

Company number: 07091161
Charity number: 1137223

The Park Theatre

Report and financial statements
For the year ended 31 March 2023

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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>Anthony Clare [Chair]</p> <p>Ibukun Alamutu (appointed 13 September 2022) Professor Kurt Barling Hedda Beeby Andrew Cleland-Bogle (resigned 21 February 2023) Jonathan Edwards Kathleen Heycock (appointed 5 September 2023) 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 Lucy Perman, Interim Executive Director (resigned 14 May 2022) Vicky Hawkins, Executive Director, (16 May 2022-28 April 2023) Catherine McKinney, Executive Director (appointed 11 September 2023)</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
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Auditors	Wenn Townsend 30 St Giles Oxford OX1 3LE
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Park Theatre started the financial year in robust financial health thanks to the prior year contributions of *Whodunnit [Unrehearsed] 2*, our flagship fundraising show, and grant funding support from the Cultural Recovery Fund and Emergency Response Fund. But with ongoing challenges this was a year not to rest on our laurels, but to re-commit ourselves to our purpose, and to achieving long term sustainability.

The fundraising climate is increasingly tough. Audience confidence post-pandemic remains fragile. And inflationary pressures (not least on utility bills) are significant. I am immensely proud of the manner in which the whole Park team has met those challenges – with resilience, commitment and an ongoing passion for our theatre's mission.

Artistically, we continued to programme with ambition and integrity, increasing our in-house productions in Park200 to five of the eight shows presented, three of which enjoyed further exploitation in the West End or on tour. We hosted world-class talent, including Dame Maureen Lipman's mesmerising performance in *Rose*, and presented seven world premieres of new work including a satirical new musical from Harry Hill. Our commitment to developing new audiences was championed by presenting compelling and under-represented stories, from the topical and locally resonant *On The Ropes*, to our *Come What May* festival in May. This latter helped shape our thinking on how creative programming of the Park90 space can be achieved, while building new partnerships with emerging talent, supporting our industry peers whose work had been cancelled from the VAULTS Festival and bringing in new audiences to Park. We are continuing to build on our reputation as a leading off-West End venue where our audiences can enjoy being entertained and challenged by work of the highest quality and innovation.

Much of the year was also focused on business planning and strategising for the future. Improvements were made to the front of house and bar area, we implemented a revised approach to ticket pricing, the Park Pizza offering was re-stabilised, and a joint Board and Management Away Day culminated in the adoption of our new five year Business Plan. My thanks go to each member of the Board and senior staff whose contribution and challenge provided us with a roadmap for the next stage of our journey. A journey that in 2023 has been 10 years in the making. Our 'official' birthday was in May of this year, and so the contribution of our set-piece 10th anniversary event will be recognised in the 2023/24 year, but suffice to say it was a glorious star-studded celebration amongst friends and the wider Park family.

On behalf of the Board, our thanks go to those who left us in the year. Jo Parker served Park as a Trustee for seven years, helping lead our fundraising initiatives as Chair of the Development Board, and Andrew Cleland-Bogle who for nearly seven years served as Trustee, on the Finance Committee and Chair of the Catering Board. We were sorry to see them go at the end of their respective terms of office, but were delighted to welcome two new Trustees (Ibukun Alamutu and Joe Smith) who bring much valued experience and energy to the Board.

And finally, to all our staff and volunteers at Team Park. For your continued dedication, hard work and good cheer – thank you.

Anthony Clare
Chair of Trustees

The trustees present their report and the audited financial statements for the year ended 31 March 2023.

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.

Park Theatre's Vision & Mission

Our vision is to be a neighbourhood theatre with a global ambition.

Our Mission is to:

Give you access to intimate, honest theatre that entertains and provokes.
Nurture creativity and host some of the biggest names of stage and screen.
Welcome you in.

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.

The Park Theatre

Trustees' Annual Report For the year ended 31 March 2023

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.
- 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

In the financial year 22/23 we presented eight shows in Park200. Aligning with our ambition to increase the number of in-house productions we deliver, five of these were co-produced by us; with two of them having a further life in the West End and (in one case) also on tour. One of our externally produced plays also toured and, following a successful run with us, transferred to the West End – meaning three commercial transfers for us this year. Not only does this help further the theatre's reputation but also ensures that we receive a small 'originating producer' or 'originating venue' royalty from each production.

A joyous highlight was Harry Hill's new musical *Tony!*, based on the life of Tony Blair. It was also an honour to welcome back Maureen Lipman to the Park200 stage for perhaps her finest ever performance in Martin Sherman's powerful *Rose*. A production of which we were especially proud was *On the Ropes*, a topical new play written by Dougie Blaxland with local ex-boxer Vernon Vanriel, whose plight exposed the Windrush scandal. Despite presenting a challenge to sell, the importance of telling this story was felt by everyone in the building and it brought in a significant global majority audience. In the end, with strong word of mouth, it closed at an in-context respectable 61%.

