

# **The Royal Theatrical Fund**

## **Annual Report and Financial Statements**

31 March 2021

Charity Registration Number  
222080

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**Reports**

Reference and administrative information	1
Introduction	3
Report of the Trustees	6
Independent auditor's report	18

**Financial statements**

Statement of financial activities	22
Balance sheet	23
Statement of cash flows	24
Principal accounting policies	25
Notes to the financial statements	30

## Reference and administrative information

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<b>Patron</b>	Her Majesty the Queen
<b>President</b>	Robert Lindsay
<b>Vice Presidents</b>	Bill Kenwright CBE Barbara Leigh-Hunt Sir Derek Jacobi Sir Cameron Mackintosh John Nettles OBE Bill Nighy Sir Howard Panter Leslie Phillips OBE Dame Maggie Smith CH, DBE
<b>Honorary Vice Presidents</b>	Paul Gane Dr David Hughes Barbara Whatley
<b>Board of Trustees</b>	Samantha Bond, Chairwoman Richard Clifford, Vice Chair Giles Watling MP, Vice Chair Michael Ball OBE Stephanie Cole OBE Janie Dee Robert Lindsay Natasha McElhone Dr Keith McKee MBBS MRCS LRCP David Michaels Matthew Mitchell Robert Noble Peter Polycarpou Paulette Randall MBE Samantha Spiro Philip Talbot Jonathan Wicks Sir Stephen Waley-Cohen Bt
<b>Honorary Treasurer</b>	Edward Oliver, Chairman of Finance Committee

## Reference and administrative information

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<b>Honorary Legal Advisor</b>	Martyn Gowar MA FTII
<b>Consulting Physician</b>	Dr Keith McKee MBBS MRCS LRCP
<b>Hon Chaplain</b>	Rev'd Richard Syms
<b>Secretary</b>	Sharon Lomas
<b>Registered office</b>	11 Garrick Street London WC2E 9AR
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	Coutts & Co 440 Strand London WC2R 0QS
<b>Investment managers</b>	Quilter Cheviot 1 Kingsway London WC2B 6AN
<b>Solicitors</b>	Gowlings WLG LLP 4 More London Riverside London SE1 2AU

## Introduction

~~The last financial year has proved to be one of the most challenging the Royal Theatrical Fund has experienced in the history of the charity.~~

It was founded by Charles Dickens in 1839 to assist the many artists who were finishing their careers in penury and appalling hardship.

The Fund now provides support to those that have worked professionally in the entertainment industry for seven years or more and are unable to work due to illness, injury or old age.

However, the Covid-19 crisis has hit members of the entertainment business particularly hard, as nearly all members of the profession were put out of work with little or no warning. The dramatic loss of income affected those who worked regularly in musicals and long running plays as much as those who relied on seasonal work in pantomime, summer shows and festivals. The inability to pay the mortgage, or indeed just to put food on the table was a huge worry and the insecurities of lockdown and the whispers of venues failing all together was extremely stressful.

While a number of the professions indeed have been furloughed, the majority were a part of the 3.5 million who "slipped through the net".

The many challenges made us realise that we had to find extra funds to support not only those who fit the remit of our own charity, but also those in dire straits without clinical needs who are a part of the profession. We could not just stand by as we were getting many applications from people outside those parameters.

We had to look at other ways to finance the immediate privations of those whose livelihoods were suddenly closed for the foreseeable future and, at the time of writing, we are still not able to commit to the full reopening of the entertainment industry, particularly those venues that provide live entertainment for so many. Our work to assist those who are suffering is still ongoing. Returning to "normal" is a long way off.

The usual ways to generate income were severely hampered due to Lockdown and social distancing. We do many live fundraisers, our choir was no longer able to meet, home visits curtailed, working from home was now the norm and we had little expectation of any new income.

Some benefactors did start to generously give unsolicited donations to the Fund. Producers of the large shows were acutely aware that their employees were lacking an income. Some private individuals also sent in donations and The Fleabag Support Fund, initiated to find immediate support for those in the business, asked the RTF to administer and distribute the money raised by them. We opened applications to the fund to all for a week at the start of each month and have distributed £801,501 to 995 since June 2020. We will continue to do so for some time to come.

## Introduction

### Introduction (continued)

We decided the parameters for applications to the fund and, while sensitive to those who did not fit them, tried to keep within these. Those on Universal Credit and with less than £3000 in savings could apply. We would also try to find ways to assist those that did not qualify by giving advice and steering them towards some organisation that could fulfil their needs.

A number of those who apply to us and also to the FSF need help with a myriad of hurdles, many unknown or untried by them; from how to apply for government assistance, with Universal Credit for those who had never previously asked for it, how to find the much needed rent or mortgage holiday, those who had inevitably rung up large credit card debt and to help those with mental health issues that have arisen through this crisis. For many the isolation is seriously compromising.

The backlash coming off the crisis means that we have initiated a grant for Mental Health First Aid courses and find that the take up has been brisk. This will be useful to stage and company managers as people go back to work after this unprecedented crisis; to recognise many of the mental health symptoms in the workplace and to guide those in need of assistance towards the correct help.

We were able to assist a number of charities who are less fortunate than ourselves and in one case took over their burden of the Christmas pay-outs. We decided that all those beneficiaries with children would qualify for a Christmas grant and sent them vouchers from reputable food outlets to have a slap up celebratory meal over the holidays. This gift was much appreciated.

All this has meant that our wonderful staff were working incredibly hard to cope with the new pleas for help, while also doing their primary work for the charity. It has meant lots of extra hours for them and we have had to employ some temporary staff to cope with the demand.

We have been unable during lockdown to make trips to those in need of a friendly visit, so we have spent more time on the telephone, a much appreciated support for the lonely, unable to leave home or receive visitors in lockdown.

We also participated in "Lockdown Theatre," performing via Zoom, table reads of plays to raise funds for the RTF and at Christmas produced "One Knight Only," an evening with Knights and Dames from the profession to raise money for us and the charity Acting For Others (a charity that provides grants to a network of charities) with whom we are affiliated. We were able to raise £104,102 for RTF and a further £311,000 in aid of Acting for Others.

The nearly 12 months of Lockdown has meant that we were able to continue our intended plans for a much needed refurbishment of the offices and building in Garrick Street.

We have been able to rewire and upgrade services to the building, remove some asbestos safely and update the building generally.

We have made our meeting room a new flexible space, equipped with viewing equipment, air conditioning and with an ample IT capability so it can be rented out on a daily basis. Our intention is that this room and the two other refurbished offices will pay for themselves shortly and will generate income for the charity in the future.

## Introduction

### Introduction (continued)

This future, while hopeful with the tentative return of live entertainment, is still unsure:

Many of our income streams come through the generosity of those enthused by what they see and experience in the theatres and auditoria around the country. Our friends from abroad who come to England to see live entertainment will slowly return and we will be a buoyant community again.

Will things return to normal? We have no idea. The one thing we do know is The Royal Theatrical Fund will continue to assist those in need.

