increase to £878,104. With a current focus on transformation of the business to further build operational and financial resilience the Trustees are confident that the Trust will continue to achieve a net current asset position at 31 March 2022, although there are significant challenges to meet, emerging from the Covid-19 pandemic.

In addition the Trust benefits from having significant monies received in advance for future shows and services which totalled £115,599 at 31 March 2021.

The trustees have worked tirelessly from the last days of March all the way through the months following to secure the organisation from the very real threat posed by the pandemic. The organisation has restructured to reduce its ongoing fixed costs as we emerge from the health emergency which has closed all theatres for so long. It also launched a successful 'Survival Appeal' which exceeded its target and it has been granted a sum from the Government's Culture Recovery Fund to sustain it to the end of March 2021 at least.

As a result the trustees believe that Play to the Crowd has weathered the storm and will emerge in a sustainable position as the Covid-19 emergency recedes.

However, they also recognise that recovery will be slow and that ongoing investment from public bodies will become even harder to sustain at current levels. Therefore the assumptions for the entirety of 2021-22 and into the year beyond are conservative, with a smaller operation with less income potential and therefore necessarily smaller scope and capacity planned for. It may well be necessary to use at least a proportion of the reserves achieved in the 2020-21 year to support and protect the organisation's sustainability in the eighteen months from April 2021.

A new business model and structure with budgets and forecasts for that period has been approved and implemented by the trustees to deliver that sustainable future.

The trustees therefore believe the charity has sufficient resources to continue in operational existence for the foreseeable future and, on the basis of these budgets and forecasts, the trustees consider the company to be a going concern and have prepared the financial statements accordingly.

**Group financial statements**

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Trade To The Crowd, on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006.

**Incoming resources**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants, sponsorship and donations represent income from various sources as disclosed in the notes to the financial statements.

Investment income is recognised on a receivable basis.

## PLAY TO THE CROWD

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

#### 1. ACCOUNTING POLICIES - continued

##### **Government grants**

Government grants are recognised based on the accrual model. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Where costs are related to the next financial period, the grants will be recognised in deferred income.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs include central functions and have been entirely allocated to operation of the theatre costs on the basis that this is the charity's core and that further allocation would not be meaningful.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Resources expended are allocated to costs of generating funds, charitable activities and governance costs on an accrual basis where appropriate and a usage basis, as determined by the trustees, when allocation on an accruals basis is not possible.

##### **Recoverable VAT**

The company qualifies for cultural exemption in respect to its income from theatrical performances. As other activities are standard rates, a proportion of VAT paid by the company is recoverable in respect of those activities. The amount recoverable will fluctuate from year to year in accordance with the levels of income generated by the various activities. The recoverable amount is offset against charitable services costs.

##### **Operating leases**

Rentals payable are charged on a straight line basis over the lease term.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvement to property	- 20% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

Tangible fixed assets costing £500 or more are capitalised at cost.

##### **Stocks**

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

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

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

## PLAY TO THE CROWD

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

#### 1. ACCOUNTING POLICIES - continued

##### **Fund accounting - continued**

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

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

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Financial instruments**

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable investments in stocks and shares. The measurement basis used for these instruments is detailed below.

##### **Debtors & cash at bank**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and in hand included cash held on deposit or in a current account.

##### **Creditors and provisions**

Creditors and provisions are recognised where the charity 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### 2. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, Trade to the Crowd.

A summary of the financial activities undertaken by the charity is set out below:

	2021 £	2020 £
Total incoming resources	1,577,973	2,360,053
Total expenditure on charitable activities	(972,680)	(1,968,264)
Net outgoing resources	605,293	391,789
Total funds brought forward	565,813	174,024
Total funds carried forward	1,171,106	565,813
Represented by:		
Restricted funds	528,016	404,662
Unrestricted funds	643,090	161,151
	1,171,106	565,813

# PLAY TO THE CROWD

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

### 3. INCOME FROM COMMERCIAL TRADING OPERATIONS

#### Trade To The Crowd Ltd (Registered Company number: 12131447)

The charity's wholly owned trading subsidiary, Trade to the Crowd, which is incorporated in England and Wales, pays its profits to the charity by Gift Aid. The following is an extract of the financial statements of Trade to the Crowd for the year ended 31 March 2021:

	2021 £	2020 £
Turnover	79,758	161,797
Cost of sales and administrative expenses	(86,332)	(122,991)
Profit before tax	(6,574)	38,806
Corporation tax	-	-
Profit after tax	(6,574)	38,806
Profits distributed to the charity	-	(37,257)
Retained in subsidiary	(6,574)	1,549
The assets and liabilities of the subsidiary were:		
Fixed assets	1,208	1,549
Current assets	17,793	28,430
Current liabilities	(24,025)	(28,429)
Net assets	(5,024)	1,550
Aggregate share capital and reserves	(5,023)	1,550

Trade to the Crowd was incorporated on 31st July 2019 and commenced trading in September, therefore these numbers only represent half a year of trading through this vehicle. Earlier in the year theatre bar financial activity was held within the charity accounts.

