

Company number: 07091161
Charity number: 1137223

The Park Theatre

Report and financial statements
For the year ended 31 March 2022

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Trustees	<p>Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:</p> <p>Nigel Pantling [Chair] (resigned 18 January 2022) Anthony Clare [Chair] (appointed 18 January 2022) Ibukun Alamutu (appointed 13 September 2022) Professor Kurt Barling Hedda Beeby Andrew Cleland-Bogle Jonathan Edwards (appointed 9 December 2021) Robert Hingley (resigned 18 January 2022) Mars Lord (resigned 16 November 2021) Bharat Mehta Rufus Olins Jo Parker (resigned 13 September 2022) Victoria Phillips [Vice chair] Joseph Smith (appointed 13 September 2022) Julia Tyrrell</p>
Key management personnel	<p>Jez Bond, Artistic Director & CEO Rachael Williams, Executive Director & Joint CEO (resigned 28 December 2021) Lucy Perman, Interim Executive Director (5 January 2022-14 May 2022) Vicky Hawkins, Executive Director, appointed 16 May 2022</p>
Founding Benefactor	<p>Jeremy Bond (1939-2020)</p>

The Park Theatre

Reference and administrative information

Registered information

Registered Charity name The Park Theatre (also known as Park Theatre)

Company number 07091161 – incorporated in the United Kingdom

Charity number 1137223 – registered in England and Wales

Registered office and operational address 11-13 Clifton Terrace
Finsbury Park
London
N4 3JP

Professional advisors

Bankers CAF Bank
Charities Aid Foundation
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Auditors Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

The Park Theatre

Chair's Report

It was a great honour and privilege to join the board as Chair of Trustees in January, and I would like to start by paying tribute to my immediate predecessor Nigel Pantling. Nigel served Park Theatre for seven years, and with no greater distinction than in the last two years of his tenure, in which he successfully steered the theatre through a period of sombre uncertainty brought upon it by the Covid pandemic. Faced with a devastating impact on our operations and income, Nigel's calm, astute and resilient leadership was critical. His bequest to us all is that our much-loved theatre has weathered the eye of that storm in far greater fettle than might otherwise have been feared.

As we present these accounts, reporting the outcome of a resilient year, it is worth reflecting on the challenges we continued to face. The theatre remained dark for the first four months of the year, unable to welcome audiences or generate income. Furloughed staff returned in the summer, and work was undertaken to renovate and extend the mezzanine space. Creative learning activity continued and expanded on-line, and with the generous support of Arts Council England we were able to host Park Sessions workshops for freelance theatre-makers from under-represented backgrounds.

Performances returned in August on a socially-distanced basis but it was only in October, half way through the year, that we could re-open fully and welcome our audiences back to both Park200 and Park90. It was with no small amount of pride that we could announce that one of those first shows, *A Place for We* (a co-production with our friends at Talawa Theatre), was nominated for an Olivier Award and two Offies Awards. What better validation could there have been for the vital nature of our mission – to present our audiences with compelling stories, brilliantly told.

Throughout the year, our staff and volunteers met ongoing challenges with remarkable resilience. They adapted swiftly to changing protocols, punishing schedules and operational demands as performances throughout the winter continued to be affected by Covid-related cancellations. We are proud and thankful for everything they have done to steady the ship, and in continuing to serve our audiences and visitors with good humour and grace.

Thanks must also go to our funders, members and donors whose generosity continued unabated, and to Arts Council England for £412,500 in funding. And to our wider family of supporters whose contribution to securing the future of Park Theatre was perhaps most evident in the highlight event of the year, *Whodunnit [Unrehearsed] 2*. Presented in February and March, this fundraising show was created by Artistic Director Jez Bond and Associate Artist Mark Cameron, and saw a multitude of household names from the worlds of stage and screen give freely of their time and talents to subject themselves to the daunting prospect of appearing on stage unscripted, unprepared and armed only with an ear-piece as they were romped and cajoled through a hilariously riotous detective spoof. The atmosphere of love and support for everything Park Theatre represents was evident in those weeks, as audiences responded with joy and enthusiasm. Ticket income and funds raised in post-show auctions (as well as increased member subscriptions) helped the production deliver a net result of approximately £475,000, a much-welcomed contribution to Park's financial position.

And a final word of thanks to those to whom we bid a fond farewell throughout the year. Rachael Williams, Executive Director and Joint CEO, left after five years of outstanding service to take up a

role as Chief Executive of Streetwise Opera, where we wish her every success. Lucy Perman served as Interim Executive Director with great efficiency and skill until we were delighted to welcome our new Executive Director Vicky Hawkins, who joined us in May from the National Theatre. Changes to the board saw the retirement of two further trustees, Mars Lord and Robert Hingley (Robert having chaired the Finance Committee with exceptional commitment and good judgment), and we thank them both for their dedicated service. Robert is succeeded as chair of the Finance Committee by Jonathan Edwards, appointed to the board in December.

Now we look ahead. Challenges undoubtedly lie before us, be they in the form of a resurgent virus, inflation, cost of living pressures, audience booking patterns etc – but despite them we can be confident about the future. Park Theatre is a unique place. Where audiences from our vibrant community and beyond experience exceptional theatre. Where emerging producers find the resources and support to present and co-produce exciting new work. Where new voices are encouraged to tell their stories. Where those eager to get involved find a welcome, and an opportunity to volunteer or participate. Park Theatre has made it through the hard times of late with the support (great and small) of a wide community that feels more like a family. We are determined to repay that support through building our resilience and delivering on our mission. And as we prepare to celebrate Park's 10th birthday next year, we look forward to good times ahead.



Anthony Clare
Chair of Trustees

The Trustees present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's activities remained focused on its stated objectives.

Objectives and activities

Park Theatre's charitable objectives are to promote, maintain, improve and advance education of the public in the arts.

Our principal objective is to present high-quality, affordable drama for everyone – and, through the work on stage, our creative learning programmes and the provision of a welcoming neighbourhood hub, to provide artistic opportunities, enhance lives and increase community cohesion.

We aspire to present world-class theatre productions, collaborating with top-quality talent, programming a wide variety of plays, from classics through to new writing, distinguished by strong narrative and powerful emotional content. We aim to produce both in-house and in partnership with the best of existing and emerging producers, for whom we endeavour to provide an outstanding level of support.