Artistically we were able to champion new stories with seven out of eight shows being world premieres. The eighth, *Rose*, was a revival originally produced at the National Theatre but wonderfully for the first time ever with the actress for whom it was originally written.

In summary the shows were:

End of the Night (Sold at 54%)

"Fascinating fly on the wall drama"

★★★★ Daily Mail

Tony! (Sold at 90%)

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

★★★★★ Daily Mail

Rose (Sold at 98%)

"It's not just terrific theatre, it's essential viewing"

★★★★★ WhatsOnStage

A Single Man (Sold at 75%)

"A strong ensemble... you can almost taste the liquor and ennui"

★★★★ The Times

Wickies (Sold at 45%)

"A juicy hunk of storytelling"

★★★★ WhatsOnStage

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On the Ropes (Sold at 61%)

"It movingly mixes poetry, dance, drama, brilliant live Reggae and Blues music that demands the audience join in, and some wonderfully raw humour"

★★★★★ Ham & High

Winner's Curse (Sold at 76%)

"A lesson in empathy... dynamically directed by Jez Bond"

★★★★ Daily Telegraph

The Way Old Friends Do (Sold at 89%)

"Full of heart... features enough witty one-liners to lift the spirits, whether or not you're an ABBA fan"

★★★★ The Stage

In Park90 we presented a slightly different model; ten shows with standard run lengths and two seasons of short run plays showcasing eighteen new pieces. This brought new audiences to the building and gave a platform to several emerging practitioners with whom we now have relationships. The financial success of these shows varied greatly based on the companies' level of marketing spend and skill, with *Pickle* selling out entirely then returning for the second season and achieving close to 90%.

The new model worked well in alleviating the challenge of programming Park90, given its scale and rising associated costs. Companies with generally smaller productions were chosen, many of these being 'festival' pieces were already capitalised and rehearsed, and in combination with a split rental between the companies, enabled a Park90 run to be financially viable for them.

Of the fuller five-week runs, particularly well selling shows included new play *The Still Room*, a powerful revival of *Sus*, about police brutality and racism, and Christmas show *Rumpelstiltskin*. The only show that seriously struggled with reviews was *King Hamlin*, telling an important story about knife crime. The play itself really needed more development, which taught us the importance of only taking on shows that are production-ready unless we can commit to the development process. Conversely *Leaving Vietnam* received excellent reviews but struggled to sell for different reasons – chiefly the subject matter, though this was not aided by the lack of a strong external marketing campaign. The body of these shows was as follows:

Another America (Sold at 51%)

"This play is an absolute masterpiece... It should definitely not be missed"

★★★★★ Fairy Powered Productions

The Still Room (Sold at 73%)

"Sharp, entertaining and moving"

★★★★ Everything Theatre

9 Circles (Sold at 46%)

"A cracking piece of theatre... Highly recommended"

★★★★ What's On Stage

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Monster (Sold at 55%)

"A brilliantly crafted and performed play"

★★★★★ The Spy In The Stalls

Sus (Sold at 78%)

"Exceptional truthful performances, creating palpable tension and sorrow"

★★★★★ A Youngish Perspective

King Hamlin (Sold at 56%)

"Impressive acting"

★★★1/2 The Reviews Hub

Rumpelstiltskin (Sold at 85%)

"Tongue wagging in cheek... with bags of knowing, cartoon-broad energy"

★★★★ The Times

The Elephant Song (Sold at 59%)

"Jason Moore's production is faithful without being stuffy, and it's beautifully paced"

★★★★ WhatsOnStage

The Beach House (Sold at 56%)

"An exquisitely crafted production"

★★★★ Broadway World

Leaving Vietnam (Sold at 38%)

"A masterpiece. Everyone should experience this brilliant play"

★★★★★ Fairy Powered Productions

Over the 12 months we welcomed audiences totalling more than 75,000 to Park Theatre, which is 30,000 more than the previous year, and continues our gradual return to pre-pandemic levels of activity on stage.

Creative Engagement

Alongside our artistic programme we delivered a full suite of participatory activities focused on drama and devising performance work. Artists working in Park90 and Park200 gave talks and lead workshops to inspire the creation of new response pieces during the year. Groups took part in informal sharings at the end of the year, with our Park Theatre Company performing publicly each term.

Regular classes for adults and young people:

- Act and Play (7-11 year-olds)
- Young Company (12-14 year-olds)
- Young company (15-18 year-olds)
- Park Theatre Company (18 years+)
- Park Theatre Collective (50+)

We ran a total of 135 classes this year, with 1072 engagements across these programmes.

Sessions for people living with dementia and their caregivers:

We ran two sessions a week for people living with dementia and their caregivers across three 10-week terms. We ran our Reminiscence class in-person, and our Singing group which participants join in-person and online for care homes who cannot bring their groups to Park, or individuals who feel safer joining online.

In addition to this, we have been an active partner in local dementia networks Dementia Friendly Haringey and Dementia Friendly Islington.

