

THE ENGLISH STAGE COMPANY LIMITED

England & Wales · Charity number 231242

Details

Other names	ROYAL COURT THEATRE
Status	Registered
Legal form	Charitable company
Company number	00539332
Registered	1963-11-05
Register	View on the Charity Commission register

Contact

Address	Royal Court Theatre Sloane Square London SW1W 8AS
Phone	02075655050
Email	info@royalcourttheatre.com
Website	www.royalcourttheatre.com

Activities

Objects: TO PROMOTE MAINTAIN IMPROVE AND ADVANCE EDUCATION OR ENCOURAGEMENT OF THE ARTS IN THE THEATRE

Activities: English Stage Company is a leading force in world theatre, finding, developing and producing new plays. An artistically led theatre, we create the conditions for writers nationally and internationally to flourish and through a strategic programme of education and outreach work, to engage with the widest audience across all ages and communities, promoting understanding and enjoyment of the arts.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Arts/culture/heritage/science
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,625,184	£6,590,523	£3,896,240	99
2024-03-31	£7,013,027	£6,570,630	£1,861,579	93
2023-03-31	£6,634,429	£7,440,908	£1,419,182	91
2022-03-31	£5,903,902	£6,553,496	£2,225,661	94
2021-03-31	£5,601,205	£4,410,015	£2,875,256	80

Trustees

Name	Role	Appointed
ANTHONY CHARLES BURTON CBE	Chair	
ANDREW CHARLES JAMES RODGER		2018-06-28
ANITA SCOTT		
JENNETTE ARNOLD OBE		
Jodi Myers		2025-09-18
LORD STEWART WOOD		
Mark Ravenhill		2024-04-07
Mwenya Kawesha		2020-02-20
Neal Ghandi		2023-11-30
Pamela Jikiemi		2020-02-20
Vikki Heywood		2026-05-28

THE ENGLISH STAGE COMPANY LIMITED

England & Wales - Charity number 231242

Accounts

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Trustees	Anthony Burton CBE, Chair Jeanette Arnold Nomawushe Dumezweni (appointed 15 May 2025) Neal Gandhi Pamela Jikiemi Jodi Myers (appointed 18 September 2025) Mark Ravenhill Andrew Rodger Anita Scott Lord Stewart Wood Mahdi Yahya (resigned 19 May 2025)
Company registered number	00539332
Charity registered number	231242
Registered office	Royal Court Theatre Sloane Square London SW1W 8AS
Company secretary	Helen Perryer
Executive	Artistic Director and CEO - David Byrne Executive Producer - Will Young Finance Director - Helen Perryer
Independent auditors	Nyman Libson Paul LLP Chartered Accountants Statutory Auditors 124 Finchley Road London NW3 5JS
Bankers	Barclays Bank PLC United Kingdom House 7th Floor 180 Oxford Street London W1D 1EA
Solicitors	Simons Muirhead & Burton 8-9 Frith Street Soho London W1D 3JB

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Other Principal Advisors Wrightsure Services Limited, t/a Performers
Wrightsure House
799 London Road
West Thurrock
Essex
RM20 3LH

THE ENGLISH STAGE COMPANY LIMITED
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CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

The chair presents their statement for the year.

This has been a year of great renewal at the Royal Court. The first full year of our new leadership team has seen a bold artistic vision coupled with strong financial stewardship; attracting new levels of support, audience attendance and fundraising success. This much needed achievement has seen us end the year with a planned financial surplus, required to replenish our essential reserves and secure initial designated funds towards future capital investment. While there are significant risks and challenges ahead, including the need to establish new long-term funding models beyond a specific period of leadership transition, we have now laid the foundations to secure our future and to continue to take the artistic risks that define the Court.

The arrival of Artistic Director David Byrne and Executive Director Will Young in early 2024 marked the beginning of this new era. Together with the Board, staff and the Court's supporters, they have steered the organisation through immediate challenges to deliver an extraordinary year of success. Our strategy has been rooted in renewal: revitalising audiences and supporters by placing the most exciting writers and ideas at the heart of our work.

Artistically, the impact has been remarkable. David's first season comprised nine world premieres, each by a playwright making their Royal Court debut. This ambitious programme blended internationally renowned artists with insurgent new voices. Highlights included *Bluets* directed by Katie Mitchell and starring Ben Whishaw, Emma D'Arcy and Kayla Meikle, and *Giant* by first-time playwright Mark Rosenblatt, directed by Nicholas Hytner and starring John Lithgow. The season set new box office records here at the Court, with *Giant* selling out its entire Royal Court run in advance and audiences across the season exceeding 90,000 – with both our theatres operating at close to 90% capacity. Membership and supporter numbers almost doubled following the first season launch, evidence of the appetite for our bold new direction.

Critical recognition matched public response. This whole year of programming at the Court has been nominated for a Sky Arts Award, while *Giant* was recognised as one of the most important new plays of recent years, winning Best New Play at the Olivier Awards alongside acting Oliviers for John Lithgow and Elliot Levey. Earlier it had been celebrated at the Critics' Circle Theatre Awards, with Rosenblatt named Most Promising Playwright and *Giant* Best New Play. The play's success led directly to a major West End transfer, ensuring that a new work developed at the Court reached an even wider audience. Other productions also garnered nominations and awards, with *Bluets* being nominated for Best Supporting Actor for Ben Whishaw at the Oliviers, while international co-productions such as Nassim Soleimanpour's *ECHO* demonstrated our global reach and influence.

Central to this year has been the expansion of partnerships. From regional collaborations with Live Theatre and Prime Cut Productions to international alliances with theatres across Europe, North America, Iraq, Palestine and South Africa, the Court has embraced an increasingly collaborative approach to developing and presenting new writing. Partnerships with Sonia Friedman Productions and the Royal Shakespeare Company signal bold new models for the future, while long-standing relationships with trusts and foundations, such as Jerwood, and donors have continued to provide vital support.

At the heart of our renewed mission has been a commitment to writers. September 2024 saw the launch of the Writers' Card – a free membership programme that has already attracted over 5,000 playwrights, making it one of the largest communities of writers anywhere in the world. Writers now use the Court daily as their creative home, accessing free workspace, events, coaching, and a vibrant network of peers.

Alongside this, new initiatives such as the Writers' Lottery, the Young Playwrights Award, and the forthcoming Open Submissions Festival have opened the door wider than ever for new voices. The surge in unsolicited script submissions – the highest in years – is proof of the Court's continued magnetism for playwrights.

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CHAIR'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

This progress has only been possible through the steadfast support of our funders and donors. Arts Council England has continued to provide both financial backing and invaluable guidance, expressing confidence in our new direction – seeing our ACE risk rating fall to an all-time low by the end of the year. New philanthropic gifts, including the Davidson PlayGC Bursary, have directly enabled productions like BRACE BRACE, to premiere to sold-out audiences. A lead gift from Charles Holloway OBE supported the Royal Court run and West End transfer of Giant, ensuring the play could thrive beyond our stage. The continued generosity of trusts, foundations and private supporters has underpinned every success this year.

The response to our new leadership has been deeply encouraging. Audiences, critics, artists and stakeholders alike have recognised the energy and ambition of this new era. The Royal Court has reclaimed its place at the centre of cultural conversation, championing brave new writing that excites and provokes.

Following these remarkable achievements, the organisation is now focused on a new set of challenges, now needing to convert financial renewal into a sustainable long-term model while securing much-needed year-on-year growth in turnover and urgent investment in our physical building and infrastructure.

Nonetheless, with these challenges ahead, we end the year in a great position – secure in our financial reserves, artistically vibrant, and strategically at our most ambitious. Above all, we remain steadfast in our mission: to champion playwrights, to take the risks that shape the future of theatre, and to share extraordinary new stories with audiences here and around the world.

Myself and the whole board would like to extend their thanks and congratulations to the entire staff team at the Royal Court and the many freelancers who have all contributed to our success, on and off stage; flourishing under this first year of new leadership to secure some truly remarkable achievements.



Signer ID: PMNV67HVDP...
Anthony Burton (CBE)
(Chair of Trustees)
Date: 15-12-2025 PST

THE ENGLISH STAGE COMPANY LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their Annual Report together with the audited financial statements of the Charity for the year 1 April 2024 to 31 March 2025. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

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The following sections represent the Trustees' report for the year ended 31 March 2025.

Structure, Governance and Management
Objectives and Activities of the Charity
Financial Report, Risks & Reserves

Structure, Governance and Management

The registered charity, which is a company limited by guarantee incorporated on 16 October 1954, is governed by its memorandum and articles of association. As of 31 March 2025, there were 10 guarantors whose liability in the event of a winding up is limited to £10 each. These accounts are prepared in accordance with SORP 2015 and the Companies Act 2006.

There is a Council of between five and 15 Trustees. For the purpose of company law, the Trustees are the Directors of the company and are non-executive and unpaid. During the financial period under review, the Trustees met three times. There is one sub-committee for Finance and General Purposes and other sub-committees are set up on an ad hoc basis around recruitment, sustainability etc. The Finance and General Purposes Sub-Committee is made up of Directors and other professionals. It operates under specific terms of reference with certain functions delegated by the Trustees, with its decisions discussed by the full Council. The trading subsidiary for the catering operation also has a Board, the ESCC which meets quarterly made up of Directors, the Executive team, and other professionals.

The Chief Executive and Artistic Director (not a director as defined by the Companies Act 2006) is appointed by the Trustees to manage the programming, operations and staff of the company working with the Executive Director. Together with the Finance Director, these three form the Executive Team.

Trustees are elected by members of the company at the Annual General Meeting. The English Stage Company Ltd (ESC) Council opts to appoint its Trustees for an unlimited period but regards that appointment as being a three-year appointment, renewable for further terms of three years. The Council meets to review and agree all new appointments in order to secure the best industry and professional expertise. The Council has adopted a policy on governance that incorporates training and trustees' responsibilities.

The Council meets to review the activity of the company and to advise the Executives responsible for carrying out the day-to-day activity of the company.

Trustee induction and training

New trustees undergo an orientation to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of their content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Pay policy for senior staff

The Chief Executive and Executive Director review the pay of the employees annually in line with peer organisations of a similar size and consider responsibility levels, London Living Wage and inflation as well as affordability. The recommended pay increases are included in the annual

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budget that is taken to the Finance and General Purposes Committee for approval where salaries are discussed in more detail.

The Finance and General Purposes Committee reviews the pay of the Executive and other senior staff periodically.

Risk management

Building issues are cited as a major risk on our register. The fabric of the building, now over 25 years on from the rebuild and a decade since any significant capital injection, constantly throws up challenges. We require investment to keep it a world-leading space both to create the work in and for the audience experience.

A major risk for the charity is still the unpredictable nature of fundraising income, with a changing landscape for investment portfolios, and trusts and foundations continuing to focus on areas outside London.

We embrace and rely on a business model that, by necessity, supports the right to artistically fail. With increases in pay and fees – both from wider, external agreements and the desire in-house to pay and support the artists on our stages more to make their careers sustainable – we need to continue to explore innovation in our models and income streams to remain viable and to take artistic risks.

As an organisation, The Royal Court exists to ask difficult questions and present challenging work, meaning we will continue to be in potential conflict with wider views and public taste. We risk assess each piece of work as we programme and look for strategies to mitigate any potential reputational damage or harm to individual artists and staff through training, wellbeing support, social media policies and expert guidance around complex issues.

Strategies are in place at the highest level to support and offset risks, including proactive stakeholder liaison, long-term contingency planning, and a flexible producing model that allows us to respond to external impacts.

The trustees have a risk management strategy that comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face as laid out in the risk register
- the establishment of policies, systems and procedures to mitigate those risks as laid out in the risk register
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Objectives and Activities of the Charity

Our objectives and strategy

The Royal Court Theatre is the writers' theatre. It is the leading force in world theatre for finding writers and producing new plays that are original, contemporary and provocative. The Royal Court's mission is to be meaningfully engaged with civic, political, domestic and international life; giving writers a home in which to tackle big ideas and tell extraordinary stories, and to share their work with the widest possible audience. This mission has been in place since 1956.

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The purposes of the charity are:

- to advance the education of the public in all aspects of world class contemporary playwriting;
- to cultivate, train and develop new playwriting talent, diversifying pathways to writing for the stage;
- the development of public appreciation of art by the provision of theatre and the presentation of public performances; and
- to further the social and cultural welfare of the communities in which we work throughout London.

The vision that shapes our annual activities has been consistent for 68 years.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. The theatre relies on Arts Council England funding, fundraising income, and the revenue from tickets and trading to cover its operating costs. Affordability and access are central priorities to us in setting pricing.

We endeavour to represent and encourage all those within London's communities to attend or take part. We work with local and Greater London schools and many higher education institutions across the UK.

The strategies employed to achieve the charity's aims and objectives in the year ended 31 March 2025 were to:

- Present ambitious and unique new plays by the UK's leading and emerging playwrights across both theatre spaces.
- Extend our work internationally both with home-grown work and ongoing commitments to writers in the countries we are working with, building on the international writer relationships developed over many years.
- Offer opportunities for a broad range of people to get involved in arts activities as audience members and/or participants through Open Court.
- Read thousands of new plays for consideration on our stages, through open submissions and directly commissioned writers.
- Continue an unrivalled pipeline of writer development and talent development through groups, workshops, bursaries and wider artist support initiatives.
- Continue to work in collaboration with the UK theatre sector to develop and disseminate skills and good practice
- Offer accessible price points for tickets to all our plays and actively seek new audiences for the diversity of the work while maximising ticket income
- Actively promote and celebrate the diversity of cultures and people in our society by working with artists of different backgrounds.

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Key works produced and presented on stage in 2024-25:

Announced in March, 2024 marked David Byrne's first season as Artistic Director – seeing nine playwrights make their Royal Court debuts to public and critical acclaim.

DUGSI DAYZ by Sabrina Ali / directed by Poppy Clifford & Warda Mohamed
(1–18 May 2024, Jerwood Theatre Upstairs)

★★★★ 'Hilarious... culturally specific and universal all at once' **Financial Times**

★★★★ 'Vivid and relatable' **The Times**

BLUETS by Margaret Perry, based on the poems by Maggie Nelson / directed by Katie Mitchell
(17 May–29 June 2024, Jerwood Theatre Downstairs)

★★★★★ 'Spellbinding portrait of obsession' **Metro**

★★★★ 'Whishaw, D'Arcy and Meikle, together with the technical crew, deliver the play with immense skill, deft precision and mesmerising grace' **Financial Times**

LIE LOW by Ciara Elizabeth Smith / directed by Oisín Kearney
(22 May–8 June 2024, Jerwood Theatre Upstairs)

★★★★★ "a startling and brilliant new play" **WhatsOnStage**

★★★★★ 'Breathtakingly intense' **The Arts Desk**

THE BOUNDS by Stewart Pringle / directed by Jack McNamara
(13 June–13 July 2024, Jerwood Theatre Upstairs)

★★★★ "Twisty, clever delight" **The Stage**

★★★★ "Engrossing... laugh-out-loud riot" **WhatsOnStage**

ECHO (EVERY COLD-HEARTED OXYGEN) by Nassim Soleimanpour / directed by Omar Elerian
(13–27 July 2024, Jerwood Theatre Downstairs)

★★★★★ 'Magically uplifting and soulful' **The Telegraph**

★★★★ 'A remarkable act of live magic' **The Times**

G by Tife Kusoro / directed by Monique Touko
(22 August–21 September 2024, Jerwood Theatre Upstairs)

★★★★ 'A complicated, ambitious and thrilling ride of a play' **The Guardian**

★★★★ 'Tife Kusoro's new play thrills in all the right ways' **WhatsOnStage**

GIANT by Mark Rosenblatt / directed by Nicolas Hytner
(20 September–16 November 2024, Jerwood Theatre Downstairs)

★★★★★ 'Are we likely to see a more enthralling play in the West End this year? I very much doubt it. In fact, we'll be lucky to encounter a more thought-provoking piece in the next decade.'

The Times

★★★★★ 'There's no more urgent play in London right now' **The Evening Standard**

BRACE BRACE by Oli Forsyth / directed by Daniel Raggett
(3 October–9 November 2024, Jerwood Theatre Upstairs)

★★★★ 'A short, sharp shock of a play' **The Stage**

★★★★ 'A play not for the faint-hearted.. vivid and often shocking' **WhatsOnStage**

EXPENDABLE by Emteaz Hussein / directed by Esther Richardson
(21 November–21 December 2024, Jerwood Theatre Upstairs)

★★★★ 'Potent drama giving a voice to British-Pakistani women caught up in a scandal' **The Stage**

★★★★★ "Valuable contribution to the theatrical landscape" **Theatre Tonic**

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THE LEGENDS OF THEM by Sutara Gayle / directed by Jo McInnes
(5–21 December 2024, Jerwood Theatre Downstairs)

★★★★★ “electrifying, with a consistent emotional intensity... awfully sad and outrageously funny”
The Stage

★★★★★ ‘A hypnotic performance.’ **Financial Times**

A GOOD HOUSE by Amy Jepta / directed by Nancy Medina
(11 January–8 February 2025, Jerwood Theatre Downstairs)

★★★★★ ‘Morally nuanced, exhilarating and deeply humane work’ **The Telegraph**

★★★★★ ‘Mischievous and unpredictable’ **The Times**

MORE LIFE by Lauren Mooney and James Yeatman / directed by James Yeatman
(6 February–8 March 2025, Jerwood Theatre Upstairs)

★★★★★ ‘A wonderfully precise ensemble cast make this sci-fi vision of resurrection and immortality stab directly at the heart’ **The Guardian**

★★★★★ ‘riveting, and all-too-human, sci-fi drama which excitingly subverts expectation’
London Theatre

A KNOCK ON THE ROOF by Khawla Ibraheem / directed by Oliver Butler
(21 February–8 March 2025, Jerwood Theatre Downstairs)

★★★★★ “this devastating show is absolutely essential viewing” **The Guardian**

★★★★★ “a poignant, pertinent portrayal of life in Gaza” **The Independent**

MANHUNT by Robert Icke / directed by Robert Icke
(28 March–3 May 2025, Jerwood Theatre Downstairs)

★★★★★ “Transfixing... does what theatre does best... a powerhouse performance from Samuel Edward-Cook” **The Observer**

★★★★★ “Viscerally gripping... A superb testosterone-saturated central performance” **Daily Telegraph**

Financial Report, Risks & Reserves

Our business model continues to depend on multiple factors, each with different implications and risks, all underpinned by well-controlled expenditure and prudent forecasting. We are currently in receipt of Arts Council England NPO funding for 2023 -2027. This is combined with an ongoing need for fundraising both towards our core operations and the delivery of specific programmes of work, diverse partnerships including with corporate and commercial organisations, and trading income including box office targets. Theatre Tax Relief (TTR) is also a critical part of our model, though the nature of this income – which in cash terms is received significantly in arrears of the year during which it is accrued – presents ongoing challenges to managing cash flow. We continue to work to complete accounts and corporation tax returns as early as possible, while recognising the greater need for other cash balances and reserves to be in place in order to mitigate the impact of delays in receiving TTR payments.

Over this past year, with new leadership, we have successfully begun to establish new and growing income streams, providing short-term recovery of reserves and providing an initial basis for much-needed future growth in turnover and investment.