*Testimonial: I can't express the emotion behind receiving such an amount from a group of strangers that are part of our world and understand theatre land. The generosity is overwhelming from you this year. Least alone the financial side, as a stage manager, I'm so impressed with the team effort to get this done and posted to everyone you have awarded this to. You really have been Christmas elves/fairies/ANGELS!!!! We couldn't have done a lot this year without you, especially when it came to feeding a family. We are so lucky that we have a community around us to help; there are a lot of others in less fortunate positions.*

## Trustees' report

The Board of Trustees present their 178<sup>th</sup> Annual Report together with the financial statements of the Fund for the year ended 31 March 2021. The financial statements have been prepared using the accounting policies set out on pages 25 to 29 comply with the Royal Charter, applicable law and the requirements of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Reference and administrative details

Reference and administrative details are shown on pages 1 and 2 of the financial statements.

#### The Trustees

The Trustees who served the charity during the year and up to the date of signing these accounts were as follows:

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Robert Lindsay	President
Samantha Bond	Chairwoman
Richard Clifford	Co-Vice Chair
Giles Watling MP	Co-Vice Chair
Michael Ball OBE	
Stephanie Cole OBE	
Janie Dee	
Natasha McElhone	
Dr Keith McKee MBBS MRCS LRCP	
David Michaels	
Matthew Mitchell	
Robert Noble	
Peter Polycarpou	
Paulette Randall MBE	
Samantha Spiro	
Philip Talbot	
Jonathan Wicks	
Sir Stephen Waley-Cohen Bt	

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#### Constitution and objects

The Fund was established as the General Theatrical Fund Association in 1839 and granted a Royal Charter in 1853. Wider powers were granted under a second Royal Charter dated 25 January 1974.



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**STRUCTURE, GOVERNANCE AND MANAGEMENT-(continued)**

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**Constitution and objects (continued)**

The objects of the Fund are the relief of any person in need who has professionally practiced or contributed to the entertainment media (on stage, radio, films or television or any other medium by which such arts may be presented in the future).

The Board meets on a monthly basis to consider the provision of assistance to individuals. Assistance can be provided on a one-off or on-going basis and is entirely at the discretion of the Board.

**Appointment and election of trustees**

The Fund is based in the UK at the registered office as shown on page 2, under the management of the Board of Trustees who may not exceed 21 in number, from whom a Chairman and Vice Chair are appointed every three years. Of the composition of the Board, there may not be more than five members who are not of the theatrical profession. Customarily, both the President and Chairman should also be members of the theatrical profession.

The Fund, in a general meeting, shall elect the President of the Board, for a term of three years and the Board can invite a maximum of ten vice-presidents to hold office for a period of ten years. The Honorary Vice-Presidents are appointed at the discretion of the Board for a period of ten years.

At the Special General Meeting on 4<sup>th</sup> September 2013 it was proposed that the Chairman and Vice Chairs were elected for a term of three years. This resolution was carried unanimously.

The Trustees are elected / re-elected by their peers for a three-year term of office and are eligible for re-election at the Annual General Meeting.

The following Trustees, who retire by rotation, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting:

Robert Lindsay, President, Natascha McElhone, Matthew Mitchell, Peter Polycarpou, Samantha Spiro, Sir Stephen Waley-Cohen Bt

Stephanie Cole OBE has stood down after 26 years of loyal service.

We are extremely saddened that our very dear Vice President Geoffrey Palmer died on the 5<sup>th</sup> November 2020.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Appointment and election of trustees (continued)**

Following the appointment of a new Trustee they are made aware of their duties and responsibilities at their preliminary meeting. The Trustee is also given a copy of the Funds Royal Charter, a copy of the Fund's Confidentiality Handbook, which gives greater detail of their responsibilities pertaining to the GDPR regulations and includes the Funds Equal Opportunities, anti-discrimination and harassment policy. The Trustees are also sent a copy of the Charity Commission Guide on Trustees' responsibilities (CC3) together with the handbook annually.

The Finance Committee manages the Fund's Accounts and normally meets three times a year or when required. An annual budget is set, the Committee monitors the levels of expenditure through the Fund's quarterly management accounts. There are 13 members and 10 of those are Directors, the Chairman, Edward Oliver has vast experience in the Financial Charity Sector. All decisions of the Committee are reviewed by the Board of Trustees. The charity's key management personnel consist of the Trustees and the secretary. The Trustees do not receive remuneration aside from reimbursement of travel expenses. The secretary's salary is recommended by the Finance Committee to the Board for approval.

**Related parties**

The charity has a close relationship with its sister theatrical charities as well as other societies and associations and through joint collaborations and is able to be more effective in its assistance to those in need. The Trustees continue to ask members and supporters of the Fund to inform the secretary of any members of the profession, or their dependents, believed to be in need of help. Every application is dealt with sympathetically and in strictest confidence and the Trustees have to assess each applicant individually to consider if they come within the scope of the Fund either to be given a grant or advice. All applications are considered by the Board.

The Trustees wish to thank those allied charitable organisations, both within the profession and outside it, for their assistance in sharing grants for the benefit of the ever-increasing number of applicants who are brought to the Fund's notice by professional colleagues. Our gratitude is expressed to the following theatrical charities and other associations for their co-operation with shared cases:

Actor's Benevolent Fund, Actor's Children's Trust, Denville Hall, Dance Professionals Fund, The Royal Variety Charity, Equity Charitable Trust, Grand Order of Water Rats Charitable Fund, Help Musicians, The Theatrical Guild, The Ralph & Meriel Richardson Foundation, Help Musicians, Music Support.

## Trustees' report

### AIMS AND OBJECTIVES

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The objectives of the Fund are the relief of any person who is unable to work and are in financial need due to illness, injury or infirmity. The person should have professionally practiced or contributed to the world of entertainment for a minimum of seven years. The Fund ensures all beneficiaries receive the correct level of benefits and if needed, debt advice.

The Fund advertises the work of the Fund through Equity Journal, through the internet, via social media channels and through their membership of Acting for Others. The Trustees, Benefactors, donors and supporters of the Fund are also actively encouraged to raise awareness by word of mouth.

The Board meets on a monthly basis to consider each individual appeal for help, it is at the discretion of the Board the level of assistance that is given. The level of success is measured by the number of beneficiaries helped and the total Grant expenditure.

The aim of the Fund is to raise awareness within the profession and to actively ensure all who are in need and meet the Fund's criteria receive assistance.

*Testimonial: I have actually just cried reading your message. I know it sounds dramatic (I have been known to be a \*little dramatic\* at times) but what you are doing is actually life-changing. Thank you, thank you, thank you.*

#### Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

### REVIEW OF ACTIVITIES AND ACHIEVEMENTS

#### **Fleabag Support Fund in Partnership with the Royal Theatrical Fund Restricted Fund**

In March, as a result of the Covid-19 pandemic and the closure of all theatres thousands of theatre workers found themselves unemployed. DryWrite Ltd launched a fundraising appeal, the money raised was split between Acting for Others, National Emergencies Trust (NET), NHS Charities Together and Fleabag Support Fund. RTF already had extensive experience in welfare matters and those experiencing financial hardship. FSF in partnership with RTF worked closely together and agreed the criteria for this restricted fund. The FSF aims are to be a complimentary alternative support grant to the already existing charitable funds available to people working in the entertainment business. Applicants must have been in active work prior to the pandemic within the entertainment business. This fund reflects and recognizes that people have an immediate need. The restricted fund is ongoing and opens monthly and will continue to do so for the foreseeable future.