By creating a welcome and nurturing environment, we want Park Theatre to be accessible to everyone within our diverse community and beyond and, through affordable ticket pricing and outreach programmes, we aim to engage with those who have little or no experience of theatre. We aim to be a beacon for all and an ambassador for theatre worldwide.

Park Theatre has four key activities which generate income and/or deliver benefit to our beneficiaries:

- External productions: these deliver rental income. Park Theatre receives a fee from the producer who rents our auditorium for a theatre production along with certain support services, usually for four weeks (Park90) or five weeks (Park200). The producer takes the box office ticketing income
- In-house and co-productions: Park Theatre provides some or all of the funding needed to deliver a production and receives some or all of the box office ticket income that is generated
- Creative learning and artist development: these are classes, workshops, summer schools and other initiatives provided by Park Theatre, which are charged for, sometimes at a subsidised rate, or free

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Trustees' Annual Report For the year ended 31 March 2022

- Provision of space: Park Theatre rents out its facilities for rehearsals, workshops, meetings and events, sometimes at preferential rates for artists and local community groups.

These activities cannot be supported entirely by the income they produce, so we subsidise them by a programme of development activities.

We measure the impact and success of these activities as follows:

External productions:

- Financially, by measuring how far we achieve rental income for the theatre across the year, and how far box office income is likely to have enabled the producer at least to recoup costs
- Artistically, by monitoring ticket sales through box office data, critics' reviews and other press comment, social media activity and the future life of the production outside the building (for example, on tour or with a transfer to the West End).

In-house and co-productions:

- Financially, by measuring ticket income through box office data and assessing the extent to which each production generates a surplus or loss, taking account of rent foregone
- Artistically, by monitoring ticket sales through box office data, critics' reviews and other press comment, social media activity and the future life of the production outside the building (for example on tour or with a transfer to the West End). In the longer term we are looking to move to a model whereby we produce or co-produce more of the work presented, in order that we can more directly influence the artistic quality.

Creative learning and artist development:

- Financially, by measuring income received and the extent to which it meets the cost of the activities undertaken. In the longer term we hope to be able to accurately measure the impact of our creative learning offering, which in turn should help secure more funding and mean that we can work with more participants
- Assessing impact, by measuring the number and demographic of participants and through feedback forms.

Provision of space:

- By measuring income received, the extent of subsidy offered and which companies this subsidy is offered to as related to the aims stated in our Business Plan, particularly regarding our ambition to support a diverse range of productions and creatives.

Achievements and performance

i. Artistic

After the height of the pandemic, Park Theatre reopened with socially distanced shows. Soon after, when government restrictions were eased, productions at full capacity were presented. Our first six months of 'full' opening included a number of high profile, near sell-out successes including *Tony!* – Harry Hill and Steve Brown's musical about Tony Blair – and *Clybourne Park* – a classy first revival of the Oliver-Award-winning play that opened at the Royal Court and transferred to the West End a decade prior. Both productions had excellent reviews including from key national publications:

Tony!

"A new, fresh, multitasking musical... Rousingly magnificent" ★★★★★ *Observer*

"Packed with joyfully withering mirth... I was laughing so much I struggled to swallow my beer" ★★★★★ *Daily Mail*

"A musical that takes a truly egalitarian approach to satire" ★★★★★ *Sunday Times*

Clybourne Park

"Oliver Kaderbhai's superb production at the Park Theatre manages to be even better and more penetrating than the show's original" ★★★★★ *The Independent*

"[An] exquisitely discomfiting riff on race and property" ★★★★★ *Evening Standard*

"Skilful performances bring great depth to this resonant revival of Bruce Norris' unflinching and unsettling comic drama" ★★★★★ *The Stage*

Another successfully reviewed show was *Little Women The Musical*, described by *London Theatre Reviews* as "A wonderful night out at a lovely theatre and I can't think of any better words than: just perfect".

It was clear from the off that it was significantly more challenging to entice audiences to return. This was due to a combination of elements; people being out of the habit of booking ahead for live events, remaining cautious about being in enclosed spaces and wider financial pressures. Despite this, we achieved exceptionally strong results. In early 2022, notwithstanding undertaking significant PR and marketing to help push the sales, we delivered a sell-out *Whodunnit [Unrehearsed]* fundraiser show (the second of its kind), which saw a much needed injection of cash into the organisation.

ii. Infrastructure and building

As audiences and stakeholders populated our building, the changes to the infrastructure facilitated by the enforced period of closure - namely the open plan pizza kitchen and mezzanine extensions - were appreciated by all. At busy times there is improved flow in the building, and whilst there have been struggles in staffing the front of house operation, the pizza offering has been well received. Unanimously positive feedback has been provided on the entire refurbishment, including our new signage which improved access needs.

In summary, through a difficult time – and within an ever-changing climate – the team pulled together to deliver on the key goal of getting the building back up and running, ramping up to presenting full productions (a number of which, like *Tony!*, were produced in-house) and making various adjustments along the way.

Creative learning

In Summer 2021 we resumed working safely in person again, for the week-long free summer holiday project *If These Trees Could Talk*. Aimed at 7-11 year olds, this took place outside in Finsbury Park and culminated in two sharings.

In early Autumn 2021 we successfully recruited seven new Creative Learning facilitators to run our regular classes and outreach work. Two of our long-standing Young Company members and two members of the Youth Board helped with the recruitment process, which involved two workshops to aid the selection.

We returned to working in person in the Park Theatre building in Autumn 2021, with our termly classes of Act and Play for 7-11s, Young Company for 12-14s, Park Theatre Company (where auditions were held for new members), and our new group Park Theatre Collective 50+, all culminating in end of term shows in the Morris Space for friends and family. We also resumed our two creative classes for people living with Dementia - our Reminiscence class and the Singing group - where our local care homes also joined us once again in person. All of these classes continued into the Spring term of 2022.

In the Christmas holidays we ran outreach sessions, funded by Islington Council, at Hornsey Lane Community Centre with young people aged 7-14. We worked again with the same organisation on a repeat of *If These Trees Could Talk* in the February half term.

