

REGISTERED COMPANY NUMBER: 00480920 (England and Wales)
REGISTERED CHARITY NUMBER: 225751

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021
FOR
UNICORN THEATRE LONDON LTD
(FORMERLY CARYL JENNER PRODUCTIONS LIMITED)**

UNICORN THEATRE LONDON LTD

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FOR THE YEAR ENDED 31 JULY 2021**

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UNICORN THEATRE LONDON LTD
CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 JULY 2021

On behalf of the Unicorn Theatre London Ltd Board of Trustees, I am pleased to present the financial statements for the year ending 31 July 2021.

This year has seen more strategic and business change for the Unicorn: I stepped into the role of Chair of the Board in March 2021 following John Langley's retirement; Executive Director Bailey Lock began maternity leave end of April 2021; and following a competitive application process, the Unicorn's Director of Marketing and Communications Helen Tovey was promoted into the executive role as cover. In addition, on 31 July 2021 we changed the set-up of the Unicorn's two closely related companies so that from 1 August 2021 we operate through one company. Through this process we renamed Caryl Jenner Productions Ltd as Unicorn Theatre London Ltd and have ceased to use Unicorn Children's Centre. This change increases our internal efficiency and improves transparency and comprehensibility for our stakeholders, including donors.

This year has been heavily impacted by the pandemic although we have continued to respond dynamically and creatively to the shifting public health situation. Following the closure of theatres to the public in March 2020 due to the national onset of Covid-19, the Unicorn re-opened its doors once again in June 2021 for a three-week, socially-distanced run of its ever-popular *Baby Show* followed by a five-week sold-out in-school tour of new show *Marvin's Binoculars* across June, and a three-week sold-out run of our highly successful stage show *Anansi the Spider*, re-worked for Regent's Park picnic lawn.

Having pivoted to digital in the summer of 2020 with Unicorn Online, we continued to create extraordinary online theatre productions, including a theatrical reading of Roald Dahl's *The Twits* directed by Ned Bennett, and nine new readings of Philip Pullman's Grimm Tales performed by artists including Rory Kinnear, Le Gateau Chocolate and Suzan Wokoma; a 10-minute version of *Huddle*, our 2019 live stage show created by Filskit Theatre for 2 – 5s and a new contemporary dance piece called *Let Loose* in a co-production with English National Ballet; and we re-released our first-ever digital production *Anansi the Spider Re-Spun* for Black History Month with new extensive schools online and video resources that supported teachers explore the history of the stories and the transatlantic slave trade with young pupils.

Across the year we sold 3,019 tickets across the run of *Baby Show* at our theatre and *Anansi the Spider* at Regent's Park, and performed *Marvin's Binoculars* to 24 schools reaching 3,130 children, achieving an income of £31,426 for the period. Our digital productions reached 456,000 views across more than 20 countries and we partnered with The Guardian and YouTubeKIDS, and worked with the Worldwide Wildlife Fund for Nature to develop resources that supported our production of *Marvin's Binoculars*.

In this season we also launched our new Engagement Strategy and began piloting co-creational approaches to developing work, working with young people online up until summer 2021. During March 2021, the Unicorn's Artistic Director and creator of *Marvin's Binoculars* worked with members of the creative team and cast alongside children from Allen Edwards and Anson primary to explore ideas and themes within the play, developing the script and filming in response to their feedback. And over the summer, we furthered our exploration of two plays that are in R&D for our future programme, investing in support and evaluation alongside the projects so that we can further refine our processes and approach.

While we have experienced significant financial loss of box office and other anticipated income from the closure of the building, 20-21 has yielded an unexpected surplus of £392,510 that we anticipate will be necessary to support our recovery over the next two years. Although supported by savings on operation costs and the benefit of the government's Job Retention Scheme, we are also grateful for support from the government's Culture Recovery Funds, Bloomberg and Backstage Trust. We look ahead to 21/22 with cautious optimism as the organisation's ability to deliver new work in new ways, and our refreshed strategic business plans and artistic vision embed. We are excited for the years ahead and recognise the increasingly important role that our theatre plays in supporting children's recovery from the effects of the pandemic across many areas of their lives.

Reflecting the views of the whole Board of Trustees, I want to thank John Langley for all of his hard work and commitment over his seven year tenure, and to thank the staff team for their continued dedication and support of this ambitious and important theatre.

Dr Vanessa Ogden
Chair

Date:

UNICORN THEATRE LONDON LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00480920 (England and Wales)

Registered Charity number

225751

Registered office

Unicorn Theatre
147 Tooley Street
London
SE1 2HZ

Trustees

H Finch

J Langley* (Chair)

- Resigned 17 March 2021

A Quashie

C Simon*

A Hynes

P Torday

V Ogden* (Chair)

- Appointed 17 March 2021

* Members of the Finance & Risk Committee

The trustees are also directors of Unicorn Theatre London Ltd for the purposes of company law. Trustee induction comprises full financial information and company history, meetings with the Chief Executives and Chair, and meetings with such other staff as are relevant to the Trustee's professional specialism. New trustees are briefed on their legal obligations under charity and company law, the company's mission and values, and the workings of the Board of Management and the decision-making process.

Key Management

B Lock

Executive Director

H Tovey

Temporary Executive Director from 26 April 2021

J Audibert

Artistic Director

Auditors

Azets Audit Services

Chartered Accountants

Statutory Auditor

2nd Floor, Regis House

45 King William Street

London

EC4R 9AN

Bankers

Barclays Bank plc

27 Soho Square

London

W1D 4LQ

Solicitors

Blount Petre Kramer

29 Weymouth Street

London

W1N 4LQ

UNICORN THEATRE LONDON LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

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

OBJECTIVES AND ACTIVITIES

Company's Purposes

We are the largest children's theatre in the UK, specialising in developing new devised and written shows and adaptations of contemporary and classic books, offering excellent, sector-leading theatre for children and young people.

We produce a thrilling and surprising programme of theatre shows year-round for children, with a focus on work relevant to children's lives today - exploring stories, ideas and themes that will enrich and broaden their view of the world.

Our Mission, Vision and Values

Vision

Transforming Young Lives Through Theatre

Mission

- We create innovative and outstanding theatre for children up to 13 years.
- We support artists to make work with ambition, integrity, and hope.
- We encourage children to question and explore the world through stories; developing empathy, understanding and imagination.
- We collaborate with children in schools and communities to inform our practice, and inspire children to fulfil their potential through creative projects with inventive theatre-makers.
- We extend our reach through online theatre experiences, national and international partnerships and subsidised tickets.
- We recognise climate action is vital to protecting children's futures, and are actively reducing our environmental impact on the planet.
- We believe in equality, diversity and inclusion; we take action to advocate for and promote the rights of children.