We had an estimated 580 in-person engagements across our two dementia-friendly programmes, and 220 further engagements online with our Singing group.

Education & Schools:

During the year, 180 students benefited from backstage workshops from our Creative Learning and Technical teams. We also welcomed 853 students to see our shows across 37 educational bookings.

Our total engagements over the year were 2905.

Youth Board:

Park Theatre has an active Youth Board comprising of 15 young people actively engaged or with a keen interest in the arts. Their backgrounds include access coordination, drama teaching, producing and acting with organisations including the National Theatre, Queen's Theatre Hornchurch, Company3, VAULT festival and Barbican. The Youth Board met three times last year, as well as attending Park Theatre performances and making recommendations to the Creative Engagement Manager and Senior Management Team. In 2023/24 we plan for a Youth Board member to report back to Board meetings where possible.

Fundraising

Fundraising continued to be challenging in 2022/23 with the levelling-up agenda diverting funds from London and the cost-of-living crisis impacting on individual giving.

In contrast to this, membership retention continued to be high and both ticket donations and Gift Aid performed better than in 2021/22, seeming to suggest that audiences understood our position and were prepared to dig a little deeper to support us.

The Chair of our Development Board, Jo Parker, finished her two terms as a trustee in September 2022. We wish to extend our thanks and appreciation for all she did over seven years to support many fundraising initiatives but particularly our galas. As new individual and corporate donors proved elusive throughout the financial year, it will be a priority to reactivate a Development Board wholly focused on making introductions and asks in 2023/24.

We were successful in securing funding from several new grant makers including The Backstage Trust, Islington Golden Grantmakers, The Atkin Foundation and the Lord and Lady Lurgan Charitable Trust. With grants from familiar funders Garfield Weston Foundation, The Oak Foundation and City Bridge Trust amongst others we covered most of the costs for our Access and Community programmes. We also had our largest ever project grant from Arts Council England pledged towards *Animal* which was programmed for the 2023/24 financial year.

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Trustees' Annual Report For the year ended 31 March 2023

Total sums raised were £314,899 from individual donors (including memberships and corporate supporters), £128,519 from trusts and foundations and £37,500 from Arts Council England.

May 2023 was our 10th Anniversary and, as such, we planned for a large set-piece fundraising event to raise a six-figure sum in addition to smaller associated campaigns throughout our 10th Birthday year.

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 Engagement initiatives use drama to enrich lives and address confidence building, social exclusion, peer pressure and identity. Our reach extended across local communities, and all programmes offered throughout the 2022/23 year were affordably priced, with bursaries provided to those who needed them. By continuing to offer some of our dementia focused work online, we were able to reach new participants in a variety of locations.

Financial review

Total income for 2022/23 was £1,944,291, compared with £2,007,944 the previous year. Expenditure in 2022/23 was £2,486,392, compared with £1,769,157 the previous year, reflecting greater investment in our own productions. Overall, the Theatre made a deficit for the year of £361,831 compared to a surplus on an equivalent basis of £285,984 in 2021/22, which included a very successful *Whodunnit* fundraiser. The reduction in unrestricted and undesignated funds was £268,534 compared with a surplus of £294,221 in 2021/22.

This year's deficit on unrestricted and undesignated funds was calculated after a depreciation charge of £27,711, 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 £82,715 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 £1,027,707, compared to £822,827 the previous year; this represents an almost complete return to actual rental and box office income post pandemic.

Total fundraised income this year was £480,918, down from £941,772 the previous year. We were grateful to our existing and new grant makers for their valuable contributions, and for continued support from our loyal donors.

The Cafe Bar trading under Park Pizza generated a profit for the year of £13,155 after paying recharges to the theatre for services provided, nil of which was donated to the parent company

(charity) Park Theatre and was applied to the brought forward deficit within the subsidiary, reducing this figure by the same amount.

Reserves

As at 31 March 2023, free reserves (equivalent to net current and unrestricted assets i.e. total unrestricted funds less fixed assets) were £869,045, a decrease of £245,681 on the previous year-end position (£1,114,725).

The Board continues to prioritise building Park Theatre's financial resilience and aims to 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). As at 31 March 2023, free reserves exceeded that target level, reflecting one-off support from Arts Council England during the pandemic and the exceptional success of *Whodunnit [Unrehearsed]* 2. The Board believes the level of reserves is appropriate in view of the challenging business outlook and its expectation that, absent exceptional fundraising, the theatre will continue to have an annual deficit.

Principal risks and uncertainties

The Board keeps the theatre's risk assessment under regular review. A detailed review of risks and measures for 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 through strong income generation throughout the last two years mitigates this risk for the immediate future. Alongside fundraising this has enabled the theatre to navigate the challenges posed by the post-pandemic world and continue to provide a more stable baseline than in previous years. As seen in the months after re-opening, audiences continue to book much later than previously, and some have not yet returned at all. We hope that audience booking patterns and loyalty will continue to stabilise and increase.