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Fundraising

The Royal Court's fundraising activities include seeking and securing financial contributions from individuals, corporations and trusts, foundations and grant-making bodies towards the Royal Court's work. We run an Individual Giving scheme which offers various levels of split memberships which incorporate a benefits package and a charitable donation. This membership scheme ranges from £250 to £10,000 and donations made above this amount are considered Major Gifts. Our Annual Fund encourages low-level one-off donations from audience members outside of our regular giving schemes and these are often made in addition to ticket purchases. We claim Gift Aid on donations made by individuals who are eligible. We welcome legacy gifts and encourage supporters and audience members to remember the Royal Court in their will. We run a Corporate Membership scheme that offers companies different tiers of support ranging from £5,000-£15,000 plus VAT. In addition, we work with companies with whom we share values to create larger partnerships and offer sponsorship opportunities. Partnerships with companies can offer both financial and in-kind support. We seek funds from charitable Trusts and Foundations and apply for both general core support and funds restricted to specific projects and purposes. Occasionally, we programme special fundraising events to generate additional income throughout the year, which includes our annual Production Circle, which gives special access to a particular production in return for an unrestricted donation.

All fundraising is managed internally and delegated to the Director of Development who is accountable to the Trustees via the Executive.

As well as being guided by our own internal ethical fundraising policy, the Royal Court is a member of the UK Fundraising Regulator to ensure our fundraising activity adheres to their code of conduct and follows best practice. No complaints were received during the year in relation to our fundraising.

Future Developments

Future programming on our stages looks set to match the success enjoyed in 2024/25 – with upcoming productions such as 4.48 Psychosis by Sarah Kane and The Unbelievers by Nick Payne likely to sell out their entire performance runs ahead of opening.

2025/26 will see the first winners of our inaugural Young Playwright's Award, a London-focused prize which we hope to roll out nationally in future years. During the next year we are also anticipating announcing a major new investment into a renewed development scheme for theatre directors.

The upcoming transfer of Giant into the West End is already performing ahead of box office expectation and we are hoping that a Broadway transfer may follow in 2026/27.

From a financial, fundraising and business strategy perspective, the coming year will see a focus move beyond reserves recovery, towards securing a wide range of longer-term income streams, supporters and funders – redressing a previous fall in real-terms turnover and resourcing growing charitable artistic ambitions, while supporting vital capital investment. A key focus is repairing and renewing our iconic theatre building as we reach the quarter of a century point since the major redevelopment, for which we have already begun establishing a modest capital reserve. This will help prepare us for the rumoured DCMS capital programme due to be launched, for which we are now ready to make a strong application – as well as a wider case for support.

2026 will mark the English Stage Company's 70th Anniversary Year with plans already underway for a celebratory year to celebrate the past and look to the future.

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Reserves

At the year-end date, ESC had total reserves of £3,896,240. There is an endowment fund of £137,455 established to support exploitation of the Charity's work. Other funds restricted to use on particular projects and programmes (including capital) amount to £219,568. The remaining funds of £3,539,217 include both designated funds and free general reserves.

Following a review by the trustees and new executive team, the designation and management of unrestricted funds were simplified in 2024 to support risk management. They now comprise (1) a Capital Replacement Fund (Assets) equivalent to the net book value of assets held (2) a Dilapidation & Capital Replacement Fund to be strategically used in relation to key areas of risk management for our physical infrastructure, including towards upcoming capital investments; (3) a designated Creative & Operational Risk Fund, to be set at a minimum target of 3 months' salary and overheads costs (grown from a lower previous benchmark of 2 months), providing mitigation for key financial risks (particularly income) in relation to our business model and commitment to support artists' right to artistically fail; and (4) maintaining free undesignated reserves at a minimum target of at least 2 months' salary and overhead costs, with an intent to operate significantly above this minimum standard, providing the vital liquidity to secure the organisation's long-term viability, strategic ambitions, and capacity to manage short-term turbulence.

As of 31st March 2025, these funds were as follows:

1. Capital Replacement Fund (Assets): £202,800
2. Dilapidation & Capital Investment Fund: £850,000
3. Creative & Operational Risk Fund: £911,357
4. Free reserves: £1,386,417

Reserves positions and targets are regularly reviewed and adjusted in relation to both forward-looking risks and needs, and the organisation's wider financial position.

On a day-to-day basis, in addition to reserves, ESC monitors its financial position in terms of the availability of cash and cash flow in the business. Vigilant management of the finances and regular financial information provided to trustees ESC seeks to hold sufficient cash to ensure it can fulfil its short- and medium-term strategic objectives.

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STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

The Council Members are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations.

Company law requires the Council Members to prepare financial statements for each financial year. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements the Council Members are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation

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

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

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

AUDITORS

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Approved by order of the members of the board of Trustees on 15-12-2025 PST
and signed on their behalf by:



Signer ID: PMNV67HVDP
Anthony Burton CBE
(Chair of Trustees)

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH STAGE COMPANY LIMITED

Opinion

We have audited the financial statements of The English Stage Company Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of 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 group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH STAGE COMPANY LIMITED
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH STAGE COMPANY LIMITED
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH STAGE COMPANY LIMITED
(CONTINUED)

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Thomas (Senior Statutory Auditor)

for and on behalf of

Nyman Libson Paul LLP

Chartered Accountants

Statutory Auditors

124 Finchley Road

London

NW3 5JS

Date: 16 December 2025

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Endowment funds 2025 £	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income and endowments from:						
Donations and legacies	4	-	910,532	3,839,415	4,749,947	3,848,312
Charitable activities	5	-	-	1,972,612	1,972,612	1,130,845
Other trading activities	6	-	-	994,161	994,161	1,064,091
Investments	7	-	-	102,294	102,294	29,881
Other income	8	-	-	806,170	806,170	941,699
Total income and endowments		-	910,532	7,714,652	8,625,184	7,014,828
Expenditure on:						
Raising funds	9	-	-	1,224,806	1,224,806	1,101,691
Charitable activities	10	-	986,323	4,379,394	5,365,717	5,470,740
Total expenditure		-	986,323	5,604,200	6,590,523	6,572,431
Net movement in funds		-	(75,791)	2,110,452	2,034,661	442,397
Reconciliation of funds:						
Total funds brought forward		137,455	295,359	1,428,765	1,861,579	1,419,182
Net movement in funds		-	(75,791)	2,110,452	2,034,661	442,397
Total funds carried forward		137,455	219,568	3,539,217	3,896,240	1,861,579

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 52 form part of these financial statements.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00539332

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	15	188,643	142,464
		188,643	142,464
Current assets			
Stocks	17	16,121	9,639
Debtors	18	2,623,996	2,291,792
Cash at bank and in hand		2,343,277	1,602,727
		4,983,394	3,904,158
Creditors: amounts falling due within one year	19	(1,275,797)	(2,185,043)
Net current assets		3,707,597	1,719,115
Total assets less current liabilities		3,896,240	1,861,579
Total net assets		3,896,240	1,861,579
Charity funds			
Endowment funds	20	137,455	137,455
Restricted funds	20	219,568	295,359
Unrestricted funds	20	3,539,217	1,428,765
Total funds		3,896,240	1,861,579

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 15-12-2025 PST and signed on their behalf by:



Signer ID: PMNV67HVDP...
Anthony Burton CBE
 (Chair of Trustees)

The notes on pages 23 to 52 form part of these financial statements.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00539332

CHARITY BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets		188,643	133,825
Investments	16	101	101
		188,744	133,926
Current assets			
Debtors	18	2,714,490	2,327,239
Cash at bank and in hand		2,255,477	1,559,073
		4,969,967	3,886,312
Creditors: amounts falling due within one year	19	(1,231,482)	(2,158,659)
		3,738,485	1,727,653
Net current assets		3,738,485	1,727,653
Total assets less current liabilities		3,927,229	1,861,579
Total net assets		3,927,229	1,861,579
Charity funds			
Endowment funds	20	137,455	137,455
Restricted funds	20	219,568	295,359
Unrestricted funds	20	3,570,206	1,428,765
		3,927,229	1,861,579
Total funds		3,927,229	1,861,579

The charity's net movement in funds for the year was £2,065,650 (2024 - £388,592).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 15-12-2025 PST and signed on their behalf by:



Signer ID: PMNV67HVDP
Anthony Burton CBE
 (Chair of Trustees)

The notes on pages 23 to 52 form part of these financial statements.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	739,550	1,105,667
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	102,294	29,881
Purchase of tangible fixed assets	(101,294)	-
	<hr/>	<hr/>
Net cash provided by investing activities	1,000	29,881
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	740,550	1,135,548
Cash and cash equivalents at the beginning of the year	1,602,727	467,179
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>2,343,277</u>	<u>1,602,727</u>

The notes on pages 23 to 52 form part of these financial statements

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

The English Stage Company is a charitable company limited by guarantee registered in England and Wales. The registered office and principal place of business is Royal Court Theatre, Sloane Square, London, SW1W 8AS.

The liability of each member in the event of winding-up is limited to £10.

The main activities of the Charity, as set out in the Trustees' Report on page 5, are to find, develop and produce new plays, creating the conditions for writers, nationally and internationally, to flourish.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The English Stage Company Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements are prepared in Sterling, the functional currency of the charity and the group. Monetary amounts in these financial statements are rounded to the nearest £.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.2 Going concern

After making appropriate enquiries, the Trustees are satisfied that the Charity will continue as a going concern for the foreseeable future.

In making this decision, the Trustees assessed whether the Charity will have sufficient resources to meet its liabilities as they fall due.

The Finance and General Purposes Committee met with the Executive team to look at the future budgets for both the Charity and the catering subsidiary using key information such as cash flow and management accounts. The Charity was successful with their application to Arts Council England for an extension year of NPO funding for 2026-27 with a further extension year being confirmed.

The Bar and Kitchen provides an important space for the community of Royal Court writers and artists. After expanding the food offer over the summer period we have now consolidated efforts to provide a quick and efficient service for our extensive audiences. Work has begun to build the business in a methodical and sustainable way and manage risk. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.5 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Sponsorship and donations are included in the Consolidated Statement of Financial Activities in the year in which they are receivable, or, alternatively, if sponsorship or donations are given for a specific play or project then they are included in the year in which that play or project takes place.

Box office income comprises ticket sales for performances and events in the Jerwood Theatre Downstairs and the Jerwood Theatre Upstairs, theatre levies and income from co-productions. For productions occurring wholly within one financial year, revenue is recognised as ticket sales are made and all associated costs are written off in that financial year. Where productions span the year-end, costs and income are recognised in the year in which the press night of the related production takes place.

Trading income is stated exclusive of value added tax.

Gifts in kind are recognised as incoming resources when received, at a no cost to the donor, where the amount is material and quantifiable. On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Redundancy and termination costs are recognised in full on the date the redundancy or termination is confirmed.

2.8 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.9 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Charity and its subsidiaries are standard-rated for VAT.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £300 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Lifetime of the lease, 3-10 years
Plant, machinery, fixtures and fittings	- 3-10 years
Office and computer equipment	- 3-10 years

2.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.12 Stocks

Stocks in the consolidated accounts represent food, liquor, disposable items, books, play texts, programmes, and merchandise held for resale. Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Consolidated Statement of Financial Activities.

2.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Advance expenditure on productions incurred in respect of productions in the future period is carried forward on the balance sheet until they are expensed in the period that the related production has its press night.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.14 Cash at bank and in hand

Cash at bank and 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.

2.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

Income received in the year is deferred where the event to which the income relates is happening in a future period or where the performance conditions attached to the funding have not been met.

2.16 Financial instruments

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

2.17 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.18 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. Critical accounting estimates and areas of judgment

In the application of the accounting policies, the Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. 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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Income recongition - the Charity may receive income from performance grants. These agreements may include various quantitative and qualitative milestones and performance conditions to be met in order for the Charity to have entitlement to the funds. The Charity makes various assumptions in determining the stage of completion of these performance grants.

4. Income from donations and legacies

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Donations	255,000	1,136,142	1,391,142
Legacies	5	-	5
Trusts and foundations	216,000	447,200	663,200
Public funding	2,770	2,236,073	2,238,843
Corporates	436,757	20,000	456,757
	<u>910,532</u>	<u>3,839,415</u>	<u>4,749,947</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4. Income from donations and legacies (continued)

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Donations	120,000	411,506	531,506
Legacies	2,200	-	2,200
Trusts and foundations	227,000	556,200	783,200
Public funding	2,833	2,236,073	2,238,906
Corporates	25,000	267,500	292,500
	<u>377,033</u>	<u>3,471,279</u>	<u>3,848,312</u>

5. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £
Box office	1,972,612	1,972,612
	<u>1,972,612</u>	<u>1,972,612</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Box office	1,130,845	1,130,845
	<u>1,130,845</u>	<u>1,130,845</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £
Trading income - subsidiaries	884,554	884,554
Royalties, hires, and other trading income	109,607	109,607
	<u>994,161</u>	<u>994,161</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Trading income - subsidiaries	806,939	806,939
Royalties, hires, and other trading income	257,152	257,152
	<u>1,064,091</u>	<u>1,064,091</u>

7. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Interest receivable	102,294	102,294
	<u>102,294</u>	<u>102,294</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Interest receivable	29,881	29,881
	<u>29,881</u>	<u>29,881</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £
Theatre tax relief	799,752	799,752
Sundry income	6,418	6,418
	<u>806,170</u>	<u>806,170</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Theatre tax relief	898,364	898,364
Sundry income	43,335	43,335
	<u>941,699</u>	<u>941,699</u>

9. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £
Marketing - other costs	57,809	57,809
Marketing - staff costs	245,556	245,556
Development - other costs	26,606	26,606
Development - staff costs	161,659	161,659
	<u>491,630</u>	<u>491,630</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

9. Expenditure on raising funds (continued)

Costs of raising voluntary income (continued)

	Unrestricted funds 2024 £	Total funds 2024 £
Marketing - other costs	87,265	87,265
Marketing - staff costs	218,351	218,351
Development - other costs	21,559	21,559
Development - staff costs	202,630	202,630
	<u>529,805</u>	<u>529,805</u>

Other trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £
Trading expenses - subsidiaries	374,960	374,960
Trading expenses - staff costs from subsidiaries	358,216	358,216
	<u>733,176</u>	<u>733,176</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

9. Expenditure on raising funds (continued)

Other trading expenses (continued)

	Unrestricted funds 2024 £	Total funds 2024 £
Trading expenses - subsidiaries	298,166	298,166
Trading expenses - staff costs from subsidiaries	273,720	273,720
	<u>571,886</u>	<u>571,886</u>

10. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £
Performance	710,090	3,641,653	4,351,743
Play development	87,167	314,660	401,827
General activity	118,126	334,931	453,057
Participation	70,940	88,150	159,090
	<u>986,323</u>	<u>4,379,394</u>	<u>5,365,717</u>

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Performance	80,000	3,955,472	4,035,472
Play development	137,986	535,597	673,583
General activity	179,374	244,358	423,732
Participation	59,000	278,953	337,953
	<u>456,360</u>	<u>5,014,380</u>	<u>5,470,740</u>

THE ENGLISH STAGE COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

11. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Performance	3,045,024	1,306,719	4,351,743
Play development	324,081	77,746	401,827
General activity	161,510	291,547	453,057
Participation	107,373	51,717	159,090
	<u>3,637,988</u>	<u>1,727,729</u>	<u>5,365,717</u>

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Performance	3,002,310	1,033,162	4,035,472
Play development	494,064	179,519	673,583
General activity	55,984	367,748	423,732
Participation	248,194	89,759	337,953
	<u>3,800,552</u>	<u>1,670,188</u>	<u>5,470,740</u>

Analysis of support costs

	Performance 2025 £	Play development 2025 £	General activity 2025 £	Participation 2025 £	Total funds 2025 £
Staff costs	406,434	25,011	93,792	15,632	540,869
Depreciation	43,349	-	-	3,126	46,475
Other support costs	856,936	52,735	197,755	32,959	1,140,385
	<u>1,306,719</u>	<u>77,746</u>	<u>291,547</u>	<u>51,717</u>	<u>1,727,729</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

11. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Performance 2024 £	Play development 2024 £	General activity 2024 £	Participation 2024 £	Total funds 2024 £
Staff costs	274,651	49,045	63,758	24,522	411,976
Depreciation	27,856	-	134,374	-	162,230
Other support costs	730,655	130,474	169,616	65,237	1,095,982
	<u>1,033,162</u>	<u>179,519</u>	<u>367,748</u>	<u>89,759</u>	<u>1,670,188</u>

12. Auditors' remuneration

	2025 £	2024 £
Fees payable to the company's auditor for the audit of the Charity and the Group	<u>24,500</u>	<u>22,500</u>

13. Staff costs

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Wages and salaries	3,234,202	3,462,084	2,903,294	3,143,570
Social security costs	235,705	248,085	214,222	233,824
Contribution to defined contribution pension schemes	85,401	95,846	79,576	91,175
	<u>3,555,308</u>	<u>3,806,015</u>	<u>3,197,092</u>	<u>3,468,569</u>

Included within wages and salaries costs above is an amount of £618,603 (2024: £709,378) in respect of freelancers and contractors.

During the year, redundancy and termination payments totalling £2,408 (2024: £69,189) were made.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Staff costs (continued)

The average number of persons employed by the charity during the year was as follows:

	Group 2025 No.	Group 2024 No.	Charity 2025 No.	Charity 2024 No.
Performances	65	56	65	56
Play development	4	10	4	10
General activity	15	13	15	13
Education	3	5	3	5
ESC Catering Ltd	12	9	-	-
	<u>99</u>	<u>93</u>	<u>87</u>	<u>84</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1

During the year, the Charity incurred remuneration costs, including employer's national insurance and employer pension contributions, in respect of key management personnel of £271,145 (2024: £351,934).

The Charity has revised the number of staff they consider to be part of key management to 3 (2024: 4) hence the comparative stated above is not entirely comparable.