RTF Covid Crises Fund – Donations received specifically to help those during the Covid-19 pandemic.

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**REVIEW OF ACTIVITIES AND ACHIEVEMENTS-(continued)**

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**Theatre Community Fund Restricted Fund**

Spearheaded by Olivia Colman, Phoebe Waller-Bridge, Ed Sinclair and Francesca Moody, Theatre Community Fund was established in July 2020 to support the theatrical artists and professionals whose livelihoods and creative futures had been threatened in the wake of Covid-19. The fund has been realised through generous donations from Amazon Studios, performers, creatives, artists, producers and executives. The fund is separated into two priority strands giving out Hardship grants and Creative and Innovation grants.

Phoebe Waller Bridge, Olivia Colman, Ed Sinclair and Francesca Moody secured a donation from Amazon UK and many of their friends to ensure the Fleabag Support Fund could continue helping those in the most financial need. The TCF also ring-fenced a share of the money raised for creative and innovation grants. The Creative and Innovation Grants is administered by the Michael Grandage Company Futures (MGCfutures) and will help support and provide bursaries for the next 3 years. The £300,000 cash received to fund the Creative and Innovation Grants was passed straight over to MGCfutures to distribute, and is not shown within income and expenditure in the Fund's accounts given that full discretion regarding the grants' dissemination was passed over to MGCfutures, with the Fund acting only as an agent in this relationship. The arrangement is described in note 22 to the accounts.

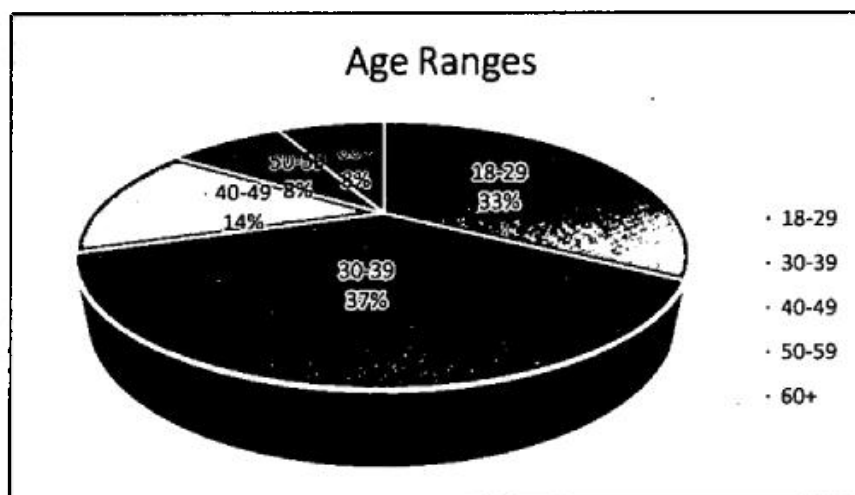
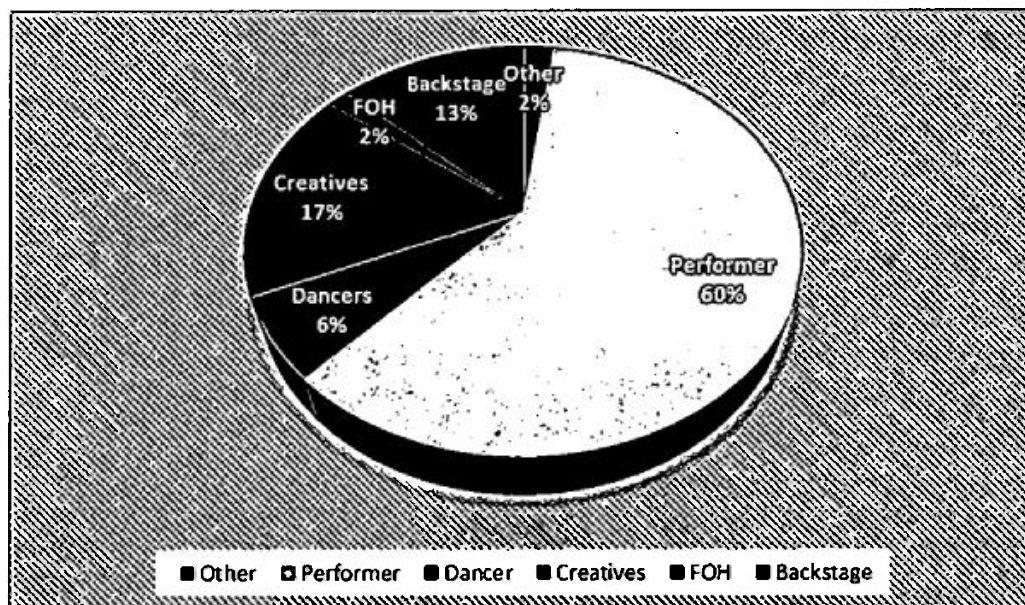
RTF and FSF have reached out to over 1,700 individuals in need from all sectors of the entertainment business. Each person has been given welfare and benefit advice, 993 individuals met either FSF or RTF criteria and were given financial aid.

**Testimonial:** I'm absolutely blown away. Wow. Thank you so much. This email brought me to tears. My landlord has been chasing me for a couple of weeks now so this grant will be able to keep them at bay.

## REVIEW OF ACTIVITIES AND ACHIEVEMENTS (continued)

### Review of Grant-Making Activities

During the financial year, the Welfare Committee received 1,700 applications for assistance, all of which were considered by the Board. The Fund assists 134 existing beneficiaries. The total welfare payments made amount to £1,346,707. This sum included £33,764 paid on behalf of people in nursing/residential/convolescent/homecare: monthly allowances amount to £96,009 and one off grants FSF/TCF/RTF Covid Crises Fund or special gifts totalled £1,170,115 which includes the amount of £46,819 being the birthday and Christmas gifts and winter fuel grants funded by the Benefactors' Scheme and the annual donation received from Acting for Others. During the year the Fund has also been able to provide advice about entitlement to state benefits and provide emotional support and friendship for those beneficiaries who are isolated. Sadly, 11 beneficiaries died during the year. As you can see from the charts below our reach is to all who work in the entertainment industry and of all ages.



**REVIEW OF ACTIVITIES AND ACHIEVEMENTS (continued)**

**Review of Fundraising activities**

Due to the Lockdown the RTF worked with Lockdown Theatre who produced and Directed three Lockdown shows in aid of RTF. Special thanks to Rob Grant, Paul Jackson, Curtis Threadgold, Lily Grant and Director Jonathan Church. The first show was Waiting for Godot, with kind permission of the Samuel Beckett Estate and starred Robert Lindsay and Michael Palin. A performance of Private Lives with kind permission of Alan Brodie of the Noel Coward Estate, featuring Joanna Lumley, Emma Thompson, Sanjeev Bhaskar, Emilia Clarke and Robert Lindsay. The third was The Real Inspector Hound by kind permission of Tom Stoppard and starred Derek Jacobi, Jennifer Saunders, Simon Callow, Freddie Fox, Samantha Bond, Gary Wilmot and narrated by Robert Lindsay. All three productions raised £104,102.

