

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

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023
FOR
UNICORN THEATRE LONDON LTD**

UNICORN THEATRE LONDON LTD

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FOR THE YEAR ENDED 31 JULY 2023

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CHAIRPERSON'S REPORT
FOR THE YEAR ENDED 31 JULY 2023

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 2023.

The Unicorn's 2022 – 2023 season marked a significant change for the Unicorn as we said farewell to Justin Audibert as Artistic Director. Despite the pandemic, Justin's tenure included a number of hit productions, the innovative launch of Unicorn Online, and the reimagining of the engagement department and how we firmly embed children in how we make our work. We are proud that Justin's artistic vision will continue to influence the sector in his new appointment as Artistic Director of Chichester Festival Theatre. We wish him every future success. Following a highly competitive process we are further delighted to welcome Rachel Bagshaw as our new Artistic Director; Rachel's appointment was announced in summer 2023 and she began her tenure in September of this year.

Alongside this significant personnel change, we continued to manage the ongoing impact of the Coronavirus pandemic, in addition to increases in inflation, and the cost-of-living crisis. Alongside other arts organisations, the Unicorn has dealt with multiple and ongoing challenges this year in the wake of these global events, and we are grateful to the wider team, our supporters, audiences and artists for their support and vital contribution to our theatre company during this time.

We are very proud of the season of work we have produced, despite the challenges, and of the opportunities created for children and young people to engage with high-quality cultural experiences. In what was still a 'building back' season we delivered an innovative, diverse and critically lauded programme of work for ages 6 months to 13 years.

At Christmas, Justin directed a new adaptation of the classic tale *Pinocchio*, adapted by Eve Leigh and generously supported by Charles Holloway, and alongside this Ola Ince directed Yasmin Joseph's tropical treat for families, *Christmas in the Sunshine*. In the spring we performed *The Trial of Josie K* (inspired by Kafka), created by Katie Hims and Leigh Toney, to audiences at the Unicorn as well as to children in Newham, thanks to support from Newham Council and Theatre Royal Stratford East. This show ran alongside our revival of Justin Audibert's *Anansi the Spider* which played in our Weston Theatre for the first time. *Anansi* began in our 90-seat Clore Theatre space in 2019 and has since developed into a digital production seen by over half a million children worldwide, so it was a real joy to see this new, up-scaled main house show return to delight new audiences. Over Easter we opened a new hit musical production of Stiles & Drewe's *The Three Billy Goats Gruff*, followed by two received shows: *Squirrel* for children 18-months and over from the egg theatre in Bath, and *The Invisible Man*, a Dutch production for children aged 5 – 11. The season also featured two runs of our family favourite production *Baby Show* for our very smallest and newest audience members.

Our digital programme, Unicorn Online, conceived in 2020, continued to be a success. In this season we launched *Greek Myths Unplugged* – an ambitious reimagining of three classic myths made possible thanks to Bloomberg's new Digital Accelerator Programme. The digital production was made freely available alongside significant learning resources, shared across our channels and in partnerships with regional venues, including the ATG creative learning team national network. *Greek Myths Unplugged* has since become part of the National Theatre's Primary Collection, and remains available for free to state-funded primary schools across the UK. The Digital Accelerator Programme has continued to improve our digital ambitions and functionality and we're excited to be undertaking our next innovative Unicorn Online production in partnership with the Roald Dahl Story Company in 2024.

Our new Engagement department, which began in summer 2021, has expanded its work in its second year. Alongside the core schools' partnership programme we have created innovative partnership projects with Great Ormond Street Hospital, and developed a new Creative Associates programme alongside our autumn 2023 production of *The Tempest*, a co-production with Regent's Park Open Air Theatre. *The Tempest* was developed at the Unicorn in collaboration with ten young people across spring/summer 2023. The show opened at Regent's Park in July and was a celebration of the co-creative process we have been pioneering for the past two years, where children and artists explore ideas and themes together and build them into the final production. Following Rachel's appointment we look forward to taking the next steps of this journey to further explore this approach, and to continuing to put young people's creative voice at the heart of all that we do.

While we began the year anticipating a significant deficit, income and expenditure were managed exceptionally well, achieving a surplus that we then have been able to utilise to develop our programme, support staff through the cost-of-living crisis and promote Rachel's artistic ambitions for the organisation, specifically around Access, in 2023/24. This is a testament to the high-quality work of the organisation's staff, and its skill and ambition in partnering with inspirational artists, theatres and organisations.

On behalf of the Board, I wish to thank all the Unicorn's staff and artists for bringing their talent and dedication to our magical theatre and for delivering a wonderful body of work. Knowing that this recent period has been challenging for many, both schools and families, I strongly believe that the Unicorn's mission and vision is more important than ever before.

Dr Vanessa Ogden
Chair
Date:

UNICORN THEATRE LONDON LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023

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	Resigned 06 September 23
C Simon*	
A Hynes	
P Torday+	
V Ogden*+ (Chair)	
S Davidson*	Resigned 15 March 23
D Griffiths+	
P Mehta+	
P Sherrington*	
J Tsang	Appointed 15 March 23
S Walton+	Appointed 12 January 23

* Members of the Finance & Risk Committee

+ Members of the Development & Strategy 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	Co-Executive Director
H Tovey	Co-Executive Director (fixed-term job share)
J Audibert	Artistic Director - Resigned 07 July 2023
R Bagshaw	Artistic Director - Appointed 18 September 2023

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 2023

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 2023. 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 2023-26 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 2022-23.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2023

ACHIEVEMENT AND PERFORMANCE

★★★★ 'Captivates right to the final bleat.' The Guardian
The Three Billy Goats Gruff, 2023

In the autumn we opened the season with *Baby Show*, our ever-popular show for babies created by Sarah Argent and Kevin Lewis. Our brand-new production of *Pinocchio* (adapted by Eve Leigh and directed by Unicorn Artistic Director Justin Audibert) opened on our main stage for Christmas for everyone aged 6 and over, and was generously supported by Charles Holloway. In spite of some setbacks due to illness and injury, we managed to complete the run to decent audience numbers – across schools and families – garnering positive reviews from press and audiences alike. Alongside *Pinocchio* we ran tropical festive adventure *Christmas in the Sunshine*, written by Yasmin Joseph and directed by Ola Ince, transporting audiences to a different climate for some Jamaican traditions and the chance to dance in a Jonkonnu festival.