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Tangible fixed assets

Group

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2024	2,546,394	469,780	201,792	3,217,966
Additions	-	93,437	7,857	101,294
Disposals	(22,647)	(26,916)	(6,437)	(56,000)
At 31 March 2025	<u>2,523,747</u>	<u>536,301</u>	<u>203,212</u>	<u>3,263,260</u>
Depreciation				
At 1 April 2024	2,474,441	420,368	180,693	3,075,502
Charge for the year	17,287	20,071	17,757	55,115
On disposals	(22,647)	(26,916)	(6,437)	(56,000)
At 31 March 2025	<u>2,469,081</u>	<u>413,523</u>	<u>192,013</u>	<u>3,074,617</u>
Net book value				
At 31 March 2025	<u><u>54,666</u></u>	<u><u>122,778</u></u>	<u><u>11,199</u></u>	<u><u>188,643</u></u>
At 31 March 2024	<u><u>71,953</u></u>	<u><u>49,412</u></u>	<u><u>21,099</u></u>	<u><u>142,464</u></u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Tangible fixed assets (continued)

Group (continued)

Charity

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2024	2,546,394	469,780	186,366	3,202,540
Additions	-	93,437	7,857	101,294
Disposals	(22,647)	(26,916)	(6,437)	(56,000)
At 31 March 2025	<u>2,523,747</u>	<u>536,301</u>	<u>187,786</u>	<u>3,247,834</u>
Depreciation				
At 1 April 2024	2,474,441	420,368	173,906	3,068,715
Charge for the year	17,287	20,071	9,118	46,476
On disposals	(22,647)	(26,916)	(6,437)	(56,000)
At 31 March 2025	<u>2,469,081</u>	<u>413,523</u>	<u>176,587</u>	<u>3,059,191</u>
Net book value				
At 31 March 2025	<u>54,666</u>	<u>122,778</u>	<u>11,199</u>	<u>188,643</u>
At 31 March 2024	<u>71,953</u>	<u>49,412</u>	<u>12,460</u>	<u>133,825</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

16. Fixed asset investments

	Investments in subsidiary companies £
charity	
Cost or valuation	
At 1 April 2024	101
At 31 March 2025	101
Net book value	
At 31 March 2025	101
At 31 March 2024	101

Principal subsidiaries

The following were subsidiary undertakings of the charity:

Names	Company number	Registered office or principal place of business	Class of shares
ESC Catering Limited	05710832	Royal Court Theatre, Sloane Square, London, SW1W 8AS	Ordinary
Royal Court Theatre Productions Limited	01759772	Royal Court Theatre, Sloane Square, London, SW1W 8AS	Ordinary
Holding	Included in consolidation		
100%	Yes		
100%	Yes		

THE ENGLISH STAGE COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

16. Fixed asset investments (continued)

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £
ESC Catering Limited	748,277	(779,226)	(30,989)
Royal Court Theatre Productions Limited	103,581	(33,262)	70,319
Net assets £			
	(30,988)		
	100		

THE ENGLISH STAGE COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Stocks

	Group 2025 £	Group 2024 £
Catering stock	16,121	9,639

18. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Due within one year				
Trade debtors	416,732	419,287	382,310	401,635
Amounts owed by group undertakings	-	-	126,880	79,732
Other debtors	55,496	5,629	53,532	3,797
Prepayments and accrued income	2,151,768	1,866,876	2,151,768	1,842,075
	<u>2,623,996</u>	<u>2,291,792</u>	<u>2,714,490</u>	<u>2,327,239</u>

19. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	351,131	431,938	339,341	423,364
Other taxation and social security	123,939	161,561	107,604	153,440
Pension fund loan payable	29,219	12,901	27,612	12,259
Other creditors	6,923	35,258	6,923	35,252
Accruals and deferred income	764,585	1,543,385	750,002	1,534,344
	<u>1,275,797</u>	<u>2,185,043</u>	<u>1,231,482</u>	<u>2,158,659</u>

THE ENGLISH STAGE COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Deferred income at 1 April 2024	1,354,550	93,973	1,354,550	93,973
Resources deferred during the year	563,103	1,354,550	536,103	1,354,550
Amounts released from previous periods	(1,354,550)	(93,973)	(1,354,550)	(93,973)
	<u>563,103</u>	<u>1,354,550</u>	<u>536,103</u>	<u>1,354,550</u>

Deferred income above relates to production sponsorship and other income in advance of the upcoming year.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Unrestricted funds					
Designated funds					
Capital Replacement	130,695	-	(32,861)	104,966	202,800
Dilapidation and Capital Investment	200,000	-	-	650,000	850,000
Creative and Operational Risk	533,000	-	-	378,357	911,357
	<u>863,695</u>	<u>-</u>	<u>(32,861)</u>	<u>1,133,323</u>	<u>1,964,157</u>
General funds					
General Funds	565,070	7,714,652	(5,571,339)	(1,133,323)	1,575,060
	<u>1,428,765</u>	<u>7,714,652</u>	<u>(5,604,200)</u>	<u>-</u>	<u>3,539,217</u>
Endowment funds					
Endowment Fund	137,455	-	-	-	137,455
	<u>137,455</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,455</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. Statement of funds (continued)

Restricted funds

Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre	18,450	5	(3,000)	-	15,455
Participation Fund	14,276	39,270	(70,940)	-	(17,394)
International Play Development	6,207	-	-	-	6,207
Capital Matches Funding	16,775	-	(3,126)	-	13,649
Writer Development	67,640	124,167	(84,167)	-	107,640
Legacy Fund	35,929	-	(10,000)	-	25,929
New Playwrights and performance	120,000	620,090	(710,090)	-	30,000
Core Activity	-	127,000	(105,000)	-	22,000
	295,359	910,532	(986,323)	-	219,568
Total of funds	1,861,579	8,625,184	(6,590,523)	-	3,896,240

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. Statement of funds (continued)

Designated Funds

Designated funds were restructured in the year as disclosed in the Trustees' Report.

Capital Replacement Fund - used to service the depreciation charge purchases not funded elsewhere and matches net book value of the relevant group of tangible assets.

Theatre Writing Fund - used to cover commission payments, liabilities arising through timing of script delivery and expenditure on shows and play development.

Future Development Fund - held for future work and activity. This fund is considered by the Trustees when looking at the reserves policy.

Dilapidation and Capital Investment Fund - to be used strategically in relation to key areas of risk management for our physical infrastructure.

Creative and Operational Risk Fund - set at a minimum target of two months overhead, salary and admin expenditure.

Restricted Funds

Neville Blond Fund - this fund was set up in 1987 to commemorate Neville Blond and is used to provide bursaries for young writers.

Clare McIntyre Fund - set up in 2010 to support writers' attachments to the theatre.

Participation Fund - this fund is dedicated to developing and nurturing playwriting talent outside the UK.

Capital Matched Fund - this fund was set up to provide a matched contribution as part of the capital project.

Writer Development Fund - this fund supports the play development work of the Royal Court Theatre.

Legacy Fund - relates to donations in memory of a member of staff that is to be put towards a project in the next year or funds donated through will giving.

New Playwrights Initiative - this fund supports the production of plays at the Royal Court Theatre.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
Capital Replacement	229,573	-	(17,157)	(81,721)	130,695
Theatre Writing	233,878	-	-	(233,878)	-
Future Developments	262,706	-	-	(262,706)	-
Dilapidation and Capital Investment	-	-	-	200,000	200,000
Creative and Operational Risk	-	-	-	533,000	533,000
	726,157	-	(17,157)	154,695	863,695
General funds					
General Funds	180,884	6,635,994	(6,097,113)	(154,695)	565,070
	907,041	6,635,994	(6,114,270)	-	1,428,765
Total Unrestricted funds					
Endowment funds					
Endowment Fund	137,455	-	-	-	137,455
Restricted funds					
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre	17,048	1,402	-	-	18,450
ACE Capital Project Fund	93,072	-	(93,072)	-	-
Participation Fund	14,276	59,000	(59,000)	-	14,276
International Play Development	67,177	2,833	(63,803)	-	6,207
Capital Matches Funding	58,077	-	(41,302)	-	16,775
Writer Development	71,823	68,000	(72,183)	-	67,640
Legacy Fund	37,131	798	(2,000)	-	35,929
New Playwrights and performance	-	200,000	(80,000)	-	120,000
Core Activity	-	45,000	(45,000)	-	-

THE ENGLISH STAGE COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
	374,686	377,033	(456,360)	-	295,359
Total of funds	1,419,182	7,013,027	(6,570,630)	-	1,861,579

21. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Designated funds	863,695	-	(32,861)	1,133,323	1,964,157
General funds	565,070	7,714,652	(5,571,339)	(1,133,323)	1,575,060
Endowment funds	137,455	-	-	-	137,455
Restricted funds	295,359	910,532	(986,323)	-	219,568
	1,861,579	8,625,184	(6,590,523)	-	3,896,240

Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	726,157	-	(17,157)	154,695	863,695
General funds	180,884	6,635,994	(6,097,113)	(154,695)	565,070
Endowment funds	137,455	-	-	-	137,455
Restricted funds	374,686	377,033	(456,360)	-	295,359
	1,419,182	7,013,027	(6,570,630)	-	1,861,579

THE ENGLISH STAGE COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2025 £	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	-	188,643	188,643
Current assets	137,455	239,568	4,606,371	4,983,394
Creditors due within one year	-	(20,000)	(1,255,797)	(1,275,797)
Total	137,455	219,568	3,539,217	3,896,240

Analysis of net assets between funds - prior year

	Endowment funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	142,464	142,464
Current assets	137,495	295,359	3,471,304	3,904,158
Creditors due within one year	-	-	(2,185,043)	(2,185,043)
Total	137,495	295,359	1,428,725	1,861,579

THE ENGLISH STAGE COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	Group 2024 £
Net income for the year (as per Statement of Financial Activities)	2,034,661	442,397
Adjustments for:		
Depreciation charges	55,115	165,315
Dividends, interests and rents from investments	(102,294)	(29,881)
Loss on the sale of fixed assets	-	16,021
Decrease/(increase) in stocks	(6,482)	1,382
Increase in debtors	(332,204)	(684,159)
Increase/(decrease) in creditors	(909,246)	1,194,592
Net cash provided by operating activities	739,550	1,105,667

24. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £
Cash in hand	2,343,277	1,602,727
Total cash and cash equivalents	2,343,277	1,602,727

25. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,602,727	740,550	2,343,277
Debt due within 1 year	(12,901)	(16,318)	(29,219)
	1,589,826	724,232	2,314,058

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

26. Pension commitments

During the year, the group incurred pension costs totalling £85,401 (2024: £95,846). At the reporting date, the charity owed the various pension providers £29,219 (2024: £12,901) which have been included in short-term creditors.

27. Operating lease commitments

At 31 March 2025 the group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Not later than 1 year	129,750	124,125	129,750	124,125
Later than 1 year and not later than 5 years	520,688	519,000	520,688	519,000
Later than 5 years	699,375	830,813	699,375	830,813
	<u>1,349,813</u>	<u>1,473,938</u>	<u>1,349,813</u>	<u>1,473,938</u>

English Stage Company agreed a new 15 year lease with Cadogan Estates in November 2020 and this was signed on 14 July 2022.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

28. Related party transactions

The following transactions took place during the year between the Charity and Council Members:

Anthony Burton, trustees, is a member of the law firm Simons, Muirhead & Burton which receives fees for ad hoc legal work provided to the Charity. These services are separate from the work carried out by Antony Burton in his capacity as a Council member for which he receives no remuneration. During the year, Simons, Muirhead & Burton received remuneration for their services of £1,638 (2024: £500).

During the year, Trustees made donations of £73,250 in aggregate (2024: £65,035). No restrictions were attached to these donations.

The following transactions took place during the year between the Charity and its trading subsidiaries:

ESC Catering Limited

During the year, the Charity recognised income of £Nil (2024: £38,413) from ESC Catering Limited in respect of distribution of profits for the year. During the year, the Charity made recharges to ESC Catering Limited of £136,044 (2024: £146,239) and was charged £22,880 (2024: £35,713) by ESC Catering Limited. At the balance sheet date, an amount of £56,561 (2024: £77,223) was owed by the subsidiary to the Charity.

Royal Court Theatre Productions Limited

During the year, the Charity recognised income of £70,319 (2024: £56,393) from Royal Court Theatre Productions Limited in respect of distribution of profits for the year. At the balance sheet date, an amount of £70,319 (2024: £2,509) was owed by the subsidiary to the Charity.

THE ENGLISH STAGE COMPANY LIMITED

England & Wales - Charity number 231242

Accounts

Registered number: 00539332
Charity number: 231242

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

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THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees	Anthony Burton CBE, Chair Jeanette Arnold OBE Graham Devlin CBE (Resigned 17 May 2023) Neal Gandhi (Appointed 30 November 2023) Pamela Jikiemi Mwenya Kawesha James Midgley (resigned 9 October 2024) Mark Ravenhill (Appointed 7 March 2024) Andrew Rodger Anita Scott Lord Stewart Wood Mahdi Yahya
Company registered number	00539332
Charity registered number	231242
Registered office	Royal Court Theatre Sloane Square London SW1W 8AS
Company secretary	Helen Perryer
Executive	Artistic Director and CEO - Vicky Featherstone (to December 2023) Artistic Director and CEO - David Byrne (from January 2024) Executive Producer - Rebekah Jones (to February 2024) Executive Producer - Will Young (from February 2024)
Senior Managers	Finance Director- Helen Perryer Head of Production- Marius Ronning
Independent auditors	Goodman Jones LLP Chartered Accountants Statutory Auditors 1st Floor, Arthur Stanley House 40-50 Tottenham Street London W1T 4RN
Bankers	Barclays Bank PLC United Kingdom House 7th Floor 180 Oxford Street London W1D 1EA

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Solicitors	Simons Muirhead & Burton 8-9 Frith Street Soho London W1D 3JB
Other Principal Advisors	Wrightsure Services Limited, t/a Performers Wrightsure House 799 London Road West Thurrock Essex RM20 3LH

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CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

The chairman presents his statement for the year.

This has been a significant year of transition at the Royal Court as we said goodbye to Vicky Featherstone after a decade as Artistic Director in December 2023.

Following an extensive and rigorous recruitment process, the English Stage Company was delighted to appoint and announce David Byrne as our 14th Artistic Director, taking up the post in January 2024.

Following Erica Campayne's return to Arts Council England when her secondment came to an end, the role of Interim Executive Director was held by Rebekah Jones. Rebekah's steady stewardship, alongside Finance Director Helen Perryer, saw the charity through the transition in Artistic Directors ahead of the appointment of Will Young as permanent Executive Director, in post from February 2024.

While the incoming Artistic and Executive Directors faced immediate challenges, resources and support were successfully secured to make this period one of remarkable organisational renewal. This saw new leadership working with the full ESC board to end the financial year with the charity in a strong position, poised to energetically look towards the considerable opportunities now in our future.

Throughout this time our relationship with Arts Council England has been positive and steadfast. We have welcomed ACE's insight and guidance throughout this transitional year. This included engagement and active involvement in the recruitment process for both Artistic and Executive Directors, as well as providing consultancy and support levers during a period of essential restructuring required to secure our future. We are grateful for their continued confidence and investment.

Artistically, this has been a year of substantial achievement and recognition, with many highlights. Ryan Calais Cameron's multi-award winning *For Black Boys Who Have Considered Suicide When The Hue Gets Too Heavy* returned for a second sold out West End run, this time at the Garrick Theatre, Mohammed Zain-Dada's *Blue Mist* was nominated for an Olivier award while Tatenda Shamiso's *NO ID* won the Evening Standard Award for Emerging Talent. Internationally, we saw further success with Ali McDowell's *All Of It* at Festival d'Avignon and Martin Crimp's *I Am Not One Of Those People* transferring to Berlin as a headline performance at the Schaubühne's FIND Festival.

A flagship project, championed as one of the legacies of Vicky Featherstone's tenure, *Living Archive* – supported by Bloomberg – was launched in autumn 2023. The *Living Archive* gives audiences, academics and theatre-makers access to the rich history and legacy of every production staged at the Royal Court by the English Stage Company.

Nothing, however, has been achieved alone. We have collaborated and benefited from a brilliant constellation of partners including the British Council, Avignon Festival, SISTER Pictures, Nouveau Riche, New Diorama Theatre, Royal Shakespeare Company, Nimax and many others.

This year we are particularly grateful to the investors, donors, trusts and foundations who make the work on our stages and our support of writers possible. In particular we would like to highlight the support of the Backstage Trust, Common Humanity Arts Trust (CHAT), Jerwood Foundation, T.S Eliot Foundation and Cockayne Foundation – whose generous support, during the transition of leadership, strongly secured our future.

The year ended with the announcement of David Byrne's first season, a programme of nine playwrights making their Royal Court debuts, which set box office records at the Court and resulted in an almost overnight doubling of memberships and supporters.

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CHAIR'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

We also celebrated the third year of the popular Court in the Square, expertly overseen by our Director of Operations & Sustainability Robert Smael, for outside drinking and dining during the summer months.

This year the board and staff are particularly grateful to the entire staff and team at the Court - including our extensive, extended family of writers and artists - for their support, energy and enthusiasm during this transitional moment in our history.

We've emerged confidently, looking towards the future, ready to champion playwrights and take the artistic risks that have built the Court's reputation here and around the world.

Anthony Burton CBE
Chair



THE ENGLISH STAGE COMPANY LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their Annual Report together with the audited financial statements of the Charity for the year 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Royal Court Theatre is the writers' theatre. It is the leading force in world theatre for finding writers and producing new plays that are original, contemporary and provocative. The Royal Court's mission is to be meaningfully engaged with civic, political, domestic and international life; giving writers a home in which to tackle big ideas and tell extraordinary stories, and to share their work with the widest possible audience. This mission has been in place since 1956.

The purposes of the Charity are:

- to advance the education of the public in all aspects of world class contemporary playwriting;
- to cultivate, train and develop new playwriting talent, diversifying pathways to writing for the stage;
- the development of public appreciation of art by the provision of theatre and the presentation of public performances; and
- to further the social and cultural welfare of the communities in which we work throughout London.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

b. Strategies for achieving objectives

The vision that shapes our annual activities has been consistent for 68 years.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit. The theatre relies on Arts Council England funding, fundraising income, and the revenue from tickets and trading to cover its operating costs. Affordability and access are central priorities to us in setting pricing.

We endeavour to represent and encourage all those within London's communities to attend or take part. We work with local and Greater London schools and many higher education institutions across the UK.

The strategies employed to achieve the Charity's aims and objectives in the year ended 31 March 2024 were to:

- Present ambitious and unique new plays by the UK's leading and emerging playwrights across both theatre spaces.
- Extend our work internationally both with home-grown work and ongoing commitments to writers in the countries we are working with, building on the international writer relationships developed over many years.
- Offer opportunities for a broad range of people to get involved in arts activities as audience members and/or participants through Open Court.
- Read thousands of new plays for consideration on our stages, through open submissions and directly commissioned writers.
- Continue an unrivalled pipeline of writer development and talent development through groups, workshops, bursaries and wider artist support initiatives.
- Continue to work in collaboration with the UK theatre sector to develop and disseminate skills and good practice
- Offer accessible price points for tickets to all our plays and actively seek new audiences for the diversity of the work while maximising ticket income
- Actively promote and celebrate the diversity of cultures and people in our society by working with artists of different backgrounds.

THE ENGLISH STAGE COMPANY LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

a. Review of activities

The key works produced and presented on stage in 2023/24 were:

NO I.D. by Tatenda Shamiso – a transfer from VAULT Festival

ALL OF IT by Alistair McDowall – directed by Vicky Featherstone and Sam Pritchard, also presented at Festival D'Avignon

HOPE HAS A HAPPY MEAL by Tom Fowler – directed by Lucy Morrison

CUCKOO by Michael Wynne, in partnership with Liverpool Everyman and Playhouse – directed by Vicky Featherstone

WORD-PLAY by Rabiah Hussain – directed by Nimmo Ismail

IMPOSTER 22 by Molly Davies – co-created by Kirsty Adams, Cian Binchy, Housni Hassan (DJ), Dayo Koleosho, Stephanie Newman, Lee Phillips and Charlene Salter, from an original idea by Hamish Pirie

BLUE MIST by Mohamed-Zain Dada – directed by Milli Bhatia

MATES IN CHELSEA by Rory Mullarkey – directed by Sam Pritchard

TALKING ABOUT THE FIRE by Chris Thorpe – directed by Claire O'Reilly

BULLRING TECHNO MAKEOUT JAMZ by Nathan Queeley-Dennis – directed by Dermot Daly

PLAYS FROM UR NOTES APP Festival – with plays written by Bea Webster, Bróccán Tyzack-Carlin, Danielle James, Elan Davies, George Collins, Jasmine Silk, Leanne Henlon, Natasha Wright, Olamide Ajisafe, Shola Lee, and Wisdom Charis – directed by Aneesha Srinivasan and Sam Pritchard

INTERNATIONAL READING Festival – with plays by Michaela Spencer, Jherad Alleyne, Rogelio Braga, Bárbara Esmenia Rãé, Sara Pinedo and Sonia Gregorio

COWBOYS by Charlie Josephine – directed by Charlie Josephine and Sean Holmes, in a production by the Royal Shakespeare Company

FOR BLACK BOYS WHO HAVE CONSIDERED SUICIDE WHEN THE HUE GETS TOO HEAVY by Ryan Calais Cameron – presented with Nimax at the Garrick Theatre, West End

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves and reserves policy

At the balance sheet date, ESC had total reserves of £1,861,579 (2023: £1,419,182). There is an endowment fund of £137,455 (2023: £137,455) established to support exploitation of the Charity's work. Other funds restricted to use on particular projects and programmes (including capital) amount to £295,359 (2023: £374,686). The remaining funds of £1,428,765 (2023: £907,041) include both designated funds and free general reserves.