Fundraising

Late 2021/early 2022 saw fundraising efforts boosted with two significant successful applications; first for £125,000 to the Government's third and final Cultural Recovery Fund and second for £200,000 to the second Emergency Response Fund, also from the Government (via Arts Council England). This vital and very welcome support was reinforced by a sell-out run of *Whodunnit [Unrehearsed]* 2 and post-show auctions which netted around £475,000. These sums helped to make up for a slow start to fundraising as we reopened in August 2021, with competition for funds still strong as the effects of the pandemic continued to impact on the arts.

Whilst new individual funders were hard to come by, retention of members remained high with many supporters increasing their level of membership to help out. Donors repeatedly gave to numerous appeals directing them to the Covid crowdfunder, showing they understood our prolonged need post-closure.

We did, however, manage to attract some new grant-makers including the D'Oyly Carte Charitable Trust, Scops Arts Trust and the Noel Coward Foundation. Past givers Garfield Weston, Victoria Wood Foundation, The National Lottery Community Fund and the Chapman Charitable Trust among others continued to support us.

Beneficiaries of our services

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees regularly consider how planned activities will contribute to the charity's aims and objectives.

Park Theatre's Creative Learning initiatives use drama to enrich lives and address confidence building, bullying, social exclusion, peer pressure and identity. Our reach extends from the youngest to the oldest members of the community: from parents and babies, to older people with dementia. All programmes offered throughout the 2021/22 year were affordably priced and, by continuing to offer some of our work online, we were able to reach new participants in a variety of locations.

Financial review

Total income for 2021/22 was £2,007,944, compared with £1,564,432 the previous year. Expenditure in 2021/22 was £1,769,157, compared with £1,186,270 the previous year. Overall, the Theatre made a surplus for the year of £285,984 compared to a surplus on an equivalent basis of £378,162 in 2020/21. The surplus on unrestricted and undesignated funds was £294,221 compared with a surplus of £442,346 in 2020/21.

This year's surplus on unrestricted and undesignated funds was calculated after a depreciation charge of £28,739, which covers the depreciation of the theatre's Fixtures and Fittings and Office Equipment, which the theatre will need to replace in due course.

For technical accounting reasons, we are required to include a further depreciation charge of £83,762 which relates to the theatre property and other assets which, under the terms of our lease, it is the freeholder's responsibility to replace; this appears in Designated Funds on the Statement of Financial Activities. Albeit that this is a depreciation charge required for accounting purposes, the Board does not consider that a material financial contribution towards the replacement of those assets to which it relates would be required from the theatre.

Income from core charitable activities was £822,827, compared to £61,218 the previous year; this represents a return to actual rental and box office income post pandemic.

Total fundraised income this year was £941,772; down from £1,494,257 the previous year. We were grateful for further Arts Council support and the continuation of the Coronavirus Job Retention Scheme - which mitigated the effects of the pandemic - and continued our strong relationship with our donors.

The Café Bar resumed trading in-house. It generated a profit of £3,984, after paying recharges to the theatre for services provided, compared with no activity during the previous year's closure period. This is an encouraging result given that it represents only 7 months trading following the re-opening of the theatre in August 2021.

Reserves

As at 31 March 2022, unrestricted free reserves (equivalent to net current and unrestricted assets i.e. total unrestricted funds less fixed assets) were £1,114,725, an increase of £234,448 on the previous year-end position (£880,279). However, a year-end figure does not reflect the working capital movements that take place during the year and, in estimating free reserves, the Board must also take into account normal fluctuations in operating cash flows and known liabilities. The Board estimates that at the year end the underlying free reserves of the charity (i.e. the amount that the Board would expect to remain available after taking account of normal operating cash flows and factoring in potential losses for previously committed to in-house productions) were in the order of £120,000 to £155,000.

The Board continues to prioritise building Park Theatre's financial resilience. The Board aims to build up and maintain free reserves at a level equating to approximately three months of overhead costs (after allowing for reasonable cost mitigations which the theatre's management could undertake if necessary). This represents a strengthening of Park Theatre's reserves target from the previous target of £200,000, reflecting the Board's desire to ensure the organisation is well-positioned for a range of future scenarios. The Board accepts that the current fundraising and business outlook means that it will take several years to build reserves sustainably to this level.

Principal risks and uncertainties

The Board keeps the theatre's risk assessment under regular review. A detailed review of risk and measures for its mitigation is looked at in detail by the Finance Committee twice per year and brought to the full Board for discussion annually. The three principal areas of risk and the steps being taken to mitigate them are:

i. Financial resilience

The charity has limited reserves to enable it to cope with unexpected financial shocks, but the relatively healthy reserves level that has been achieved and maintained by the fundraising undertaken throughout the year mitigates this risk for the immediate future. Government support alongside this fundraising has enabled the theatre to navigate the challenges posed by the pandemic. However, audiences who have returned often book much later than previously, and some have not yet returned at all. On a more positive note, we are increasingly confident that there will be no further government-imposed lockdowns. We hope that audience booking patterns and loyalty will continue to stabilise and increase.

Going forward, there are a number of initiatives underway to increase resilience. The new Business Plan for 2023-2026 will address the challenge of programming P90 in a more financially sustainable

way. The 10th anniversary of Park Theatre will be an opportunity for fundraising throughout the calendar year, as well as a gala event. We will also undertake a pricing review, including a way for patrons to more easily add a donation to the price of their ticket.

ii. Dependence on voluntary income

Park Theatre depends heavily on voluntary income. The fundraising climate continues to be difficult despite coming through the worst of the pandemic; the cost of living crisis adversely impacts the disposable income of our current and prospective supporters, as well as diverting potential grant-makers and corporates away from the arts. In the next few years, however, our 10th anniversary in 2023, *Whodunnit 3 [Unrehearsed]* in 2024 and an additional large set-piece fundraising event will present the opportunity for more engagement than in recent years, so we are more confident of attracting new support across income streams.

In addition to milestone moments, we hope to forge more connections through our Development Board. Following Jo Parker's retirement from the board after 7 years of excellent leadership, this group will be led by a new chair and be focused specifically on generating new income, particularly through corporate and individual funders, to drive us towards long-term financial sustainability.

iii. Staff capacity

The theatre has a relatively small staff team who work long hours, requiring high levels of personal commitment.

In addition, the recruitment landscape has been challenging, particularly in the area of hospitality. Many theatre workers left the sector when it was closed, moving to film or TV which were back up and running sooner, or even changing career entirely. Staff are rightly increasingly concerned with having a good work/life balance and we need to support this going forward. We continue to offer hybrid working as one way to support employees who are able and wish to work remotely, and this has been positively received. We also have ongoing support from our HR consultant, who is highly regarded and well-liked by the team, offering excellent advice when needed on both a personal and organisational basis.