The Trustees would like to express, once again, their immense gratitude to the Benefactors. The amount raised during the financial year ended 31 March 2021 was £88,828 (2020: £32,832).

Legacies are vital to the growth of the Fund and we were pleased to receive three legacies from the estate of the late Ronald Pegler, Jean McDonald and Stephen Coke.

The Trustees take this opportunity to thank their colleagues and friends for their encouragement and donations especially at a time when there are so many calls on their generosity. The Fund also actively encourages support from members of the profession who are currently working and in the public eye. Public donations were received during the financial year ended 31 March 2021 totaling £39,422 (2020: £50,825), and in addition £170,000 (2020: £35,000) was received from Acting for Others of which £35,000 was used towards a winter fuel allowance to the beneficiaries in 2020/21.

Special thanks go to:

Her Majesty The Queen, Phoebe Waller-Bridge, Francesca Moody, Olivia Colman, Ed Sinclair of the Theatre Community Fund and Fleabag Support Fund. Acting for Others, Sir Ian McKellen, Aimie Atkinson Tallow Chandlers Company, Joseph Strong Fraser Trust, Noel Coward Foundation, The Mackintosh Foundation, Ray Cooney, Claude-Michel Schönberg, Terence Stamp, Nikolas Grace, Alain Boublil, The Bernard and Joyce Charitable Trust, Dame Maggie Smith, Kathleen Turner, Reading Blue Coat School, Theatre Support Fund – Damien Stanton, Chris Marcus and Stacey Pedder and donations IMO of Brian Glanvill.

The Trustees wish to record their sincere gratitude to all our benefactors and donors and supporters for their generosity.

**Approach to fundraising**

The Royal Theatrical Fund is a value-driven charity that conducts its activities in line with the highest ethical standards. In accordance with the latest Charity Commission guidance, the charity will include information on its approach to fundraising in its financial statements going forward.

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**REVIEW OF ACTIVITIES AND ACHIEVEMENTS (continued)**

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**Approach to fundraising (continued)**

The main methods the charity uses for accessing individual donors are fundraising events. The charity does not contact members of the public, especially vulnerable people, in an unreasonably intrusive or persistent manner. The charity has robust internal policies on data collection. The charity is prepared to refund any donation which is shown to have been gained through unreasonable fundraising, whether advertently or inadvertently. There were no complaints made to the charity in the year in respect of its fundraising.

**Financial review**

A summary of the year's results can be found on page 22. The Fund generates income from its property in Garrick Street, its investments and from donations and gifts. Total income for the year was £2,418,047 (2020 - £1,210,241). This consisted of donations and legacies of £1,942,104 (2020 - £769,044) which incorporated total income generated from COVID-related appeals of £1,304,166, investment income of £371,841 (2020 - £437,581) and fundraising and events income of £104,102 (2020: £3,616). Total expenditure for the year was £1,371,172 (2020 - £489,723), of which £1,046,707 (2020 - £263,448) was given in the form of welfare grants to individuals, £828,252 of which was in relation to COVID-19 appeals. The remainder of total expenditure was spent on support costs and raising funds. The net movement in funds for the year was £3,044,345 (2020 - £293,205).

At 31 March 2021 the charity had total funds of £16,106,161 (2020 - £13,061,816), £15,580,320 (2020 - £13,028,530) of these were unrestricted. Within unrestricted funds, £99,900 (2020 - £111,000) has been designated to fund future pension contributions in respect of one ex-employee. At 31 March 2021 £475,913 of restricted funds were held (2020: £nil), and the charity also held as a permanent endowment fund called the Covent Garden Fund of £49,928 (2020 - £33,286). Taking into account the effect of the designation, restricted and endowment funds, the charity's free reserves stood at £15,480,240 (2020 - £12,917,530) at 31 March 2021.

**Investment policy**

The Board has delegated the day-to-day management of investments to investment advisors under a management agreement authorised by the Charity Commissioners. A review of the Fund's portfolio of investments is a standard item on the agenda. Quilter Cheviot, who are the Fund's investment advisors, have kept the position closely under review, bearing in mind that the Fund relies to a considerable extent upon dividends and rental income to help beneficiaries in need. The Trustees are confident, that with careful management, the Fund has sufficient money from these sources to provide for our current beneficiaries. The Chairman of Finance keeps the Fund's finances throughout the year under constant supervision.

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**REVIEW OF ACTIVITIES AND ACHIEVEMENTS** (continued)

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**Reserves policy**

The Fund's main assets consist of an investment portfolio which has a current market value of £7,683,393 (2020: £5,721,027) and the property 9, 11 and 13 Garrick Street, London WC2E 9AR which was last valued at £7,100,000 in 2017. These constitute the source from which the Fund derives investment income. The total funds stood at £16,106,162 (2020: £12,768,611) at 31 March 2021. Taking into effect the values of the endowment fund, the restricted fund, the designated fund as well as the value of tangible assets and investment properties, the charity's total free reserves stood at £15,480,240 (2020 - £12,917,530).

The Trustees foresee that the calls upon its Fund will increase both because of the continuing trend towards more beneficiaries seeking help, and because of the large increases in fees charged by nursing homes and residential care homes.

In previous years the Trustees' policy on reserves was to meet the calls on its funds from the income and to preserve, as far as possible, the reserves that it currently holds. The Trustees' aim for the future is to be able to accumulate and increase the value of its portfolio of listed investments so that the income would be increased from this source, but also that the overall reserves should increase proportionately to inflation.

Subject to the comments below about the Trustees response to the effects of the Covid19 pandemic there has not been a change to the reserves policy.

**Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements. The Trustees have concluded that there are material uncertainties related to events or conditions during the pandemic, the Trustees will actively fundraise through RTF Lockdown Theatre and supporting Acting for Others in their fundraising drive. In conclusion the Trustees are confident that even though the charity does face some challenges the Fund is a going concern.

**Risk management**

The Trustees have identified the following key risks to which the Fund is exposed:

- ◆ The risk of incurring significant losses in the investment portfolio which would continue to erode the reserves in light of the increasing demand for assistance from the Fund. Performance targets are set by the Trustees in relation to the investment portfolio, and the investment performance is kept under regular review by the Trustees.
- ◆ The reputational risk arising from inappropriate use of monies granted to the charity's beneficiaries. To mitigate the risk the charity carries out detailed assessments as part of the due diligence process for all individual grant applicants.



**REVIEW OF ACTIVITIES AND ACHIEVEMENTS (continued)**

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**Risk management (continued)**

- ◆ The loss of key members of staff which could affect the charity's ability to carry out its day-to-day operations. The charity has 'back up' staff available in the event of death or incapacity. The Chairman maintains good oversight of the charity's operations.

The Finance Committee, on behalf of the Board conducts a risk assessment annually to review the major risks faced by the Fund and to ensure that they have a sound knowledge of the charity and are in an informed position regarding its operations.

Coronavirus (COVID-19) pandemic – The Board has addressed the difficulties that have arisen as a result of the pandemic outbreak by focusing on three key factors: staffing, premises and income. For each factor, plans have been put in place to ensure that disruption to the Fund's operations can be minimised.