★★★★ 'Yasmin Joseph's Christmas show for children is not just fun and engaging, it's full of important lessons about taking care of the people you love.' The Stage, 2022

In the spring we revived the ever-popular *Anansi the Spider* for the Weston Theatre, its first ever main house run, which continued our commitment to non-western-centric narratives and continued to attract new, global majority audiences from across London. In addition, we opened a new show for ages 9 - 13 created by Katie Hims and Leigh Toney, entitled *The Trial of Josie K* (inspired by Kafka). Alongside a run at the Unicorn, we presented the show for a three week-run in Newham, playing to around 5,000 pupils as part of Newham Council's scheme to offer a free theatre trip to Year 5 and 6 pupils across their borough.

★★★★ 'This is kids' theatre at its absolute best. It's dynamic, smart, instructive but never preachy, full of heart and mischief. The greatest achievement of it though may be that it succeeds in finding an authentic gravitas and truth alongside all the rollicking fun: in those moments, *The Trial of Josie K* is wonderfully serious... and seriously wonderful'. Whatsonstage, 2023

At Easter we re-launched *Baby Show* alongside our first Early-Years musical, the UK premier of Stiles & Drewe's *The Three Billy Goats Gruff* in the Weston. The show was a sell-out success for 3+ audiences and we're delighted it will be returning in future seasons, alongside a transfer to Chichester Festival Theatre, as part of Justin's inaugural season there.

To end the season we received two brilliant and bold productions: *Squirrel*, a humorous and energetic tale for ages 18 months – 4 years from the egg theatre in Bath, and *The Invisible Man*; an international production for ages 5 – 11 created by the highly acclaimed Theater Artemis in The Netherlands. *The Invisible Man* was originally programmed for 2020 but delayed due to the pandemic so we were particularly delighted that it finally reached us this summer to great acclaim.

Unicorn Online – digital theatre:

We continued our programme of free digital productions over 2022-23, including:

Story Seekers, a free oracy project created by the National Theatre and Unicorn Theatre working in partnership. *Story Seekers* was updated in January 2023 with an additional story and resources for KS1 pupils and SEND schools. The project challenged children to find traditional stories from across the globe so that they could fulfil their mission to connect people and communities through the telling and sharing of stories. *Story Seekers* is an online project designed to be delivered by class teachers but with significant support from CPD sessions and a toolkit of both written and digital resources by professional storytellers and theatre artists.

Greek Myths Unplugged, directed by Rachel Bagshaw, developed as part of the Bloomberg's new two-year Digital Accelerator Programme launched in September 2023 and was a free online theatre offer promoted nationally through a number of partnerships with regional venues, including Ambassador Theatre Groups' creative learning centres.

Greek Myths Unplugged included: *Narcissus* adapted by E.V. Crowe, *King Midas & His Golden Touch* adapted by Vanessa Kisuule, *Theseus & the Minotaur* adapted by Alexandra Wood. The films reinvented and reimagined the original myths enabling pupils to explore the resonances of Greek Myths to today's world anew which also actively supported KS2 and KS3 lessons on Ancient Greece.

In addition, *Anansi the Spider Re-Spun* was licensed by the University Musical Society, part of University of Michigan.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2023

ENGAGEMENT AND SUBSIDY

Schools Partnership Programme:

We are now in the second year of our new schools partnership strategy and it continues to be a great success. We are undertaking three whole-school partnerships with schools from neighbouring boroughs (Southwark, Lambeth, Tower Hamlets). Our partner schools are: Loughborough Primary School, Friars Primary School and Hermitage Primary School. These schools are in ethnically diverse areas, with high levels of pupil premium, and are schools who want to develop their delivery of arts and drama. These three schools will partner with us over three years, in their final year embedding a bespoke whole-school strategy for drama co-designed with teachers and the Unicorn's Engagement Team.

Highlights from September 2022 – July 2023 included:

- 95 children from our partner schools collaborated with Unicorn artists on creative development projects. These projects formed part of the development process for three future Unicorn Theatre productions, two of which (*I Wish* and *Ronald Dahl's The Magic Finger*) have been announced as part of our 2023/24 artistic programme.
- 123 children across Years 5 and 6 participated in technical theatre workshops at the Unicorn.
- 150 children from Friars Primary School (our Southwark partner school 2021-24) attended a careers week talk about working in theatre that was delivered by a broad range of Unicorn Theatre staff.
- We delivered three CPD workshops to 22 teachers, and worked with 29 Key Stage 1 and Key Stage 2 teachers at our partner schools - 96.5% of whom are now actively integrating drama within curriculum planning, which means we have reached 699 children through teacher-led drama activities in their classrooms. We are pleased to report that 100% of teachers reported a positive impact on learning since they implemented curriculum-based drama activities.
- We provided 1,025 fully funded tickets to partner schools. In addition to term time tickets, we also gave schools access to funded tickets for their families during the school holidays.