Current position and plans for the future

As we stand, we are now in a similar financial situation to where we were before the pandemic, which itself is an achievement. Our current priority, with our new Executive Director having settled into her post, is to prepare a Business Plan for the next four years. A key section of this will focus on how we address the ongoing annual structural deficit, which has of course not improved since the pandemic - and with indications of upcoming inflationary cost increases the situation will only worsen if left unaddressed. Within the next year, we would like to move cautiously to a model of producing (or co-producing) more work in-house. We will also seek to address the growing issues of programming visiting work in Park90, which is now becoming increasingly challenging.

Fund-raising is paramount and, as noted above, there are a couple of specific upcoming events which will enable us to raise both funds and the theatre's profile. The first of these, in May next year, will be our 10th anniversary celebration. The second is *Whodunnit [Unrehearsed] 3* – the play that sees a celebrity Inspector don an earpiece and comedically stumble through the show – which is planned for Spring 2024.

As our small and dedicated team continue to deliver on our ambitions, we will continue to support them with as many training and up-skilling opportunities as possible – as well as undertaking regular sessions with our external HR advisor (both in group and one-to-one scenarios). Finally, we will look at any practicable measures that can reduce the pressure and/or workload on the team.

Going concern

The charity's planning process, including financial projections, has taken into account the current economic climate and its potential impact on the various sources of income and planned expenditure, including, in particular, the charity's ability to generate donations, grants and other development income, on which the charity remains substantially dependent.

The Board has a reasonable expectation that the theatre will have adequate resources to continue in operational existence for at least the 12 month period from the date of approval of the financial statements. There are no material uncertainties surrounding the ability of The Park Theatre to remain a going concern and thus the accounts have been prepared on this basis.

Structure, governance and management

The Company was incorporated as a company limited by guarantee on 30 November 2009 with registered number 07091161. The Company was registered with the Charity Commission with effect from 2 August 2010, with registered number 1137223.

The Company was incorporated under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. Trustees receive no remuneration from their role as trustees at the Theatre. They may be reimbursed for expenses (such as travel to board meetings) necessary for them to perform governance duties. Any expenses and extraordinary payments reclaimed from the charity are set out in the notes to the accounts.

There are two subsidiary companies in existence: Park Theatre Cafe Bar Ltd (company number 09492315) and Park Theatre Productions Ltd (company number 09358327). Park Theatre Cafe Bar Ltd was incorporated on 16 March 2015 in order to manage the cafe bar operations. Park Theatre Productions Ltd was incorporated on 17 December 2014 in order to facilitate more commercial productions and to manage the greater risk associated with producing.

There are separate committees for Finance, Nominations, Catering and Development. The Finance Committee meets regularly to support the Artistic Director, Executive Director and Finance Director

with financial decisions and issues, and makes recommendations to the Board. The Nominations Committee meets as required to consider, vet and recommend to the Board new Trustee appointments. The Catering Committee meets twice a year to focus on the food and beverage offering. The Development Committee exists to bolster our fundraising efforts, by supporting and advising our Development Director and increasing our network of donors. It meets twice a year.

The Trustees take their responsibilities under the Charities Act (Protection and Social Investment) Act 2016 seriously and have considered the implications of their activities. No commercial fundraisers were contracted in 2021-22.

We follow the Code of Fundraising Practice and observe a Gift Acceptance policy outlining the considerations and processes carried out by the Development team and its champions when accepting major gifts. Park Theatre also seeks to ensure that a supporter is equipped with all the necessary information in order to make an informed decision when making a donation.

Our Board of Trustees are regularly updated on fundraising progress and fundraising activity is monitored by the Development Director and Executive Director to ensure that the Gift Acceptance policy and GDPR are adhered to. As such, there have been no complaints about fundraising at Park Theatre.

Appointment of trustees

The Board has a strong mix of skills, reflecting the identified needs of the charity. In 2019, we adopted revised Articles of Association; these new Articles are more suited to our organisation and introduced fixed terms of office for Board members. Board members are now able to serve up to two terms of three years each, and an additional year in exceptional circumstances. Provision was made to avoid the immediate loss of Trustees with more than six years' service.

The Board met formally every two months throughout the year, with informal contact in the intervening months. The Finance Committee met monthly and the Nominations Committee met as required. These meetings enabled the Trustees to oversee the strategy, management and financial management of the theatre. Nigel Pantling continued to be Chair of the Board of Trustees until January 2022 when he was succeeded by Anthony Clare.

Trustee induction and training

New Trustees are identified through the Board's existing networks, by direct approaches to individuals thought to have the skills and experience required, or by advertising as appropriate. Potential new Trustees meet at least two Board members and one member of the senior management team and are interviewed by members of the Nominations Committee before their appointment is considered by the full Board.

Newly-appointed Trustees are briefed by a senior staff member to introduce them to the charity, given a tour of the building by the Artistic Director, and are supplied with an induction pack about the charity and its governance.

Related parties and relationships with other organisations

Trustees are aware of the need to uphold transparency and equality in contractual and business relationships. The Board requires disclosure of relationships between the Trustees or members of staff with contracted actors, production companies or similar agencies. Business contracts that could attract interest from known parties are put out to tender so as not to give preferential treatment. Where a conflict of interest arises affecting a Board member, the individual concerned takes no part in the decision.

The freeholders for Park Theatre are Jez Bond (the theatre's Artistic Director), and his siblings Ms Imola Melinda Bond and Ms Nicola Zsuzsa Primerano Riano. During the financial year, rent of £26,249 has been accrued and not paid as agreed with the freeholders. The freeholders requested that funds be held on account until such time as they are requested to be released to them or donated to the charity.

Remuneration policy for key management personnel

When the theatre opened it was not possible to pay salaries in line with those paid elsewhere. Our longer-term remuneration policy is to pay salaries in line with comparable organisations, and having undertaken a benchmarking exercise we are now close to achieving that for many roles. Salaries for all staff below Executive level are reviewed by the Executive and any changes authorised by the Finance Committee. Salaries for the Artistic and Executive Directors are reviewed and set by the Nominations Committee.