**Effects on our beneficiaries**

The pandemic has affected the beneficiaries of the Fund gravely because of the closing of the theatres and other places of entertainment. The Trustees, will continue to raise funds and even if there is a short-term reduction in the charity's resources, the Trustees feel that this recognises the purposes for which the Fund was created and continues to be administered. At the present time this policy has not restricted the long-term security of the Fund's resources.

**Plans for the future**

The Trustees will continue to encourage donations and awareness of the RTF to encourage those that need help can apply to the RTF. The RTF recognise the importance of Mental Health awareness, and in April began to offer beneficiaries the opportunity to take part in a half day mental health awareness course led by Applause for Thought. The courses aim is to provide the tools to recognise someone experiencing a mental health issue or emotional distress in the workplace and provide appropriate support. Due to high level of interest, The RTF has so far funded 75 places on the certified Mental Health Awareness course. Following the success of these courses, the participants expressed an interest in the certified Full Adult and Youth Mental Health First Aid Courses and we have been able to fund and will continue to fund these courses for the foreseeable future.

The RTF will reinvigorate the much-loved Coffee and Choir mornings in 2022. Our aim is to encourage new members to join, whether it be to sing or to drop in for a coffee and a chat. We will continue to welcome anyone that may need to share a space with likeminded people and enjoy a sing, whatever their ability. We hope to offer more opportunities for the choir to perform in 2021/22 and be able to offer workshops with industry professionals to support and nurture our members talents.

### **REVIEW OF ACTIVITIES AND ACHIEVEMENTS** (continued)

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#### **Plans for the future** (continued)

Our newly refurbished conference room will be available for hire, offering a facility with great amenities in the heart of Covent Garden. This versatile space will allow the ability to set up the room in a variety of layouts to accommodate play readings, presentations, auditions, meetings, training sessions and much more. Fully furnished and equipped with a yealink system, TV screen, air conditioning and wifi. The hires will also help generate an additional source of income for RTF.

2022 will mark Her Majesty The Queen's Platinum Jubilee. As our Patron, The RTF intends to celebrate the 70<sup>th</sup> anniversary of Her Majesty's accession to the throne.

With increase of the regular employment of Welfare Advisor, Sue Basten to one day a week, The RTF will be able to offer a dedicated time to beneficiaries and new applicants that need support with benefits and welfare matters.

The RTF is pleased to welcome back the annual Christmas Carol Service this December at St Paul's Church, Covent Garden, fondly known as The Actor's Church. In addition to our regular service The RTF will co-host a West End Christmas Concert at the Church, encouraging a new audience to engage with the fund. This event will also benefit St Paul's chosen homeless charity.

#### **Staff**

The Trustees would like to take this opportunity to thank Sharon Lomas, Joel Marvin, Mark Lomas and Sue Basten for all their hard work during the year.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- ◆ select suitable accounting policies and apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;

## Trustees' report

### STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

#### Approval

This report was approved by the Board of Trustees on 08/12/2021 and signed on its behalf by:



Chairman

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**Independent auditor's report to the Trustees of The Royal Theatrical Fund**

**Qualified opinion**

We have audited the accounts of Royal Theatrical Fund (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the notes to the accounts. 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, except for the possible effects of the matter described below in the basis for qualified opinion section of our report, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of 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 Charities Act 2011.

**Basis for qualified opinion - limitation of scope**

Due to there being ongoing refurbishment works to the charity's property at year-end and in part due to the market uncertainty brought about by the COVID-19 pandemic, the charity did not obtain a valuation for its investment property at 31 March 2021. We were unable to satisfy ourselves by alternative means concerning the valuation of the investment property at that date by using other audit procedures. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of the investment property valuation.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the accounts 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.

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**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed overleaf.

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**Auditor's responsibilities for the audit of the accounts (continued)**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, inspecting legal correspondence and reviewing trustee meeting minutes.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of Trustee and Finance Committee meetings;



**Auditor's responsibilities for the audit of the accounts** (continued)

- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims; and
- ◆ reviewing any available correspondence with HMRC and the Charity Commission.

As a result of our procedures we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date 13 January 2022

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

# Statement of financial activities Year ended 31 March 2021

		Endowment funds £	Restricted funds £	Unrestricted funds £	2021 Total funds £	Endowment funds £	Unrestricted funds £	2020 Total funds £
<b>Income and endowments from:</b>								
Donations and legacies	1	—	1,304,166	637,938	1,942,104	—	769,044	769,044
Fundraising and events	2	—	—	104,102	104,102	—	3,616	3,616
Investments	3	281	—	371,560	371,841	358	437,223	437,581
<b>Total income and endowments</b>		<b>281</b>	<b>1,304,166</b>	<b>1,113,600</b>	<b>2,418,047</b>	<b>358</b>	<b>1,209,883</b>	<b>1,210,241</b>
<b>Expenditure on:</b>								
<b>Raising funds</b>								
Investment management costs		—	—	124,595	124,595	—	21,563	21,563
Fundraising		—	—	616	616	—	8,126	8,126
Property expenditure	4	—	—	17,713	17,713	—	27,251	27,251
<b>Charitable activities</b>	5	—	828,252	399,996	1,228,248	—	432,783	432,783
<b>Total expenditure</b>		<b>—</b>	<b>828,252</b>	<b>542,920</b>	<b>1,371,172</b>	<b>—</b>	<b>489,723</b>	<b>489,723</b>
<b>Net income before investment movements</b>		<b>281</b>	<b>475,914</b>	<b>570,680</b>	<b>1,046,875</b>	<b>358</b>	<b>720,160</b>	<b>720,518</b>
<b>Net gains (losses) on investments</b>	11	<b>16,361</b>	<b>—</b>	<b>1,981,109</b>	<b>1,997,470</b>	<b>(2,590)</b>	<b>(424,723)</b>	<b>(427,313)</b>
<b>Net movement in funds</b>	7	<b>16,642</b>	<b>475,914</b>	<b>2,551,789</b>	<b>3,044,345</b>	<b>(2,232)</b>	<b>295,437</b>	<b>293,205</b>
<b>Reconciliation of funds:</b>								
Total funds brought forward	17,18,19	33,286	—	13,028,530	13,061,816	35,518	12,733,093	12,768,611
<b>Total funds carried forward</b>	<b>17,18,19</b>	<b>49,928</b>	<b>475,914</b>	<b>15,580,319</b>	<b>16,106,161</b>	<b>33,286</b>	<b>13,028,530</b>	<b>13,061,816</b>

All amounts relate to continuing activities.

There was no restricted income or expenditure in the year ended 31 March 2020.

The statement of financial activities includes all gains and losses recognised in the year.

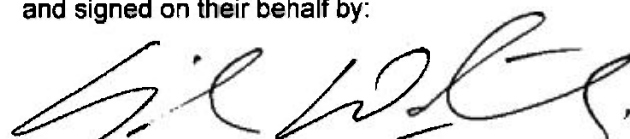
The notes on pages 30 to 37 form part of these financial statements.