Values

Curiosity, Respect and Courage

Specific Objectives & Public Benefit

The trustees were mindful of the Charity Commission's guidance on public benefit when setting the specific objectives for the 2018-22 business planning period, and in particular the accessibility of the theatre's programme for all. This is delivered through our carefully calibrated ticket pricing structure, our free digital theatre offers, our McGrath ticket scheme for schools, our substantial and free Engagement activities with schools and community groups, and a heavily subsidised schools' programme, both of which enable us to welcome into our theatre some of London's most disadvantaged young people experiencing theatre for the first time.

Our business priorities remain:

- To maintain the Unicorn's artistic position on the map of important theatre institutions in the UK and beyond, and so enhance the standing of theatre for young audiences, changing the perception of UK children's theatre, and securing our position as the national theatre for young audiences;
- To stabilise the business model – producing Unicorn work at a manageable level, building earned income and free reserves, tightly managing expenditure, and selling tickets at an average of 80% across the programme;
- To ensure the future viability, reputation and brand of the Unicorn, securing ongoing ACE NPO funding and creating a strong rolling legacy for the theatre's future custodians.

Volunteers

Unicorn Theatre London Ltd has made no significant use of volunteers over the year and has no plans for significant dependence on volunteers in 2020-21.

UNICORN THEATRE LONDON LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

ACHIEVEMENT AND PERFORMANCE

Roald Dahls' *The Twits* – digital (first released Sep 2020)

★★★★ 'direct and effervescent' *The Guardian*

★★★★ *The Twits* has never been more vibrant. If you've got kids...I urge you to watch this show with them. I can guarantee any adults sitting in will be equally entertained by this exquisite reading.' *A Younger Theatre*

The pandemic continued to affect our programming. Our venue remained closed to the public from mid-March 2020 until June 2021 as the public health situation, and further uncertainty for schools and families, made planning an in-person season difficult.

However, we continued creating and releasing exceptional new work, releasing six innovative new digital projects thanks to the generous support of Backstage Trust and Bloomberg, reaching 906,214 views across the UK and abroad.

We also adapted our shows to an in-schools tour and outdoor performances alongside a three-week socially distanced run at our venue in June, reaching 6,150 children and families and delivering £47,652 in income.

Unicorn Online – digital theatre:

We started the season in September with a theatrical reading of *Roald Dahl's The Twits* directed by Ned Bennett and performed by Martina Laird and Zubin Varla for ages 6+ launching in partnership with *The Guardian* and reaching 143,950 views. For Black History Month we re-launched three episodes of *Anansi the Spider Re-spun* for ages 3 – 8 plus new written resources for schools and families, and further written and filmed educational resources exploring the origin of the Anansi stories.

A collaboration with Filskit Theatre to re-imagine their 2018 stage show *Huddle* as a digital performance with animation for 2 – 5s released 10 December 2020. Across autumn 2020 in partnership with YouTubeKIDS we released nine readings of *Philip Pullman's Grimm Tales* (performers included Le Gateau Chocolat, Susan Wokoma, Colin Morgan and Rory Kinnear) plus written and filmed educational resources for Year 7 secondary teachers released across autumn 2020.

In June 2021 we released *Marvin's Binoculars* - a brand new show co-created with Anson Primary School and created by our Artistic Director Justin Audibert as a full-length production created for the digital medium with educational resources created by our partner the Worldwide Fund for Nature. Soon after we launched *Let Loose* – a short dance piece co-produced with English National Ballet.

In addition we co-produced *Story Seekers* in collaboration with the National Theatre's Learning department, launching a brand new online six-week creative literacy-based educational project for School Years 4 – 6. The project includes filmed theatre performances directed by Unicorn Artistic Director Justin Audibert to guide pupils through their storytelling quest, workshops and performances by professional storytellers and training and resources to support teachers to lead the project.

During summer 2021, thanks for CRF2 funding, we also developed *Attack of the Wolfdogs* (released in August 2021) a free, imaginative self-guided interactive audio experience that takes families around the cobble streets of Shad Thames. The audio tour, created by Nigel Barrett and Louise Mari, uses binaural soundscapes and effects to take families on a thrilling audio adventure story.

To underpin our new digital strategy, in spring 2021 we appointed a company to design and build a new website for the Unicorn with the aim of improving accessibility, customer journey and enhanced experience of digital production and resource content and improved data capture. The website launched in October 2021. We expect to improve our profile and reach through search engine optimisation, together with a refreshed social media and content over the coming months and years.

Live productions:

We produced a sold-out tour of *Marvin's Binoculars* which performed in 21 schools across June – early July at a time when schools were unable to make trips to us. We reopened in June for 3 weeks for a sold-out, socially distanced run of *Baby Show*, created by Sarah Argent and Kevin Lewis, at the Unicorn Theatre, and re-worked our 2019 stage show hit *Anansi the Spider* for a 3-week sold-out outdoor run on Regent's Park's picnic lawn in July.

ENGAGEMENT AND SUBSIDY

Subsidy:

We remain committed to reaching all children, regardless of circumstance. Our new digital strategy, with its strong focus on freely available, curriculum-linked creative content and resources, enables us to reach many thousands more schools across the UK and beyond. For our live shows, we actively seek out community groups and work closely with schools with high percentages of free school meals employing ticket subsidy to support a visit where needed.

UNICORN THEATRE LONDON LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

ENGAGEMENT AND SUBSIDY (continued)

Community programme:

Due to Covid, we suspended our community projects until December 2020, starting up again with a 9-week project in partnership with Body & Soul in Islington, a charity who support young people who have experienced trauma. 15 teenagers took part, exploring what they have lost and found in the face of the pandemic through discussion, drama, movement, creative writing and spoken word. The project was designed to put the young people in the driving seat to give them the power and space to tell their own stories. The project culminated in a final sharing to a small audience at Body & Soul's home and included a live movement and theatrical pieces, short films and photography and two music/spoken word tracks created from the member's voice recordings of their creativity writing.

Across the autumn and into early spring we partnered with Great Ormond Street Hospital, working with KIT Theatre to create a devised immersive theatre piece particularly for patients in the isolation wards. The KIT team worked with the GOSH Young Persons Forum (made up of former patients) to discuss story ideas, gain feedback on the development of the piece and to try out prototypes of the storytelling equipment to ensure that the final result is relevant and appropriate for the patients. Due to Covid, the rollout of this project was postponed until Nov 2021.

During this time we also supported Beyond Arts with the creation and distribution of a new online theatre experience titled *The Origin of Carmen Power*, performed by Carmen with artist Toby Peach in her home, which explored Carmen's story of experiencing cancer. Through this interactive experience, viewers were encouraged to unlock different stages of Carmen's story. This piece was also featured in the Southbank Unlimited Festival in January 2021, which showcases work by disabled artists.