### 4. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	169	1,900

All investment income is derived from cash deposits held within the United Kingdom.

### 5. GRANTS, DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	320,585	54,584
Grants	1,133,285	849,073
Restoration & maintenance levy	6,904	136,196
	1,460,774	1,039,853

# PLAY TO THE CROWD

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

Grants received, included in the above, are as follows:

	2021 £	2020 £
Winchester City Council Grant	232,057	189,556
Hampshire County Council Grant	73,000	457,000
Arts Council of England	136,627	134,158
Winchester BID	-	4,000
Foyle Foundation	-	20,000
Backstage Trust	-	10,000
Garfield Weston	205,865	30,000
Job Retention Scheme	256,602	-
DCMS Resources	219,134	-
Other grants	10,000	4,359
	<u>1,133,285</u>	<u>849,073</u>

### 6. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Front of house ancillary sales including Trade to the Crowd's trading operation (see note 3)	<u>85,331</u>	<u>225,921</u>

### 7. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	Totals £	2020 £
Ticket sales	46,091	-	46,091	1,034,885
Hatfair other income	19,169	-	19,169	72,511
Education income	13,991	-	13,991	56,107
Venue hire	5,228	-	5,228	42,507
Individual memberships	4,675	-	4,675	13,807
Corporate support	5,377	-	5,377	26,315
Theatre tax relief	16,607	-	16,607	8,044
Other income	319	-	319	-
	<u>111,457</u>	<u>-</u>	<u>111,457</u>	<u>1,254,176</u>

### 8. COMMERCIAL TRADING OPERATIONS

#### Other trading activities

	2021 £	2020 £
Front of house ancillary cost of sales including Trade to the Crowd's trading operation (see note 3)	<u>86,401</u>	<u>150,942</u>

PLAY TO THE CROWD

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

9. CHARITABLE ACTIVITIES COSTS

	Direct expenditure (see note 10) £	Support costs (see note 11) £	Total 2021 £	Total 2020 £
Charitable Operations	195,314	777,297	972,611	1,977,570
	<u>195,314</u>	<u>777,297</u>	<u>972,611</u>	<u>1,977,570</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Production costs	68,886	661,433
Hatfair production costs	51,389	180,102
Education workshops and performances	35,993	40,591
Marketing	32,592	94,837
Box office costs	6,454	52,075
	<u>195,314</u>	<u>1,029,038</u>

11. SUPPORT COSTS

	Management £	Finance £	Governance £	Totals £
Charitable Operations	648,588	118,371	10,338	777,297
	<u>648,588</u>	<u>118,371</u>	<u>10,338</u>	<u>777,297</u>

	2021 £	2020 £
<b>Management</b>		
Wages	471,888	638,135
Social security	52,499	56,014
Pensions	9,717	13,638
Insurance	10,032	10,990
Light and heat	28,433	39,152
Telephone	4,288	5,027
Postage and stationery	11,773	12,556
Sundries	18,902	34,256
Travel expenses	107	3,930
Cleaning	2,791	9,455
Repairs and maintenance	20,983	43,216
Consultancy	22,640	10,152
Training	1,815	9,342
Recruitment	115	56
Subscriptions	3,649	3,541
Bad debts	5	356
Recoverable VAT	(11,049)	(19,997)
Legal and professional	-	-
	<u>648,588</u>	<u>869,819</u>

PLAY TO THE CROWD

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

**Finance**

	2021 Charitable Operations £	2020 Total Activities £
Depreciation of tangible fixed assets	117,290	63,165
Loss on sale of tangible fixed assets	1,081	5,188
	<u>118,371</u>	<u>68,353</u>

**Governance costs**

	2021 Charitable Operations £	2020 Total Activities £
Auditors remuneration	7,566	7,845
Accounting fees	2,370	1,488
Bank charges	402	1,027
	<u>10,338</u>	<u>10,360</u>

**12. NET INCOME/(EXPENDITURE) - GROUP**

Net resources are stated after charging:

	2021 £	2020 £
Auditors' remuneration	7,566	7,845
Depreciation - owned assets	117,290	63,165
Deficit on disposal of fixed assets	1,081	5,188

**13. TRUSTEES' REMUNERATION AND BENEFITS**

No trustees' received remuneration or other benefits during the year ended 31 March 2020 nor for the period ended 31 March 2021.

**Trustees' Expenses**

During the year no trustees (2020: none) were reimbursed for out of pocket expenses.