In early 2023, following a review and benchmarking exercise, we implemented a new ticket pricing strategy which resulted in some increase to ticket prices while maintaining the affordable entry point of £15. We also added a new option for bookers to add a donation to the price of their ticket to reflect the 'true cost' of the experience, which has been well received and continues to bring in new funds.

Going forward, there are a number of initiatives underway to increase resilience. The new Business Plan for 2023-2027 addresses the challenge of programming Park90 in more financially sustainable ways. The 10th anniversary celebration of Park Theatre (May 2023) successfully raised £87,796. We will also undertake a review of each area of the business and current allocation of resources, to look for ways to reduce costs, increase revenue and be more financially resilient.

ii. Dependence on voluntary income

Park Theatre depends heavily on voluntary income. As previously noted, the fundraising climate continues to be difficult post-pandemic and 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. Following previous success with the format, *Whodunnit [Unrehearsed]* 3 in 2024 presents the opportunity for additional engagement, so we remain confident of attracting new support across income streams.

In addition to milestone moments, we hope to forge more connections through a re-established Development Board. Following Jo Parker's retirement from the board after seven years of excellent leadership, it is planned that this group will be led by a new chair from early 2024 and be focused specifically on generating new income, particularly through individual and corporate funders, to drive us towards long-term financial sustainability.

iii. Organisational resilience

Our small staff team has grown from six to 19 over the last decade, and with that growth comes different ways of working, and of measuring our success. Staff mental health and wellbeing remains central; we made one off payments to staff to ease cost-of-living challenges in August 2022 and continue to receive ongoing support from our HR Consultant, as well as starting to review remuneration packages and look at other benefits. We will be reviewing and optimising processes, relieving the pressure of the current Park90 model and taking advantage of staff changes as they occur to readdress roles and responsibilities. We are also exploring how new technologies can enhance our working practices as we step up to the challenges of the next ten years.

Current position and plans for the future

In 2022/23 the Executive produced a new business plan, focussed on the following key priorities:

1. Achieving financial sustainability
2. Achieving organisational sustainability
3. Programming artistically excellent work
4. Delivering exemplary customer service
5. Connecting with our neighbourhood

The Executive have produced an action plan with key performance indicators and a timeline, to monitor progress, signed off by the Board.

It has been a period of change and transition within the senior leadership team with changes in the Executive Director role (including two interims within an 18-month period), as well as noticeable turnover of staff, given the size of the organisation. With a fully staffed operation from September 2023 the company are in a good place to progress their key objectives and develop a more financially resilient and artistically dynamic business model – planned at tackling the current annual structural deficit.

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.

Artistically this will include increasing our in-house productions and co-productions, underpinned by a clear investment strategy and developing a new business model for Park90 which will be less reliant on rental income from visiting theatre companies.

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 to manage the cafe bar operations. Park Theatre Productions Ltd was incorporated on 17 December 2014 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/CEO, 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 and Executive level appointments
- The Catering Committee meets twice a year to focus on the food and beverage offering
- The Development Board will be re-established in early 2024 to bolster our fundraising efforts, by supporting and advising our Development team and increasing our network of donors

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 2022/23.

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 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. There have been no complaints about fundraising at Park Theatre.

The Board met formally every three months throughout the year, with informal contact in the intervening months. The Finance Committee met quarterly prior to each Board meeting and the Nominations Committee met as required. These meetings enabled the trustees to oversee the strategy, management and financial management of the 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 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.

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/Executive 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 £29,994 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 continues to rebuild its audience, reputation and attract exciting new productions post 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 Vicky Hawkins left Park Theatre to return to the commercial theatre sector (ATG) just under one year in post; we wish her well in her new role. Vanessa Lefrancois served as Interim Executive Director, on a part time basis for three months, and Catherine McKinney joined the team full time in September 2023. All have been well supported by the senior management team, and capable and committed junior staff. Other changes in staff to note include a new General Manager, Producer/Programmer and Creative Engagement Manager. The role of Head of Hospitality was made redundant in June 2023.

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 and the use of radios. 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 2023 was 10 (2022: 10). 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

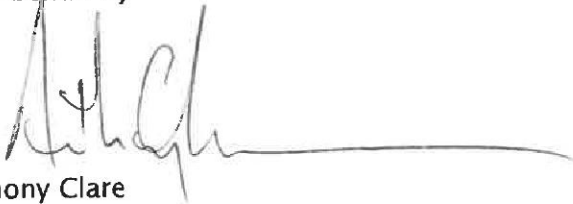
After eight years of service from Sayer Vincent LLP as the charitable company and group's auditor, the board led a competitive tender process to find a new auditor. As a result of this the board appointed Saffery Champness as the new auditor on 20 May 2022. This appointment, however, has been terminated through mutual agreement and Wenn Townsend appointed new auditor on 23 May 2023.