Following a review by the Trustees and new executive team, the designation and management of unrestricted funds were simplified in 2024 to support risk management. They now comprise: (1) a Capital Replacement Fund (Assets) equivalent to the net book value of assets held; (2) a Dilapidation & Capital Replacement Fund to be used strategically in relation to key areas of risk management for our physical infrastructure; (3) a designated Creative & Operational Risk Fund, to be set at a minimum target of 2 months' salary and overheads costs but with an intent to grow this further, providing mitigation for key financial risks (particularly income) in relation to our business model and commitment to support artists' right to artistically fail; and (4) maintaining free undesignated reserves at a minimum target of at least 2 months' salary and overhead costs, with an intent to grow this benchmark further, better securing the organisation's long-term viability and capacity to manage short-term turbulence.

As of 31st March 2024, these funds were as follows:

1. Capital Replacement Fund (Assets): £130,695
2. Dilapidation & Capital Investment Fund: £200,000
3. Creative & Operational Risk Fund: £533,000
4. Free reserves: £565,070

Reserves positions and targets are regularly reviewed and adjusted in relation to both forward-looking risks and needs, and the organisation's wider financial position.

On a day-to-day basis, in addition to reserves, ESC monitors its financial position in terms of the availability of cash and cash flow in the business. Vigilant management of the finances and regular financial information provided to the Trustees of ESC seeks to hold sufficient cash to ensure it can fulfil its short and medium-term strategic objectives.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

c. Principal risks and risk management

Building issues are cited as a major risk on our register. The fabric of the building, now over 25 years on from the rebuild and a decade since any significant capital injection, constantly throws up challenges. We require investment to keep it a world-leading space both to create the work in and for the audience experience.

A major risk for the Charity is still the unpredictable nature of fundraising income, with a changing landscape for investment portfolios, and trusts and foundations continuing to focus on areas outside London.

We embrace and rely on a business model that, by necessity, supports the right to artistically fail. With increases in pay and fees – both from wider, external agreements and the desire in-house to pay and support the artists on our stages more to make their careers sustainable – we need to continue to explore innovation in our models and income streams to remain viable and to take artistic risks.

As an organisation, The Royal Court exists to ask difficult questions and present challenging work, meaning we will continue to be in potential conflict with wider views and public taste. We risk assess each piece of work as we programme and look for strategies to mitigate any potential reputational damage or harm to individual artists and staff through training, wellbeing support, social media policies and expert guidance around complex issues.

Strategies are in place at the highest level to support and offset risks, including proactive stakeholder liaison, long-term contingency planning, and a flexible producing model that allows us to respond to external impacts.

The Trustees have a risk management strategy that comprises:

- an annual review of the principal risks and uncertainties that the Charity and its subsidiaries face as laid out in the risk register;
- the establishment of policies, systems and procedures to mitigate those risks as laid out in the risk register; and
- the implementation of procedures designed to minimise or manage any potential impact on the Charity should those risks materialise.

d. Principal funding, financial report, risks and reserves

Our business model continues to depend on multiple factors, each with different implications and risks, all underpinned by well-controlled expenditure and prudent forecasting. We are currently in receipt of Arts Council England NPO funding for 2023 -2026 (with a 5% reduction compared to the previous cycle). This is combined with an ongoing need for fundraising both towards our core operations and the delivery of specific programmes of work, diverse partnerships including with corporate and commercial organisations, and trading income including box office targets. Theatre Tax Relief (TTR) is also a critical part of our model, though the nature of this income – which in cash terms is received significantly in arrears of the year during which it is accrued – presents ongoing challenges to managing cash flow. We continue to work to complete accounts and corporation tax returns as early as possible, while recognising the greater need for other cash balances and reserves to be in place in order to mitigate the impact of delays in receiving TTR payments.

Over the past year, with the change in leadership, we have worked to review different areas of short- and long-term potential for new and growing income streams, with positive initial impacts.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

e. Fundraising

The Royal Court's fundraising activities include seeking and securing financial contributions from individuals, corporations and trusts, foundations and grant-making bodies towards the Royal Court's work. We run an Individual Giving scheme which offers various levels of split memberships which incorporate a benefits package and a charitable donation. This membership scheme ranges from £250 to £10,000 and donations made above this amount are considered Major Gifts. Our Annual Fund encourages low-level one-off donations from audience members outside of our regular giving schemes and these are often made in addition to ticket purchases. We claim Gift Aid on donations made by individuals who are eligible. We welcome legacy gifts and encourage supporters and audience members to remember the Royal Court in their will. We run a Corporate Membership scheme that offers companies different tiers of support ranging from £5,000-£15,000 plus VAT. In addition, we work with companies with whom we share values to create larger partnerships and offer sponsorship opportunities. Partnerships with companies can offer both financial and in-kind support. We seek funds from charitable trusts and foundations and apply for both general core support and funds restricted to specific projects and purposes. Occasionally, we programme special fundraising events to generate additional income throughout the year, including our annual Production Circle, giving special access to a particular production in return for an unrestricted donation.

All fundraising is managed internally and delegated to the Director of Development who is accountable to the Trustees via the Executive.

As well as being guided by our own internal ethical fundraising policy, the Royal Court is a member of the UK Fundraising Regulator to ensure our fundraising activity adheres to their code of conduct and follows best practice. No external professional fundraisers were used in the year and no complaints were received during the year in relation to our fundraising. The Charity makes use of its existing safeguarding policies and practices when fundraising.

Structure, governance and management

a. Constitution

The English Stage Company Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association. The Charity is governed by its Memorandum and Articles of Association. As of 31 March 2024, there were 11 guarantors whose liability in the event of a winding up is limited to £10 each.

b. Methods of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

There is a Council of between five and 20 Trustees. For the purpose of company law, the Trustees are the Directors of the company and are non-executive and unpaid. During the financial period under review, the Trustees met three times. There is one sub-committee for Finance and General Purposes and other sub-committees are set up on an ad hoc basis around recruitment, sustainability etc. The Finance and General Purposes Sub-Committee is made up of Directors and other professionals. It operates under specific terms of reference with certain functions delegated by the Trustees, with its decisions discussed by the full Council. The trading subsidiary for the catering operation also has a Board, the ESCC, which meets quarterly made up of Directors, the Executive team, and other professionals.

The Chief Executive and Artistic Director (not a director as defined by the Companies Act 2006) is appointed by the Trustees to manage the programming, operations and staff of the company working with the Executive Director (also not a director as defined by the Companies Act 2006). Together with the Finance Director, these three form the Executive Team.

Trustees are elected by members of the company at the Annual General Meeting. The English Stage Company Ltd (ESC) Council opts to appoint its Trustees for an unlimited period but regards that appointment as being a three-year appointment, renewable for further terms of three years. The Council meets to review and agree all new appointments in order to secure the best industry and professional expertise. The Council has adopted a policy on governance that incorporates training and trustees' responsibilities.

The Council meets to review the activity of the company and to advise the Executives responsible for carrying out the day-to-day activity of the Charity.

d. Policies adopted for the induction and training of Trustees

New trustees undergo an orientation to brief them on their legal obligations under charity and company law, the Charity Commission's guidance on public benefit, and to inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

e. Pay policy for key management personnel

The Chief Executive and Executive Director review the pay of the employees annually in line with peer organisations of a similar size and consider responsibility levels, London Living Wage, and inflation as well as affordability. The recommended pay increases are included in the annual budget that is taken to the Finance and General Purposes Committee for approval where salaries are discussed in more detail.

The Finance and General Purposes Committee reviews the pay of the Executive and other senior staff periodically.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

At the close of the 2023/24 financial year there is much to look forward to in our immediate future.

In 2024/25 we will launch an ambitious new package of support for playwrights. The Writers' Card will be a membership, free to join for playwrights anywhere who want to make the best use of the resources and opportunities on offer at the Court.

Court in the Square returned for Summer 2024, seeing us again work in collaboration with fellow business around Sloane Square.

The new leadership team have made a staff commitment to convene a cross departmental taskforce to accelerate the implementation of the zero-harm and anti-racism commitments made in 2022, working with the Head of People to create a new organisation-wide code of conduct and reporting system.

In addition, we will present the following programme of work as part of David Byrne's first season as Artistic Director, which we are confident will continue to secure our artistic and financial position during this transitional period. The full programme includes:

- *DUGSI DAYZ* by Sabrina Ali - a Side eYe production
- *BLUETS* based on the book *Bluets* by Maggie Nelson, adapted for the stage by Margaret Perry, directed by Katie Mitchell.
- *LIE LOW* by Ciara Elizabeth Smyth, directed by Oisín Kearney, produced Prime Cut Productions, supported by Culture Ireland.
- *THE BOUNDS* by Stewart Pringle, directed by Jack McNamara, a Live Theatre co-production
- *ECHO* by Nassim Soleimanpour, an NSP Production, co-produced by LIFT (London) / The Royal Court Theatre (London), Staatstheater Mainz, Riksteatern (Sweden), Why Not Theatre (Toronto), Théâtre National Wallonie-Bruxelles (Brussels) / Le Lieu Unique (Nantes), Les Théâtres de la Ville de Luxembourg. In association with The Shed (New York City) and Canberra Theatre Centre.
- *G* by Tife Kusoro, directed by Monique Touko
- *GIANT* by Mark Rosenblatt, directed by Nicolas Hytner
- *BRACE BRACE* by Oli Forsyth, directed by Daniel Raggett
- *EXPENDABLE* by Emteaz Hussain, directed by Esther Richardson

THE ENGLISH STAGE COMPANY LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....

Anthony Burton CBE
Chair

Date: 05-03-25

THE ENGLISH STAGE COMPANY LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH STAGE COMPANY LIMITED

Opinion

We have audited the financial statements of The English Stage Company Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of 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 Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

THE ENGLISH STAGE COMPANY LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH STAGE COMPANY LIMITED
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (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 Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE ENGLISH STAGE COMPANY LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH STAGE COMPANY LIMITED
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charity Commission and sector regulations, and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH STAGE COMPANY LIMITED
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Goodman Jones LLP

Goodman Jones LLP
Chartered Accountants
Statutory Auditors
1st Floor, Arthur Stanley House
40-50 Tottenham Street
London
W1T 4RN

Date: 05-03-25

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Voluntary income	4	3,471,279	377,033	-	3,848,312	3,542,901
Incoming resources from charitable activities	5	1,130,845	-	-	1,130,845	1,357,965
Activities for generating funds	6	1,062,063	-	-	1,062,063	989,786
Investment income	7	29,881	-	-	29,881	16,176
Other incoming resources	8	941,926	-	-	941,926	727,601
Total income and endowments		6,635,994	377,033	-	7,013,027	6,634,429
Expenditure on:						
Raising funds	9	1,099,889	-	-	1,099,889	1,212,611
Charitable activities	10	5,014,381	456,360	-	5,470,741	6,228,297
Total expenditure		6,114,270	456,360	-	6,570,630	7,440,908
Net movement in funds		521,724	(79,327)	-	442,397	(806,479)
Reconciliation of funds:						
Total funds brought forward		907,041	374,686	137,455	1,419,182	2,225,661
Net movement in funds		521,724	(79,327)	-	442,397	(806,479)
Total funds carried forward		1,428,765	295,359	137,455	1,861,579	1,419,182

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 48 form part of these financial statements.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00539332

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	142,464	323,799
		<u>142,464</u>	<u>323,799</u>
Current assets			
Stocks	18	9,639	11,021
Debtors	19	2,291,752	1,607,594
Cash at bank and in hand		1,602,727	467,179
		<u>3,904,118</u>	<u>2,085,794</u>
Creditors: amounts falling due within one year	20	(2,185,003)	(990,411)
Net current assets		<u>1,719,115</u>	<u>1,095,383</u>
Total assets less current liabilities		<u>1,861,579</u>	<u>1,419,182</u>
Total net assets		<u>1,861,579</u>	<u>1,419,182</u>
Charity funds			
Endowment funds	21	137,455	137,455
Restricted funds	21	295,359	374,686
Unrestricted funds			
Designated funds	21	863,695	726,157
General funds	21	565,070	180,884
Total unrestricted funds	21	<u>1,428,765</u>	<u>907,041</u>
Total funds		<u>1,861,579</u>	<u>1,419,182</u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00539332

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



.....
Anthony Burton CBE

Date: 05-03-25

The notes on pages 24 to 48 form part of these financial statements.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00539332

CHARITY BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	133,825	296,054
Investments	16	101	101
		<u>133,926</u>	<u>296,155</u>
Current assets			
Debtors	19	2,327,199	1,747,472
Cash at bank and in hand		1,559,073	356,598
		<u>3,886,272</u>	<u>2,104,070</u>
Creditors: amounts falling due within one year	20	(2,158,619)	(927,238)
		<u>1,727,653</u>	<u>1,176,832</u>
Net current assets		<u>1,727,653</u>	<u>1,176,832</u>
Total assets less current liabilities		<u>1,861,579</u>	<u>1,472,987</u>
Total net assets		<u><u>1,861,579</u></u>	<u><u>1,472,987</u></u>
Charity funds			
Endowment funds		137,455	137,455
Restricted funds		295,359	374,686
Unrestricted funds			
Designated funds		863,695	726,157
General funds		565,070	234,689
		<u>1,428,765</u>	<u>960,846</u>
Total unrestricted funds		<u>1,428,765</u>	<u>960,846</u>
Total funds		<u><u>1,861,579</u></u>	<u><u>1,472,987</u></u>

The Charity's net movement in funds for the year was £388,592 (2023 - £(752,674)).

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00539332

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



.....
Anthony Burton CBE
Chair

Date: 05-03-25

The notes on pages 24 to 48 form part of these financial statements.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	1,105,667	(967,843)
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	29,881	16,176
Purchase of tangible fixed assets	-	(34,682)
	<hr/>	<hr/>
Net cash provided by/(used in) investing activities	29,881	(18,506)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	1,135,548	(986,349)
Cash and cash equivalents at the beginning of the year	467,179	1,453,528
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,602,727	467,179
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 24 to 48 form part of these financial statements

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

The English Stage Company is a charitable company limited by guarantee registered in England and Wales. The registered office and principal place of business is Royal Court Theatre, Sloane Square, London, SW1W 8AS. The liability of each member in the event of winding-up is limited to £10. The main activities of the Charity, as set out in the Trustees' Report on page 5, are to find, develop and produce new plays, creating the conditions for writers, nationally and internationally, to flourish.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The English Stage Company Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements are prepared in Sterling, the functional currency of the Charity and the Group. Monetary amounts in these financial statements are rounded to the nearest £.

2.2 Going concern

After making appropriate enquiries, the Trustees are satisfied that the Charity will continue as a going concern for the foreseeable future.

In making this decision, the Trustees assessed whether the Charity will have sufficient resources to meet its liabilities as they fall due. A change in leadership in January 2024 has marked a time of regeneration from audiences, artists, supporters and funders.

The Finance and General Purposes Committee met with the Executive team to look at the future budgets for both the Charity and the catering subsidiary using key information such as cash flow and management accounts. The Charity was successful with their application to Arts Council England for an extension year of NPO funding for 2026-27. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis when the above income recognition criteria have been met and to the extent that any performance conditions attached to the grants have been met. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Sponsorship and donations are included in the Consolidated Statement of Financial Activities in the year in which they are receivable, or, alternatively, if sponsorship or donations are given for a specific play or project then they are included in the year in which that play or project takes place.

Box office income comprises ticket sales for performances and events in the Jerwood Theatre Downstairs and the Jerwood Theatre Upstairs. For productions occurring wholly within one financial year, revenue is recognised as ticket sales are made and all associated costs are written off in that financial year. Where productions span the year-end, costs and income are recognised in the year in which the press night of the related production takes place

Trading income is stated exclusive of value added tax.

Gifts in kind are recognised as incoming resources when received, at a no cost to the donor, where the amount is material and quantifiable. On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities in proportion to the number of employees directly engaged in each area of activity.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Redundancy and termination costs are recognised in full on the date the redundancy or termination is confirmed.

2.8 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.9 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Charity and its subsidiaries are standard-rated for VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £300 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity and Group assess whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised in the Consolidated Statement of Financial Activities where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Lifetime of the lease, 3-10 years
Plant, machinery, fixtures and fittings	- 3-10 years
Office and computer equipment	- 3-10 years

2.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.12 Stocks

Stocks in the consolidated accounts represent food, liquor, disposable items, books, play texts, programmes, and merchandise held for resale. Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Consolidated Statement of Financial Activities.

2.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Advance expenditure on productions incurred in respect of productions in the future period is carried forward on the balance sheet until they are expensed in the period that the related production has its press night.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.14 Cash at bank and in hand

Cash at bank and 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.

2.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

Income received in the year is deferred where the event to which the income relates is happening in a future period or where the performance conditions attached to the funding have not been met.

2.16 Financial instruments

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

2.17 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.18 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year to which the contributions relate.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

3. Critical accounting estimates and areas of judgement

In the application of the accounting policies, the Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. 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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Income recongition - the Charity may receive income from performance grants. These agreements may include various quantitative and qualitative milestones and performance conditions to be met in order for the Charity to have entitlement to the funds. The Charity makes various assumptions in determining the stage of completion of these performance grants.

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Donations	411,506	120,000	531,506	499,934
Legacies	-	2,200	2,200	3,206
Trusts and foundations	556,200	227,000	783,200	294,700
Public funding	2,236,073	2,833	2,238,906	2,395,061
Corporates	267,500	25,000	292,500	350,000
	<u>3,471,279</u>	<u>377,033</u>	<u>3,848,312</u>	<u>3,542,901</u>
<i>Total 2023</i>	<u>3,208,395</u>	<u>334,506</u>	<u>3,542,901</u>	

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Box office	1,130,845	1,130,845	1,357,965
<i>Total 2023</i>	<u>1,357,965</u>	<u>1,357,965</u>	
		2024 £	<i>2023 £</i>
By geographical segment			
United Kingdom		1,130,845	1,357,965

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
ESC Catering	749,543	749,543	699,994
Royalties, hires, and other trading income	312,520	312,520	289,792
	<u>1,062,063</u>	<u>1,062,063</u>	<u>989,786</u>
<i>Total 2023</i>	<u>989,786</u>	<u>989,786</u>	

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Interest on deposits	28,778	28,778	15,712
Interest receivable	1,103	1,103	464
	<u>29,881</u>	<u>29,881</u>	<u>16,176</u>
<i>Total 2023</i>	<u>16,176</u>	<u>16,176</u>	

8. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Other operating income - ESC Catering	227	227	641
Theatre tax relief	898,364	898,364	719,292
Sundry income	43,335	43,335	7,668
	<u>941,926</u>	<u>941,926</u>	<u>727,601</u>
<i>Total 2023</i>	<u>727,601</u>	<u>727,601</u>	

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Marketing - other costs	87,265	87,265	103,485
Marketing - staff costs	218,351	218,351	235,578
Development - other costs	21,559	21,559	10,163
Development - staff costs	202,630	202,630	196,975
	<u>529,805</u>	<u>529,805</u>	<u>546,201</u>
<i>Total 2023</i>	<u>546,201</u>	<u>546,201</u>	

Other trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Cost of sales	209,725	209,725	229,803
Administration expenses	52,246	52,246	63,549
Cost of sales staff costs	305,028	305,028	366,122
Administration depreciation	3,085	3,085	6,936
	<u>570,084</u>	<u>570,084</u>	<u>666,410</u>
<i>Total 2023</i>	<u>666,410</u>	<u>666,410</u>	

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	<i>Total 2023 £</i>
Performance	3,995,085	80,000	4,075,085	4,791,859
Play development	535,597	137,986	673,583	805,817
General activity	244,358	179,374	423,732	352,166
Participation	239,341	59,000	298,341	278,455
	<u>5,014,381</u>	<u>456,360</u>	<u>5,470,741</u>	<u>6,228,297</u>
<i>Total 2023</i>	<u><u>5,648,011</u></u>	<u><u>580,286</u></u>	<u><u>6,228,297</u></u>	

11. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Performance	3,041,923	1,033,162	4,075,085	4,791,859
Play development	494,064	179,519	673,583	805,817
General activity	55,984	367,748	423,732	352,166
Participation	208,582	89,759	298,341	278,455
	<u>3,800,553</u>	<u>1,670,188</u>	<u>5,470,741</u>	<u>6,228,297</u>
<i>Total 2023</i>	<u><u>4,580,529</u></u>	<u><u>1,647,768</u></u>	<u><u>6,228,297</u></u>	

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Performance 2024 £	Play development 2024 £	General activity 2024 £	Participation 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	274,651	49,045	63,758	24,522	411,976	525,199
Depreciation	27,856	-	134,374	-	162,230	171,075
Other support costs	730,655	130,474	169,616	65,237	1,095,982	951,494
	<u>1,033,162</u>	<u>179,519</u>	<u>367,748</u>	<u>89,759</u>	<u>1,670,188</u>	<u>1,647,768</u>
<i>Total 2023</i>	<u>1,068,446</u>	<u>133,316</u>	<u>350,779</u>	<u>95,227</u>	<u>1,647,768</u>	

12. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity and the Group	22,500	18,000

13. Staff costs

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Wages and salaries	3,462,084	3,760,949	3,143,570	3,385,430
Social security costs	248,085	257,866	233,824	240,339
Contribution to defined contribution pension schemes	95,846	83,668	91,175	78,418
	<u>3,806,015</u>	<u>4,102,483</u>	<u>3,468,569</u>	<u>3,704,187</u>

Included within wages and salaries costs above is an amount of £709,378 (2023: £1,010,578) in respect of freelancers and contractors.