"Where would we be without the fantastic Unicorn Theatre? We can't overstate the difference this makes to our families, particularly our most vulnerable families who are living in extreme poverty, challenging circumstances or who are working with children's services/social care." Headteacher at Loughborough Primary School

Projects

Over 2022/23 we collaborated directly with 129 children across four bespoke creative projects and provided 528 fully funded tickets to local families and community groups. We have continued our partnership with Great Ormond Street Hospital, and with local community organisations in our neighbouring boroughs of Lambeth, Southwark and Tower Hamlets, including: Spring Community Hub, Fairview Estate, ParentsSkills2Go, and CAMHS - Parental Mental Health team.

Unicorn Engagement works directly with our audiences as collaborators via school and community partnerships, involving children in the creative development of plays with artists and facilitators and creating the opportunity for them to influence and shape our artistic programme. These children become our Creative Associates, young collaborators who guarantee the voices of children are represented on our stages and that we remain relevant and useful to those we serve. Alongside this we work with our partner schools and community groups to support delivery of drama activities beyond our partnerships, with emphasis on the impact drama can have on curriculum learning and children's educational, social and emotional development.

Across 2022-23, children were Creative Associates on shows in development including three shows at R&D stage, *The Magic Finger* (a Unicorn Online project), *I Wish* and *The Tempest* (part of the Unicorn's 23-24 season)

Highlights from 2022 –23 included:

Creative Associates – *The Tempest*

In February we welcomed 12 children, aged between 8 – 11 years old, to join us as Creative Associates through the production process on *The Tempest*, a co-production between the Unicorn Theatre and Regent's Park Open Air Theatre. Between April and June 2023, the Creative Associates worked with Director Jennifer Tang to explore the play's storyline and characters, and took part in activities that developed their understanding of the process of making a play, including making a model box. In addition, the Creative Associates spent time with the cast and creative team on the production across rehearsals, tech and preview periods, sharing feedback and contributing to the production process.

"The fact that Unicorn provides a safe environment for my child to be expressive and grow and learn new skills has only enhanced my son's overall abilities". Feedback from the parents/carers of our Creative Associates

REPORT OF THE TRUSTEES
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ENGAGEMENT AND SUBSIDY (continued)

Access

Over the summer we ran a project with children aged 5 – 8 years-old. We worked with four groups of children with a range of additional learning needs including Autism, hearing impairments and learning disabilities. We worked with each of the groups to explore how to embed inclusivity within storytelling, to learn what children with access requirements need from a creative experience, and to better understand the access requirements of specific groups.

"I talked to the teachers and they were amazed by the participation of children with different needs. I am happy that the younger children in the Provision had this opportunity to access a great visual and practical workshop. It confirmed that drama workshops can be really helpful for our children, verbal and non-verbal. It can help them to express their feelings and to enjoy being with other people".
Feedback from Teacher at Woodlark Autism Provision

Impact on Artists

This year, 13 artists have collaborated with children to inform elements of 8 productions. We accessed projects at a range of stages, from early conceptual development to early script development to just before rehearsals start. All artists agreed or strongly agreed that their creative process had been enriched by working with young people. All artists agreed or strongly agreed that they could identify the impact of the work in developing their creative process or enhancing the final production.

"Collaborating with the Creative Associates meant that the process was infused with the spirit of those young people, a performance style evolved for the actors and the storytelling became more targeted and specific." Jennifer Tang Director *The Tempest* 2023

Impact on Children

Feedback from these collaborations has been overwhelmingly positive, with all artists agreeing that Engagement R&D time with children has informed and enhanced their creative process, and teachers observing improved core skills in their students, as well as developing their individual creativity. Almost all children and teachers taking part in school R&D projects responded with positive outcomes:

- 93% of children reported positive mental wellbeing during the workshops
- 84% of children felt they'd developed their creative skills
- 78% of children felt proud during workshops
- 68% of children said by the end of the workshops they felt like an artist
- 67 % of children felt more confident to share their thoughts after the workshops

On average, teachers reported that

- nearly all their pupils (over 90%) were able to develop their individual creativity and improve their confidence
- most of their pupils (around 70%) increased their collaborative and communication skills

"K would not volunteer any information at the start of the year and would need a long time to process his thoughts and to provide an answer in front of the class. Also, his volume was so low. Now, he actively participates, wants to share information and speaks much louder. Even a pupil commented on how much he has changed since the start of the year." Teacher, Partnership School

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. This is funded by one-off donations to our Pass It On campaign and our Pass It On... And On supporters who make regular gifts to enable visits for children who wouldn't otherwise be able to visit the Unicorn. This includes a generous 10-year pledge of support from the Assaf Lennon Memorial Fund for which we are very grateful.

Alongside offering ticket subsidy to our partners, we regularly subsidise non-fee-paying schools and access schools who wouldn't otherwise be able to attend. Across this season we partly or fully subsidised 11,624 tickets to schools across London. This was made possible thanks to the long-standing and generous support of Sir Harvey and Lady McGrath and the McGrath Subsidised Ticket Scheme.

FUTURE PLANS

In a time of great challenge and uncertainty, thanks to careful and cautious financial management and successful income generation across departments, we achieved a surplus at the end of year. With the Board we have decided to strategically re-invest a proportion of this surplus into our 23-24 budget to support Rachel's artistic ambitions, our staff, and to improve deteriorating theatre equipment and facilities, as well as build much-needed reserves that will support the theatre, providing resilience in the challenging economic climate and enabling us to service the frequent, ad-hoc demands of an ageing building.