Employee information

We are deeply grateful as a Board to the staff team, whose hard work, commitment and creativity have supported the theatre as it emerges from the pandemic.

Artistic Director and CEO Jez Bond has continued to provide strong leadership and creative vision to the theatre. We were sad that Executive Director and Joint CEO Rachael Williams left Park Theatre at the end of December 2021; she was a highly effective and valued leader alongside Jez. We wish her well in her new role as CEO of Streetwise Opera. Lucy Perman joined as interim Executive Director, working a three-day week, and ably took up the reins. All three have been well supported by the senior management team, and capable and committed junior staff. A new role of General Manager was created and successfully recruited during the year. In addition, new staff members were recruited for the existing roles of Sales & Ticketing Manager, Administrator, Finance Officer and Head of Hospitality.

We remain immensely grateful to our volunteers, many of whom returned to usher when the theatre reopened, and we have also held a number of recruitment drives to further increase the pool. We train our volunteers in the relevant aspects of theatre operations, including health and safety, customer services and evacuation procedures, use of radio and basic cashing-up. They do all this without pay or benefits and give their time generously and flexibly. We greatly appreciate their contribution and regard them very much as part of the Park Theatre 'family'.

Statement of responsibilities of the Trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 10 (2021: 11). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

After 8 years of service from Sayer Vincent LLP as the charitable company and group's auditor, the board led a competitive tender process to find a new auditor. As a result of this the board appointed Saffery Champness as the new auditor on 20th May 2022.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 13 December 2022 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Anthony Clare', followed by a horizontal line.

Anthony Clare
Chair of Trustees

Opinion

We have audited the financial statements of The Park Theatre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and charity balance sheets, the consolidated statement of cash flows and the 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 affairs of the group and the parent charitable company as at 31 March 2022 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 or the 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 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

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' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes 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 the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 the 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 the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

The Park Theatre

**Independent auditors' report to the members
For the year ended 31 March 2022**



Cara Turlington (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

16 December 2022.

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Park Theatre

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure account) For the year ended 31 March 2022

		Unrestricted funds		Restricted funds	2022 Total	2021 Total
	Note	General £	Designated £	£	£	£
Income from:						
Donations and legacies	2	334,320	–	607,452	941,772	1,494,257
Charitable activities	3	822,827	–	–	822,827	61,218
Other trading activities	4	243,345	–	–	243,345	8,957
Total income		1,400,492	–	607,452	2,007,944	1,564,432
Expenditure on:						
Raising funds		487,431	–	–	487,431	278,581
Charitable activities		599,995	83,762	597,969	1,281,726	907,689
Total expenditure	5	1,087,426	83,762	597,969	1,769,157	1,186,270
Net income / (expenditure) for the year	6	313,066	(83,762)	9,483	238,787	378,162
Theatre Tax Relief	9	47,197	–	–	47,197	–
Transfers between funds	16	(66,042)	66,042	–	–	–
Net movement in funds		294,221	(17,720)	9,483	285,984	378,162
Reconciliation of funds:						
Total funds brought forward		927,378	1,401,245	28,375	2,356,998	1,978,836
Total funds carried forward		1,221,599	1,383,525	37,858	2,642,982	2,356,998

These results derive from continuing activities and all gains and losses recognised in the year are included in the above statement.

The notes on pages 25 to 41 form part of the financial statements.

The Park Theatre

Balance Sheets As at 31 March 2022

		Group		Charity	
	Note	2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	10	1,490,399	1,448,346	1,483,732	1,448,346
Investments	11	-	-	2	2
		<u>1,490,399</u>	<u>1,448,346</u>	<u>1,483,734</u>	<u>1,448,348</u>
Current assets					
Stock	12	3,755	-	-	-
Debtors	13	401,871	235,464	527,735	341,420
Cash at bank and in hand		1,242,982	929,818	1,166,227	922,939
		<u>1,648,608</u>	<u>1,165,282</u>	<u>1,693,962</u>	<u>1,264,359</u>
Liabilities					
Creditors: amounts falling due within one year	14	(496,025)	(256,630)	(479,517)	(255,898)
		<u>1,152,583</u>	<u>908,652</u>	<u>1,214,445</u>	<u>1,008,461</u>
Net current assets					
		<u>1,152,583</u>	<u>908,652</u>	<u>1,214,445</u>	<u>1,008,461</u>
Total net assets		<u>2,642,982</u>	<u>2,356,998</u>	<u>2,698,179</u>	<u>2,456,809</u>
Funds	16				
Restricted income funds		37,858	28,375	37,859	28,375
Unrestricted income funds:					
Designated funds		1,383,525	1,401,245	1,383,525	1,401,245
General funds		1,276,797	1,027,189	1,276,795	1,027,189
Non-charitable trading funds		(55,198)	(99,811)	-	-
		<u>2,605,124</u>	<u>2,328,623</u>	<u>2,660,320</u>	<u>2,428,434</u>
Total funds		<u>2,642,982</u>	<u>2,356,998</u>	<u>2,698,179</u>	<u>2,456,809</u>

No separate company Statement of Financial Activities has been prepared by the charity, as permitted by Section 408 of the Companies Act 2006. The charity had income of £1,588,633 (2021: £1,555,475) and a net surplus for the year of £241,370 (2021: surplus of £372,452).

The financial statements were approved by the board and authorised for issue and signed on 13 December 2022.

Anthony Clare
Chair of Trustees



The Park Theatre

Consolidated Statement of Cash Flows For the year ended 31 March 2022

	2022		2021	
	£	£	£	£
Net income / (expenditure) for the period (as per the statement of financial activities)	285,984		378,162	
Depreciation charges	112,501		96,540	
Increase in stocks	(3,755)		1,137	
Decrease in debtors	(166,407)		(33,216)	
Increase in creditors	239,395		(198,165)	
Net cash provided by operating activities		467,718		244,458
Cash flows from investing activities:				
Dividends, interest and rents from investments	-		-	
Purchase of fixed assets	(154,554)		(23,792)	
Net cash used in investing activities		(154,554)		(23,792)
Change in cash and cash equivalents in the year		313,164		220,666
Cash and cash equivalents at the beginning of the year		929,818		709,152
Cash and cash equivalents at the end of the year		1,242,982		929,818

1. Accounting policies

a) Statutory information

The Park Theatre is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 11-13 Clifton Terrace, Finsbury Park, London, N4 3JP.

b) Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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 nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any 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 reporting period.