In July 2021 we worked with 14 Young Carers aged 11 - 14 from Lambeth and Southwark Carers Hubs. Over five consecutive days in the school holidays they worked with a film and theatre-maker, and a storyteller and movement facilitator to explore our digital readings of Philip Pullman's *Grimm Tales* as a stimulus for exploration of character and story through drama. The project was particularly welcome in the context of Covid as the Carers Hubs expressed how the young carers had been feeling additional pressures during this time which were impacting their wellbeing. When devaluating the impact of the project, the young participants described themselves as 'Happy', 'Motivated', 'Creative' and 'Proud', with one participant saying "I had different creative ideas and felt heard by different people, I felt proud and confident".

Schools programme:

In August 2020, the week that the Notting Hill Carnival was due to take place, we launched a new digital film, *The Magnificent Life of Claudia Jones*, created by and with 12 students from The Grey Coat Hospital C of E Secondary School about the life of one of the carnival's founders. Collaborate is a year-long, in depth, partnership with one Secondary School that includes theatre visits, workshops, input from teachers and student into the creation of Unicorn's Learning materials and an intensive devising project with professional theatre-makers.

At the end of the year, there is an in-school artistic residency project which results in a performance on the Unicorn's stage to the school, family and friends. This year the devising project went online, with students taking part from home, due to Covid and the restrictions in place at that time. Led by director Stevan Mijaiovic and Movement Director David Gilbert, students researched Claudia Jones's life and brought to life imagined characters and key moments creating a rich, and thoughtful piece that was watched over 1,000 times.

In September 2020 we launched schools' resources that supported teachers to use our digital offers in the classroom. For primary we focussed on *Anansi the Spider Re-spun*, and for secondary schools we focussed on Year 7 specific project around our series of readings of *Philip Pullman's Grimm Tales*. We worked with Dramatherapist, Sam Adams to explore the origin of the Anansi stories with creative strategies to meet with anxieties present in the wider world and racism, and worked with clinical psychologist, Dr Sarah Wassall to explore the meanings within the stories and creative approaches to support pupils dealing with transition and change.

Engagement programme:

During 2020 - 21 we revisited our vision and mission and strategic priorities, engaging Sarah Golding (former Associate Artistic Director of Battersea Arts Centre) as a consultant to advise on and develop a new co-creational Engagement Strategy that embeds our school and community programme more deeply into the creation of work for our stages, bringing the community and schools strands together under a newly named Engagement Department.

The strategy focuses on long-term partnership working with schools local to the Unicorn with an appetite for organisation-wide cultural change, a limited history of previously prioritising creative education and a pupil base in receipt of free school meals, or pupil premiums above the national average.

UNICORN THEATRE LONDON LTD
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2021

ENGAGEMENT AND SUBSIDY (continued)

During March 2021, the Unicorn's Artistic Director and creator of *Marvin's Binoculars* worked with members of the creative team and cast alongside children from Allen Edwards and Anson primary to explore ideas and themes within the play, developing the script and filming in response to their feedback. And over the summer, thanks to CRF2 funding support, we furthered our exploration of two plays that are in R&D for our future programme, piloting new co-creational processes between artists and schools, and invested in evaluation support to rigorously reflect and report on the process to further develop and refine our thinking going forwards.

Over summer 2021 we worked closely with local council partners to identify these schools to become our co-creational partner schools for year 1, appointed Research Consultant, Nicky Boyd, to support us in our evaluation work, helping us to set clear objectives and mechanisms for gathering and reporting our impact, recruited new post of Director of Engagement to the senior management team (Georgia Dale, previously Head of Learning at the Young Vic) with a start date of September 2021; and pivoted the role of Reach Co-ordinator to Engagement Producer (now working across both community and schools).

ARTISTS

During the pandemic while our building was closed we committed to employing freelance artists. Our digital programme offered opportunities to work with a wide range of freelancers, and to engage high profile artists who might not otherwise be able to commit to the time involved in rehearsing and performing a live show.

Since the closure of the building we established a regular online Freelancer forum, chaired by Associate Artist Rachel Bagshaw, enabling artists to receive updates on our programme, and to discuss the current, challenging environment in a relaxed, supportive and collaborative way. We also participated in the Fuel Freelancer Task Force with designer Sadeysa Greenway Bailey representing the organisation.

During 20-21 we also took on a Birkbeck placement, working with Rohan Gotobed who worked across digital and live productions in an assistant director role, starting in Sep 2021.

FUTURE PLANS

Thanks to generous donations, the Culture Recovery Fund and savings achieved during the theatre's extended closure, Unicorn Theatre London Ltd has made a healthy surplus in 2020-21. The Board are well aware that this short-term boost to the theatre's reserves is essential for navigating the uncertainties around the ongoing Covid-19 situation and possible future threats to income due to possible performance cancellations, affect on audience attendances, increased pressure on donors etc. for 2021-22 and beyond.

Productions:

We remain passionately committed to our mission, to engaging and supporting freelancers, and continuing to make high-quality children's work for all. Our focus will be on creating a balanced programme of new work and reimagined classic and book titles, and attracting the best talent in the sector to work with us. We are looking at ways to support and listen to freelancers, and new approaches to partner with and develop artists' skills in making children's theatre through co-creational processes.

Digital:

As demonstrated by our success across 20-21, digital content offers a fantastic and Covid-proof alternative to in person presentations and we are dedicated to continuing to develop this strand of our work in 2022 and beyond.

Engagement:

Phase two of our Engagement Strategy, which we will begin planning in 2022 – 23 and implement across the following three years, will be to highlight different career paths into the sector, and opportunities to learn more about roles on and off stage.

Fundraising:

Across 20-21 we undertook a review of our fundraising with consultant Nicky Jones who went on to work as the Director of Development to cover staff maternity period, up until September 2021. Now we have re-opened in autumn 2021 we are better able to act on planned approaches and expand opportunities to engage with the Unicorn's work and mission. We are committed to delivering an expanded programme of events across the year in order to increase touchpoints and to attract potential funder and donor interest.

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FOR THE YEAR ENDED 31 JULY 2021

FUTURE PLANS (continued)

Key to growing our fundraising across all income streams will be establishing a proactive network of stakeholders, Ambassadors and Board champions to assist us with vital peer to peer fundraising. We are planning to relaunch our Ambassadors scheme in 2022, and we will work with our new Chair of the Board to establish new ways of working with Trustees to develop our pool of prospective funders, and to widen our network of industry stakeholders to advocate for the Unicorn's work. In addition, we hope to promote greater audience understanding of our charity status and a measure of our success in this will be the growth of our lower level regular giving schemes. We anticipate that individual giving will be better supported by our new website and that income from this area is set to increase, in line with audience facing programme and attendance levels.

EQUALITY, DIVERSITY AND INCLUSION

As an organisation we are committed to equality and representing the communities we serve on and off stage. However, we know we must improve and we know there is much more to do across all areas of our business.