# Balance sheet 31 March 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Investment property	10	5,779,356	5,779,356
Listed investments	11	7,683,393	5,721,027
Tangible assets	9	1,392,096	1,327,212
		<u>14,854,845</u>	<u>12,827,595</u>
<b>Current assets</b>			
Debtors	12	274,459	130,373
Cash at bank and in hand		1,213,760	322,737
		<u>1,488,219</u>	<u>453,110</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(148,103)</u>	<u>(118,991)</u>
<b>Net current assets</b>		<b>1,340,116</b>	<b>334,119</b>
<b>Pension liability</b>	14	<b>(88,800)</b>	<b>(99,900)</b>
<b>Net assets</b>		<u><b>16,106,161</b></u>	<u><b>13,061,814</b></u>
<b>The funds of the charity</b>			
Unrestricted funds			
. General funds	17	15,480,419	12,917,530
. Designated	17	99,900	111,000
Restricted funds	18	475,914	—
Endowment funds	19	49,928	33,286
<b>Total funds</b>		<u><b>16,106,161</b></u>	<u><b>13,061,816</b></u>

The financial statements were approved by the Trustees and authorised for issue on and signed on their behalf by:



Chairman 8 December 2021

The notes on pages 30 to 37 form part of these financial statements.

# Statement of cash flows Year to 31 March 2021

	2021 £	2020 £
<b>Net cash provided by (used in) operating activities</b>	<b>521,345</b>	<b>241,303</b>
<b>Cash flows from investing activities:</b>		
Payments to acquire tangible fixed assets	(71,452)	(3,002)
Proceeds from the sale of fixed assets	34,183	-
Payments to acquire investments	(614,668)	(813,223)
Proceeds from the sale of investments	651,224	334,439
Investment income received	371,841	437,581
	<b>371,128</b>	<b>(44,205)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>892,473</b>	<b>197,098</b>
Cash and cash equivalents at the beginning of the year	458,849	261,751
<b>Cash and cash equivalents at the end of the year</b>	<b>1,351,322</b>	<b>458,849</b>

	2021 £	2020 £
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net movement in funds for the year	3,044,345	293,205
Depreciation	(27,615)	2,997
Investment income	(371,841)	(437,581)
Realised gains on investments	(101,541)	(7,564)
Unrealised gains on investments	(1,895,929)	434,877
Increase in debtors	(144,086)	(16,525)
(Decrease) increase in creditors including pension liability	18,012	(28,106)
<b>Net cash provided by (used in) operating activities</b>	<b>521,345</b>	<b>241,303</b>

	2021 £	2020 £
<b>Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	1,213,760	322,737
Cash held by investment manager	137,562	136,112
<b>Total cash and cash equivalents</b>	<b>1,351,322</b>	<b>458,849</b>

## **Principal accounting policies Year to 31 March 2021**

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The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Accounting convention**

These financial statements have been prepared for the year to 31 March 2021 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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

The charity constitutes a public benefit entity as defined by FRS 102.

### **Critical estimates and judgements**

The most significant areas of judgement and key assumptions that affect items in the financial statements are in relation to:

- ◆ The charity's investment property valuation. The investment property portion is carried at the last formal valuation conducted in 2017, and as such this is only an estimate of the current value of this portion of the property. The Trustees accepted that the current value was uncertain due to ongoing refurbishment work and the market uncertainty brought about by the COVID-19 pandemic, and hence no updated valuation as at 31 March 2021 was obtained;
- ◆ The valuation of the liability in relation to the pension of the former employee; and
- ◆ The bad debt provision included in respect of rental income.

With respect to the next reporting period for the year ended 31 March 2022, the most significant areas of uncertainty that affect the carrying value of assets held by the charity are the level of investment return and the performance of the investment markets.

In addition to the above, the full impact following the global Coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value of investment properties and listed investments are subject to a greater degree of uncertainty and volatility.

**Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

As set out in the trustees' report, the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

**Income recognition**

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations, legacies, income from fundraising events, investment income and other income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Investment income in respect of listed investment is recognised once the dividend or interest has been declared and notification has been received of the amount due. Investment income in respect of the charity's investment property (rent and service charge) is recognised when receivable.

Other trading income is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured.

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### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis, and is allocated to the appropriate heading in the financial statements.

Charitable expenditure comprise grants and financial assistance which is provided for when approved by the Trustees.

The costs of raising funds comprise those costs directly attributable to managing the charity's investment portfolio, its investment property (including refurbishment expenditure) and raising fundraising income.

Governance costs comprise the costs of compliance with constitutional and statutory requirements and include the auditor's remuneration, and these are allocated within support cost to a relevant expense category.

Support costs are those costs which enable fund generating and charitable activities to be undertaken. Where activities incurred relate to more than one cost category, it is apportioned on the most appropriate basis and on a reasonable and consistent basis.

A liability in relation to the pension for a former employee has been included in the financial statements at its net present value, and is presented on the balance sheet as a pension liability (see note 14).

### **Financial instruments**

The Charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement basis are as follows:

*Financial assets* – other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – other creditors, accruals and the pension liability are financial instruments, and are measured at amortised cost as detailed in notes 13. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**Investment property**

The property has no historical cost to the Charity as it was gifted to the Fund. The property is held at a valuation conducted in 2017. The value at the year-end was uncertain due to ongoing refurbishment as well as the effects of the COVID-19 pandemic, and as such charity did not obtain a formal valuation. Any surplus or deficit arising is reflected within the statement of financial activities and is recognised in the reserves.

**Listed investments**

Investments have been stated in the balance sheet at market value at the year end. Realised and unrealised gains and losses are shown in the statement of financial activities.

**Fixed assets**

Assets purchased with a cost or value exceeding £1,500 are capitalised.

Fixed assets are capitalised at cost or in the case of the property at valuation. Those which are not freehold property, i.e. office equipment, are depreciated on a straight line basis over their useful economic life as follows:

Office equipment – 33% per annum on cost.

No depreciation is provided on the Trust's freehold properties as it is considered that there is no material difference between the residual value of the freehold properties and their carrying value. The economic life of the freehold properties is, in the Trustees' opinion, significantly greater than fifty years. It is therefore considered that any charge to depreciation on freehold properties would be immaterial in the context of these financial statements.

The freehold properties were last revalued as at 31 March 2017. The carrying values of these revalued assets are reviewed annually for impairment and no provision for any impairment was made as at 31 March 2021.

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and in hand represents such financial statements and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

**Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Value Added Tax**

Value Added Tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

**Unrestricted funds**

The unrestricted general funds are those funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are used for the specific purposes laid down by the Trustees. Expenditure which meets their criteria is charged to the fund together with a fair allocation of management and support costs.

**Restricted funds**

The restricted funds of the charity are funds which may only be used for a certain purpose in line with restrictions on their use imposed by the donor.

**Endowment funds**

The endowment funds of the charity comprise of a permanent endowment which must be held indefinitely. Only the investment income generated from those funds can be utilised by the charity towards its activities.

**Pensions**

Contributions to employees' pension in respect to defined contributions schemes are charged to the statement of financial activities in the year in which they are payable to the relevant scheme.