1. Accounting policies (continued)

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable the income will be received and that the amount can be measured reliably.

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

Cafe bar income comprises sales of food and drink and are recognised at the point of sale.

Workshop income comprises amounts due in respect of creative learning classes held at the theatre and are recognised on receipt.

Theatre rental comprise amounts due from third parties for rental of theatre space for a third party production. Theatre rental is recognised in the period in which the performance occurs.

Box office income comprises ticket sales for the charity's own productions and are recognised in the period in which the performance occurs.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1. Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of an estimate, based on staff time, of the amount attributable to each activity.

Support and governance costs are re-allocated to each of the activities on the basis of an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful life.

Depreciation is split between a designated fund, for depreciation on Long Leasehold Property assets, and straight line against unrestricted funds, for depreciation of Fixtures & Fittings and Office Equipment.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|---------------------------|-------------------|
| • Long leasehold property | 4% straight line |
| • Fixtures and fittings | 15% straight line |
| • Office equipment | 25% straight line |

l) Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

n) Debtors

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. Accrued income holds the expected receipt of theatre's claim of Theatre Tax Relief from HMRC and the distribution donation from the production company post year end.

1. Accounting policies (continued)

o) 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 account.

p) 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.

q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

2. Income from donations and legacies

	Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	£	£	£	£	£	£
Gifts	135,020	-	135,020	586,175	-	586,175
Subscriptions	33,966	-	33,966	22,502	-	22,502
Grants	165,334	607,452	772,786	532,910	352,670	885,580
	<u>334,320</u>	<u>607,452</u>	<u>941,772</u>	<u>1,141,587</u>	<u>352,670</u>	<u>1,494,257</u>

The charity continued to receive significant support from the HMRC's JRS scheme 2022: £40,309 (2021: £507,078), to support the salaries of various staff throughout their furloughed period. The charity was also awarded a substantial grant from the Arts Council of England 2022: £412,500 (2021: £225,000), following its Cultural Recovery Fund and Emergency Fund applications to support on-going costs and activities throughout the pandemic.

3. Income from charitable activities

	Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	£	£	£	£	£	£
Box office	655,725	-	655,725	30	-	30
Workshop	10,392	-	10,392	9,933	-	9,933
Other	31,654	-	31,654	51,255	-	51,255
Theatre rental	120,231	-	120,231	-	-	-
Recharged Expenses	4,825	-	4,825	-	-	-
Total income from charitable activities	<u>822,827</u>	<u>-</u>	<u>822,827</u>	<u>61,218</u>	<u>-</u>	<u>61,218</u>

4. Income from other trading activities

	2022 Total £	2021 Total £
Café bar	181,200	386
Production company	62,145	8,571
	<u>243,345</u>	<u>8,957</u>

All income from trading activities is unrestricted.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

5. a) Analysis of expenditure (Current year)

	Raising funds £	Charitable activities £	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 7)	254,148	445,202	27,632	172,704	899,686
Production costs	-	278,827	-	-	278,827
Premises costs	12,701	6,350	-	107,954	127,005
Fundraising costs	114	-	-	-	114
Advertising and marketing	-	103,161	-	18,205	121,366
Insurance	-	-	-	7,860	7,860
Travelling and entertainment	658	658	-	-	1,316
Office and internet	-	-	-	44,157	44,157
Licence fees	-	-	-	823	823
Sundry	650	-	-	1,951	2,601
Box office costs	-	48,645	-	-	48,645
Professional fees	-	-	-	7,731	7,731
Bank charges	361	-	-	362	723
Audit and accountancy	-	-	11,680	-	11,680
Café bar	67,107	-	-	5,233	72,340
Irrecoverable VAT	-	-	-	31,782	31,782
Corporation tax charge	-	-	-	-	-
Depreciation	-	-	-	112,501	112,501
	335,739	882,843	39,312	511,263	1,769,157
Support costs	136,459	358,826	15,978	(511,263)	-
Governance costs	15,233	40,057	(55,290)	-	-
Total expenditure 2022	487,431	1,281,726	-	-	1,769,157
Total expenditure 2021	278,581	907,689	-	-	1,186,270

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

5. b) Analysis of expenditure (prior year)

	Raising funds £	Charitable activities £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 7)	154,427	411,315	30,064	187,897	783,703
Production costs	-	74,341	-	-	74,341
Premises costs	8,490	4,245	-	72,168	84,903
Advertising and marketing	-	35,480	-	6,261	41,741
Insurance	-	-	-	13,271	13,271
Travelling and entertainment	648	648	-	-	1,296
Office and internet	-	-	-	25,250	25,250
Licence fees	-	-	-	784	784
Sundry	1,441	-	-	4,322	5,763
Box office costs	-	23,372	-	-	23,372
Professional fees	-	-	-	1,350	1,350
Bank charges	743	-	-	743	1,486
Audit and accountancy	-	-	11,700	-	11,700
Café bar	2,868	-	-	319	3,187
Irrecoverable VAT	-	-	-	17,582	17,582
Corporation tax charge	-	-	-	-	-
Depreciation	-	-	-	96,540	96,540
	168,618	549,401	41,764	426,487	1,186,270
Support costs	94,650	308,394	23,443	(426,487)	-
Governance costs	15,313	49,894	(65,207)	-	-
Total expenditure 2021	278,581	907,689	-	-	1,186,270

6. Net income/ (expenditure) for the year

This is stated after charging/(crediting):

	2022 Total £	2021 Total £
Depreciation	112,501	96,540
Operating lease rentals:		
Property	26,249	25,000
Other	-	8,890
Auditors' remuneration (excluding VAT):		
Audit	10,650	9,700

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

7. Staff costs

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	788,972	694,344
Redundancy and termination costs	-	21,498
Social security costs	51,494	45,590
Employer's contribution to defined contribution pension schemes	13,966	11,216
Other staff costs	45,255	32,553
	<u>899,687</u>	<u>805,201</u>

The average number of employees (head count based on number of staff employed) during the year was 39 (2021: 41).

No employee earned more than £60,000 during the year (2021: £nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £244,532 (2021: £230,993).

A total number of three employees were given redundancy notices in the year, the total redundancy and termination costs were £nil (2021: £21,498)

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

No trustees received any reimbursed expenses (2021: £nil).