We acknowledge our current rate of pay is a barrier to equality and we are taking steps towards achieving London Living Wage across the organisation, enabling people from all backgrounds to access a viable career pathway in theatre. We are currently applying for a paid, fixed-term trainee role through the Government's Kickstarter programme, and apprenticeships across departments through formal learning partnerships. In 2021 we committed to no longer facilitating any volunteer positions (including those as part of academic courses); we believe everyone should be paid for their contribution, even if that means fewer roles across the year.

From August 2020 onwards we implemented a budget line committed to Equality, Diversity & Inclusion, allocated in the each financial year to a programme of anti-racism training, staff development and organisational change. In 2021 we completed anti-racism training with trustees and the core team, and then with the casual team in the autumn. We aim to refresh training with new starters and annually with all staff and are now beginning to implement our learnings, with the aim of setting up a working group and collaboratively developing new policies and processes with oversight from the Board

In 2020 we appointed Prema Mehta to our board, Prema is a freelance lighting designer and founder of Stage Sight. Under the new leadership of Dr Vanessa Ogden, we are excited to begin a recruitment process in 21 - 23 which can prioritise further diversifying the Unicorn at governance level, alongside delivery of key business objectives.

Across autumn 2021 we have plans to seek external consultancy in order to undertake a review of our Access programme, policies and processes so that we might further improve organisational knowledge and interrogate our programming and processes to ensure we are accessible to the widest range of artists, staff and audiences. This review will result in an Action Plan that we will implement across 22 – 23 and beyond.

We also celebrate and promote diversity through our programme and the artists we work with. The Unicorn has been artistically led by two people of colour in succession since 2011. Their experience underpins and shapes our commitment that every child in London should be able to see him or herself on our stages throughout the year.

We have a policy of no all-white creative teams or companies and strive to create pathways into the industry through work experience programmes, placements, and residencies.

ENVIRONMENTAL SUSTAINABILITY

In autumn 2020 we were pleased to be awarded Julie's Bicycle's prestigious Creative Green award for Outstanding Achievement for our work in sustainability. The award celebrates the ideas and engine that is the Unicorn team, and our commitment to finding new approaches and to using less.

Our membership of the Spotlight Programme in 19/20 has led to a sharper focus on energy management. The Unicorn's gas and electricity consumption accounted for 75% of our carbon footprint in 18/19. Through Julie's Bicycle's support to better understand and manage we have set ourselves annual targets which we report on and evaluate.

On 1 April 2019, the Unicorn switched to a 30 month 100% renewable electricity contract. We have set targets for electricity and gas consumption based on our lowest recent year of consumption in a normal operating year. In the last few years we have reduced our water consumption by 35% since our baseline year (2018-19 compared to 2012-13), reduced our energy use related emissions significantly, switched to a fully renewable electricity supply in April 2019, and, for the last three years, have consistently recycled between 50% and 60% of our waste.

UNICORN THEATRE LONDON LTD

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ENVIRONMENTAL SUSTAINABILITY (continued)

We are incredibly proud to have been involved with the Theatre Green Book from the outset, and are committed to adopting these new principles. These standards build upon the work we began with our Greening Productions guide for creative teams, published in January 2020. We will continue meeting our own Green standards across all of our productions, so that all of our shows are made more sustainably, and we look forward to trailing the Green Book standards across three major productions in our October 2021 – June 2022 season. As part of embedding change, since spring 2020 we have added a clause in our contracts requiring artists to adhere to our Environmental Policy.

The Unicorn is an active member of LTC (the London Theatre Consortium) who are currently developing a roadmap for 2025 as part of the ACE Accelerator Programme. LTC won Highest Achievement for Commitment at the 2019 Creative Green Awards for the work of its members on climate leadership over the last 10 years.

FINANCIAL REVIEW

Reserves Policy

During the year, Caryl Jenner Productions Ltd changed its name to Unicorn Theatre London Ltd, to better reflect its oversight of the major activities of the Unicorn Theatre. Unicorn Theatre London Ltd and Unicorn Children's Centre were closely related charities, the primary purpose of the former being to create and mount theatre productions with the latter owning the lease on the land on which the theatre sits and devoted to overseeing the building. Unicorn Children's Centre licensed Unicorn Theatre London Ltd to occupy the building according to an arrangement between the two companies, and Unicorn Theatre London Ltd employees were contracted to work in the best interests of both companies.

Following a number of years of discussion concerning the usefulness of having two separate charitable companies overseeing the work of the Unicorn Theatre, in 2020/21 the Boards of both companies agreed that the Unicorn's financial interests and those of its stakeholders would be best served by operating as one company, and at the end of the year the two companies were merged into Unicorn Theatre London Ltd.

In 2020/21 the Company achieved a surplus of £392,510 (2019/20 £380,575) and at 31 July 2021 had a balance in unrestricted funds of £1,277,649 (2019/20 £769,066).

The Board maintains a £320,000 designated fund to cover future contingencies including possible ongoing shortfalls in box office and fundraising targets in recognition of the ongoing Covid-19 situation and its possible longer-term aftermath. Over and above this, it is the Board's intention to maintain positive free reserves.

In addition, it is the Board's ambition to start building a capital fund to address future vital capital works and it is the board's policy that once the future is more clear and a greater degree of stability has returned, Unicorn Theatre London Ltd should where possible budget for a minimum of £50,000 annual surplus towards this.

The Board will continue to review its reserves policy, annual surplus target and scale of the designated fund as part of the theatre's ongoing risk assessment and in light of continuously evolving circumstances.

Financial controls

Financial controls and processes are refreshed on an ongoing basis.

- To maintain the Unicorn's artistic position on the map of important theatre institutions in the UK and beyond, and so enhance the standing of theatre for young audiences, changing the perception of UK children's theatre, and securing our position as the national theatre for young audiences;
- The quarterly Finance & Risk Committee Board meeting reviews cashflow, profit & loss, and forecasting against all budget lines. Additionally, they regularly analyse a Risk Register, which aims to take a 360 degree look at the theatre's outputs, operations and competitors. Alongside this, the trustees aim to establish procedures and policies to mitigate those risks, and to minimise or manage the impact on the Unicorn of those risks if they arise.
- Following the onset of Covid the sub committee members have also met more frequently on an ad-hoc, informal basis to address any ongoing concerns during this time
- Cashflow is monitored weekly by the Finance Director and Executive Director. Department heads feed into the cashflow regularly, in particular with sales and fundraising progress and production spend.
- The Finance department structure comprises: part-time Director and full-time Manager
- Capital replacements are being prioritised against H&S standards and compliance requirements

UNICORN THEATRE LONDON LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

FINANCIAL REVIEW (continued)

Risk management

Key risks identified through the theatre's Risk Register, which is reviewed regularly by the Finance & Risk Committee, with headlines reported to the full Board, comprise:

- The unpredictability of income, in particular the appetite of returning audiences, the ability of schools to undertake trips for the foreseeable future, the impact of the economic downturn on philanthropy and the closure of many trusts and foundations. We have refreshed our reserves position to reflect this.
- The age and wear and tear of the building need to be addressed. With the current financial position of the Unicorn, and wider sector, a capital project seems increasing unlikely however the building requires investment to continue to deliver production and audience experiences at the requisite level.