During the year, redundancy and termination payments totalling £69,189 (2023: £23,450) were made.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2024 No.	<i>Group 2023 No.</i>	Charity 2024 No.	<i>Charity 2023 No.</i>
Performances	56	<i>54</i>	56	<i>54</i>
Play development	10	<i>7</i>	10	<i>7</i>
General activity	13	<i>11</i>	13	<i>11</i>
Education	5	<i>5</i>	5	<i>5</i>
ESC Catering Ltd	9	<i>14</i>	-	<i>-</i>
	93	<i>91</i>	84	<i>77</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	<i>Group 2023 No.</i>
In the band £60,001 - £70,000	1	<i>1</i>
In the band £70,001 - £80,000	1	<i>1</i>
In the band £100,001 - £110,000	-	<i>1</i>

During the year, the Charity incurred remuneration costs, including employer's national insurance and employer pension contributions, in respect of key management personnel of £351,934 (2023: £387,101).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Tangible fixed assets

Group

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2023	2,546,394	469,780	221,047	3,237,221
Disposals	-	-	(19,255)	(19,255)
At 31 March 2024	<u>2,546,394</u>	<u>469,780</u>	<u>201,792</u>	<u>3,217,966</u>
Depreciation				
At 1 April 2023	2,325,906	415,732	171,784	2,913,422
Charge for the year	148,535	4,636	12,143	165,314
On disposals	-	-	(3,234)	(3,234)
At 31 March 2024	<u>2,474,441</u>	<u>420,368</u>	<u>180,693</u>	<u>3,075,502</u>
Net book value				
At 31 March 2024	<u>71,953</u>	<u>49,412</u>	<u>21,099</u>	<u>142,464</u>
<i>At 31 March 2023</i>	<u>220,488</u>	<u>54,048</u>	<u>49,263</u>	<u>323,799</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Tangible fixed assets (continued)

Charity

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2023	2,546,394	469,780	186,366	3,202,540
At 31 March 2024	<u>2,546,394</u>	<u>469,780</u>	<u>186,366</u>	<u>3,202,540</u>
Depreciation				
At 1 April 2023	2,325,906	415,732	164,848	2,906,486
Charge for the year	148,535	4,636	9,058	162,229
At 31 March 2024	<u>2,474,441</u>	<u>420,368</u>	<u>173,906</u>	<u>3,068,715</u>
Net book value				
At 31 March 2024	<u>71,953</u>	<u>49,412</u>	<u>12,460</u>	<u>133,825</u>
<i>At 31 March 2023</i>	<u>220,488</u>	<u>54,048</u>	<u>21,518</u>	<u>296,054</u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Fixed asset investments

Information about the subsidiaries of the Charity can be found in note 17.

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2023	101
At 31 March 2024	<u>101</u>
Net book value	
At 31 March 2024	101
<i>At 31 March 2023</i>	<u><u>101</u></u>

17. Principal subsidiaries

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Class of shares
ESC Catering Limited	05710832	Royal Court Theatre, Sloane Square, London, SW1W 8AS	Ordinary
Royal Court Theatre Productions Limited	01759772	Royal Court Theatre, Sloane Square, London, SW1W 8AS	Ordinary
Holding	Included in consolidation		
100%	Yes		
100%	Yes		

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. Principal subsidiaries (continued)

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £
ESC Catering Limited	783,364	(691,146)	92,218
Royal Court Theatre Productions Limited	56,471	(78)	56,393
Net assets £			
	1		
	100		

18. Stocks

	Group 2024 £	Group 2023 £
Catering stock	9,639	11,021

19. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Due within one year				
Trade debtors	417,803	187,069	401,635	176,257
Amounts owed by group undertakings	-	-	79,732	152,970
Other debtors	5,589	20,182	3,757	17,902
Prepayments and accrued income	1,868,360	1,400,343	1,842,075	1,400,343
	2,291,752	1,607,594	2,327,199	1,747,472

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

20. Creditors: Amounts falling due within one year

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Trade creditors	431,938	286,311	423,364	270,983
Other taxation and social security	161,561	75,774	153,440	62,363
Other creditors	48,119	85,212	47,471	67,025
Accruals and deferred income	1,543,385	543,114	1,534,344	526,867
	2,185,003	<i>990,411</i>	2,158,619	<i>927,238</i>
	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Deferred income at 1 April 2023	93,973	165,696	93,973	165,696
Resources deferred during the year	1,354,550	93,973	1,354,550	93,973
Amounts released from previous periods	(93,973)	(165,696)	(93,973)	(165,696)
	1,354,550	<i>93,973</i>	1,354,550	<i>93,973</i>

Deferred income above relates to production sponsorship and other income in advance of the upcoming year.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
Capital Replacement	229,573	-	(17,157)	(81,721)	130,695
Theatre Writing	233,878	-	-	(233,878)	-
Future Developments	262,706	-	-	(262,706)	-
Dilapidation and Capital Investment	-	-	-	200,000	200,000
Creative and Operational Risk	-	-	-	533,000	533,000
	<u>726,157</u>	<u>-</u>	<u>(17,157)</u>	<u>154,695</u>	<u>863,695</u>
General funds					
General Funds	180,884	6,635,994	(6,097,113)	(154,695)	565,070
	<u>180,884</u>	<u>6,635,994</u>	<u>(6,097,113)</u>	<u>(154,695)</u>	<u>565,070</u>
Total Unrestricted funds	<u>907,041</u>	<u>6,635,994</u>	<u>(6,114,270)</u>	<u>-</u>	<u>1,428,765</u>
Endowment funds					
Endowment Fund	137,455	-	-	-	137,455
	<u>137,455</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,455</u>
Restricted funds					
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre	17,048	1,402	-	-	18,450
ACE Capital Project Fund	93,072	-	(93,072)	-	-
Participation Fund	14,276	59,000	(59,000)	-	14,276
International Play Development	67,177	2,833	(63,803)	-	6,207
Capital Matched Funding	58,077	-	(41,302)	-	16,775
Writer Development	71,823	68,000	(72,183)	-	67,640
Legacy Fund	37,131	798	(2,000)	-	35,929
New Playwrights and performance	-	200,000	(80,000)	-	120,000
Core Activity	-	45,000	(45,000)	-	-

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
	<u>374,686</u>	<u>377,033</u>	<u>(456,360)</u>	<u>-</u>	<u>295,359</u>
Total funds	<u><u>1,419,182</u></u>	<u><u>7,013,027</u></u>	<u><u>(6,570,630)</u></u>	<u><u>-</u></u>	<u><u>1,861,579</u></u>

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Statement of funds (continued)

Designated Funds

Designated funds were restructured in the year as disclosed in the Trustees' Report.

Capital Replacement Fund - used to service the depreciation charge on capital purchases not funded elsewhere and matches net book value of the relevant group of tangible assets.

Theatre Writing Fund - used to cover commission payments, liabilities arising through timing of script delivery and expenditure on shows and play development.

Future Development Fund - held for future work and activity. This fund is considered by the Trustees when looking at the reserves policy.

Dilapidation and Capital Investment Fund - to be used strategically in relation to key areas of risk management for our physical infrastructure.

Creative and Operational Risk Fund - set at a minimum target of two months overhead, salary and admin expenditure.

COVID Recovery Fund (prior year only) - ensured donations received for the recovery of the theatre's activities and fabric are used accordingly.

Restricted Funds

Neville Blond Fund - this fund was set up in 1987 to commemorate Neville Blond and is used to provide bursaries for young writers.

Clare McIntyre Fund - set up in 2010 to support writers' attachments to the theatre.

ACE Capital Project Fund - this fund represents the grant awarded for the refurbishment project and will be depreciated proportionally.

Participation Fund - this fund is dedicated to encouraging and developing young writers. We aim to show-case the work by putting on a bi-annual Young Writers Festival.

International Play Development and Performance - this fund is dedicated to developing and nurturing playwriting talent outside the UK.

Capital Matched Fund - this fund was set up to provide a matched contribution as part of the capital project.

Writer Development Initiative - this fund supports the play development work of the Royal Court Theatre.

Legacy Fund - relates to donations in memory of a member of staff that is to be put towards a project in the next year.

New Playwrights initiative - this fund supports the development and production of plays at the Royal Court Theatre.

Reopening Fund (prior year only) - comprises restricted funds donated to support the theatre and cultural recovery when the doors re-opened and we able to stage work again.

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£
Unrestricted funds				
Designated funds				
Capital Replacement	246,730	-	(17,157)	229,573
Theatre Writing	233,878	-	-	233,878
Future Developments	262,706	-	-	262,706
Dilapidation and Capital Investment	615,000	-	(615,000)	-
	<u>1,358,314</u>	<u>-</u>	<u>(632,157)</u>	<u>726,157</u>
General funds				
General Funds	109,426	6,299,923	(6,174,660)	234,689
Trading subsidiaries	-	-	(53,805)	(53,805)
	<u>109,426</u>	<u>6,299,923</u>	<u>(6,228,465)</u>	<u>180,884</u>
Total Unrestricted funds	<u>1,467,740</u>	<u>6,299,923</u>	<u>(6,860,622)</u>	<u>907,041</u>
Endowment funds				
Endowment Fund	<u>137,455</u>	<u>-</u>	<u>-</u>	<u>137,455</u>
Restricted funds				
Neville Blond Fund	16,082	-	-	16,082
Clare McIntyre	15,648	1,400	-	17,048
ACE Capital Project Fund	183,044	-	(89,972)	93,072
Participation Fund	14,276	92,000	(92,000)	14,276
International Play Development	142,977	41,300	(117,100)	67,177
Capital Matched Funding	104,385	5,000	(51,308)	58,077
Writer Development	42,351	113,000	(83,528)	71,823
Legacy Fund	35,325	1,806	-	37,131
New Playwrights and performance	13,000	80,000	(93,000)	-
Reopening Fund	53,378	-	(53,378)	-

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£
	620,466	334,506	(580,286)	374,686
Total funds	2,225,661	6,634,429	(7,440,908)	1,419,182

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024	Restricted funds 2024	Endowment funds 2024	Total funds 2024
	£	£	£	£
Tangible fixed assets	142,464	-	-	142,464
Current assets	3,471,304	295,359	137,455	3,904,118
Creditors due within one year	(2,185,003)	-	-	(2,185,003)
Total	1,428,765	295,359	137,455	1,861,579

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023</i>	<i>Restricted funds 2023</i>	<i>Endowment funds 2023</i>	<i>Total funds 2023</i>
	£	£	£	£
Tangible fixed assets	323,799	-	-	323,799
Current assets	1,573,653	374,686	137,455	2,085,794
Creditors due within one year	(990,411)	-	-	(990,411)
Total	907,041	374,686	137,455	1,419,182

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	442,397	(806,479)
Adjustments for:		
Depreciation charges	165,315	178,012
Interest and dividends	(29,881)	(16,176)
Loss on the sale of fixed assets	16,021	-
Decrease/(increase) in stocks	1,382	(1,372)
Increase in debtors	(684,159)	(398,926)
Increase in creditors	1,194,592	77,098
Net cash provided by/(used in) operating activities	1,105,667	(967,843)

24. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	1,602,727	467,179
Total cash and cash equivalents	1,602,727	467,179

25. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	467,179	1,135,548	1,602,727
	467,179	1,135,548	1,602,727

THE ENGLISH STAGE COMPANY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

26. Operating lease commitments

At 31 March 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024	<i>Group 2023</i>	Charity 2024	<i>Charity 2023</i>
	£	£	£	£
Not later than 1 year	124,125	<i>123,000</i>	124,125	<i>123,000</i>
Later than 1 year and not later than 5 years	519,000	<i>513,375</i>	519,000	<i>513,375</i>
Later than 5 years	830,813	<i>960,563</i>	830,813	<i>960,563</i>
	1,473,938	<i>1,596,938</i>	1,473,938	<i>1,596,938</i>

English Stage Company agreed a new 15 year lease with Cadogan Estates in November 2020 and this was signed on 14 July 2022.

27. Related party transactions

The following transactions took place during the year between the Charity and Council Members:

Anthony Burton, trustees, is a member of the law firm Simons, Muirhead & Burton which receives fees for ad hoc legal work provided to the Charity. These services are separate from the work carried out by Antony Burton in his capacity as a Council member for which he receives no remuneration. During the year, Simons, Muirhead & Burton received remuneration for their services of £500 (2023: £nil).

During the year, Trustees made donations of £65,035 in aggregate (2023: £6,350). No restrictions were attached to these donations.

The following transactions took place during the year between the Charity and its trading subsidiaries:

ESC Catering Limited

During the year, the Charity recognised income of £38,413 (2023: £nil) from ESC Catering Limited in respect of distribution of profits for the year. During the year, the Charity made recharges to ESC Catering Limited of £146,239 (2023: £120,902) and was charged £35,713 (2023: £32,789) by ESC Catering Limited. At the balance sheet date, an amount of £77,223 (2023: £97,506) was owed by the subsidiary to the Charity.

Royal Court Theatre Productions Limited

During the year, the Charity recognised income of £56,393 (2023: £46,739) from Royal Court Theatre Productions Limited in respect of distribution of profits for the year. At the balance sheet date, an amount of £2,509 (2023: £55,464) was owed by the subsidiary to the Charity.

All transactions above have been disclosed net of VAT where applicable.

THE ENGLISH STAGE COMPANY LIMITED

England & Wales - Charity number 231242

Accounts

THE ENGLISH STAGE COMPANY LIMITED

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Registered Charity Number: 231242

Registered Company Number: 539332

THE ENGLISH STAGE COMPANY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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THE ENGLISH STAGE COMPANY LIMITED

TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2023

Principal Address and Registered Office

Royal Court Theatre, Sloane Square, London, SW1W 8AS

Trustees and advisors

The Trustees who are also the directors of the company for the purpose of the Companies Act, form the Council of the English Stage Company Ltd.

Anthony Burton CBE (Chair)
Graham Devlin CBE (Vice-Chair) (resigned 17 May 23)
Jeanette Arnold
Judy Daish (resigned 21st November 22)
Pamela Jikiemi
Mwenya Kawesha
James Midgley
Winsome Pinnock (resigned 21st November 22)
Andrew Rodger
Anita Scott
Lord Stewart Wood
Mahdi Yahya

Senior Management Team

Executive

Artistic Director and CEO - Vicky Featherstone
Executive Director - Lucy Davies (resigned 31st May 22)

Senior Managers

Finance Director - Helen Perryer
General Manager - Catherine Thornborrow (resigned 14th February 23)
Head of Production - Marius Rønning

Company Secretary

Helen Perryer

Auditors

Goodman Jones LLP, 29/30 Fitzroy Square, London, W1T 6LQ

Principal Bankers

Barclays Bank, United Kingdom House, 7th Floor, 180 Oxford Street, London, W1D 1EA

Solicitors

Simons Muirhead & Burton,
8-9 Frith Street, Soho, London, W1D 3JB

Other principal advisors

Wrightsure Services Ltd, t/a Performers, Wrightsure House, 799 London Road, West Thurrock, Essex, RM20 3LH

THE ENGLISH STAGE COMPANY LIMITED

CHAIR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Chair's Report

This has been a watershed year at the Royal Court with the beginning of the year marking the departure of Lucy Davies, our Executive Producer after 9 years in April 2022, and the announcement of the departure of Vicky Featherstone, our 13th Artistic Director after 10 years at the helm in February 2023.

We were fortunate to secure the interim appointment of Erica Campayne as Interim Executive Director on secondment from Arts Council England who joined us in July.

This was also the year we had to apply to become a National Portfolio Organisation for the period 2023-26. The results, announced in November have led to tumultuous and often life-changing outcomes for so many in the sector. In the end, we lost 5% which is better than expected and comes down to the exceptional role we play in the tireless search, discovery and development of new writers and plays, but we must note this cut will still be devastating to deal with as we approach our plans for next year.

10 years of standstill funding are taking its toll and while we are seeking more robust business models for the future, a lean staff team, prudent financial management and robust commercial activity it remains a very delicate balance.

In spite of such uncertainty and change, we have achieved an incredible amount this year, focusing on programme and organisational change. Our work has surprised and delighted audiences with new communities seeing themselves represented and joining the audience at the Royal Court. It was thrilling to see the theatre taken over for Sound of the Underground by artists from the underground queer community and that we are still able to respond to world events in the form of Sokhan Begoo supporting the women-led uprising in Iraq.

We began the vital work of creating a bespoke Royal Court archive – Living Archive with support from Bloomberg and it was a particular pleasure to host a round table with the new US Envoy for Antisemitism, Deborah Lipstadt, on her first trip outside the US.

We have worked with a wonderful array of partners including British Council, two International Theatre Festivals, Public Theatre - New York and Woolly Mammoth, Clean Break, Outside Edge, Nouveau Riche and New Diorama Theatre as well as Nimax. We are grateful to the investors and donors and trusts and foundations who enable us to continue to make risk-taking and challenging work in an increasingly fearful and uncertain climate.

We also celebrate the third year of Court in the Square and its welcoming space overseen by Robert Smael, for outside drinking and dining.

The board is very grateful to Vicky Featherstone, Lucy Davies and Helen Perryer, for navigating the Royal Court through 10 years of enormous, challenging and vital change both internally and externally and to all the staff, writers and artists, funders and audience who have given so much to be part of it.

As ever at the Royal Court, our job is to look to the future and so we look ahead to the handing over the reins to the newly appointed David Byrne as Artistic Director who will begin in January 2024 and to the next chapter of this mighty institution.



Anthony Burton CBE
Chair

08-12-23

Date:.....

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2023

The following sections represent the strategic report for the year ended 31 March 2023.