Productions:

We remain passionately committed to our mission, to engaging and supporting freelancers, and to 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 to attracting the best talent in the sector to work with us. We are looking at ways to support artists to develop skills and expertise in making work for children, with a focus on early years, and new approaches to partnering with and developing artists' skills in making children's theatre through co-creational processes.

To support audience development, we are strategically investing in audience research and insight so that we can be even more effective in our targeting. At a time when audience behaviours have changed, it is important that we listen to and learn from our audiences.

We continue to seek partnerships for all our work to increase the reach of Unicorn productions nationally and internationally, and to share the risk and resources inherent in creating productions with like-minded, value driven partners from whom we can learn and grow our practice. We look forward to developing innovative creative access strategies and placing access at the heart of all we do over the next few years.

Digital:

Unicorn Online is now embedded in our programme to enable us to reach children across the UK and beyond with a free, high quality and creative offer. Our aim is to partner with theatre and other charitable and commercial sector organisational in order to reach young people in areas where there is less live theatre available to them, and to produce well-known titles with exceptional, highly regarded artists.

Engagement:

Following the successful first two years of our strategy, we aim to continue to grow, refine and develop co-creative processes between schools, communities and Unicorn artists, to develop and enrich the work on stage and to offer young people the opportunity to engage in unique creative experiences through:

Creative Schools
Creative Families
Creative Associates

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FUTURE PLANS (continued)

Fundraising:

We recognise that we have potential to grow fundraised income for the organisation and have invested in the development department's budget and staffing, growing the team to a group of four talented fundraisers, and through the creation of a Development and Strategy Committee to enable board and staff to strategically work together to widen the Unicorn's network.

We are also pleased to be able to announce that Dame Susie Sainsbury has taken up a post as Honorary President of Creative Champions, and that we are growing a cohort of new supporters across different areas of expertise, which we hope launch publicly in 2024.

EQUALITY, DIVERSITY AND INCLUSION

The Unicorn is committed to ensuring that we are representative of our London audiences through a balanced programme that includes new work by writers and directors from the Global Majority and plays that explore non-Western-centric narratives and engage representative creative teams and casts.

Our audiences, specifically across schools and community groups, are amongst the most diverse and dynamic in the country. We constantly push to remove barriers to attendance – from heavily subsidised tickets, to scheduling around free travel times – as we want a visit to the Unicorn to feel possible for every child.

We go above and beyond to create a welcoming experience for all audiences; from the moment of booking, through to their experience in our theatre, it is vital children see themselves reflected through the stories we tell, the artists on our stages and the staff they encounter on their journey.

We are committed to building a workforce that reflects the city we live in and acknowledge that we are still on this journey. We know we have more to do to be truly representative, and continually seek to improve our practice through training, monitoring and evaluation.

The internal IDEA working group attend quarterly meetings with a current focus on anti-racism, access and diversity. As part of actions that arose through the IDEA working group, we looked at FOH processes and inclusion in the organisation, and held a session with Ushers with learning disabilities, to hear their views and perspectives and to inform the scheme going forwards. The Executive reports on progress to Board Champion Prema Mehta, who also aims to attend at least one meeting a year. In 2023 we worked with malakai sargeant to undertake staff-wide anti-racism training.

We are conscious of where and how we promote opportunities to join our team and how we create sustainable careers and access points to our industry for all – recently creating two full-time training positions of Deputy Production Manager and Resident Design Assistant. How we care for the people who join us is hugely important; we have mental health first aid trained staff and have a dedicated Employee Assistance Programme offering support and free counselling to staff and freelance teams. Our Respect at Work Policy forms part of all of our contracts - ensuring all artists, audiences, staff and stakeholders feel welcomed, respected and valued is an organisational priority.

We're hugely proud of our Usher Plus scheme which has been running for many years. The scheme offers adults with learning disabilities additional support needed to work in our FOH usher roles, and we are regularly commended for the brilliance and commitment of our usher team. Over the last six months, we have reviewed the scheme with the Usher Plus team to agree on the language we use to talk about the scheme, and what the group would like to see change and develop over the coming year to continue to improve their experience.

All staff undertook Disability Awareness training in 2023. We are a fully wheelchair accessible building and programme access performances across our season including BSL interpreted, Captioned, Audio Described and Relaxed performances. We are actively working to increase knowledge and organisation-wide strategies to improve and embed accessible thinking, and to further develop both our creative access offer and audiences for accessible work.

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FOR THE YEAR ENDED 31 JULY 2023

ENVIRONMENTAL SUSTAINABILITY

We recognise that climate action is vital to protecting children's futures and is at the heart of our commitment to actively reducing our environmental impact on the planet. Sustainability is at the core of everything we do; we try to take responsibility for our choices – the work on our stages, our practices and processes, and our effect on the world. We always take care to make what we do as green as it can be.

Our internal 'Green Team' meets four times a year for ideas generation, skill-sharing and progress check-ins against action plans and policies. We have been working with our Sustainability Consultant Jennifer Taillefer to develop new sustainability and procurement policies and updating our sustainability action plan for the year ahead. All permanent staff are offered Carbon Literacy Training, which according to research, leads to a 5-15% reduction in personal footprint as a result and helps us make a larger cultural shift in the organisation, and in our industry.

We hold a five-star rating from Julie's Bicycle (a charity that supports the creative community to act on climate change & sustainability) and approach our environmental responsibilities with respect, rigour and hope.

We are incredibly proud to have been involved with the Theatre Green Book from the outset, and this is now fully embedded into our working processes on every show. We work collaboratively with creative teams on how we approach the pre-agreed standard level for each production. By our 2023-24 season, we aim for all shows to make the baseline level and one to achieve the intermediate level. We now implement Theatre Green Book Standards across our shows, operations and the building.