Fundraising

So much of our work this year was supported by our generous funders and partners. We received widespread support from Trusts and Foundations for our Learning and community programmes including from John Lyon's Charity, Clore Duffield Foundation and Dana and Albert R Broccoli Foundation.

We are grateful to DCMS for their much-needed support of the sector through the Cultural Recovery Fund. The Unicorn successfully applied for £245,000 under CRF1 which enabled us to undertake essential activity and achieve a limited re-opening in spring 2021. We then successfully applied for £122,500 for CRF2 which enabled us to employ freelancers and create new work across summer 2021. Since March 2020 we have made use of all reasonable support options, and responsibly used funds to employ artists, develop a digital programme, and try strengthening our future position. We're proud of how we've used the support available to increase viability, but we're still incredibly vulnerable to the effects of the pandemic. At every step we have aimed to deliver maximum cultural, social and artistic impact with this investment.

We are enormously grateful to Lady Susie Sainsbury and the Backstage Trust for their ongoing support that enabled us to work with consultant Nicky Jones to review and make recommendations for our fundraising strategy, as well as our long-term supporters who have maintained their generosity and commitment over many years and responded to the crisis this year with patience and understanding including: McGrath Charitable Trust, Rind Foundation, Old Possum's Practical trust, Allan and Nesta Ferguson and Cockayne.

Our gratitude goes to our unstintingly steadfast Honorary Patrons: Giles Havergal CBE, David Isaacs and Joanna David.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Artistic Director Justin Audibert and Executive Director Bailey Lock (replaced by temporary Executive director Helen Tovey on 28 April 2020) are Joint Chief Executives. Bailey Lock succeeds Anneliese Davidsen who left the Unicorn in March 2021. The Board meets four times each year, preceded by the Finance & Risk Committee which is deputed to look in detail at accounts, financial planning and organisational hazards. Reports of all meetings are circulated to the full Board and Arts Council and the Arts Council is invited to attend all Board meetings. Trustees are elected by the current trustees at the Annual General Meeting on the basis of skills needed by the Unicorn, and no Trustee receives any remuneration. The related Special Purpose Vehicle, Unicorn Theatre Productions, set up to support Unicorn Theatre London Ltd, remains dormant.

UNICORN THEATRE LONDON LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

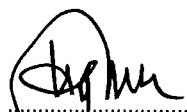
In so far as the trustees are aware:

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

AUDITORS

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the Board of Trustees on 15 December 2021 and signed on its behalf by:



Dr Vanessa Ogden – Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UNICORN THEATRE LONDON LTD

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021, and of its 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 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UNICORN THEATRE LONDON LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 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

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
UNICORN THEATRE LONDON LTD**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azet Audit Services

John Howard (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Date: *06 January 2022*

UNICORN THEATRE LONDON LTD

STATEMENT OF FINANCIAL ACTIVITIES
(Including the Income and Expenditure Account)
FOR THE YEAR ENDED 31 JULY 2021

| | | Unrestricted fund | Restricted funds | 2021 Total funds | 2020 Total funds |
|--|-------|----------------------|---------------------|---------------------|---------------------|
| | Notes | £ | £ | £ | £ |
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds | | | | | |
| Voluntary income | 5 | 1,780,899 | 123,607 | 1,904,506 | 1,970,279 |
| Investment income | 6 | 445 | - | 445 | 1,037 |
| Incoming resources from charitable activities | | | | | |
| Theatre Productions | 7 | 67,995 | - | 67,995 | 654,748 |
| Education | | 120 | - | 120 | 6,000 |
| Management fees charged to UCC | | 20,000 | - | 20,000 | 20,000 |
| Other | | 245,538 | - | 245,538 | 188,591 |
| Total incoming resources | | 2,114,997 | 123,607 | 2,238,604 | 2,840,655 |
| RESOURCES EXPENDED | | | | | |
| Costs of generating funds | | | | | |
| Costs of generating voluntary income | 8 | 149,162 | - | 149,162 | 136,637 |
| Charitable activities | | | | | |
| Theatre Productions | 9 | 1,373,903 | 170,396 | 1,544,299 | 2,180,662 |
| Education | | 83,349 | 69,284 | 152,633 | 142,781 |
| Total resources expended | | 1,606,414 | 239,680 | 1,846,094 | 2,460,080 |
| NET INCOMING RESOURCES | | 508,583 | (116,073) | 392,510 | 380,575 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | 18 | 769,066 | 182,258 | 951,324 | 570,749 |
| TOTAL FUNDS CARRIED FORWARD | | 1,277,649 | 66,185 | 1,343,834 | 951,324 |

UNICORN THEATRE LONDON LTD

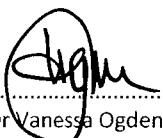
BALANCE SHEET
AT 31 JULY 2021

Company number - 00480920

| | Notes | 2021 £ | 2020 £ |
|--|-------|------------------|----------------|
| FIXED ASSETS | | | |
| Tangible assets | 14 | 46,319 | - |
| CURRENT ASSETS | | | |
| Stocks | | 7,168 | 9,812 |
| Debtors | 15 | 259,088 | 454,459 |
| Cash at bank | | <u>1,369,973</u> | <u>875,282</u> |
| | | 1,636,229 | 1,339,553 |
| CREDITORS | | | |
| Amounts falling due within one year | 16 | (338,714) | (388,229) |
| NET CURRENT ASSETS | | <u>1,297,515</u> | <u>951,324</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 1,343,834 | 951,324 |
| NET ASSETS | | <u>1,343,834</u> | <u>951,324</u> |
| FUNDS | 18 | | |
| Unrestricted funds | | 957,649 | 449,066 |
| Designated funds | | 320,000 | 320,000 |
| Restricted funds | | <u>66,185</u> | <u>182,258</u> |
| TOTAL FUNDS | | <u>1,343,834</u> | <u>951,324</u> |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the board of trustees on 15/12/21 and were signed on its behalf by:


.....
Dr Vanessa Ogden – Trustee

UNICORN THEATRE LONDON LTD

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2021

| | | 2021 £ | 2020 £ |
|--|--------------------|-------------------------|-----------------------|
| Net cash inflow from operating activities | Notes 1 | 541,813 | 594,818 |
| Capital expenditure and financial investment | 2 | (47,122) | - |
| Increase in cash in the period | | <u>494,691</u> | <u>594,818</u> |
| <hr/> | | | |
| Reconciliation of net cash flow to movement in net debt | 3 | | |
| Increase in cash in the period | | <u>494,691</u> | <u>594,818</u> |
| Change in net debt resulting from cash flows | | <u>494,691</u> | <u>594,818</u> |
| Movement in net debt in the period | | <u>494,691</u> | <u>594,818</u> |
| Net debt at 1 August | | <u>875,282</u> | <u>280,464</u> |
| Net debt at 31 July | | <u>1,369,973</u> | <u>875,282</u> |

UNICORN THEATRE LONDON LTD

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2021**

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | 2021 | 2020 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Net incoming resources | 392,510 | 380,575 |
| Depreciation charges | 803 | 3,103 |
| Decrease in stocks | 2,644 | 4,190 |
| Decrease in debtors | 195,371 | 124,528 |
| (Decrease)/increase in creditors | (49,515) | 82,422 |
| Net cash inflow from operating activities | <u>541,813</u> | <u>594,818</u> |

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

| | 2021 | 2020 |
|--|------------------------|-----------------|
| | £ | £ |
| Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | (47,122) | - |
| Net cash outflow for capital expenditure and financial investment | <u>(47,122)</u> | <u>-</u> |

3. ANALYSIS OF CHANGES IN NET DEBT

| | At 1/8/20 | Cash flow | At 31/7/21 |
|--------------|-----------------------|-----------------------|-------------------------|
| | £ | £ | £ |
| Net cash: | | | |
| Cash at bank | 875,282 | 494,691 | 1,369,973 |
| | <u>875,282</u> | <u>494,691</u> | <u>1,369,973</u> |
| Total | <u>875,282</u> | <u>494,691</u> | <u>1,369,973</u> |

UNICORN THEATRE LONDON LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

4. ACCOUNTING POLICIES

a) General information

Unicorn Theatre London Ltd is a charitable company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charitable company's operations and principal activities are set out on page 3.

b) Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

c) Going Concern

The trustees have considered the potential impact of the COVID-19 virus on the financial viability of the Unicorn and are confident that the charity is a going concern.

Since March 2021 the theatre premises have been closed and the on stage programme has been postponed while all efforts have been made to manage the cost base and utilise available government funding. The charitable company relies substantially on funding by grants from Arts Council England, London, for its current and future commitments and operates on the basis that, taking one year with another, its revenue will match its expenditure. At April 2021, the Arts Council grant has been extended due to Covid until 2023 at a sustained level of £1.3 million per year. In October 2021 the Arts Council awarded the charity a further £245,000 as part of round 1 of the Cultural Recovery Fund in October 2020 to support resilience and investment in covid-safe adaptations, and a further £122,500 in round 2 in April 2021 to support the creation of new work and employment or freelance artists, alongside supporting the organisation's limited reopening in spring 21.

While the longer-term impact of Covid-19 cannot be quantified, the trustees are confident that financial resources are sufficient to meet its liabilities for 12 months from the date of authorising these financial statements. The financial statements have therefore been prepared on a going concern basis.

The trustees will continue to take all available steps to maintain sufficient resources in order that the charity will continue to operate.

d) Fund accounting

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

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

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects.

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

e) Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

UNICORN THEATRE LONDON LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

4. ACCOUNTING POLICIES – continued

e) Income – continued

Grants

Grants are recognised in full in the Statement of Financial Activities in the year in which the charitable company has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Income from charitable activities and other trading activities

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is classified under the following activity headings:

- Raising funds
- Charitable activities

The cost of theatre productions, education and raising funds comprise expenditure directly attributable to the activity and support costs.

Allocation of support costs

Support costs have been allocated on an appropriate basis to reflect the true cost of each activity undertaken by the charitable company.

g) Tangible fixed assets

Fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses. Assets costing more than £2,500 are capitalised.

Depreciation is calculated to write off the costs of the fixed asset by equal instalments as follows, all straight line:

| | |
|-------------------------|--------------|
| Theatre equipment | 12% to 20% |
| Furniture and equipment | 10% to 33.3% |
| IT equipment | 33.3% |
| Production equipment | 25% |

h) Stocks

Stocks are valued at the lower of cost and net realisable value.

i) Debtors

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

j) 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.

UNICORN THEATRE LONDON LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

4. ACCOUNTING POLICIES - continued

k) Creditors

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

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

l) Financial Instruments

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

m) Taxation

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

n) Employment benefits:

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in line with FRS102.

Pension scheme

The Theatre contributes to personal pension schemes on behalf of its employees. The pension costs charged in the financial statements represent the contributions payable during the year.

o) Critical judgements and estimates

In the application of the accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

5. VOLUNTARY INCOME

| | 2021 | 2020 |
|-----------|------------------|------------------|
| | £ | £ |
| Donations | 245,881 | 642,404 |
| Grants | 1,658,625 | 1,327,875 |
| | <u>1,904,506</u> | <u>1,970,279</u> |

UNICORN THEATRE LONDON LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

5. VOLUNTARY INCOME – continued

The charity is grateful to the following for their support during the year:

Major Restricted Donations

Backstage Trust
 John Lyon's Charity
 The McGrath Trust
 Molecule Theatre

Major Unrestricted Donations

Backstage Trust
 Bloomberg Philanthropies
 Dana & Albert R Broccoli Foundation
 Sir John & Lady Spurling

The theatre extends special thanks to our Founding Patrons Joanna David, Giles Havergal CBE and David Isaacs.

The theatre received no gifts in kind in the year (2020: None).

| | 2021 | 2020 |
|--|----------------|-----------|
| | £ | £ |
| Unrestricted grants: | | |
| Arts Council England – NPO Grant | 1,327,875 | 1,327,875 |
| Arts Council England – Culture Recovery Fund | <u>330,750</u> | <u>-</u> |

ACE applied an inflationary increase of 1.84% to the grant awarded to the theatre in 2020-2021.