The Park Theatre

**Trustees' Annual Report
For the year ended 31 March 2023**

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 5 December 2023 and signed on their behalf by

A handwritten signature in dark ink, appearing to read 'Anthony Clare', followed by a long horizontal line extending to the right.

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 2023 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 2023 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 Trustees' 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 Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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.



Lee Baker FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend

Chartered Accountants
Statutory Auditors

30 St Giles
Oxford
OX1 3LE

Wenn Townsend 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 2023

		Unrestricted funds		Restricted funds	2023 Total £	2022 Total £
	Note	General £	Designated £	£		
Income from:						
Donations and legacies	2	334,899	–	146,019	480,918	941,772
Charitable activities	3	1,027,708	–	–	1,027,708	822,827
Other trading activities	4	435,665	–	–	435,665	243,345
Total income		1,798,272	–	146,019	1,944,291	2,007,944
Expenditure on:						
Raising funds		654,235	–	–	654,235	487,431
Charitable activities		1,570,563	82,715	178,878	1,832,156	1,281,726
Total expenditure	5a	2,224,798	82,715	178,878	2,486,391	1,769,157
Net income / (expenditure) for the year	6	(426,526)	(82,715)	(32,859)	(542,100)	238,787
Theatre Tax Relief	9	180,269	–	–	180,269	47,197
Transfers between funds	16	(22,277)	22,276	1	–	–
Net movement in funds		(268,534)	(60,439)	(32,859)	(361,831)	285,984
Reconciliation of funds:						
Total funds brought forward		1,221,599	1,383,525	37,858	2,642,982	2,356,998
Total funds carried forward		953,065	1,323,086	5,000	2,281,151	2,642,982

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 26 to 43 form part of the financial statements.

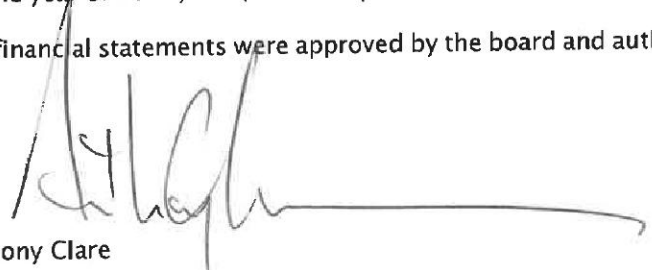
The Park Theatre

Balance Sheets As at 31 March 2023

		Group		Charity	
	Note	2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible assets	10	1,407,106	1,490,399	1,407,106	1,483,732
Investments	11	-	-	2	2
		<u>1,407,106</u>	<u>1,490,399</u>	<u>1,407,108</u>	<u>1,483,734</u>
Current assets					
Stock	12	7,741	3,755	-	-
Debtors	13	726,183	401,871	564,021	527,735
Cash at bank and in hand		1,035,867	1,242,982	978,007	1,166,227
		<u>1,769,791</u>	<u>1,648,608</u>	<u>1,542,028</u>	<u>1,693,962</u>
Liabilities					
Creditors: amounts falling due within one year	14	(895,746)	(496,025)	(625,943)	(479,517)
		<u>874,045</u>	<u>1,152,583</u>	<u>916,085</u>	<u>1,214,445</u>
Net current assets					
		<u>874,045</u>	<u>1,152,583</u>	<u>916,085</u>	<u>1,214,445</u>
Total net assets	15a	<u>2,281,151</u>	<u>2,642,982</u>	<u>2,323,193</u>	<u>2,698,179</u>
Funds	16				
Restricted income funds		5,000	37,859	5,000	37,859
Unrestricted income funds:					
Designated funds		1,323,086	1,383,525	1,323,085	1,383,525
General funds		995,109	1,276,796	995,108	1,276,795
Non-charitable trading funds		(42,044)	(55,198)	-	-
		<u>2,281,151</u>	<u>2,605,124</u>	<u>2,318,193</u>	<u>2,660,320</u>
Total unrestricted funds		<u>2,281,151</u>	<u>2,605,124</u>	<u>2,318,193</u>	<u>2,660,320</u>
Total funds		<u>2,281,151</u>	<u>2,642,982</u>	<u>2,323,193</u>	<u>2,698,179</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 £1,103,490 (2022: £1,588,633) and a net deficit for the year of £374,987 (2022: surplus of £241,370).

The financial statements were approved by the board and authorised for issue and signed on 5 December 2023.


Anthony Clare
Chair of Trustees

The Park Theatre

**Consolidated Statement of Cash Flows
For the year ended 31 March 2023**

	2023		2022	
	£	£	£	£
Net income / (expenditure) for the period (as per the statement of financial activities)	(361,831)		285,984	
Depreciation charges	110,426		112,501	
Increase in stocks	(3,986)		(3,755)	
Decrease in debtors	(324,312)		(166,407)	
Increase in creditors	399,721		239,395	
Net cash provided by operating activities		(179,982)		467,718
Cash flows from investing activities:				
Dividends, interest and rents from investments	-		-	
Transfer of fixed assets	6,667			
Purchase of fixed assets	(33,800)		(154,554)	
Net cash used in investing activities		(27,133)		(154,554)
Change in cash and cash equivalents in the year		(207,115)		313,164
Cash and cash equivalents at the beginning of the year		1,242,982		929,818
Cash and cash equivalents at the end of the year		1,035,867		1,242,982

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.