We have created a 'Greening our Productions' guidance document (available on our website) for creative teams that outlines our sustainable ethos – we store set, props and costume whenever we can, so we can reuse and repurpose them as we go. We hire, lend and give away to other theatres to reduce the need to buy new. We build flexible, versatile sets that can be used again in different ways.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2023**

FINANCIAL REVIEW

Reserves Policy

In 2022/23 the Company achieved a surplus of £190,796 (2021/22 £55,846) and at 31 July 2023 had a balance in unrestricted funds of £6,968,357 of which £5,265,900 is a Fixed Asset Reserve transferred in as part of the merger (2021/22 £6,828,639). The Fixed Asset Reserve is not a liquid asset.

The Board aspires to maintain a £350,000 designated fund (increased in 2022 from £320,000 as inflation increased significantly in this period) to cover future contingencies including possible ongoing shortfalls in box office and fundraising targets in recognition of the high inflation economy and cost of living crisis. Over and above this, it is the Board's intention to maintain positive free reserves.

The board has created a temporary Strategic Investment designated fund of £100,000 to invest in people, access and much needed theatre equipment improvements. The majority of this fund will be invested across 23-24 in support of the new Artistic Director's vision for the theatre.

In addition this year, the Board has begun to create a capital fund to address increasingly vital future building 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.

- 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.
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- 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.

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 ticket income, in particular the appetite of returning audiences during a cost-of-living crisis.. We have refreshed our reserves position to reflect this and are constantly seeking to ensure our programme is accessible, compelling and high quality, alongside income generation strategies and ancillary offers (such as our Tuck Shop) to support box office sales.
- Staff retention and turnover – with rising cost of living, and the added pressures of the sector, we continue to address work culture and the additional benefits we can offer as an employer.
- The age and wear and tear of the building need to be addressed. With the current financial position of the Unicorn, and as we are in a highly uncertain economy in which inflation is high, the necessary capital project is still some way ahead of us - however the building requires investment to continue to deliver production and audience experiences at the requisite level.

Fundraising

The Unicorn relies heavily on the generous philanthropists, funders and partners who offer us loyal support. This year, we have gratefully received significant support from Arts Council England, Dame Susie Sainsbury and Backstage Trust, Charles Holloway, Bloomberg Philanthropies, Southwark Council through their Culture Together Grants Fund and the Julia and Hans Rausing Trust who awarded a grant to mark the accession of our Royal Patron, Her Majesty the Queen.

We received vital support from Trusts and Foundations including the Garfield Weston Foundation, Portal Trust, Christina Smith Foundation, Dana and Albert R Broccoli Foundation, Molecule Theatre Trust, 29th May 1961 Charitable Trust, Austin and Hope Pilkington Trust, Newcommen Collet Foundation, Enterprise Arts Trust, Span Trust, D'Oyly Carte Charitable Trust, Old Possum's Practical Trust, Hedley Foundation and Performing Arts Fund NL. We benefitted from continued support from the PWC Foundation and Edwardian Hotels London this year too. The Unicorn was also honoured to be remembered by Priscilla Fernando in her will and gratefully received a bequest from her estate.

Long-term supporters have been unwavering in their commitment to the Unicorn, especially Sir Harvey and Lady McGrath and Sir John and Lady Spurling, and our dedicated Founding Patrons: Giles Havergal CBE, David Isaacs and Joanna David. Following our success in 2021, we took part in the 2022 Big Give Christmas Challenge to raise funds for our Engagement Programme. Our Board of Trustees led the way with this campaign and, thanks to the donations raised by our community of supporters which were matched by our champion funder The Childhood Trust, we exceeded our £25,000 target and raised just over £30,000 including gift aid. In such a difficult climate, this was a fantastic result.

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 Co-Executive Directors Bailey Lock and Helen Tovey are Joint Chief Executives of Unicorn Theatre London Ltd whose employees also work in the best interests of the company. Justin left the organisation in July and Rachel Bagshaw has been appointed as his successor as Artistic Director. 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, and the Development & Strategy Committee (formed in March 2022) which is deputed to look in detail at the fundraising and governance strategies and support advocacy and fundraising activities. 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 on the basis of skills needed by the Unicorn, and no Trustee receives any remuneration.

UNICORN THEATRE LONDON LTD

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2023

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also the directors of Unicorn London Theatre 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 13/12/23 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 2023 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 2023, 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 trustee's 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.

Azets 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: 3 January 2024

UNICORN THEATRE LONDON LTD

STATEMENT OF FINANCIAL ACTIVITIES
(Including the Income and Expenditure Account)
FOR THE YEAR ENDED 31 JULY 2023

		Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	5	1,624,166	377,601	2,001,767	1,870,012
Investment income	6	6,199	-	6,199	693
Incoming resources from charitable activities	7				
Theatre Productions		1,158,344	-	1,158,344	736,712
Other Income		3,778	60,990	64,768	8,472
Total incoming resources		2,792,487	438,591	3,231,078	2,615,889
RESOURCES EXPENDED					
Costs of generating funds	8				
Costs of generating voluntary income		167,402	-	167,402	141,829
Charitable activities	9				
Theatre productions		2,479,367	393,513	2,872,880	2,418,214
Total resources expended		2,646,769	393,513	3,040,282	2,560,043
Net income/(expenditure)		145,718	45,078	190,796	55,846
Transfer	18	(6,000)	6,000	-	-
Net movement in funds		139,718	51,078	190,796	55,846
RECONCILIATION OF FUNDS					
Total funds brought forward	18	6,828,639	61,094	6,889,733	1,343,834
Total funds transferred in from UCC	18				5,490,053
TOTAL FUNDS CARRIED FORWARD		6,968,357	112,172	7,080,529	6,889,733

All income and expenditure derive from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

The notes on pages 19 to 31 form part of these financial statements.