6. INVESTMENT INCOME

| | 2021 | 2020 |
|-------------|------------|--------------|
| | £ | £ |
| Investments | <u>445</u> | <u>1,037</u> |

7. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | | 2021 | 2020 |
|--------------------------------|---------------------|----------------|----------------|
| | Activity | £ | £ |
| Unicorn Productions | Theatre Productions | 31,476 | 482,447 |
| Ancillary trading | Theatre Productions | 16,177 | 59,329 |
| Theatre Tax Relief | Theatre Productions | 20,342 | 112,972 |
| Education Projects | Education | 120 | 6,000 |
| Management fees charged to UCC | Other | 20,000 | 20,000 |
| Other income | Other income | - | 7,355 |
| Job Retention Scheme | Other income | <u>245,538</u> | <u>181,236</u> |
| | | <u>333,653</u> | <u>869,339</u> |

UNICORN THEATRE LONDON LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

8. COSTS OF GENERATING VOLUNTARY INCOME

| | 2021 | 2020 |
|-----------------|----------------|----------------|
| | £ | £ |
| Profile raising | 4,825 | 5,928 |
| Support costs | 144,337 | 130,709 |
| | <u>149,162</u> | <u>136,637</u> |

9. CHARITABLE ACTIVITIES COSTS

| | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| <u>Theatre productions</u> | | |
| Production costs | 228,028 | 214,614 |
| Production wages, actors, stage management and technical staff | 156,991 | 474,390 |
| Fees and co-productions | 37,290 | 118,428 |
| Marketing | 50,772 | 184,089 |
| Venue rental | 236,000 | 236,000 |
| Writers | 13,253 | 62,780 |
| Research & development | 21,211 | 25,471 |
| Community projects | 30,527 | 16,615 |
| Access work | - | 1,875 |
| Support costs (including non-direct salaries) | 770,227 | 846,400 |
| | <u>1,544,299</u> | <u>2,180,662</u> |
| <u>Education</u> | | |
| Education projects | 35,325 | 16,186 |
| Support costs (including non-direct salaries) | 117,308 | 126,595 |
| | <u>152,633</u> | <u>142,781</u> |

10. SUPPORT COSTS

| | 2021 | 2020 |
|--------------------|------------------|------------------|
| | £ | £ |
| Salaries | 832,759 | 890,880 |
| Admin & overheads | 75,405 | 69,591 |
| Box office charges | 11,381 | 21,465 |
| Front of House | 10,370 | 6,540 |
| Café & Merchandise | 2,559 | 27,945 |
| Professional fees | 36,073 | 12,682 |
| IT costs | 20,758 | 21,489 |
| Depreciation | 803 | 3,103 |
| Irrecoverable VAT | 41,764 | 50,009 |
| | <u>1,031,872</u> | <u>1,103,704</u> |

UNICORN THEATRE LONDON LTD

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

11. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

| | 2021 | 2020 |
|--------------------------------|---------------------|--------------|
| | £ | £ |
| Depreciation - owned assets | 803 | 3,103 |
| Other pension costs | 16,694 | 17,526 |
| Auditors' remuneration - audit | <u>7,350</u> | <u>7,150</u> |

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020.

No Trustee received remuneration or reimbursement of expenses (2020: None).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2021 nor for the year ended 31 July 2020.

13. STAFF COSTS

| | 2021 | 2020 |
|-----------------------|-----------------------|------------------|
| | £ | £ |
| Wages and salaries | 872,069 | 973,373 |
| Social security costs | 59,899 | 73,273 |
| Other pension costs | <u>16,694</u> | <u>17,526</u> |
| | <u>948,662</u> | <u>1,064,172</u> |

Staff costs are split:

| | | |
|--------------------------|-----------------------|------------------|
| Support costs – Salaries | 832,759 | 890,880 |
| Charitable activities | <u>115,903</u> | <u>173,292</u> |
| | <u>948,662</u> | <u>1,064,172</u> |

The average monthly number of employees during the year was as follows:

| | 2021 | 2020 |
|--------------------|------------------|-----------|
| Production | 5 | 7 |
| Communications | 3 | 3 |
| Front of House | 6 | 6 |
| Box office | 2 | 3 |
| Development | 3 | 3 |
| Artistic and Admin | <u>8</u> | <u>11</u> |
| | <u>27</u> | <u>33</u> |

Staff Costs shows full gross salary costs without the £245,538 (2020: £181,236) Job Retention Scheme claims for furloughed staff in 2020/21, which is shown in Other Income.

No employees received emoluments in excess of £60,000 (2020: none)

The total employee benefits of the key management personnel of the charity were £104,538 (2020: £107,274).

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14. TANGIBLE FIXED ASSETS

| | Plant and machinery etc £ |
|-----------------------|---------------------------------|
| COST | |
| At 1 August 2020 | 281,029 |
| Additions | <u>47,122</u> |
| At 31 July 2021 | <u>328,151</u> |
| DEPRECIATION | |
| At 1 August 2020 | 281,029 |
| Charge for year | <u>803</u> |
| At 31 July 2021 | <u>281,832</u> |
| NET BOOK VALUE | |
| At 31 July 2021 | <u>46,319</u> |
| At 31 July 2020 | <u><u>-</u></u> |

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|---|-----------------------|-----------------------|
| Trade debtors | 12,288 | 4,700 |
| Amounts owed by participating interests | 195,382 | 205,727 |
| Other debtors | <u>51,418</u> | <u>244,032</u> |
| | <u>259,088</u> | <u>454,459</u> |

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|------------------------------|-----------------------|-----------------------|
| Trade creditors | 46,745 | 19,379 |
| Taxation and social security | 16,935 | 17,942 |
| Other creditors | 43,152 | 25,536 |
| Accruals and deferred income | <u>231,882</u> | <u>325,372</u> |
| | <u>338,714</u> | <u>388,229</u> |

16A. DEFERRED INCOME

| | 2021 £ | 2020 £ |
|-------------------------------|-----------------------|-----------------------|
| Balance b/fwd at 1 August | 292,877 | 100,925 |
| Income released in the year | (201,377) | (100,925) |
| Income deferred in the year | <u>81,149</u> | <u>292,877</u> |
| Balance c/fwd at 31 July 2021 | <u>172,649</u> | <u>292,877</u> |

Income is deferred each year which represents advance ticket sales for the following season.
Other deferred income is towards future production costs and includes a £90k donation.

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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted fund | Designated funds | Restricted funds | 2021 Total funds | 2020 Total funds |
|---------------------|-------------------|------------------|------------------|---------------------|---------------------|
| | £ | £ | £ | £ | £ |
| Fixed assets | 46,319 | - | - | 46,319 | - |
| Current assets | 1,250,044 | 320,000 | 66,185 | 1,636,229 | 1,339,553 |
| Current liabilities | (338,714) | - | - | (338,714) | (388,229) |
| | <u>957,649</u> | <u>320,000</u> | <u>66,185</u> | <u>1,343,834</u> | <u>951,324</u> |