2. Income from donations and legacies

	Unrestricted	Restricted	2023 Total	Unrestricted	Restricted	2022 Total
	£	£	£	£	£	£
Gifts	282,909	-	282,909	135,020	-	135,020
Subscriptions	31,990	-	31,990	33,966	-	33,966
Grants	20,000	146,019	166,019	165,334	607,452	772,786
	<u>334,899</u>	<u>146,019</u>	<u>480,918</u>	<u>334,320</u>	<u>607,452</u>	<u>941,772</u>

The charity did not receive support from the HMRC's JRS scheme in 2023: £Nil (2022: £40,309). The charity was awarded a substantial grant from the Arts Council of England in 2023: £37,500 (2022: £412,500), following its Cultural Recovery Fund and Emergency Fund applications to support on-going costs and activities throughout the pandemic.

**Notes to the financial statements
For the year ended 31 March 2023**

3. Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Box office	734,544	-	734,544	655,725	-	655,725
Workshop	20,797	-	20,797	10,392	-	10,392
Corporate sponsorship	12,561	-	12,561	-	-	-
Other	8,434	-	8,434	31,654	-	31,654
Theatre rental	228,132	-	228,132	120,231	-	120,231
Recharged Expenses	23,240	-	23,240	4,825	-	4,825
Total income from charitable activities	1,027,708	-	1,027,708	822,827	-	822,827

4. Income from other trading activities

	2023 Total £	2022 Total £
Café bar	373,093	181,200
Production company	62,572	62,145
	435,665	243,345

All income from trading activities is unrestricted.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2023

5. a) Analysis of expenditure (Current year)

	Raising funds £	Charitable activities £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 7)	328,452	582,695	32,076	200,476	1,143,698	899,686
Production costs	-	627,029	-	-	627,029	278,828
Premises costs	16,990	8,495	-	144,412	169,897	127,005
Fundraising costs	965	-	-	-	965	114
Advertising and marketing	-	109,969	-	19,406	129,375	121,366
Insurance	-	-	-	16,496	16,496	7,860
Travelling and entertainment	1,771	1,771	-	-	3,542	1,316
Office and internet	-	-	-	33,056	33,056	44,157
Licence fees	-	-	-	810	810	823
Sundry	1	-	-	2	3	2,601
Box office costs	-	43,835	-	-	43,835	48,645
Professional fees	-	-	-	6,483	6,483	7,731
Bank charges	430	-	-	430	864	723
Audit and accountancy	-	-	13,500	-	13,500	11,680
Café bar	141,952	-	-	15,772	157,724	72,340
Irrecoverable VAT	-	-	-	28,689	28,689	31,782
Depreciation	-	-	-	110,426	110,426	112,501
	<u>490,561</u>	<u>1,373,794</u>	<u>45,576</u>	<u>576,460</u>	<u>2,486,391</u>	<u>1,769,157</u>
Support costs	148,062	414,642	13,756	(576,460)	-	-
Governance costs	15,612	43,720	(59,332)	-	-	-
Total expenditure 2023	<u><u>654,235</u></u>	<u><u>1,832,156</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>2,486,391</u></u>
Total expenditure 2022	<u><u>487,430</u></u>	<u><u>1,281,729</u></u>	<u><u>-</u></u>	<u><u>(1)</u></u>	<u><u>-</u></u>	<u><u>1,769,157</u></u>

The Park Theatre

Notes to the financial statements For the year ended 31 March 2023

5. b) Analysis of expenditure (prior 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
	<u>335,739</u>	<u>882,843</u>	<u>39,312</u>	<u>511,263</u>	<u>1,769,157</u>
Support costs	136,459	358,826	15,978	(511,263)	-
Governance costs	15,233	40,057	(55,290)	-	-
	<u>487,431</u>	<u>1,281,726</u>	<u>-</u>	<u>-</u>	<u>1,769,157</u>
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 2023

6. Net income/ (expenditure) for the year

This is stated after charging/(crediting):

	2023 Total £	2022 Total £
Depreciation	110,426	112,501
Operating lease rentals:		
Property	29,994	26,249
Other		-
Auditors' remuneration (excluding VAT):		
Audit	11,500	10,650
	<u>11,500</u>	<u>10,650</u>

7. Staff costs

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,012,877	788,972
Redundancy and termination costs	14,594	-
Social security costs	75,272	51,494
Employer's contribution to defined contribution pension schemes	19,013	13,966
Other staff costs	21,943	45,255
	<u>1,143,699</u>	<u>899,687</u>

The average number of employees (head count based on number of staff employed) during the year was 50 (2022: 39).