UNICORN THEATRE LONDON LTD

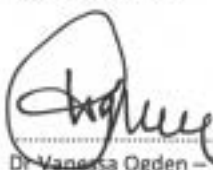
BALANCE SHEET
AT 31 JULY 2023

Company number - 00480920

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	14	5,512,097	5,667,256
CURRENT ASSETS			
Stocks		9,425	7,110
Debtors	15	399,116	358,624
Cash at bank		<u>1,466,842</u>	<u>1,261,929</u>
		1,875,383	1,627,663
CREDITORS			
Amounts falling due within one year	16	<u>(306,951)</u>	<u>(405,186)</u>
NET CURRENT ASSETS		<u>1,568,432</u>	<u>1,224,477</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,080,529</u>	<u>6,889,733</u>
NET ASSETS		<u>7,080,529</u>	<u>6,889,733</u>
FUNDS	18		
Unrestricted funds		1,202,457	1,049,969
Designated funds			
Fixed Asset Reserve		5,265,900	5,428,670
Strategic Investment Reserve		100,000	-
Building Reserve Fund		50,000	-
Other		350,000	350,000
Restricted funds		<u>112,172</u>	<u>61,094</u>
TOTAL FUNDS		<u>7,080,529</u>	<u>6,889,733</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 13/12/23 and were signed on its behalf by:


Dr Vanessa Ogden – Trustee

The notes on pages 19 to 31 form part of these financial statements.

UNICORN THEATRE LONDON LTD

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2023

		2023 £	2022 £
Net cash inflow from operating activities	Notes 1	242,921	211,291
Capital expenditure and financial investment	2	(38,008)	(319,335)
Increase in cash in the period		<u>204,913</u>	<u>(108,044)</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		<u>204,913</u>	<u>(108,044)</u>
Change in net debt resulting from cash flows		<u>204,913</u>	<u>(108,044)</u>
Movement in net debt in the period		204,913	(108,044)
Net debt at 1 August		<u>1,261,929</u>	<u>1,369,973</u>
Net debt at 31 July		<u>1,466,842</u>	<u>1,261,929</u>

The notes on pages 19 to 31 form part of these financial statements.

UNICORN THEATRE LONDON LTD
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2023

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

	2023 £	2022 £
Net incoming resources	190,796	55,846
Depreciation charges	193,167	188,451
Decrease in stocks	(2,315)	58
(Increase)/Decrease in debtors	(40,492)	(99,536)
Increase/(decrease) in creditors	<u>(98,235)</u>	<u>66,472</u>
Net cash inflow from operating activities	<u>242,921</u>	<u>211,291</u>

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

	2023 £	2022 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(38,008)	(155,921)
Net assets acquired from Merger of Unicorn Children's Centre	<u>-</u>	<u>(163,414)</u>
Net cash outflow for capital expenditure and financial investment	<u>(38,008)</u>	<u>(319,335)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/8/22 £	Cash flow £	At 31/7/23 £
Net cash:			
Cash at bank	1,261,929	204,913	1,466,842
	<u>1,261,929</u>	<u>204,913</u>	<u>1,466,842</u>
Total	<u>1,261,929</u>	<u>204,913</u>	<u>1,466,842</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

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 impact of the theatre operating in a high inflationary economy with high energy costs.

To manage risks, the Board and Executive Team review budgets within a multi-year context, and are firmly focussed on maintaining and increasing fundraising through expanding the Unicorn's network, the creation and recruitment of trustees to join the Development & Strategy Committee to support fundraising strategy and initiatives.

Thanks to the commitment of long-term funders and through successfully securing several new multi-year grants, the Unicorn is currently in a strong position with fundraising. With this growing pipeline, we are now able to be more future focused in our development of funding relationships and bids than we have been in previous years.

In the next 12 months, we will not be exposed to increases in energy cost prices as the Unicorn Theatre is under a fixed-term contract for Gas until August 2023, and Electricity until October 2024. Furthermore, the organisation is not exposed to mortgage interest rate rises as the building does not have a mortgage.

Thanks to prudent financial management across 2020 – 2022, and having secured Arts Council NPO funding status across 23 – 26, representing a contribution of around £1.32M annually, the Unicorn has sufficient financial resources over the next three years, and can confidently 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.

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 2023

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:

Main building structure	50 years
Cabling and M&E infrastructure (including joinery, lifts etc)	15 years
Electrical equipment, furniture and office equipment	5 years
Catering equipment	3 years
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.

UNICORN THEATRE LONDON LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

4. ACCOUNTING POLICIES - continued

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.

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 FR5102.