18. MOVEMENT IN FUNDS

| | At 1/8/20 £ | Net movement in funds £ | Transfers £ | At 31/7/21 £ |
|--------------------------|----------------|-------------------------------|----------------|------------------|
| Unrestricted fund | | | | |
| General fund | 449,066 | 508,583 | - | 957,649 |
| Designated fund | <u>320,000</u> | <u>-</u> | <u>-</u> | <u>320,000</u> |
| | 769,066 | 508,583 | - | 1,277,649 |
| Restricted funds | | | | |
| Theatre productions | 10,102 | (8,256) | - | 1,846 |
| Community & Access | 14,800 | (12,577) | - | 2,223 |
| Digital | 155,356 | (97,570) | - | 57,786 |
| Fundraising costs | 2,000 | (2,000) | - | - |
| Usher | <u>-</u> | <u>4,330</u> | <u>-</u> | <u>4,330</u> |
| | 182,258 | (116,073) | - | 66,185 |
| | <u>951,324</u> | <u>392,510</u> | <u>-</u> | <u>1,343,834</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|--------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | <u>2,114,997</u> | <u>(1,606,414)</u> | <u>508,583</u> |
| Restricted funds | | | |
| Theatre productions | 41,500 | (49,756) | (8,256) |
| Schools & Engagement Programme | 56,707 | (69,284) | (12,577) |
| Digital | - | (97,570) | (97,570) |
| Fundraising costs | 18,400 | (20,400) | (2,000) |
| Usher | <u>7,000</u> | <u>(2,670)</u> | <u>4,330</u> |
| Total Restricted | <u>123,607</u> | <u>(239,680)</u> | <u>(116,073)</u> |
| TOTAL FUNDS | <u>2,238,604</u> | <u>(1,846,094)</u> | <u>392,510</u> |

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18. MOVEMENT IN FUNDS – CONTINUED

Designated fund

Funds set outside to cover contingencies such as shortfalls in box office and fundraising targets.

Theatre Productions

Funds dedicated by funders and donors towards theatrical Productions. Amounts carried forward at 31 July have been received for programmes taking place in the 2021/22 financial year and beyond.

Schools & Engagement Programme

Funds dedicated by funders and donors towards the charity's learning and participation work. Amounts carried forward at 31 July have been received for programmes taking place in the 2021/22 financial year.

Digital

Funds dedicated by funders and donors towards Digital (online) Productions and Strategy. Amounts carried forward at 31 July may be allocated to digital productions and projects taking place in the 2021/22 financial year and beyond.

Fundraising

Funds dedicated by funders and donors towards Fundraising Costs.

18A. COMPARATIVES FOR MOVEMENT IN FUNDS

| | At 1/8/19 £ | Net movement in funds £ | Transfers £ | At 31/7/20 £ |
|--------------------------|----------------|-------------------------------|----------------|-----------------|
| Unrestricted fund | | | | |
| General fund | 545,749 | 223,317 | (320,000) | 449,066 |
| Designated fund | - | - | 320,000 | 320,000 |
| | 545,749 | 223,317 | - | 769,066 |
| Restricted funds | | | | |
| Theatre productions | - | 10,102 | - | 10,102 |
| Education programmes | 25,000 | (25,000) | - | - |
| Community & Access | - | 14,800 | - | 14,800 |
| Digital | - | 155,356 | - | 155,356 |
| Fundraising costs | - | 2,000 | - | 2,000 |
| | 25,000 | 157,258 | - | 182,258 |
| | 570,749 | 380,575 | - | 951,324 |

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18A. COMPARATIVES FOR MOVEMENT IN FUNDS – CONTINUED

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | <u>2,553,855</u> | <u>(2,330,538)</u> | <u>223,317</u> |
| Restricted funds | | | |
| Theatre productions | 18,000 | (7,898) | 10,102 |
| Education programmes | 70,000 | (95,000) | (25,000) |
| Community & Access | 14,800 | - | 14,800 |
| Digital | 178,000 | (22,644) | 155,356 |
| Fundraising costs | <u>6,000</u> | <u>(4,000)</u> | <u>2,000</u> |
| Total Restricted | <u>286,800</u> | <u>(129,542)</u> | <u>157,258</u> |
| | <u><u>2,840,655</u></u> | <u><u>(2,460,080)</u></u> | <u><u>380,575</u></u> |

19. RELATED PARTY DISCLOSURES

At 31 July 2021 two trustees of Unicorn Theatre London Ltd were also trustees of Unicorn Children's Centre, a closely connected charity.

Unicorn Children's Centre owns the lease to the land on which the Unicorn Theatre sits. Unicorn Children's Centre has licensed Unicorn Theatre London Ltd to occupy this building according to a set of arrangements between the two companies. During 2020/21 Unicorn Theatre London Ltd paid £236,000 (2019/20: £236,000) to Unicorn Children's Centre as a contribution towards the building's running costs.

Unicorn Children's Centre promotes the education of children through the presentation of visiting company shows for children. Unicorn Theatre London Ltd operates the box office on behalf of Unicorn Children's Centre for UK visiting company productions.

Unicorn Children's Centre does not have any employees, but all Unicorn Theatre London Ltd employees are contracted to work in the best interests of both companies.

20. OPERATING LEASE COMMITMENTS

The charity hold total commitments under an operating lease as follows:

| | 2021 £ | 2020 £ |
|----------------------------|----------------------------|---------------------|
| Expiry date: | | |
| Within one year | 1,093 | 1,057 |
| Between one and five years | <u>772</u> | <u>1,235</u> |
| | <u><u>1,865</u></u> | <u><u>2,292</u></u> |

UNICORN THEATRE LONDON LTD
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21. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund £ | Restricted funds £ | Total funds £ |
|--|---------------------------|--------------------------|------------------|
| INCOMING RESOURCES | | | |
| Incoming resources from generated funds | | | |
| Voluntary income | 1,683,479 | 286,800 | 1,970,279 |
| Investment income | 1,037 | - | 1,037 |
| Incoming resources from charitable activities | | | |
| Theatre Productions | 654,748 | - | 654,748 |
| Education | 6,000 | - | 6,000 |
| Management fees charged to UCC | 20,000 | - | 20,000 |
| Other | 188,591 | - | 188,591 |
| Total incoming resources | 2,553,855 | 286,800 | 2,840,655 |
| RESOURCES EXPENDED | | | |
| Cost of generating funds | | | |
| Costs of generating voluntary income | 136,637 | - | 136,637 |
| Charitable activities | | | |
| Theatre Productions | 2,106,120 | 74,542 | 2,180,662 |
| Education | 87,781 | 55,000 | 142,781 |
| Total resources expended | 2,330,538 | 129,542 | 2,460,080 |
| NET INCOMING RESOURCES | 223,317 | 157,258 | 380,575 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 545,749 | 25,000 | 570,749 |
| TOTAL FUNDS CARRIED FORWARD | 769,066 | 182,258 | 951,324 |

22. POST BALANCE SHEET EVENT

During 2020/21 the boards of Unicorn Theatre London Ltd and Unicorn Children's Centre decided that having two separate companies to represent the financial interests of the Unicorn Theatre was no longer beneficial to the organisation and voted to merge the two companies and transfer all the assets and liabilities of UCC to UTL. This was undertaken on 31st July 2021, and its impact on UTL will be shown in the subsequent set of financial statements. Unicorn Children's Centre will be closed in due course.