Structure, Governance and Management
Objectives and Activities of the Charity
Achievements, Performance and Future Plans
Financial Review
Reserves and Policy Statements

Structure, Governance and Management

The registered charity which is a company limited by guarantee incorporated on 16 October 1954, is governed by its memorandum and articles of association. As at 31 March 2023, there were 12 guarantors whose liability in the event of a winding up is limited to £10 each. These accounts are prepared in accordance with SORP 2015 and the Companies Act 2006.

There is a Council of between five and 20 Trustees. For the purpose of company law, the Trustees are the Directors of the company and are non-executive and unpaid. During the financial period under review, the Trustees met four times. There is one sub-committee for Finance and General Purposes and a Development Council. The Finance and General Purposes Sub-Committee and Development Council are made up of Directors and other professionals. Both operate under specific terms of reference with certain functions delegated by the Trustees. Each has its decisions discussed by the full Council. The trading subsidiary for the catering operation also has a Board, which meets quarterly made up of Directors, the Executive team, and other professionals.

The Chief Executive (and Artistic Director - not a director as defined by the Companies Act 2006) is appointed by the Trustees to manage the programming, operations and staff of the company working with the Executive Director / Producer. Together with the Finance Director, these three form the Executive Team.

Trustees are elected by the members of the company at the Annual General Meeting. The English Stage Company Ltd (ESC) Council opts to appoint its Trustees for an unlimited period but regards that appointment as being a three-year appointment, renewable for further terms of three years. The Council meets to review and agree all new appointments in order to secure the best industry and professional expertise. The Council has adopted a policy on governance that incorporates training and trustees' responsibilities.

The Council meets to review the activity of the company and to advise the Executives responsible for carrying out the day-to-day activity of the company.

Trustee induction and training

New trustees undergo an orientation to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Pay policy for senior staff

The Chief Executive and Executive Director review the pay of the employees annually in line with peer organisations of a similar size and consider responsibility levels, London Living Wage and inflation as well as affordability. The recommended pay increases are included in the annual budget that is taken to Finance and General Purposes Committee for approval where salaries are discussed in more detail.

The Finance and General Purposes Committee review the pay of the Executive and other senior staff periodically.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Risk management

Building issues are cited as a major risk on our register - the fabric of the building 25 years on from the rebuild and nearly 10 years since we had any capital injection constantly throws up challenges. We need investment to keep it a world-leading space both to create the work in and for the audience experience.

A major risk for the charity is still the unpredictable nature of fundraising income with a changing landscape for investment portfolios and trusts and foundations continuing to focus on areas outside London.

The business model which has supported the right to fail alongside success is no longer sustainable. With an increase in pay and fees and the continued ambition of the playwrights for the work, we will need to seek new business models and funding streams and incorporate more commercial work to increase income and security.

The Royal Court, as an organisation that exists to ask difficult questions and put on challenging work will continue to be at risk within the social media tumult of differing opinions. We risk assess each piece of work as we programme and look for strategies to mitigate any potential reputational damage or harm to individual artists and staff through training, wellbeing support, social media policies and expert guidance around complex issues.

Strategies are in place at the highest level to support and offset risks, including proactive stakeholder liaison, long-term contingency planning, and a flexible producing model that allows us to respond to external impacts.

The trustees have a risk management strategy that comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face as laid out in the risk register;
- the establishment of policies, systems and procedures to mitigate those risks as laid out in the risk register; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Our objectives and activities

The Royal Court Theatre is the writers' theatre. It is the leading force in world theatre for finding writers and producing new plays that are original, contemporary and provocative. The Royal Court's mission is to be meaningfully engaged with civic, political, domestic and international life; giving writers a home in which to tackle big ideas and tell extraordinary stories, and to share their work with the widest possible audience.

The purposes of the charity are:

- to advance the education of the public in all aspects of world class contemporary playwriting
- to cultivate, train and develop new playwriting talent, diversifying pathways to writing for the stage
- the development of public appreciation of art by the provision of theatre and the presentation of public performances; and
- to further the social and cultural welfare of the communities in which we work throughout London

The vision that shapes our annual activities has been consistent for 60 years, and this year was Year Four of a four-year strategic and business plan approved by the Board and Arts Council England.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

guidance on public benefit. The theatre relies on Arts Council England funding, fundraising income and the revenue from tickets and trading to cover its operating costs. Affordability and access is critical to us in setting pricing.

We endeavour to represent and encourage all those within London's communities to attend or take part. We work with local and Greater London schools and many higher education institutions across the UK.

The strategies employed to achieve the charity's aims and objectives in the year ended 31 March 2023 were to:

- Present up to 10 ambitious and unique new plays by the UK's leading and emerging playwrights across both theatre spaces.
- Extend our work internationally both with homegrown work and ongoing commitments to writers in the countries we are working with, building on the international writer relationships developed over many years.
- Offer opportunities for a broad range of people to get involved in arts activities as audience member and/or participant through Open Court.
- Read up to 3000 new plays and commission writers.
- Continue an unrivalled pipeline of writer development and talent development through our writer development activity of writer's groups and play development workshops.
- Continue to work in collaboration with the UK theatre sector to develop and disseminate skills and good practice
- Offer accessible price points for tickets to all our plays and actively seek new audiences for the diversity of the work whilst maximising on ticket income
- Actively promote and celebrate the diversity of cultures and people in our society by working with artists of different backgrounds.

Achievements and Performance

Talent Development and Work on Stage

The Royal Court exists to discover and develop writers who challenge our perceptions of the world we live in. The focus, scale and impact with which we consistently do that is unrivalled in the UK theatre ecology.

We issued 8 commissions to writers over this year, held 8 writer's groups for 85 writers and ran 14 play or project development workshops involving over 100 artists including composers, designers, actors, choreographers as well as the playwrights. We also ran a week of Artist Lab curated by Nick Cassenbaum. Of the 9 plays produced 6 were debut writers.

Among those we also transferred FOR BLACK BOYS WHO HAVE CONSIDERED SUICIDE WHEN THE HUE GETS TOO HEAVY by Ryan Calais Cameron successfully to the West End and finally - post Covid interruption – we took the award-winning SEVEN METHODS OF KILLING KYLIE JENNER by Jasmine Lee Jones to New York and Washington as well as benefitting from the revival of the mighty JERUSALEM by Jez Butterworth in the West End.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The full list of work produced in 2022 – 2023:

TWO PALESTINIANS GO DOGGING by Sami Ibrahim, directed by Omar Elerian
THAT IS NOT WHO I AM by Dave Davidson AKA RAPTURE by Lucy Kirkwood, directed by Lucy Morrison
JEWS. IN THEIR OWN WORDS by Jonathan Freedland, from an idea by Tracy-Anne Oberman – co-directed by Vicky Featherstone and Audrey Sheffield
NOT ONE OF THESE PEOPLE by Martin Crimp – directed by Christian Lapointe, a co-production with carte blanche (Québec City) and the Carrefour international de théâtre (Québec City)
WORD-PLAY by Rabiah Hussain – directed by Nimmo Ismail

BAGHDADDY by Jasmine Naziha Jones – directed by Milli Bhatia

12 ONE NIGHT STANDS with Jade Anouka and Grace Savage, Chris Thorpe, Siobhán McSweeney and Amalia Vitale, Ray Filar and Dex Chait Grochner, Yomi Şode, Lola-Rose Maxwell and Charlie Kemp, Felix Mufti, In Bed With my Brother, Inua Ellams.

SOUND OF THE UNDERGROUND co-created by Travis Alabanza and Debbie Hannan

SEVEN METHODS OF KILLING KYLIE JENNER by Jasmine Lee Jones – directed by Milli Bhatia, a transfer to the Public Theater in New York and the Woolly Mammoth in Washington DC

GRACELAND by Ava Wong Davies – directed by Anna Himali Howard with Izzy Rabey, a co-production with Sister Pictures

BLACK SUPERHERO by Danny Lee Wynter – directed by Daniel Evans

FOR BLACK BOYS WHO HAVE CONSIDERED SUICIDE WHEN THE HUE GETS TOO HEAVY by Ryan Calais Cameron – a West End transfer to the Apollo Theatre with New Diorama and Nouveau Riche

Other work for this year included:

Collaborations with Outside Edge, Open Door and Intermission, a series of readings by Japanese writers in collaboration with New National Theatre of Tokyo, Sokhan Begoo - an evening of Iranian readings curated by Diyan Zora and Sepy Baghaei in response to the woman-led uprising in Iran as well as a memorial for the playwright Robert Holman, and a book launch and reading of Abi Morgan's This is not a Pity Memoir.

We also developed and launched Living Archive Vol 1.

Reach and Inclusion

The programme is deliberately diverse, expansive and broad – we are as ambitious for developing our audiences as we are for our artists and participants. We are constantly looking for ways to broaden our audience across different platforms and stages nationally and internationally as well as at our home in Sloane Square. We aim to work with artists and draw an audience that is representative of London and are constantly striving to increase attendance and participation in our work for those with access needs.

The primary artists/writers at the heart of the work are representative of the plural make-up of the city across gender, identity, disability and socio-economic background.

We continue to offer relaxed performances, in-house captioned performances and BSL performances.

As part of our decision to use the Royal Court as a civic space we began a warm spaces project in response to the Cost-of-Living Crisis. Throughout the autumn and leading up to Christmas we invited the Ukrainian community who had been meeting in a small Italian school locally, into the building, offering books and toys for the children, food, English lessons and legal support and finally hosting a Christmas party for the community. This offer was attended overall by 465

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Ukrainian refugees living in RBKC.

Over the course of the year, we worked closely with 2344 participants in workshops at the Royal Court, in prison, in schools and further education establishments.

We offered 2910 Encounters (a ticket and an engagement with the creative team or building) to people who had not attended the theatre before, concentrating this on FOR BLACK BOYS... in the West End, SOUND OF THE UNDERGROUND, BLACK SUPERHERO, and BAGHDADDY.

We began our first year of our 21 schools engagement supported by John Lyons with teacher workshops, pupil workshops and theatre visits.

International Work

This year saw the delivery of several major new writers group projects in partnership with organisations around the world. These included a new writers group in Mexico with the UNAM University Theatre and Anglo Arts, delivered through an online phase of work and a writers workshop in Mexico City and the Royal Court's first group for writers in the Caribbean, working with writers from Barbados, Jamaica and Trinidad & Tobago both online and through an in-person gathering in Barbados in association with the British Council. Finally, we instigated a project for Iraqi Female Playwrights led by director Diyan Zora, with a hugely successful callout for writers and an intensive phase of online workshops delivered with the Shubbak Festival.

Residencies at the Court took place with writers from Peru, France, Canada and the United States. And we launched brand new projects for freelance artists in the UK including two iterations of our Introduction to Translation Group for first-time theatre translators and the No Borders project, a long-term attachment for a group of migrant theatre makers exploring new forms for work. Public outcomes included the delivery of a filmed version of our successful production of A Fight Against (Una Lucha Contro...) and a podcast series of interviews with international artists helmed by director Omar Elerian. The last in a series of brand-new projects undertaken was a worldwide call out for Portuguese language plays, designed to identify a series of writers for translation and residency invitation.

Funders and Partners

Despite multiple internal changes to the Development team, this year saw much success in creating new funding connections across Individuals, Trusts, and Corporates as well as maintaining strong and engaged relationships with existing funders, who do so much to support and further our work at the Royal Court. As in the past, much of our play development work this year has been supported through trust and foundations. Including a new, 2-year grant with Jerwood Arts under their Jerwood Developing Artists fund, which continues to support the long-running Jerwood New Playwrights programme but has also now been extended support to wider writer development, including specific funding for the successful Intro to Playwriting Group.

Our participatory work also received significant support through trust and foundations, including a new 3-year grant with John Lyon's Charity, focusing on Open Court's innovative 21 Schools project and the continued, generous support from the Backstage Trust who entered year 2 of their 3-year grant. Other support included generous grants from the Richard Radcliffe Foundation, Victoria Wood Foundation and the Rose Foundation. In addition, we were extremely pleased to receive significant funding from the Bloomberg Digital Accelerator grant for the Living Archive project, which is now due to publicly launch in late 2023, thanks to their support.

We continue to be generously supported by our individual donors, who remain our largest fundraised income stream. This group give through their annual membership as well through other campaigns across the year. Corporate membership income has also remained steady, with significant support from our ongoing, lead Corporate Sponsor in year 2 of 3 of their agreement, 2 new in-kind Corporate Sponsors, and renewed Corporate members.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Environmental sustainability

We are proud of our readiness to step into sector-leading work in this field. We have continued to work co-operatively with fellow LTC theatres to progress the shared strategy for the environmental impact of our work. With LTC, we are part of the Arts Council Accelerator programme with an ambitious roadmap of sustainable ambitions to 2025. The Court was awarded 5* in our Industry Green certification. We have committed to delivering productions to Green Book Baseline targets (50%/65%) which means 50% Of materials used in the production; Set, Props, Costumes etc. has had a previous life and 65% of materials used are re-used or recycled. A clause has gone into the creative team contracts, committing to work within Green Book Targets.

Digital Distribution

Our digital strategy remains vital to our ambition for our work to have the widest most accessible reach possible and is also part of our sustainability strategy.

This year saw creation of the film from our production of A FIGHT AGAINST... (UNA LUCHA CONTRA...) by Pablo Manzi, directed by Sam Pritchard in our co-production with Santiago Amil festival in Chile. This was created instead of a touring live version to the festival.

We also continued our podcast series with a wide-reaching and very well-received set of podcasts hosted by Omar Elerian speaking to international writers - Caro Black Tam (Peru), Nazareth Hassan (USA), Pablo Manzi (Chile) and Amir Gudarzi (Iran).

Our digital accelerator programme supported by Bloomberg is enabling us to approach creating an online digital fully accessible archive of the Royal Court. This is the beginning of a larger piece of work and will be launched in autumn 2023.

Financial Report and Risks

The challenges that face the Arts Council to ensure a National reach has meant some National Portfolio recipients have seen their funding stand still for over a decade. We were successful with our application for NPO funding for 2023 -2026 but with a 5% reduction. A balanced budget relies on fundraised income which remains competitive and extremely unpredictable, so the 5% gap at a time of rising costs is acutely felt. A sustainable and innovative business model supports the Royal Court's artistic programme together with the practice of well-controlled expenditure, prudent forecasting, energetic fundraising, diverse partnerships and being live to commercial activity is the strategy to plug that gap but longer-term we need to find new business models to sustain the theatre.

What has been more difficult to predict in the last 12 -18 months is audience behaviour which has had a significant impact on the not for profit theatre sector. Theatre Tax Relief (TTR) is a lifeline for the arts in the UK and has certainly been a game changer for the West End. For institutions like the English Stage Company, TTR at a level of 45% for in house productions or 50% for touring represents a significant sum. The nature of the receipt of TTR at one point in the year, given the sum, has now become a real concern for the cash flow of the organisation. The Trustees are aware that ESC can quickly deplete reserves and should continue to complete the accounts and corporation tax returns as early as possible to maximise a positive cash flow potential.

The change of leadership offers a unique period of time from the beginning of January to re-launch and re generate audiences, sponsors and donors alike. We will look to build reserves over the next few years to levels that provide a day to day cushion but also mitigate any cash flow challenges.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves

At the year-end date, ESC had total reserves of £1.42m (2022: £2.23m). There is an endowment fund of £137k (2022: £137k) established to support exploitation of the Charity's work; other funds restricted to use on particular projects and programmes (including capital) amount to £375k (2022: £620k). The remaining funds of £907k include funds designated by the Board of £497k for new writing and future development, with capital a replacement fund of £230k. This leaves free reserves of £180k, which is a realistic figure given that the designated funds exist to support the objects of the Charity.

On a day-to-day basis, ESC monitors its financial position less in terms of free reserves, and more in terms of the availability of cash and cash flow in the business. Our cash-flow, like other theatres, results in peaks and troughs of cash at certain times of the year and through vigilant management of the finances and regular financial information provided to trustees ESC seeks to hold sufficient cash to ensure it can fulfil its short- and medium-term strategic objectives. The nature of the receipt of Theatre Tax Relief at one point in the year is challenging for the cash flow of the organisation. The Trustees are aware that through cash flow projections ESC can quickly deplete reserves and should continue to complete the accounts and corporation tax returns as early as possible to maximise a positive cash flow potential.

Fundraising

The Royal Court's fundraising activities include seeking and securing financial contributions from individuals, corporations and trusts, foundations and grant-making bodies towards the Royal Court's work. We run an Individual Giving scheme which offers various levels of split memberships which incorporate a benefits package and a charitable donation. This membership scheme ranges from £250 to £10,000 and donations made above this amount are considered Major Gifts. Our Annual Fund encourages low-level one-off donations from audience members outside of our regular giving schemes and these are often made in addition to ticket purchases. We claim Gift Aid on donations made by individuals who are eligible. We welcome legacy gifts and encourage supporters and audience members to remember the Royal Court in their will. We run a Corporate Membership scheme that offers companies different tiers of support ranging from £5,000-£15,000 plus VAT. In addition, we work with companies with whom we share values to create larger partnerships and offer sponsorship opportunities. Partnerships with companies can offer both financial and in-kind support. We seek funds from charitable Trusts and Foundations and apply for both general core support and funds restricted to specific projects and purposes. Occasionally, we programme special fundraising events to generate additional income throughout the year, which includes our annual Production Circle, which gives special access to a particular production in return for an unrestricted donation.

All fundraising is managed internally and delegated to the Director of Development who is accountable to the Trustees via the Executive.

As well as being guided by our own internal ethical fundraising policy, the Royal Court is a member of the UK Fundraising Regulator to ensure our fundraising activity adheres to their code of conduct and follows best practice. No complaints were received during the year in relation to our fundraising.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Future Developments

We will continue to look at the Royal Court as a civic space in line with ACE Let's Create priorities, maximising opportunities for our communities both local and the writing community, to use the building as much as possible.

We will continue the success of Court in the Square looking towards an increased footprint and building relationships with our fellow companies around the Sloane Square.

We will be developing our online Living Archive and finding new funding streams for it.

As we settle into year 1 of the new NPO we will begin new methods of evaluation and increase accountability.

We will be looking to increase our hires and commercial arm of the organisation.

We will further embed the What If? and Zero Harm work into our practices with a renewed induction and code of conduct and the appointment of a Head of People.

In addition, we will present the following work:

- NO I.D. by Tatenda Shamiso – a transfer from VAULT Festival
- ALL OF IT by Alistair McDowall – directed by Vicky Featherstone and Sam Pritchard, also to be presented at Festival D'Avignon
- HOPE HAS A HAPPY MEAL by Tom Fowler – directed by Lucy Morrison
- CUCKOO by Michael Wynne, in partnership with Liverpool Everyman and Playhouse – directed by Vicky Featherstone
- WORD-PLAY by Rabiah Hussain – directed by Nimmo Ismail
- IMPOSTER 22 by Molly Davies – co-created by Kirsty Adams, Cian Binchy, Housni Hassan (DJ), Dayo Koleosho, Stephanie Newman, Lee Phillips and Charlene Salter, from an original idea by Hamish Pirie
- BLUE MIST by Mohamed-Zain Dada – directed by Milli Bhatia
- MATES IN CHELSEA by Rory Mullarkey – directed by Sam Pritchard
- COWBOIS by Charlie Josephine – a Royal Shakespeare Company Production
- A short series of work from Edinburgh Fringe made by artists with a relationship with the Royal Court

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

The Council Members are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations.