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

	2023	2022
	£	£
Donations	673,895	521,379
Grants	1,327,872	1,348,633
	<u>2,001,767</u>	<u>1,870,012</u>

UNICORN THEATRE LONDON LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

5. VOLUNTARY INCOME – continued

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

Major Restricted Donations

Backstage Trust
 Bloomberg Philanthropies
 Charles Holloway
 Sir Harvey and Lady McGrath
 Portal Trust
 Christina Smith Foundation
 Southwark Council
 Theatre Artists Fund Pilot Programme
 Garfield Weston Foundation

Major Unrestricted Donations

Backstage Trust
 Julia and Hans Rausing Trust

	2023	2022
	£	£
Unrestricted grants:		
Arts Council England – NPO Grant	1,327,872	1,311,883
Arts Council England – Culture Recovery Fund	<u>-</u>	<u>36,750</u>

6. INVESTMENT INCOME

	2023	2022
	£	£
Investments	<u>6,199</u>	<u>693</u>

7. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Unicorn Productions	725,278	396,815
Ancillary trading	115,207	145,917
Theatre Tax Relief	317,859	193,980
Other income	3,778	8,472
Other Income	<u>60,990</u>	<u>-</u>
	<u>1,223,112</u>	<u>745,184</u>

UNICORN THEATRE LONDON LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

8. COSTS OF GENERATING VOLUNTARY INCOME

	2023	2022
	£	£
Profile raising	15,188	11,133
Support costs	152,214	130,696
	<u>167,402</u>	<u>141,829</u>

9. CHARITABLE ACTIVITIES COSTS

	2023	2022
	£	£
<u>Theatre productions</u>		
Production costs	298,623	331,668
Production wages, actors, stage management and technical staff	502,613	425,293
Fees and co-productions	174,261	108,263
Building overheads/Venue rental	218,288	185,754
Marketing	146,506	112,474
Writers	51,505	48,921
Research & development	19,886	9,160
Community projects	-	-
Access work	4,154	4,323
Engagement	72,124	62,486
Support costs (including non-direct salaries)	1,384,920	1,129,872
	<u>2,872,880</u>	<u>2,418,214</u>

10. SUPPORT COSTS

	2023	2022
	£	£
Salaries	991,363	789,189
Admin & overheads	140,686	112,277
Box office charges	31,870	17,681
Front of House	1,176	4,043
Café & Merchandise	7,541	3,764
Professional fees	18,566	20,750
IT costs	28,265	39,261
Depreciation	193,167	188,451
Irrecoverable VAT	124,500	85,152
	<u>1,537,134</u>	<u>1,260,568</u>

UNICORN THEATRE LONDON LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

11. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	193,167	188,451
Other pension costs	22,496	17,732
Auditors' remuneration - audit	<u>11,000</u>	<u>7,350</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2023 nor for the year ended 31 July 2022.

No Trustee received remuneration or reimbursement of expenses (2022: None).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2023 nor for the year ended 31 July 2022.

13. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,066,750	871,034
Social security costs	92,107	68,568
Other pension costs	<u>22,496</u>	<u>17,732</u>
	<u>1,181,353</u>	<u>957,334</u>

Staff costs are split:

Support costs – Salaries	991,363	789,189
Charitable activities	<u>189,990</u>	<u>168,145</u>
	<u>1,181,353</u>	<u>957,334</u>

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

	2023	2022
Production	9	6
Communications	2	3
Front of House	6	6
Box office	2	3
Development	3	2
Artistic and Admin	<u>10</u>	<u>9</u>
	<u>32</u>	<u>29</u>

No employees received emoluments in excess of £60,000 (2022: none)

The total employee benefits of the key management personnel of the charity were £127,967 (2022: £127,800).

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14. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
COST			
At 1 August 2022	8,138,487	6,194,858	14,333,345
Additions	-	38,008	38,008
At 31 July 2023	<u>8,138,487</u>	<u>6,232,866</u>	<u>14,371,353</u>
DEPRECIATION			
At 1 August 2022	2,709,817	5,956,272	8,666,089
Charge for year	<u>162,770</u>	<u>30,397</u>	<u>193,167</u>
At 31 July 2023	<u>2,872,587</u>	<u>5,986,669</u>	<u>8,859,256</u>
NET BOOK VALUE			
At 31 July 2023	<u>5,265,900</u>	<u>246,197</u>	<u>5,512,097</u>
At 31 July 2022	<u>5,428,670</u>	<u>238,586</u>	<u>5,667,256</u>

A charge on the lease and the building has been given to the Principal Funders, namely Arts Council England, London and London Borough of Southwark.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	8,123	4,460
Other debtors	90,701	160,960
Theatre Tax Relief	<u>300,292</u>	<u>193,204</u>
	<u>399,116</u>	<u>358,624</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	130,796	172,125
Taxation and social security	28,440	18,683
Other creditors	24,012	50,331
Accruals and deferred income	<u>123,703</u>	<u>164,047</u>
	<u>306,951</u>	<u>405,186</u>

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16A. DEFERRED INCOME

	2023	2022
	£	£
Balance b/fwd at 1 August	102,147	172,649
Income released in the year	(227,749)	(317,186)
Income deferred in the year	<u>180,221</u>	<u>246,684</u>
Balance c/fwd at 31 July	<u>54,619</u>	<u>102,147</u>

Income is deferred each year which represents advance ticket sales for the following season.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Designated fund – Fixed Asset Reserve	Designated fund - Other	2023 Restricted funds	2023 Total funds
	£	£	£	£	£
Fixed assets	246,197	5,265,900	-	-	5,512,097
Current assets	1,263,211	-	500,000	112,172	1,875,383
Current liabilities	<u>(306,951)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(306,951)</u>
	<u>1,202,457</u>	<u>5,265,900</u>	<u>500,000</u>	<u>112,172</u>	<u>7,080,529</u>

18. COMPARATIVES FOR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Designated fund – Fixed Asset Reserve	Designated fund - Other	2022 Restricted funds	2022 Total funds
	£	£	£	£	£
Fixed assets	238,586	5,428,670	-	-	5,667,256
Current assets	1,216,569	-	350,000	61,094	1,627,663
Current liabilities	<u>(405,186)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(405,186)</u>
	1,049,969	5,428,670	350,000	61,094	6,889,733