**Agency arrangements**

The Fund received funds to be spent on Creative and Innovation grants which were passed over to the third party MGCfutures, who disseminated the funds. The Fund acted as an agent in the relationship as MGCfutures retained full discretion over the dissemination of grants from the funds, and hence no income or expenditure is recognised in the statement of financial activities in the Fund's accounts as a result (see note 22).

## Notes to the financial statements Year to 31 March 2021

### 1 Donations and legacies

	Restricted £	Unrestricted £	Total 2021 £	Total 2020 £
Charity donations:				
. Acting for Others	—	35,000	35,000	35,000
. Contributions from other bodies	—	41,100	41,100	6,100
Public donations	—	39,422	39,422	50,825
Legacies	—	433,588	433,588	635,313
Benefactors	—	88,828	88,828	41,806
Covid-19 related appeals:				
Theatre Community Fund	762,451	—	762,451	—
Fleabag Support Fund	404,302	—	404,302	—
RTF Covid Crisis Fund	137,413	—	137,413	—
<b>Total donations and legacies</b>	<b>1,304,166</b>	<b>637,938</b>	<b>1,942,104</b>	<b>769,044</b>

All donations and legacies in the year ended 31 March 2020 were unrestricted.

### 2 Income from fundraising and events

	Restricted £	Unrestricted £	Total 2021 £	Total 2020 £
Lockdown Theatre	—	104,102	104,102	—
Christmas Concert & party	—	—	—	3,616
<b>Total fundraising and events</b>	<b>—</b>	<b>104,102</b>	<b>104,102</b>	<b>3,616</b>

All income from fundraising and events in the year ended 31 March 2020 was unrestricted.

### 3 Investment income

	Endowment £	Unrestricted £	Total 2021 £	Total 2020 £
Deposit interest	—	374	374	940
Dividends	281	109,795	110,076	119,916
Rent receivable	—	190,549	190,549	302,830
Service charges income receivable	—	67,245	67,245	10,452
Other	—	3,597	3,597	3,443
<b>Total investment income</b>	<b>281</b>	<b>371,560</b>	<b>371,841</b>	<b>437,581</b>

In the year ended 31 March 2020 £358 of dividend income was allocated to the endowment fund, with the remainder to unrestricted funds.

### 4 Property expenditure

	Total 2021 £	Total 2020 £
Consultancy	13,713	11,250
Direct service charge costs	9,000	16,001
Fund contribution to common parts refurbishment	(5,000)	—
<b>Total property expenditure</b>	<b>17,713</b>	<b>27,251</b>



## Notes to the financial statements Year to 31 March 2021

### 5 Charitable activities

During the year welfare grants to individuals were as follows:

	Welfare Grants £	Support costs (note 6) £	Total 2021 £	Welfare Grants £	Support costs (note 6) £	Total 2020 £
From unrestricted funds	218,454	181,542	399,996	263,448	169,335	432,783
From the following restricted funds:						
Fleabag Support Fund	404,302	—	404,302	—	—	—
Theatre Community Fund	286,538	—	286,538	—	—	—
RTF Covid Crisis Fund	137,412	—	137,412	—	—	—
	1,046,706	181,542	1,228,248	263,448	169,335	432,783

### 6 Support costs

	2021 £	2020 £
Staff emoluments	106,385	109,728
Building expenses	8,568	9,247
Stationery & telephone	4,262	5,505
Insurance	1,308	1,281
Equipment maintenance	15,199	10,572
Lighting and heating	1,324	1,157
Finance charges	3,563	3,471
Depreciation	—	2,997
Publicity & website	191	2,199
Auditor's remuneration	21,920	12,785
Loss on disposal of fixed assets	6,588	—
Grant committee expenses	—	1,126
Travelling expenses	—	635
Legal costs	1,327	—
Printing and office expenses / Other	10,907	8,632
Total support costs	181,542	169,335

## 7 Net movement in funds

This has been arrived at after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	—	2,997
Auditor's remuneration		
Statutory audit	19,740	12,720
Other	2,340	2,220

## 8 Staff costs

	2021 £	2020 £
Wages and salaries	85,167	91,678
National Insurance	4,089	6,126
Pension costs	17,128	11,924
	<b>106,384</b>	<b>109,728</b>

The average number of staff during the year was 4 (2020 - 4) and no staff member received salary of more than £60,000 (2020 - none).

The key management personnel of the charity comprise the Trustees and the Secretary. The Trustees of the charity are not remunerated. The total amount of employee benefits (including employer pension and national insurance contributions) received by the key management personnel in the year was £62,540 (2020 - £91,147), which included a lump sum pension payment of £30,000. Expenses of £nil were reimbursed to the Trustees during the year (2020 - £421 to four Trustees).

## 9 Tangible fixed assets

	Freehold Property £	Office equipment £	Total £
<b>Cost / valuation</b>			
At 1 April 2020	1,320,644	34,183	1,354,827
Additions	71,452	—	71,452
Disposals	—	(34,183)	(34,183)
At 31 March 2021	<b>1,392,096</b>	<b>—</b>	<b>1,392,096</b>
<b>Depreciation</b>			
At 1 April 2020	—	27,615	27,615
Eliminated on disposal	—	(27,615)	(27,615)
At 31 March 2021	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net book value</b>			
At 31 March 2021	<b>1,392,096</b>	<b>—</b>	<b>1,392,096</b>
At 31 March 2020	<b>1,320,644</b>	<b>6,568</b>	<b>1,327,212</b>

**Notes to the financial statements** Year to 31 March 2021

**10 Investment property**

	2021 £	2020 £
At 1 April 2020 and at 31 March 2021	<b>5,779,356</b>	<b>5,779,356</b>

The property was revalued during 2017 by Innes England to total value of £7,100,000, using rental yields as a basis of valuation.

The property is considered to be mixed use as part of it is used by the charity in its day-to-day activities (18.6%) and therefore that portion has been shown within tangible fixed assets (see note 9).

**11 Listed investments**

	2021 £	2020 £
Market value at 1 April	<b>5,584,917</b>	<b>5,533,446</b>
Add:		
Acquisitions at cost	<b>614,668</b>	<b>813,223</b>
Less: disposal proceeds	<b>(651,224)</b>	<b>(334,439)</b>
Realised gain (loss) on investments	<b>101,541</b>	<b>7,564</b>
Net unrealised (losses) gains	<b>1,895,929</b>	<b>(434,877)</b>
Market value at 31 March	<b>7,545,831</b>	<b>5,584,917</b>
Cash held by investment managers	<b>137,562</b>	<b>136,112</b>
Total market value including cash at 31 March	<b>7,683,393</b>	<b>5,721,029</b>
Historical cost at 31 March	<b>4,330,625</b>	<b>4,330,625</b>

	Endowment Funds (note 18) £	Unrestricted Funds £	Total 2021 £	Endowment Funds (note 18) £	Unrestricted Funds £	Total 2020 £
<b>Investment analysis</b>						
UK fixed interest	—	377,704	<b>377,704</b>	—	274,546	<b>274,546</b>
UK equities	49,928	3,453,977	<b>3,503,905</b>	33,286	2,513,638	<b>2,546,924</b>
Overseas equities	—	3,801,784	<b>3,801,784</b>	—	2,711,976	<b>2,711,976</b>
Total	<b>49,928</b>	<b>7,633,465</b>	<b>7,683,393</b>	<b>33,286</b>	<b>5,500,160</b>	<b>5,533,446</b>

At 31 March 2021 listed investments did not include any individual holdings which exceeded 5% of the overall portfolio valuation as at that date.