**14. STAFF COSTS**

	2021 £	2020 £
Wages and salaries	540,661	698,824
National insurance	52,499	58,225
Pension contributions	9,717	14,241
	<u>602,877</u>	<u>771,290</u>

The key management personnel of the charitable company during 2020-21 comprised the Chief Executive, the Operations Director, the Business Director, the Hat Fair Director, the Marketing and Communications Director and the Playmakers Director. The total employee benefits of the key management personnel of the Charity were £233,040 (2020: £217,274).



# PLAY TO THE CROWD

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

The average monthly number of employees (full time equivalent) during the year was as follows:

	2021 Number	2020 Number
Administration	11	15
Box office	3	4
Technical	3	4
Front of house	8	9
	<u>25</u>	<u>32</u>

No employee had annual emoluments of more than £60,000 per annum this year or in the previous period.

### 15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 2020

	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>INCOME FROM</b>			
Donations and legacies	301,177	738,676	1,039,853
<b>Charitable activities</b>			
Charitable Operations	1,204,219	49,957	1,254,176
<b>Other trading activities</b>			
Other trading activities	225,921	-	225,921
Investment income	1,900	-	1,900
<b>Total</b>	<u>1,733,217</u>	<u>788,633</u>	<u>2,521,850</u>
<b>EXPENDITURE ON</b>			
<b>Raising funds</b>			
Commercial trading operations	150,942	-	150,942
<b>Charitable activities</b>			
Charitable Operations	1,593,599	383,971	1,977,570
<b>Total</b>	<u>1,744,541</u>	<u>383,971</u>	<u>2,128,512</u>
<b>Net (expenditure)/income</b>	(11,324)	404,662	393,338
<b>Net movement in funds</b>	(11,324)	404,662	393,338
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>174,024</u>	<u>-</u>	<u>174,024</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>162,700</u>	<u>404,662</u>	<u>567,362</u>

PLAY TO THE CROWD

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

16. TANGIBLE FIXED ASSETS - GROUP

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>COST</b>					
At 1 April 2020	274,488	181,938	217,650	41,357	715,433
Additions	29,431	59,207	1,489	3,282	93,409
Disposals	(2,137)	(3,800)		(2,294)	(8,231)
At 31 March 2021	301,782	237,345	219,139	42,345	800,611
<b>DEPRECIATION</b>					
At 1 April 2020	20,621	64,712	24,666	7,468	117,467
Charge for year	37,848	27,723	42,305	9,755	117,631
Eliminated on disposals	(2,137)	(2,718)		(2,294)	(7,149)
At 31 March 2021	56,332	89,717	66,971	14,929	227,949
<b>NET BOOK VALUE</b>					
At 31 March 2021	245,450	147,628	152,168	27,416	572,662
At 31 March 2020	253,867	117,226	192,984	33,889	597,966

TANGIBLE FIXED ASSETS - CHARITY

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>COST</b>					
At 1 April 2020	274,488	181,938	215,945	41,357	713,728
Additions	29,431	59,207	1,489	3,282	93,409
Disposals	(2,137)	(3,800)		(2,294)	(8,231)
At 31 March 2021	301,782	237,345	217,434	42,345	798,906
<b>DEPRECIATION</b>					
At 1 April 2020	20,621	64,712	24,510	7,468	117,311
Charge for year	37,848	27,723	41,964	9,755	117,290
Eliminated on disposals	(2,137)	(2,718)		(2,294)	(7,149)
At 31 March 2021	56,332	89,717	66,474	14,929	227,452
<b>NET BOOK VALUE</b>					
At 31 March 2021	245,450	147,628	150,960	27,416	571,454
At 31 March 2020	253,867	117,226	191,435	33,889	596,417

17. INVESTMENTS - CHARITY ONLY

Investments represent the charity's shareholding in its trading company, Trade To The Crowd Ltd (company no. 12131447), of 1 ordinary £1 share.

**PLAY TO THE CROWD**

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

<b>18. STOCKS</b>	2021	2020
	£	£
Bar stock	4,836	6,570
Confectionery etc	2,073	3,288
	<u>6,909</u>	<u>9,858</u>

**19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade debtors	421	2,941	421	2,941
Other debtors and accrued income	70,707	24,191	65,034	24,191
Prepayments	13,467	48,002	13,467	48,002
	<u>84,595</u>	<u>75,134</u>	<u>78,922</u>	<u>75,134</u>

**20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade To The Crowd Limited	-	-	3,567	18,572
Trade creditors	85,408	91,429	86,026	85,388
Social security and other taxes	45,652	30,250	45,652	30,250
VAT	18,505	21,700	(3,893)	712
Other creditors	111,025	150,421	108,780	149,021
Deferred income	115,599	184,729	115,599	184,729
	<u>376,189</u>	<u>478,529</u>	<u>355,731</u>	<u>468,672</u>

**21. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR**

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Accruals and deferred income	-	5,000	-	5,000
	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>

**DEFERRED INCOME**

Deferred income represents income received in advance for tickets for shows in the next financial year.