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18. MOVEMENT IN FUNDS

	At 1/8/22 £	Transfers in for UCC (note 22) £	Net movement in funds £	Transfers £	At 31/7/23 £
Unrestricted fund					
General fund	1,049,969	-	308,488	(156,000)	1,202,457
Designated funds					
Fixed Asset Reserve	5,428,670	-	(162,770)	-	5,265,900
Strategic Investment Reserve	-	-	-	100,000	100,000
Building Reserve Fund	-	-	-	50,000	50,000
Other	350,000	-	-	-	350,000
	<u>6,828,639</u>	<u>-</u>	<u>145,718</u>	<u>(6,000)</u>	<u>6,968,357</u>
Restricted funds					
Theatre productions	846	-	-	-	846
Schools & Engagement Programme	-	-	-	-	-
Digital	57,801	-	45,948	-	103,749
Audience Development	-	-	-	-	-
Theatre Artist Fund	2,447	-	5,130	-	7,577
Capital	-	-	(6,000)	6,000	-
	<u>61,094</u>	<u>-</u>	<u>45,078</u>	<u>6,000</u>	<u>112,172</u>
	<u>6,889,733</u>	<u>-</u>	<u>190,796</u>	<u>-</u>	<u>7,080,529</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,792,487	(2,483,999)	308,488
Fixed Asset Reserve	-	(162,770)	(162,770)
	<u>2,792,487</u>	<u>(2,646,769)</u>	<u>145,718</u>
Restricted funds			
Theatre Productions	295,101	(295,101)	-
Digital	75,000	(29,052)	45,948
Audience Development	5,000	(5,000)	-
Theatre Artist Fund	60,990	(55,860)	5,130
Capital	2,500	(8,500)	(6,000)
Total Restricted	<u>438,591</u>	<u>(393,513)</u>	<u>45,078</u>
TOTAL FUNDS	<u>3,231,078</u>	<u>(3,040,282)</u>	<u>190,796</u>

Designated funds:

Fixed Asset Reserve

This designated fund relates to the fixed assets transferred from Unicorn Children's Centre (UCC) on the merger that occurred in 2022.

Strategic Investment Reserve

A new designated fund has been put in place to invest in people, access and theatre equipment improvements where needed.

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18. MOVEMENT IN FUNDS – CONTINUED

Restricted funds:

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 2023/24 financial year and beyond.

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 2022/23 financial year and beyond.

Audience Development

Funds dedicated to investing in developing our audiences to reach, engage and maintain a wider and more diverse audience from global majority communities

Capital

Funds dedicated to improving our Hearing Loop system.

18A. COMPARATIVES FOR MOVEMENT IN FUNDS

	At 1/8/21 £	Transfers in for UCC (note 22) £	Net movement in funds £	Transfers £	At 31/7/22 £
Unrestricted fund					
General fund	957,649	(173,117)	223,707	41,730	1,049,969
Designated fund					
Fixed Asset Reserve	-	5,653,466	(162,770)	(62,026)	5,428,670
Other	320,000	-	-	30,000	350,000
	<u>1,277,649</u>	<u>5,480,349</u>	<u>60,937</u>	<u>9,704</u>	<u>6,828,639</u>
Restricted funds					
Theatre productions	1,846	-	(1,000)	-	846
Schools & Engagement Programme	2,223	-	(2,223)	-	-
Digital	57,786	-	15	-	57,801
Usher	4,330	-	(1,883)	-	2,447
Solar Panels	-	9,704	-	(9,704)	-
	<u>66,185</u>	<u>9,704</u>	<u>(5,091)</u>	<u>(9,704)</u>	<u>61,094</u>
	<u>1,343,834</u>	<u>5,490,053</u>	<u>55,846</u>	<u>-</u>	<u>6,889,733</u>

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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	2,296,081	(2,072,374)	223,707
Fixed Asset Reserve	-	(162,770)	(162,770)
	2,296,081	(2,235,144)	60,937
Restricted funds			
Theatre Productions	151,000	(152,000)	(1,000)
Schools & Engagement Programme	43,808	(46,031)	(2,223)
Digital	125,000	(124,985)	15
Usher	-	(1,883)	(1,883)
Total Restricted	319,808	(324,899)	(5,091)
TOTAL FUNDS *	2,615,889	(2,560,043)	55,846

19. RELATED PARTY DISCLOSURES

During the year, one of the trustees, P Torday, has been paid a commission fee as one of his books will become a play in 2025-2026.

20. OPERATING LEASE COMMITMENTS

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

	2023 £	2022 £
Expiry date:		
Within one year	939	2,073
Between one and five years	-	309
	939	2,382

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21. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (YE 2022)

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income	5	1,550,204	319,808	1,870,012
Investment income	6	693	-	693
Incoming resources from charitable activities	7			
Theatre Productions		736,712	-	736,712
Other Income		8,472	-	8,472
Total incoming resources		2,296,081	319,808	2,615,889
RESOURCES EXPENDED				
Costs of generating funds	8			
Costs of generating voluntary income		141,829	-	141,829
Charitable activities	9			
Theatre productions		2,093,315	324,899	2,418,214
Total resources expended		2,235,144	324,899	2,560,043
Net income/(expenditure)		60,937	(5,091)	55,846
Transfer	18	9,704	(9,704)	-
Net movement in funds		70,641	(14,795)	55,846
RECONCILIATION OF FUNDS				
Total funds brought forward		1,277,649	66,185	1,343,834
Total funds transferred in from UCC	18	5,480,349	9,704	5,490,053
TOTAL FUNDS CARRIED FORWARD		6,828,639	61,094	6,889,733