8. Related party transactions

As per last year, the freeholders for Park Theatre are Mr Jez Bond (the theatre's Artistic Director) and his siblings Ms Imola Melinda Bond and Ms Nicola Zsuzsa Primerano Riano.

During the financial year, rent of £26,248 (2021: £25,000) has been accrued and not paid as agreed with the freeholders. The freeholders requested that funds be held on account until such time that it is requested to be released to them or donated to the charity.

During the year a number of trustees purchased tickets for the Oliver Awards via the theatre.

The charity had the following transactions with its subsidiary companies during the year:

	Park Theatre Café Bar Limited		Park Theatre Productions Limited	
	2022 £	2021 £	2022 £	2021 £
Income during the year	-	-	-	-
Expenditure during the year	17,200	-	99,342	-
Balance receivable at the year end	(118,455)	-	(40,107)	-

There are no other transactions with related parties to disclose.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries distribute under gift aid available profits to the parent charity.

	2022 Total £	2021 Total £
UK Corporation Tax credit	<u>47,197</u>	<u>-</u>

Income from UK Corporation Tax relates to a credit for Theatre Tax Relief.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

10. Tangible fixed assets

The group	Long term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At the start of the year	1,978,387	289,460	49,625	2,317,472
Additions in year	66,042	63,084	25,428	154,554
At the end of the year	2,044,429	352,544	75,053	2,472,026
Depreciation				
At the start of the year	577,142	243,680	48,304	869,126
Charge for the year	83,762	21,828	6,911	112,501
At the end of the year	660,904	265,508	55,215	981,627
Net book value				
At the end of the year	1,383,525	87,036	19,838	1,490,399
At the start of the year	1,401,245	45,780	1,321	1,448,346

All of the above assets are used for charitable purposes.

The charity	Long term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At the start of the year	1,978,387	289,460	49,625	2,317,472
Additions in year	66,042	63,084	16,538	145,664
At the end of the year	2,044,429	352,544	66,163	2,463,136
Depreciation				
At the start of the year	577,142	243,680	48,304	869,126
Charge for the year	83,762	21,828	4,688	110,278
At the end of the year	660,904	265,508	52,992	979,404
Net book value				
At the end of the year	1,383,525	87,036	13,171	1,483,732
At the start of the year	1,401,245	45,780	1,321	1,448,346

All of the above assets are used for charitable purposes.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

11.Fixed asset investments

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Investments in subsidiary companies at cost	-	-	2	2

Subsidiary undertakings

The charitable company owns the whole of the issued ordinary share capital of Park Theatre Cafe Bar Limited and Park Theatre Productions Limited, both of which are companies registered in England and Wales (company registration numbers 09492315 and 09358327 respectively) and their registered address is 11-13 Clifton Terrace, Finsbury Park, London, N4 3JP. The subsidiaries are used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under gift aid to the charitable company.

The trustees A Cleland-Bogle and V Phillips are also Directors of Park Theatre Cafe Bar Limited, along with R Emmett, J Whitlock and the Artistic Director. The trustee H Beeby together with the Artistic Director are also Directors of Park Theatre Productions Limited.

A summary of the results of each subsidiary is shown below:

	Park Theatre Café Bar Limited		Park Theatre Productions Limited	
	2022	2021	2022	2021
	£	£	£	£
Turnover	181,200	384	401,816	1
Cost of sales	(57,459)	(3,187)	(355,915)	-
Gross profit/(loss)	123,741	(2,803)	45,901	1
Administrative expenses	(119,757)	-	(836)	(60)
Bank interest	-	3	1	1
Operating profit / (loss)	3,984	(2,800)	45,066	(58)
Theatre tax credit	-	-	-	-
Profit/(loss) on ordinary activities	3,984	(2,800)	45,066	(58)
Distribution to parent under gift aid	-	-	(4,437)	-
Reverse Taxation	-	-	-	8,570
Profit/(loss) for the financial year	3,984	(2,800)	40,629	8,512
Funds	(55,197)	(59,182)	1	(40,628)

Included within administrative expenses above is a management charge of £116,542 (2021: £nil) from the parent entity. Included within cost of sales of the production company lies the rental charge and recharges to the parent company.

Amounts owed to/from the parent company are shown in note 13 and 14.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

12.Stock

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Finished goods	3,755	-	-	-
	<u>3,755</u>	<u>-</u>	<u>-</u>	<u>-</u>

13.Debtors

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Amounts owed to group undertakings	-	-	158,564	107,319
Trade debtors	52,018	49,130	52,018	47,767
Prepayments and accrued income	265,531	108,098	225,036	108,098
VAT debtor	51,508	50,504	59,304	50,504
Other debtors	32,813	27,732	32,813	27,732
	<u>401,871</u>	<u>235,463</u>	<u>527,735</u>	<u>341,420</u>

14.Creditors: amounts falling due within one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Amounts owed to group undertakings	-	-	-	-
Trade creditors	100,984	24,520	91,713	24,574
Taxation and social security	16,804	11,782	16,804	11,782
Other creditors	16,200	72,612	15,946	72,616
Accruals and deferred income	362,037	147,716	355,054	146,926
	<u>496,025</u>	<u>256,630</u>	<u>479,517</u>	<u>255,898</u>

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

15.a) Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	106,874	1,383,525	-	1,490,399
Net current assets	1,114,725	-	37,858	1,152,583
Net assets at 31 March 2022	1,221,599	1,383,525	37,858	2,642,982

b) Analysis of group net assets between funds (Prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	47,101	1,401,245	-	1,448,346
Net current assets	880,277	-	28,375	908,652
Net assets at 31 March 2021	927,378	1,401,245	28,375	2,356,998