## 12 Debtors

	2021 £	2020 £
Gift aid recoverable	61,320	8,953
Other debtors	126,441	104,205
Prepayments and accrued income	86,698	17,215
	<b>274,459</b>	<b>130,373</b>

## 13 Creditors: due in less than one year

	2021 £	2020 £
Amounts falling due within one year:		
Other creditors	34,904	19,246
Pension liability (note 14)	11,100	11,100
Accruals and deferred income	102,099	88,645
	<b>148,103</b>	<b>118,991</b>

## 14 Pension liability

The pension liability relates to pension contributions payable to an ex-employee. The liability had previously been estimated in 2015 using mortality assumptions and an estimated discount rate. On 31 March 2019, the Trustees recalculated the liability to reflect updated mortality assumptions, resulting in an increase in the total liability to £122,100. Other movements on the liability including the movement in the years ended 31 March 2020 and 31 March 2021 are the pension contributions paid throughout the year to the ex-employee. The timing of the payments due on the liability is shown below:

	2021 £	2020 £
Due in less than one year (note 13)	11,100	11,100
Due in greater than one year	88,800	99,900
Total liability as at 31 March	<b>99,900</b>	<b>111,000</b>

## 15 Related party transactions

The charity is a member of the Combined Theatrical Charities' Appeals Council, a registered charitable organisation. Two trustees represent the charity at meetings of the Council. During the year the charity received a total of £170,000 (2020: £35,000) in voluntary income from the Council. In addition, the charity received reimbursement from the Council of a further £10,000 for the use of office space and resources (2020: £10,000).

The charity also received rent and service charge income of £45,000 (2020: £45,000) from Mousetrap Productions Limited, a related party due to a common trustee. Of this £12,121 (2020: £12,121) was outstanding at the year end.

The charity received grants of £30,000 (2020: £5,000) from the Mackintosh Foundation, a related party due to a common trustee.

## 16 Analysis of net assets between funds

	Endowment Fund £	Restricted Funds £	Unrestricted Funds £	Total funds 2021 £	Endowment Fund £	Unrestricted Funds £	Total funds 2020 £
Tangible fixed assets	—	—	1,392,096	1,392,096	—	1,327,212	1,327,212
Investment property	—	—	5,779,356	5,779,356	—	5,779,356	5,779,356
Quoted investments	49,928	—	7,633,465	7,683,393	33,286	5,687,741	5,721,027
Net current assets	—	475,913	864,203	1,340,116	—	324,120	324,120
Pension liability	—	—	(88,800)	(88,800)	—	(99,900)	(99,900)
	49,928	475,913	15,580,320	16,106,161	33,286	13,018,529	13,051,815

## 17 Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	Net (losses) on invs. £	Transfers £	At 31 March 2021 £
General funds	12,917,530	1,113,600	(531,820)	1,981,109	—	15,480,419
Designed funds:						
· Pension Fund	111,000	—	(11,100)	—	—	99,900
<b>Total unrestricted funds</b>	<b>13,028,530</b>	<b>1,113,600</b>	<b>(542,920)</b>	<b>1,981,109</b>	<b>—</b>	<b>15,580,319</b>

	At 1 April 2019 £	Income £	Expenditure £	Net gains on invs. £	Transfers £	At 31 March 2020 £
General funds	12,610,993	1,209,883	(478,623)	(424,723)	—	12,917,530
Designed funds:						
· Pension Fund	122,100	—	(11,100)	—	—	111,000
<b>Total unrestricted funds</b>	<b>12,733,093</b>	<b>1,209,883</b>	<b>(489,723)</b>	<b>(424,723)</b>	<b>—</b>	<b>13,028,530</b>

### Pension Fund

This is a designated fund which was set up in 2015 by the Trustees to cover the pension liability in relation to a former employee (see note 14).

## 18 Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Theatre Community Fund	—	762,451	(286,537)	475,914
Fleabag Support Fund	—	404,302	(404,302)	—
RTF Covid grants	—	137,413	(137,413)	—
<b>Total restricted funds</b>	<b>—</b>	<b>1,304,166</b>	<b>(828,252)</b>	<b>475,914</b>

## 18 Restricted funds (continued)

Theatre Community Fund: this fund was established to provide support to theatrical artists and professionals whose livelihoods and creative futures have been threatened in the wake of the Covid-19 pandemic. The fund was separated into two priority strands. Hardship grants were in partnership with the Fleabag Support Fund and were distributed in partnership with the Royal Theatrical Fund. Creative and innovation grants were managed by MGCfutures, including the application process.

Fleabag Support Fund: this fund was set up in response to the Covid-19 pandemic with the objective of providing a small crisis grant to those that were in greatest need.

RTF Covid Fund: this fund consists of donations made specifically to The Royal Theatrical Fund with the aim to support those in the entertainment industry affected by the Covid-19 pandemic.

## 19 Permanent endowment funds

	At 1 April 2020 £	Income £	Expenditure £	Net (losses) on invs. £	Transfers £	At 31 March 2021 £
Permanent endowment fund: Covent Garden Fund	33,286	281	—	16,361	—	49,928

	At 1 April 2019 £	Income £	Expenditure £	Net (losses) on invs. £	Transfers £	At 31 March 2020 £
Permanent endowment fund: Covent Garden Fund	35,518	358	—	(2,590)	—	33,286

In 1899 one third of the Covent Garden Theatre Fund was directed by Court Order to be held as a separate fund for the benefit of the Royal Theatrical Fund with the income being available for the general purposes of the Fund. In 1996/1997 the Charity Commissioners transferred one third of the fund into the name of the Royal Theatrical Fund. The Trustees foresee that this fund will continue in perpetuity.

## 20 Fine art assets

The charity has in its ownership a collection of fine art assets. These are treated as heritage assets as they are maintained for their historical value, but are not recognised on the balance sheet as their monetary value is uncertain. An indicative value based on the value for insurance purposes is as follows:

	2021 £
An early Victorian mahogany extending dining table, circa 1840	11,910
A set of twenty-four George III style mahogany dining chairs	10,089
Herbert Hampton – Bronze bust of Sir Henry Irving	1,997
A late Victorian silver desk stand	1,721
A George III style two-handled trophy cup and cover	3,533
Two original marble surround fireplaces	16,810
Miscellaneous items no one item exceeding £1,000 in value	3,533
	<u>49,953</u>

No additions or disposals occurred in respect of heritage assets during the current or prior year.

## 21 Capital commitments

As at 31 March 2021, the charity had capital commitments of £362,704 (2020: £nil) in respect of refurbishment of the Garrick Street building.

## 22 Agency arrangements

The Fund received £300,000 in the year to be spent on Creative and Innovation grants. The full £300,000 was passed over to the third party MGCfutures, who disseminated the funds. The Fund acted as an agent in the relationship as MGCfutures retained full discretion over the dissemination of grants from the funds, and hence no income or expenditure is recognised in the statement of financial activities in the Fund's accounts as a result.