The number of employees whose annual remuneration was £60,000 or more were:

	2023	2022
£60,000 - £69,999	2	-
£70,000 - £79,999	-	-
£80,000 - £89,999	1	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £329,662(2022: £244,532).

A total number of three employees were given redundancy notices in the year, the total redundancy and termination costs were £14,594 (2022: £nil).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

No trustees received any reimbursed expenses (2022: £nil).

The Park Theatre

Notes to the financial statements For the year ended 31 March 2023

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 £29,994 (2022: 26,248) 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 the Theatre hosted a memorial event for the founding benefactor Jeremy Bond Snr to raise funds for developing artists, the amount raised was £5,655 (2022: £nil). This restricted fund is due to be spent in 2023/2024 and the amounts held at year end in deferred income at the year end is £5,655 (2022:£nil).

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

	Park Theatre Café Bar Limited		Park Theatre Productions Limited	
	2023	2022	2023	2022
	£	£	£	£
Income during the year	-	-	-	-
Expenditure during the year	51,000	17,200	183,074	99,342
Balance receivable at the year end	(84,848)	(118,455)	(18,421)	(40,107)

There are no other transactions with related parties to disclose.

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.

	2023 Total £	2022 Total £
UK Corporation Tax credit	<u>180,269</u>	<u>47,197</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 2023

10. Tangible fixed assets

The group	Long term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At the start of the year	2,044,429	352,544	75,053	2,472,026
Additions in year	22,276	10,540	984	33,801
Transfer to prepayments	-	-	(8,890)	(8,890)
At the end of the year	2,066,705	363,084	67,147	2,499,936
Depreciation				
At the start of the year	660,904	265,508	55,215	981,627
Charge for the year	82,715	22,779	4,932	110,426
Transfer to prepayments	-	-	(2,223)	(2,223)
At the end of the year	743,619	288,287	57,924	1,089,830
Net book value				
At the end of the year	1,323,086	74,797	9,223	1,407,106
At the start of the year	1,383,525	87,036	19,838	1,490,399
The charity	Long term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At the start of the year	2,044,429	352,544	75,053	2,472,026
Additions in year	22,276	10,540	984	33,800
Transfer to prepayments	-	-	(8,890)	(8,890)
At the end of the year	2,066,705	363,084	67,147	2,496,936
Depreciation				
At the start of the year	660,904	265,508	52,992	981,627
Charge for the year	82,715	22,779	4,932	110,426
Transfer to prepayments	-	-	(2,223)	(2,223)
At the end of the year	743,619	288,287	57,924	1,089,830
Net book value				
At the end of the year	1,323,086	74,797	9,223	1,407,106
At the start of the year	1,383,525	87,036	19,838	1,490,399

All of the above assets are used for charitable purposes.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2023

11. Fixed asset investments

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
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	
	2023	2022	2023	2022
	£	£	£	£
Turnover	378,089	181,200	877,055	401,816
Cost of sales	(132,454)	(57,459)	(697,830)	(355,915)
Gross profit/(loss)	245,635	123,741	179,225	45,901
Administrative expenses	(232,480)	(119,757)	(629)	(836)
Bank interest	-	-	1	1
Profit/(loss) on ordinary activities	13,155	3,984	178,597	45,066
Distribution to parent under gift aid	-	-	(178,597)	(4,437)
Reverse Taxation	-	-	-	-
Profit/(loss) for the financial year	13,155	3,984	-	40,629
The aggregate of the assets, liabilities and funds was:				
Assets	-	-	-	-
Liabilities	13,155	(2,800)	-	8,512
Funds	13,155	(55,197)	-	1

Included within administrative expenses above is a management charge of £225,409 (2022: £116,542) from the parent entity. Included within Cost of Sales of the Production Company lies the rental charge and recharges to the Parent Company.

The Park Theatre

Notes to the financial statements For the year ended 31 March 2023

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

12. Stock

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Finished goods	7,741	3,755	-	-
	<u>7,741</u>	<u>3,755</u>	<u>-</u>	<u>-</u>

13. Debtors

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Amounts owed to group undertakings	-	-	66,427	158,564
Trade debtors	98,640	52,018	97,224	52,018
Prepayments and accrued income	576,169	265,531	343,680	225,036
VAT debtor	34,491	51,508	39,807	59,304
Other debtors	16,883	32,813	16,883	32,813
	<u>726,183</u>	<u>401,871</u>	<u>564,021</u>	<u>527,735</u>

14. Creditors: amounts falling due within one year

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Amounts owed to group undertakings	-	-	-	-
Trade creditors	72,939	100,984	56,734	91,713
Taxation and social security	17,909	16,804	17,909	16,804
Other creditors	283,664	16,200	283,301	15,946
	<u>521,234</u>	<u>362,037</u>	<u>267,999</u>	<u>355,054</u>
Accruals and deferred income				
	<u>895,746</u>	<u>496,025</u>	<u>625,943</u>	<u>479,517</u>