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

16. Movements in funds (Current year)

	At 1 April 2021	Income & gains	Expenditure & losses	Transfers	At 31 March 2022
	£	£	£	£	£
Restricted funds:					
ACE - Cultural Recovery Fund	-	212,500	(212,500)	-	-
ACE - Emergency Recovery Fund	-	200,000	(200,000)	-	-
Alex Sweet & Jenny Berrisford		8,000	(8,000)	-	-
Annual Fund	-	3,901	(3,901)	-	-
Chapman Charitable Trust		2,000	(2,000)	-	-
City Bridge - Access Programme	4,375	13,575	(13,425)	-	4,525
Claire & Scott Mackin	-	10,000	(10,000)	-	-
Deirdra Moynihan		1,000	(1,000)	-	-
D'Oyle Carte		4,000	(4,000)	-	-
DWP Resource Management		10,319	(10,319)	-	-
Garfield Weston Foundation		40,000	(6,666)	-	33,334
Kickstart Access Media CIC	-	12,358	(12,358)	-	-
Lady Brittan		1,000	(1,000)	-	-
Anonymous	-	5,000	(5,000)	-	-
Maria Bjornson Memorial		5,000	(5,000)	-	-
Mercer's Charitable Foundation	5,000	-	(5,000)	-	-
National Lottery	12,000	11,300	(23,300)	-	-
Noel Coward Grant		1,370	1,370	-	-
Robert Timms	-	10,000	(10,000)	-	-
Ron Jacob	7,000	1,150	(8,150)	-	-
Simon Godwin	-	50,000	(50,000)	-	-
Victoria Wood Foundation		4,980	(4,980)	-	-
Total restricted funds	28,375	607,453	(597,969)	-	37,859
Unrestricted funds:					
Designated funds:					
Property fund	1,401,245	-	(83,762)	66,042	1,383,525
Total designated funds	1,401,245	-	(83,762)	66,042	1,383,525
General funds	1,027,192	864,669	(549,024)	(66,042)	1,276,795
Non-charitable trading funds	(99,811)	583,017	(538,404)	-	(55,198)
Total unrestricted funds	2,328,626	1,447,686	(1,171,190)	-	2,605,122
Pension fund	-	-	-	-	-
Total funds	2,357,001	2,055,139	(1,769,159)	-	2,642,981

The narrative to explain the purpose of each fund is given at the foot of the note below.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

Movements in funds (Prior year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
ACE	-	35,000	(35,000)	-	-
City Bridge - Access Programme	4,375	8,900	(8,900)	-	4,375
National Lottery	-	15,250	(15,250)	-	-
Garfield Western	-	20,000	(8,000)	-	12,000
Creative Learning	4,000	10,000	(7,000)	-	7,000
Islington Borough Council		25,000	(25,000)	-	-
Mercer's Charitable Foundation	5,000	5,000	(5,000)	-	5,000
Lady Brittan	-	2,500	(2,500)	-	-
ACE - Cultural Recovery Fund	-	225,000	(225,000)	-	-
Annual Fund	-	6,020	(6,020)	-	-
Total restricted funds	13,375	352,670	(337,670)	-	28,375
Unrestricted funds:					
Designated funds:					
Property fund	1,463,999	-	(79,184)	16,430	1,401,245
Total designated funds	1,463,999	-	(79,184)	16,430	1,401,245
General funds	606,985	1,211,374	(774,737)	(16,430)	1,027,189
Non-charitable trading funds	(105,521)	388	5,323	-	(99,811)
Total unrestricted funds	1,965,461	1,211,762	(848,600)	-	2,328,623
Total funds	1,978,836	1,564,432	(1,186,270)	-	2,356,998

b) Movements in funds (Continued) – purposes of funds

Purposes of designated funds and transfers between funds

The Property Fund represents the net book value of long term leasehold assets. Depreciation of these assets is charged against the fund.

Purposes of restricted funds

Simon Godwin - towards the production of Whodunnit [Unrehearsed] 2

Anonymous - towards our in-house productions

Robert Timms - towards our in-house productions

Claire and Scott Mackin - towards our in-house productions

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

Maria Björnson Memorial Fund - towards the designer's fee for Whodunnit [Unrehearsed] 2

Noel Coward Foundation - towards our artist development work

Creative learning - To fund the creative Learning and Community outreach programme

The National Lottery Community Fund - one £10,000 grant towards Reminiscence and one £1,300 grant towards Creative Learning

The Chapman Charitable Trust - towards Community Engagement Manager salary

City Bridge Trust - towards our Access Co-ordinator Salary and access training

Garfield Weston Foundation - to enable the theatre to remain affordable and accessible for all over the next twelve months by keeping ticket prices low and offering community outreach initiatives at no or little cost to participants

Deirdra Moynihan - towards the Reminiscence Project for people living with Dementia and their careers

Lady Brittan - contribution towards Community Engagement Manager salary

Alex Sweet & Jenny Berrisford - towards Creative Learning and Community Outreach

The Victoria Wood Foundation - Grant towards the continuation of the music strand of the Reminiscence Project for people living with Dementia and their careers

Ron Jacob - contribution towards Community Engagement Manager salary

D'Oyly Carte Charitable Trust - towards the Reminiscence Project for people living with Dementia and their careers

Mercers' Charitable Foundation - Grant towards the continuation of the Reminiscence Project for people living with Dementia and their careers

Annual Fund - Contributions towards the operational costs of the charity such as building maintenance

17. Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Less than one year	28,427	25,000	-	-
One to five years	113,708	100,000	-	8,890
Over five years	284,271	275,000	-	-
	<u>426,407</u>	<u>400,000</u>	<u>-</u>	<u>8,890</u>

18. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2022

19.Comparative Statement of financial activities

		Unrestricted funds		Restricted funds	2021 Total
	Note	General £	Designated £	£	£
Income from:					
Donations and legacies	2	1,141,587	–	352,670	1,494,257
Charitable activities	3	61,218	–	–	61,218
Other trading activities	4	8,957	–	–	8,957
Total income		<u>1,211,762</u>	<u>–</u>	<u>352,670</u>	<u>1,564,432</u>
Expenditure on:					
Raising funds		278,581	–	–	278,581
Charitable activities		490,835	79,184	337,670	907,689
Total expenditure	5a	<u>769,416</u>	<u>79,184</u>	<u>337,670</u>	<u>1,186,270</u>
Net income / (expenditure) for the year	6	442,346	(79,184)	15,000	378,162
Theatre Tax Relief		–	–	–	–
Transfers between funds	20	(16,430)	16,430	–	–
Net income / (expenditure) and net movement in funds		<u>425,916</u>	<u>(62,754)</u>	<u>15,000</u>	<u>378,162</u>
Reconciliation of funds:					
Total funds brought forward		501,462	1,463,999	13,375	1,978,836
Total funds carried forward		<u><u>927,378</u></u>	<u><u>1,401,245</u></u>	<u><u>28,375</u></u>	<u><u>2,356,998</u></u>