Company law requires the Council Members to prepare financial statements for each financial year. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements the Council Members are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation

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

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

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. It has been a challenging year for audience attendance amongst the subsidised theatre sector which together with a subdued fundraising potential, has given the organisation a significant financial challenge. A change in leadership in January 2024 marks a time for change and regeneration and the Board are confident with their support that the organisation will be able to rejuvenate audiences and donors to build reserves and reach financial health. English Stage Company were successful with their application to Arts Council England for NPO funding for 2023-26. The Finance and General Purposes Committee met with the Executive team to look at the future budgets for both the Charity and Catering Subsidiary using key information such as cash flow and management accounts. The Trustees consider that the ongoing NPO funding despite a 5% cut will ensure the Charity can meet their commitments and liabilities for the period. The Catering Subsidiary will continue to run an operation in the square which provides the potential for financial security success. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

AUDITORS

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

08-12-23

Signed on behalf of the Trustees on by:



Anthony C Burton CBE - Director

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ENGLISH STAGE COMPANY LIMITED

Opinion

We have audited the financial statements of English Stage Company Limited ('the parent charity') and its subsidiaries (together 'the group') for the year ended 31 March 2023 set out on pages 14 to 35. 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 group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Charity'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ENGLISH STAGE COMPANY LIMITED

Matters on which we are required to report by exception.

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE ENGLISH STAGE COMPANY LIMITED**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Goodman Jones LLP

Goodman Jones LLP

Statutory Auditors and Chartered Accountants
29/30 Fitzroy Square
London
W1T 6LQ
Date: ...08-12-23....

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ENGLISH STAGE COMPANY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Designated and unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME FROM:						
Voluntary income	3	3,208,395	334,506	-	3,542,901	3,961,393
Activities for generating funds	9	982,072	-	-	982,072	744,437
Investment income	4	16,176	-	-	16,176	819
Total		4,206,643	334,506	-	4,541,149	4,706,649
Incoming resources from charitable activities	5	1,357,965	-	-	1,357,965	779,731
Other incoming resources		735,315	-	-	735,315	417,522
Total incoming resources		6,229,923	334,506	-	6,634,429	5,903,902
EXPENDITURE ON:						
Costs of raising funds						
Costs of generating voluntary income	6	546,201	-	-	546,201	430,462
Trading costs	6	671,762	-	-	671,762	571,860
Total costs of raising funds		1,217,962	-	-	1,217,962	1,002,322
Charitable activities	5a	5,642,659	580,286	-	6,222,945	5,551,174
Total resources expended	6	6,860,622	580,286	-	7,440,908	6,553,496
Net movement in funds		(560,699)	(245,780)	-	(806,479)	(649,595)
Balances brought forward at 1 April 2022		1,467,740	620,466	137,455	2,225,661	2,875,256
Balance carried forward at 31 March 2023		907,041	374,686	137,455	1,419,182	2,225,661

The income and expenditure detailed above all arises from continuing operations. There were no discontinued operations in the year. The charity has no recognised gains and losses other than those above and therefore no separate Statement of Total Recognised Gains and Losses has been presented. There is no difference between the net movement in funds for the year stated above and its historical cost equivalent.

The notes on pages 17 to 35 form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31 MARCH 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
FIXED ASSETS					
Tangible assets	11a	323,799	467,129	296,054	467,129
Tangible assets - redevelopment	11b	-	-	-	-
Investments	12	-	-	101	101
		323,799	467,129	296,155	467,230
CURRENT ASSETS					
Stock	13	11,021	9,649	-	-
Debtors: amounts falling due within one year	14	1,603,075	1,018,938	1,742,953	1,032,177
Advance expenditure on productions		8,383	189,730	8,383	189,730
Cash and cash equivalents		467,179	1,453,528	356,598	1,397,792
		2,089,658	2,671,845	2,107,934	2,619,699
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	15	(900,302)	(747,617)	(837,129)	(695,572)
Deferred income	16	(93,973)	(165,696)	(93,973)	(165,696)
		(994,275)	(913,313)	(931,102)	(861,268)
NET CURRENT ASSETS		1,095,383	1,758,532	1,176,832	1,758,431
TOTAL ASSETS LESS CURRENT LIABILITIES		1,419,182	2,225,661	1,472,987	2,225,661
NET ASSETS		1,419,182	2,225,661	1,472,987	2,225,661
CAPITAL AND RESERVES					
<i>Unrestricted funds</i>					
Designated funds	17	726,157	1,358,314	726,157	1,358,314
General funds	18	234,689	109,426	234,689	109,426
Trading Subsidiaries	12	(53,805)	-	-	-
		907,041	1,467,740	960,846	1,467,740
Restricted funds	19	374,686	620,466	374,686	620,466
Endowment funds	20	137,455	137,455	137,455	137,455
TOTAL FUNDS		1,419,182	2,225,661	1,472,987	2,225,661

CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31 MARCH 2023 (continued)

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements. The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime. The financial statements were approved and authorised for issue by the Trustees and were signed below on its behalf by:


.....
Anthony Burton CBE Chair

08-12-23
Date:

The notes on pages 17 to 35 form part of these accounts.

THE ENGLISH STAGE COMPANY LIMITED
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

Notes	2023	2022
	£	£
Cash flows from operating activities	(967,843)	(932,893)
Cash flows from investing activities		
Dividends and interest	16,176	819
Purchase of property, plant and equipment	(34,682)	(71,878)
Net cash provided by/(used in) investing activities	(18,506)	(71,059)
Change in cash and cash equivalents in the reporting period	(986,349)	(1,003,952)
Cash and cash equivalents at the beginning of the reporting period	1,453,528	2,457,480
Cash and cash equivalents at the end of the reporting period	467,179	1,453,528

NOTES TO THE CASH FLOW STATEMENT

Notes	2023	2022
	£	£
Reconciliation of Net income to Net Cash Flow from Operating Activities		
Net (expenditure)/income for the reporting period	(806,479)	(649,595)
Depreciation charges	178,012	177,657
Loss on disposal of Fixtures and Fittings	-	1,378
Decrease/(increase) in debtors	(402,790)	(850,111)
(Decrease)/increase in creditors	80,962	390,299
Interest and dividends	(16,716)	(819)
Decrease/(increase) in stock	(1,372)	(1,702)
Net cash provided by/(used in) operating activities	(967,843)	(932,893)
Analysis of Cash and Cash Equivalents		
Cash at bank and in hand	467,179	1,453,528
Total:	467,179	1,453,528

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1. GENERAL INFORMATION AND COMPANY STATUS

The English Stage Company is a charitable company limited by guarantee registered in England and Wales. The registered office and principal place of business is Royal Court Theatre, Sloane Square, London, SW1W 8AS. The liability of each member in the event of winding-up is limited to £10. The main activities of the charity are to find, develop and produce new plays, creating the conditions for writers, nationally and internationally, to flourish.

2. PRINCIPAL ACCOUNTING POLICIES

The financial statements 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) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, are set out below. The charitable company is a public benefit entity under FRS102 and it is registered as a charity in England and Wales.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. It has been a challenging year for audience attendance amongst the subsidised theatre sector which together with a subdued fundraising potential, has given the organisation a significant financial challenge. A change in leadership in January 2024 marks a time for change and regeneration and the Trustees are confident with their support that the organisation will be able to increase audiences and donors to build reserves and reach financial health. English Stage Company were successful with their application to Arts Council England for NPO funding for 2023-26. The Finance and General Purposes Committee met with the Executive team to look at the future budgets for both the Charity and Catering Subsidiary using key information such as cash flow and management accounts. The Trustees consider that the ongoing NPO funding despite a 5% cut, together with other sources of income, will ensure the Charity can meet their commitments and liabilities for the period. The Catering Subsidiary will continue to run an operation in the square which provides the potential for financial security success. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Consolidation

The financial statements consolidate those of the English Stage Company Limited and its non-charitable subsidiaries Royal Court Theatre Productions Limited and ESC Catering Limited. The results of these wholly-owned trading subsidiaries are incorporated on a line by line basis in these financial statements. A further wholly-owned subsidiary, ESC Productions Limited, has not been consolidated as it was dormant for the whole of the current and prior years.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2006. The income and expenditure account for the year dealt with in the accounts of the Charity was a deficit of £752,674 (2022: £669,824).

Foreign currency

Transactions which are denominated in a foreign currency are translated at the rate prevailing at the date of the transaction. Balance sheet items are translated at the rate prevailing at year-end. All differences are taken to the Statement of Financial Activities.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Council members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Council members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and Endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes in the financial statements.

Income

Income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Sponsorship and donations

Sponsorship and donations are credited to the Statement of Financial Activities in the year in which they are receivable or alternatively if sponsorship or donations are given for a specific play or project then they are credited in the year in which that play or project takes place.

Grant funding

Grants are credited to the Statement of Financial Activities in the year in which they are receivable. They are recognised when the above income recognition criteria are met and to the extent that any performance conditions attached to the grants have been met.

Box office and associated income and expenditure

Box office income comprises ticket sales for performances and events in the Jerwood Theatre Downstairs and the Jerwood Theatre Upstairs. For productions occurring wholly within one financial year, revenue is recognised as ticket sales are made and all associated costs are written off in that financial year. Where productions span the year-end costs and income are recognised in the year in which the press night of the related production takes place.

Trading income

Trading income is stated exclusive of value added tax.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Gifts in kind

Gifts in kind are recognised as incoming resources when received, at the cost to the donor, where the amount is material and quantifiable.

Interest receivable

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

Resources expended

All expenditure is accounted for on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure has been classified under the headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with use of resources. Costs are attributed in proportion to the number of employees directly engaged in each area of activity. All expenditure is inclusive of any irrecoverable VAT.

Support costs

Support costs comprise the indirect costs, including staff costs, relating to the charitable activities and are attributed in proportion to the directly associated activity.

Redundancy and termination costs

The charity recognises employee redundancy and termination costs in full on the date the redundancy or termination is confirmed.

Governance Costs

Governance costs are stated as a sum total of the audit fee and any Board related costs in the year.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease terms.

Tangible Fixed Assets (including redevelopment)

All assets are included at their purchase price together with any incidental costs of acquisition. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Assets with a value below £300 are not capitalised. Assets which are co-dependent and have a combined value of £300 and above are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Depreciation and amortisation of tangible fixed assets is carried out using the straight line method over the following periods:

Leasehold Premises/Improvements Stage and Lighting Equipment	Lifetime of the lease 3-10 years
Plant Equipment, Fixtures and Fittings	3-10 years
Office and Computer Equipment	3-10 years

Stock

Stock in the consolidated accounts represents food, liquor, disposable items, books, play texts, programmes, and merchandise held for resale and is valued at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Advance expenditure on productions

These consist of expenditure incurred in respect of productions in the future period and are carried forward on the balance sheet until they are expensed in the period that the related production has its press night.

Cash at Bank and in hand

Cash at bank and 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.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Deferred income

Income received in the year is deferred where the event to which the income relates is happening in a future period or where the performance conditions attached to the funding have not been met.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the accounting policies, the Trustees are required to make judgement, 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.

3. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted funds £	Total 2023 £
Sponsorship and donations			
Performance			
Trusts and Foundation	-	-	-
Individual donations	-	80,000	80,000
Corporate Sponsorship	250,000	-	250,000
	250,000	80,000	330,000
General activity including Capital			
Trusts and Foundation	84,700	5,000	89,700
Individual donations	419,934	-	419,934
Corporate Sponsorship	100,000	-	100,000
	604,634	5,000	609,634
Writer and Play Development			
Trusts and Foundation	-	38,000	38,000
Individual donations	-	3,206	3,206
Corporate Sponsorships & Events	-	75,000	75,000
	-	116,206	116,206
Participation			
Trusts and Foundation	-	92,000	92,000
Individual donations	-	-	-
Corporate Sponsorships & Events	-	-	-
	-	92,000	92,000
Total sponsorships and donations	854,634	293,206	1,147,840

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3. VOLUNTARY INCOME (continued)

Public Funding relates to grants received from Arts Council, British Council, and Great London Authority.

Corporate sponsorships includes £350,000 (2022: £308,982) of corporate membership and corporate sponsorship fees. This disclosure allows income to be consistent and in line with the costs to generate this income, which is included in fundraising costs within note 6.

3a. PRIOR YEAR VOLUNTARY INCOME

	Unrestricted Funds £	Restricted funds £	Total 2022 £
Sponsorship and donations			
Performance			
Trusts and Foundation	-	20,882	20,882
Individual donations	8,748	93,000	101,748
Corporate Sponsorship	104,166	-	104,166
	112,914	113,882	226,796
General activity including Capital			
Trusts and Foundation	6,500	2,500	9,000
Individual donations	372,492	-	372,492
Corporate Sponsorship	95,649	-	95,649
	479,641	2,500	477,141
Writer and Play Development			
Trusts and Foundation	-	15,000	15,000
Individual donations	-	5,927	5,927
Corporate Sponsorships & Events	104,167	50,000	154,167
	104,167	70,927	175,094
Participation			
Trusts and Foundation	5,000	87,000	92,000
Individual donations	-	-	-
Corporate Sponsorships & Events	5,000	-	5,000
	10,000	87,000	97,000
Total sponsorships and donations	701,722	274,309	976,031
Public Funding	2,852,602	132,760	2,985,362
Total Voluntary income	3,554,324	407,069	3,961,393

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

4. INVESTMENT INCOME	2023 £	2022 £
Interest bearing deposits	16,176	819
	16,176	819

All investment income in the current and the prior year relates to unrestricted funds.

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2023 £	2022 £
Box office and associated income		
<i>Box office income</i>		
Jerwood theatre downstairs	1,028,110	631,192
Jerwood theatre upstairs	71,080	57,290
Digital	892	15,717
Royalties/fees	123,782	58,707
Outside contributions to productions	62,354	16,825
Other	71,747	-
	1,357,965	779,731
By geographical segment:		
United Kingdom	1,357,965	779,731

All incoming resources from charitable activities in the current and the prior year relates to unrestricted funds.

5a COSTS OF CHARITABLE ACTIVITIES	Direct Costs £	Support Costs £	2023 £	2022 £
Performances				
Restricted	106,378	40,000	146,378	682,904
Unrestricted/designated	3,611,683	1,028,446	4,640,129	3,430,083
Play development				
Restricted	200,628	-	200,628	55,709
Unrestricted/designated	471,873	133,316	605,189	488,738
General activity				
Restricted	-	141,280	141,280	148,701
Unrestricted/designated	1,387	209,499	210,886	344,738
Education and writer development				
Restricted	92,000	-	92,000	110,569
Unrestricted/designated	91,228	95,227	186,455	289,732
Total costs of charitable activity	4,575,177	1,647,768	6,222,945	5,551,174
<i>Total costs of charitable activity in 2022</i>	4,091,142	1,460,032	5,551,174	

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

5a COSTS OF CHARITABLE ACTIVITIES (continued)

Support costs comprise the indirect costs, including overhead and administration costs and indirect staff costs relating to the charitable activities. Costs are attributed in proportion to the number of employees directly engaged in each area of activity.

6. RESOURCES EXPENDED	Staff Costs £	Other Costs £	Depreciation £	2023 £
Costs of generated funds:				
Trading costs (unrestricted)	366,835	297,991	6,936	671,762
	366,835	297,991	6,936	671,762
Costs of generating voluntary income:				
Fundraising costs (unrestricted)	196,975	10,163	-	207,138
Marketing and publicity (unrestricted)	235,578	103,485	-	339,063
	432,553	113,648	-	546,201
Costs of charitable activities:				
Production costs (unrestricted)	2,738,610	1,397,561	-	4,136,171
Production costs (restricted)	40,000	399,006	-	439,006
Support costs (unrestricted)	525,199	951,494	29,795	1,506,488
Support costs (restricted)	-	-	141,280	141,280
	3,303,809	2,748,062	171,075	6,222,945
Total resources expended	4,103,196	3,159,700	178,011	7,440,908

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

6a. PRIOR YEAR RESOURCES EXPENDED

	Staff Costs £	Other Costs £	Depreciation £	2022 £
Costs of generated funds:				
Trading costs (unrestricted)	311,178	260,682	-	571,860
	311,178	260,682	-	571,860
Costs of generating voluntary income:				
Fundraising costs (unrestricted)	151,595	23,071	-	174,666
Marketing and publicity (unrestricted)	175,610	80,186	-	255,796
	327,205	103,257	-	430,462
Costs of charitable activities:				
Production costs (unrestricted)	1,551,709	997,873	-	2,509,582
Production costs (restricted)	562,022	287,160	-	849,182
Support costs (unrestricted)	961,002	1,051,254	31,453	2,043,709
Support costs (restricted)	-	2,500	146,201	148,701
	3,034,733	2,338,787	177,654	5,551,174
Total resources expended	3,673,116	2,702,726	177,654	6,553,496

7. NET INCOMING RESOURCES

	2023 £	2022 £
Net incoming resources is stated after crediting:		
Interest receivable	16,176	819
Net incoming resources is stated after charging:		
Depreciation	178,011	177,654
Auditors' remuneration	18,000	17,500

Indemnity insurance for Council members' liability has been purchased by the charity. The Auditor's remuneration includes costs of auditing the charity and group.

8. EMPLOYEE INFORMATION

	2023 Number	2022 Number
The average weekly number of full-time equivalent persons employed during the year was:		
Performances	54	59
Play development	7	7
General activity	11	12
Education	5	6
ESC Catering Ltd	14	11
	91	94

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

8. EMPLOYEE INFORMATION (continued)

Key management salary and pension

The following staff comprise key management and their remuneration is as follows:

The six (2022: five) members of the Senior Management team received total emoluments of £387,101 (Salaries and NI: £364,833, Pension: £22,268). In the prior year these costs were £400,717 (Salaries and NI: £385,711, Pension: £15,006).

There were redundancy or termination payments of £23,450 made in the year. In the prior year there were no payments.

1 employee received emoluments between £60,000 and £70,000, 1 employee between £70,000 and £80,000, and 1 employee greater than £100,000 during the current period (2022: 2 employee received emoluments between £60,000 and £70,000, 1 employee received emoluments between £70,000 and £80,000, 1 employee between £80,000 and £90,000 and 1 employee between £90,000 and £100,000).

No Trustees received emoluments in that capacity during the current or previous period. The Charity has not reimbursed expenses incurred by any Trustee.

	2023	2022
	£	£
Total staff costs		
Wages and salaries	2,736,465	2,647,163
Freelancers and Contractors	1,010,578	697,694
Social security costs	258,092	241,775
Pension costs	98,061	86,484
	<hr/> 4,103,196	<hr/> 3,673,116

The company operates a defined contribution pension scheme. Contributions payable to the company's pensions scheme are charged to the profit and loss account in the period to which they relate.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

9. ACTIVITIES FOR GENERATING FUNDS	2023	2022
	£	£
Summary		
Trading and catering sales	982,072	744,437
Less: Trading and catering purchases	(304,927)	(260,682)
Bookshop & catering staffing	(366,835)	(311,178)
Net (deficit)/contribution from trading activities	310,310	172,577
ESC Catering Limited - Note 12	729,046	706,808
Royal Court Theatre Productions Limited - Note 12	46,357	7,737
	<hr/>	<hr/>
	775,403	714,545
Other trading activities	206,669	29,892
	<hr/>	<hr/>
Total income	982,072	744,437
Less: Trading costs	(671,762)	(571,860)
	<hr/>	<hr/>
Net contribution from trading activities	310,310	172,577

All income and expenditure for activities for generating funds in the current and the prior year relates to unrestricted funds.

10. TAXATION

The entity is a registered charity, and as such is entitled to certain tax exemptions on any surpluses on trading activities carried on in furtherance of the charity's primary objectives if these surpluses are applied solely for charitable purposes.