Notes to the financial statements
For the year ended 31 March 2023

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

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	84,020	1,323,086	-	1,407,106
Net current assets	869,045	-	5,000	874,045
Net assets at 31 March 2023	953,065	1,323,086	5,000	2,281,151

b) Analysis of group net assets between funds (Prior 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

The Park Theatre

Notes to the financial statements For the year ended 31 March 2023

16. Movements in funds (Current year)

	At 1 April 2022	Income & gains	Expenditure & losses	Transfers	At 31 March 2023
	£	£	£	£	£
Restricted funds:					
ACE - Emergency Recovery Fund	-	37,500	(37,500)	-	-
Alex Sweet & Jenny Berrisford	-	8,000	(8,000)	-	-
Annual Fund	-	591	(591)	-	-
Backstage Trust	-	23,741	(23,741)	-	-
Bridge House Charities	-	9,050	(9,050)	-	-
Chapman Charitable Trust	-	2,000	(2,000)	-	-
City Bridge - Access Programme	4,524	-	(4,525)	1	-
City of London - Inflationary pressures	-	1,810	(1,810)	-	-
Cockayne Foundation	-	5,000	-	-	5,000
Cripplegate Foundation	-	7,580	(7,580)	-	-
Deirdra Moynihan	-	-	-	-	-
Garfield Weston Foundation	33,334	-	(33,334)	-	-
Kickstart Access Media CIC	-	8,533	(8,533)	-	-
Lord & Lady Lurgan Charitable Trust	-	1,500	(1,500)	-	-
Mackintosh Foundation	-	2,000	(2,000)	-	-
Ron Jacob	-	650	(650)	-	-
Robert Timms	-	10,000	(10,000)	-	-
S&C Makin	-	7,500	(7,500)	-	-
Scops Arts Trust	-	15,000	(15,000)	-	-
Tesco Groundworks	-	500	(500)	-	-
Victoria Wood Foundation	-	4,980	(4,980)	-	-
Unknown	-	84	(84)	-	-
Total restricted funds	37,858	146,019	(178,878)	1	5,000
Unrestricted funds:					
Designated funds:					
Property fund	1,383,525	-	(82,715)	22,276	1,323,086
Total designated funds	1,383,525	-	(82,715)	22,276	1,323,086
General funds	1,276,797	723,397	(982,808)	(22,277)	995,109
Non-charitable trading funds	(55,198)	1,255,144	(1,241,990)	-	(42,044)
Total unrestricted funds	2,605,122	1,978,541	(2,307,513)	(1)	2,276,151
Pension fund	-				
Total funds	2,642,982	2,124,560	(2,486,391)	-	2,281,151

The Park Theatre

Notes to the financial statements For the year ended 31 March 2023

16. Movements in funds (Prior 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 Charitable Trust	-	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

16. 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

Arts Council England (ACE) Emergency Fund – delivery of protecting jobs and businesses per the ACE application

The Backstage Trust – bringing our Box Office telephone line back in-house

Robert Timms – towards our in-house productions

Claire and Scott Mackin - towards our in-house productions

The Mackintosh Foundation – towards our Artist Development work

The Chapman Charitable Trust – towards Community Engagement Manager salary

City Bridge Trust (Bridge House Charities) – 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

Lord and Lady Lurgan Charitable Trust – towards access performances

Scops Arts Trust – towards creative learning across all age groups

Alex Sweet and 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 carers

Ron Jacob – contribution towards Community Engagement Manager salary

Cripplegate Foundation – towards the Reminiscence Project for people living with dementia and their carers

Tesco Groundworks – grant towards the Reminiscence Project for people living with dementia and their carers

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	
	2023	2022	2023	2022
	£	£	£	£
Less than one year	25,000	28,427	6,667	-
One to five years	100,000	113,708	-	-
Over five years	218,758	284,271	-	-
	<u>343,758</u>	<u>426,406</u>	<u>6,667</u>	<u>-</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.

**Notes to the financial statements
For the year ended 31 March 2023**

19. Comparative Statement of financial activities

	Unrestricted funds		Restricted funds	2022 Total
	General £	Designated £	£	£
Income from:				
Donations and legacies	334,320	-	607,452	941,772
Charitable activities	822,827	-	-	822,827
Other trading activities	243,345	-	-	243,345
Total income	1,400,492	-	607,452	2,007,944
Expenditure on:				
Raising funds	487,431	-	-	487,431
Charitable activities	599,995	83,762	597,969	1,281,726
Total expenditure	1,087,426	83,762	597,969	1,769,157
Net income / (expenditure) for the year	313,066	(83,762)	9,483	238,787
Theatre Tax Relief	47,197	-	-	47,197
Transfers between funds	(66,042)	66,042	-	-
Net movement in funds	294,221	(17,720)	9,483	285,984
Reconciliation of funds:				
Total funds brought forward	927,378	1,401,245	28,375	2,356,998
Total funds carried forward	1,221,599	1,383,525	37,858	2,642,982