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Brought forward	184,729	212,105	184,729	212,105
Amount released to incoming resources	(184,729)	(212,105)	(184,729)	(212,105)
Amount deferred in year	115,599	184,729	115,599	184,729
Carried forward	<u>115,599</u>	<u>184,729</u>	<u>115,599</u>	<u>184,729</u>

**PLAY TO THE CROWD**

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

**22. OPERATING LEASE COMMITMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Expiring:		
Within one year	7,098	7,098
Between one and five years	4,943	12,900
	<u>12,041</u>	<u>19,998</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £7,098 (2020: £7,098).

The building the charity occupies is currently provided for a peppercorn rent and the charity is committed to the lease agreement until 30 September 2040. The total future minimum lease payments are expected to be £nil.

**23. MOVEMENT IN FUNDS**

Analysis of unrestricted fund movements

	Balance at At 1.4.20 £	Incoming resources £	Resources expended £	Transfers £	Balance at At 31.3.21 £
General fund	6,240	1,144,654	(672,741)	-	478,153
Designated Restoration fund	156,460	3,452	-	-	159,912
	<u>162,700</u>	<u>1,148,106</u>	<u>(672,741)</u>	<u>-</u>	<u>638,065</u>

Analysis of restricted fund movements

	Balance at At 1.4.20 £	Incoming resources £	Resources expended £	Transfers £	Balance at At 31.3.21 £
Restricted fund	404,662	-	(82,511)	-	322,151
Restricted fund - Garfield Weston	-	205,865	-	-	205,865
Restricted fund - Job retention scheme	-	303,760	(303,760)	-	-
	<u>404,662</u>	<u>509,625</u>	<u>(386,271)</u>	<u>-</u>	<u>528,016</u>

**Comparatives for movement in funds**

Analysis of unrestricted fund movements

	Balance at At 1.4.19 £	Incoming resources £	Resources expended £	Transfers £	Balance at At 31.3.20 £
General fund	17,474	1,379,559	(1,390,793)	-	6,240
Designated fund	156,550	353,658	(353,748)	-	156,460
	<u>174,024</u>	<u>1,733,217</u>	<u>(1,744,541)</u>	<u>-</u>	<u>162,700</u>

Analysis of restricted fund movements

	Balance at At 1.4.19 £	Incoming resources £	Resources expended £	Transfers £	Balance at At 31.3.20 £
Restricted fund	-	788,633	(383,971)	-	404,662
	<u>-</u>	<u>788,633</u>	<u>(383,971)</u>	<u>-</u>	<u>404,662</u>

## PLAY TO THE CROWD

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

The Trustees recognise that there are significant future costs to be incurred to maintain the infrastructure of the Listed Building. The Trustees also recognise that significant funds will be required, to which the Trust would be expected to contribute, for major refurbishment and transformation projects aimed at improving the operational and financial resilience of the Trust. At present a £2 Restoration and Maintenance Levy is collected from audiences as part of the overall ticket price and the Trustees have decided that £1 of this Levy is used to increase the Designated Fund. The other £1 is used to support operational maintenance and repair costs to ensure the building is kept in sound condition as per the requirements of our lease.

#### 24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Fixed assets	250,511	322,151	572,662
Current assets	763,743	205,865	969,608
Current liabilities	(376,189)	-	(376,189)
	<u>638,065</u>	<u>528,016</u>	<u>1,166,081</u>

#### 25. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £9,717 (2020: £14,241).

#### 26. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

#### 27. ULTIMATE CONTROLLING PARTY

The charitable company is not under the control of another entity or any one individual.

**PLAY TO THE CROWD**

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

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

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Net movement in funds	598,719	393,338	605,293	391,789
Loss on disposal of fixed assets	1,082	5,188	1,081	5,188
Depreciation charge	117,631	63,321	117,290	63,165
Interest received	(169)	(1,900)	(169)	(1,900)
Decrease in stocks	2,949	(4,564)	-	5,294
(Increase)/decrease in debtors	(9,461)	(9,253)	(3,788)	(9,253)
Increase/(decrease) in creditors	(107,340)	(20,229)	(117,941)	(30,086)
	<u>603,411</u>	<u>425,901</u>	<u>601,766</u>	<u>424,197</u>

**ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.20 £	Cash flow £	At 31.3.21 £
<b>Net cash</b>			
Cash at bank	367,933	510,171	878,104
	<u>367,933</u>	<u>510,171</u>	<u>878,104</u>