English Stage Company Limited and its subsidiaries are standard rated for VAT.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

11a. TANGIBLE FIXED ASSETS	Leasehold premises & improvement £	Stage and lighting equipment £	Plant, equipment fixtures & Fittings £	Total £
Group				
Cost				
At 1 April 2022	2,583,734	469,780	186,696	3,243,210
Additions	-	-	34,682	34,682
Disposals	-	-	-	-
At 31 March 2023	2,583,734	469,780	224,378	3,277,892
Depreciation				
At 1 April 2022	2,224,482	376,749	154,850	2,776,081
Charge for the year	118,764	38,983	20,265	178,012
Eliminated on disposals	-	-	-	-
At 31 March 2023	2,363,246	415,732	175,115	2,954,093
Net Book Value				
At 31 March 2023	220,488	54,048	49,263	323,799
At 1 April 2022	339,252	93,031	34,846	467,129
11b. TANGIBLE FIXED ASSETS				
Charity				
Cost				
At 1 April 2022	2,546,394	469,780	186,366	3,202,540
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2023	2,546,394	469,780	186,366	3,202,540
Depreciation				
At 1 April 2022	2,207,142	376,749	151,520	2,735,411
Charge for the year	118,764	38,983	13,328	171,075
Eliminated on disposals	-	-	-	-
At 31 March 2023	2,325,906	415,732	164,848	2,906,486
Net Book Value				
At 31 March 2023	220,488	54,048	21,518	296,054
At 1 April 2022	339,252	93,031	34,846	467,129

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

11c. TANGIBLE FIXED ASSETS

Redevelopment – Group & Charity	Leasehold premises £	Stage and lighting equipment £	Plant & machinery, fixtures & fittings £	Office & computer equipment £	Total £
Cost					
At 1 April 2022	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Depreciation					
At 1 April 2022	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Charge for the year	-	-	-	-	-
At 31 March 2023	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Net Book Value					
At 31 March 2023	-	-	-	-	-
At 31 March 2022	-	-	-	-	-

12. FIXED ASSET INVESTMENTS

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Interest in group undertakings:				
Cost	-	-	101	101
Net book value	-	-	101	101

Name of undertaking and country of incorporation and registration	Description of shares held	Proportion of nominal value of issued share capital
Royal Court Theatre Productions Limited (UK)	100 Ordinary shares of £1 each	100%
ESC Catering Limited	1 Ordinary share of £1 each	100%

The normal activity of Royal Court Theatre Productions Limited is the commercial exploitation of plays produced by the English Stage Company Limited.

The activity of ESC Catering Limited is to serve food and drink to Royal Court patrons and the general public in the Royal Court Cafe Bar in the basement and Balcony Bar.

The charity also owns 100% of the issued share capital (1 ordinary share of £1 each) in ESC Productions Limited. This company is dormant and has not traded in either the current or the prior year.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

12. FIXED ASSET INVESTMENTS (continued)

	ESC Catering Limited		Royal Court Theatre Productions Limited	
	2023	2022	2023	2022
	£	£	£	£
<u>Profit and loss account</u>				
Turnover	728,405	696,857	46,357	7,737
Cost of sales	(626,400)	(568,045)	-	-
Gross profit	102,005	128,812	46,357	7,737
Other operating expenses	(156,451)	(32,966)	(82)	(43)
Other operating income	641	11,100	-	-
Operating (loss)/profit	(53,805)	106,946	46,275	7,694
Net interest receivable	-	-	464	1
Profit/(loss) for the financial year before tax	(53,805)	106,946	46,739	7,695
Tax on profit for the year	-	-	-	-
Profit/(loss) for the financial year after tax	(53,805)	106,946	46,739	-
Payments under deed of covenant to parent charity	-	(86,717)	(46,739)	(7,695)
Profit and loss account brought forward	-	(20,229)	-	-
Profit and loss account carry forward	(53,805)	-	-	-

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

12. FIXED ASSET INVESTMENTS (continued)

<u>Balance sheet</u>	ESC Catering Limited		Royal Court Theatre Productions Limited	
	2023	2022	2023	2022
	£	£	£	£
Fixed assets				
Tangible assets	27,745	-	-	-
Current assets				
Stock	11,021	9,649	-	-
Debtors and prepayments	13,092	101,990	-	-
Cash at bank and in hand	37,354	46,661	73,227	9,075
	61,467	158,300	73,227	9,075
Creditors: amounts falling due within one year	(143,016)	(158,299)	(73,127)	(8,975)
Total assets less current liabilities	(53,804)	1	100	100
Net assets/(liabilities)	(53,804)	1	100	100
Capital and Reserves				
Called up share capital	1	1	100	100
Profit and loss account	(53,805)	-	-	-
Equity shareholders' funds	(53,804)	1	100	100

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

13. STOCKS	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Catering stock	11,021	9,649	-	-
	11,021	9,649	-	-

14. DEBTORS: amounts falling due within one year	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	194,019	273,690	180,927	188,963
Due from subsidiary undertakings	-	-	152,970	115,229
Other taxation and social security	6,787	28,363	6,787	28,363
Other debtors	1,356,375	509,328	1,356,375	509,328
Prepayments	45,894	207,557	45,894	190,294
	1,603,075	1,018,938	1,742,953	1,032,177

15. CREDITORS: amounts falling due within one year	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	290,981	343,491	275,653	300,143
VAT	11,480	-	-	-
Other taxation and social security	64,294	62,178	62,363	60,460
Other creditors	84,407	16,520	66,220	15,866
Accruals	449,140	325,428	432,893	319,103
	900,302	747,617	837,129	695,572

16. DEFERRED INCOME

The movement in deferred income is analysed below:

	Group £	Charity £
Deferred income brought forward at 1 April 2022	165,696	165,696
Amounts released from previous years	(165,696)	(165,696)
Incoming resources deferred in the year	93,973	93,973
Deferred income carried forward to 31 March 2023	93,973	93,973

The charity received income relating to production sponsorship and other activities in advance of the upcoming year.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

17. UNRESTRICTED FUNDS - DESIGNATED FUNDS

Group and Charity	Capital Replacement Fund £	Theatre Writing Fund £	Future Developments Fund £	COVID Recovery Fund £	Total £
At 1 April 2022	246,730	233,878	262,706	615,000	1,358,314
Sponsorship, donations and other income	-	-	-	-	-
Transfers	-	-	-	-	-
Expenditure	(17,157)	-	-	(615,000)	(632,157)
At 31 March 2023	229,573	233,878	262,706	-	726,157

The Capital Replacement Fund is used to service the depreciation charge on capital purchases not funded elsewhere and matches net book value of the relevant group of tangible assets.

The Theatre Writing Fund is used to cover commission payments, liabilities arising through timing of script delivery and expenditure on shows and play development.

The Future Development Fund is held for future work and activity. This fund is considered by the Trustees when looking at the reserves policy.

The COVID Recovery Fund ensured donations received for the recovery of the theatre's activities and fabric are used accordingly.

18. UNRESTRICTED FUNDS - GENERAL FUNDS

	Group £	Charity £
At 1 April 2022	109,426	109,426
Incoming resources	6,299,923	5,677,559
Resources Expended	(6,174,660)	(5,552,296)
At 31 March 2023	234,689	234,689

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

19. RESTRICTED FUNDS Group and Charity	Balance 1 April 2022 £	Income £	Transfers £	Expenditure £	Balance 31 March 2023 £
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre Fund	15,648	1,400	-	-	17,048
ACE Capital Project Fund	183,044	-	-	(89,972)	93,072
Participation Fund	14,276	92,000	-	(92,000)	14,276
International Play Development	142,977	41,300	-	(117,100)	67,177
Capital Matched Funding	104,385	5,000	-	(51,308)	58,077
Writer Development	42,351	113,000	-	(83,528)	71,823
Legacy Fund	35,325	1,806	-	-	37,131
New Playwrights and Performance	13,000	80,000	-	(93,000)	-
Reopening Fund	53,378	-	-	(53,378)	-
	620,466	334,506	-	334,506	374,686

The Neville Blond Fund was set up in 1987 to commemorate Neville Blond and is used to provide bursaries for young writers.

The Clare McIntyre Fund was set up in 2010 to support writers' attachments to the theatre.

The ACE Capital Project Fund is the grant awarded for the refurbishment project and will be depreciated proportionally.

The Participation Fund is dedicated to encouraging and developing young writers. We aim to show-case the work by putting on a bi-annual Young Writers Festival.

The International Play Development and Performance is dedicated to developing and nurturing playwriting talent outside the UK.

The Capital Matched Fund was set up to provide a matched contribution as part of the capital.

The Writer Development initiative supports the play development work of the Royal Court Theatre.

Legacy Fund relates to donations in memory of a member of staff that is to be put towards a project in the next year.

The New Playwrights initiative supports the development and production of plays at the Royal Court Theatre.

The Reopening Fund is made up of restricted funds donated to support the theatre and cultural recovery when the doors re-opened and we were able to stage work.

The Cultural Recovery Fund is a restricted fund from the Arts Council which enabled us to re-open with a programme of work under social distancing measures. The timetable for this work changed after theatres had to close in the first part of 2021 but we were able to carry funds forward.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

20. ENDOWMENT FUNDS	2023 £	2022 £
Balance at 1 April 2022	137,455	137,455
Investment income	-	-
Expenditure - management costs	-	-
Net gain/(loss) on revaluation	-	-
Balance at 31 March 2023	137,455	137,455

The endowment fund was received in 2008 and is used to support new commissions.

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term liabilities £	2023 Total £	2022 Total £
Restricted funds	-	-	374,686	-	374,686	620,466
Unrestricted funds	323,799	-	583,242	-	907,041	1,467,740
Endowment funds	-	-	137,455	-	137,455	137,455
	323,799	-	1,095,383	-	1,419,182	2,225,661

PRIOR YEAR ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term liabilities £	2022 Total £
Restricted funds	-	-	620,466	-	620,466
Unrestricted funds	467,129	-	1,000,611	-	1,467,740
Endowment funds	-	-	137,455	-	137,455
	467,129	-	1,758,532	-	2,225,661

22. CAPITAL

The charity is a company limited by guarantee. Each Council member has undertaken to contribute £10 to the assets of the charity to meet its liabilities if called to do so. The total amount guaranteed by Council members at 31 March 2023 is £120 (2022: £120).

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

23. RELATED PARTY TRANSACTIONS

The following transactions took place between the charity and council members during the year:

Judy Daish is a theatrical agent who receive commission from her clients, when contracted to the charity. During the year her agency received commissions of £22,464 (2022: £14,176).

Income of £391.40 (2022: £NIL) was received from Clean Break Theatre Company, a charity with whom Winsome Pinnock is a trustee in common.

During the year, Trustees made donations of £6,350 in aggregate (2022: £7,850).

All these transactions have been disclosed net of VAT.

24. OPERATING LEASE COMMITMENTS

At 31 March 2023 the total of the Group's and Charity's future minimum lease payments under non-cancellable operating leases was:

	2023	2022
	£	£
Amounts payable:		
Within 1 year	123,000	-
After 1 year but not more than 5 years	513,375	-
After 5 years	960,563	-
Total	<u>1,596,938</u>	<u>-</u>

English Stage Company agreed a new 15 year lease with Cadogan Estates in November 2020 and this was signed on 14 July 2022.

25. FINANCIAL INSTRUMENTS

Financial assets measured at fair value through profit or loss comprise trade debtors, other debtors, accrued income and cash at the balance sheet date. Financial Liabilities measured at amortised cost comprise trade creditors, other creditors and accruals at the balance sheet date.

	2023	2022
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	<u>2,017,573</u>	<u>1,727,218</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>824,438</u>	<u>343,491</u>

27. PRIOR YEAR GROUP AND CHARITY UNRESTRICTED FUNDS - DESIGNATED FUNDS

	Capital Replacement Fund £	Theatre Writing Fund £	Future Developments Fund £	Covid Recovery Fund £	£
At 1 April 2021	263,887	307,840	262,706	615,000	1,449,433
Sponsorship, donations and other income	-	-	-	-	-
Transfers	-	-	-	-	-
Expenditure	(17,157)	(73,962)	-	-	(91,119)
At 31 March 2022	246,730	233,878	262,706	615,000	1,358,314

See note 17 for description of each fund.

28. PRIOR YEAR UNRESTRICTED FUNDS - GENERAL FUNDS

	Group £	Charity £
At 1 April 2021	97,317	97,317
Trading subsidiary deficit at 31 April 2021	(20,229)	-
Incoming resources	5,496,833	4,901,275
Resources Expended	(5,464,494)	(4,889,166)
At 31 March 2022	109,426	109,426

29. PRIOR YEAR GROUP AND CHARITY RESTRICTED FUNDS

	Balance 1 April 2021 £	Income £	Transfers £	Expenditure £	Balance 31 March 2022 £
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre Fund	11,238	4,410	-	-	15,648
ACE Capital Project Fund	276,152	-	-	(93,108)	183,044
Participation Fund	37,845	87,000	-	(110,569)	14,276
International Play Development	15,777	132,760	-	(5,560)	142,977
Capital Matched Funding	157,478	2,500	-	(55,593)	104,385
Writer Development	26,500	65,000	-	(49,149)	42,351
Legacy Fund	34,808	1,517	-	(1,000)	35,325
Reopening Fund	237,375	-	-	(183,997)	53,378
Cultural Recovery Fund	378,025	-	-	(378,025)	-
New Playwrights	20,000	113,882	-	(120,882)	13,000
	1,211,280	407,069	-	(997,883)	620,466

See note 19 for description of each fund.

THE ENGLISH STAGE COMPANY LIMITED

England & Wales - Charity number 231242

Accounts

THE ENGLISH STAGE COMPANY LIMITED

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Registered Charity Number: 231242

Registered Company Number: 539332

THE ENGLISH STAGE COMPANY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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THE ENGLISH STAGE COMPANY LIMITED

TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2022

Principal Address and Registered Office

Royal Court Theatre, Sloane Square, London, SW1W 8AS

Trustees and advisors

The Trustees who are also the directors of the company for the purpose of the Companies Act, form the Council of the English Stage Company Ltd.

Anthony Burton CBE (Chair)
Graham Devlin CBE (Vice-Chair)
Jeanette Arnold
Judy Daish (resigned 21st November 22)
Pamela Jikiemi
Mwenya Kawesha
James Midgley
Winsome Pinnock (resigned 21st November 22)
Andrew Rodger
Anita Scott
Lord Stewart Wood
Mahdi Yahya

Senior Management Team

Executive

Artistic Director and CEO - Vicky Featherstone
Executive Director - Lucy Davies

Senior Managers

Finance Director - Helen Perryer
General Manager - Catherine Thornborrow
Head of Production - Marius Rønning

Company Secretary

Lucy Glynn

Auditors

Goodman Jones LLP, 29/30 Fitzroy Square, London, W1T 6LQ

Principal Bankers

Barclays Bank, United Kingdom House, 7th Floor, 180 Oxford Street, London, W1D 1EA

Solicitors

Simons Muirhead & Burton,
8-9 Frith Street, Soho, London, W1D 3JB

Other principal advisors

Wrightsure Services Ltd, t/a Performers, Wrightsure House, 799 London Road, West Thurrock, Essex, RM20 3LH

THE ENGLISH STAGE COMPANY LIMITED

CHAIR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2022

Chair's Report

The aim in this year was to get back to our confident, ambitious and writer-led programming as quickly as possible after the pandemic. It is testament to the team, the shows and the writers that we were able to have such ground-breaking and celebrated work as well as a dynamic and focused writer development programme. We were proud to be able to respond quickly and meaningfully to the outbreak of war in Ukraine with a live-streamed reading of our 2017 play *Bad Roads* and present some rapid response plays from writers living in Ukraine.

One of the main strategic focus' over this year was developing and submitting our NPO application, to apply for the next round of ACE funding in line with the new national Let's Create strategy with the threat that we were heading for a 15% cut in line with the government's Levelling Up Strategy of moving money out of London.

We were successful with our application for NPO funding for 2023 -2026 and with a 5% reduction. A sustainable and innovative business model supports the Royal Court's artistic programme, but it is undoubtedly tested by a decade of flat line public funding. The practice of well-controlled expenditure, prudent forecasting, energetic fundraising, diverse partnerships and seeking robust commercial activity continues to be pushed to plug that gap but longer term we need to find new business models to sustain the theatre.

Our presence in Sloane Square continues to grow with another season of Court in the Square which remains a game-changer for the Court in terms of new opportunities and financial resilience for the Bar and Kitchen.

The year was not without its challenges, including the controversy around the naming of a character in one of our productions. This has thrown up one of the more challenging chapters in the Court's story, but I would like to thank the board and the staff for their resilience, integrity and fearlessness in looking at the root of the problem and challenging themselves and the organization with characteristic humility and moral clarity. It has however undoubtedly taken its toll on the staff and team.

Although we have more challenging times ahead I would like to thank Vicky Featherstone, Lucy Davies and Helen Perryer for their confident leadership and for keeping the programme alert, inclusive and relevant whilst dealing with the many challenges that running a prominent and world-leading theatre throws at us in these times, with such remarkable stamina and flair.



Anthony Burton CBE
Chair

24-03-23

Date:.....

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2022

The following sections represent the strategic report for the year ended 31 March 2022.

Structure, Governance and Management
Objectives and Activities of the Charity
Achievements, Performance and Future Plans
Financial Review
Reserves and Policy Statements

Structure, Governance and Management

The registered charity which is a company limited by guarantee incorporated on 16 October 1954, is governed by its memorandum and articles of association. As at 31 March 2022, there were 12 guarantors whose liability in the event of a winding up is limited to £10 each. These accounts are prepared in accordance with SORP 2015 and the Companies Act 2006.

There is a Council of between five and 20 Trustees. For the purpose of company law, the Trustees are the Directors of the company and are non-executive and unpaid. During the financial period under review, the Trustees met four times. There is one sub-committee for Finance and General Purposes and a Development Council. The Finance and General Purposes Sub-Committee and Development Council are made up of Directors and other professionals. Both operate under specific terms of reference with certain functions delegated by the Trustees. Each has its decisions discussed by the full Council. The trading subsidiary for the catering operation also has a Board, which meets quarterly made up of Directors, the Executive team, and other professionals.

The Chief Executive (and Artistic Director - not a director as defined by the Companies Act 2006) is appointed by the Trustees to manage the programming, operations and staff of the company working with the Executive Director / Producer. Together with the Finance Director, these three form the Executive Team.

Trustees are elected by the members of the company at the Annual General Meeting. The English Stage Company Ltd (ESC) Council opts to appoint its Trustees for an unlimited period but regards that appointment as being a three-year appointment, renewable for further terms of three years. The Council meets to review and agree all new appointments in order to secure the best industry and professional expertise. The Council has adopted a policy on governance that incorporates training and trustees' responsibilities.

The Council meets to review the activity of the company and to advise the Executives responsible for carrying out the day-to-day activity of the company.

Trustee induction and training

New trustees undergo an orientation to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Pay policy for senior staff

The Chief Executive and Executive Director review the pay of the employees annually in line with peer organisations of a similar size and consider responsibility levels, London Living Wage and inflation as well as affordability. The recommended pay increases are included in the annual budget that is taken to Finance and General Purposes Committee for approval where salaries are discussed in more detail.

The Finance and General Purposes Committee review the pay of the Executive and other senior staff periodically.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Risk management

As previously noted, Covid-19 brought an entirely new chapter to our risk register and this continues to be adapted as the circumstances change. The risks associated with a fundamental change in the habits of audiences, ticket income, and disruption to shows as a result of differing priorities around illness and wellbeing as a result of the pandemic, will be with us for some years.

The fundamental systemic risks that our risk review process has revealed are the ongoing challenges of managing standstill core funding and the deferred nature of Theatre Tax Relief payments. The latter in particular holds the risk of an impact on cash flow.

The other major risk for the charity is the unpredictable nature of fundraising income, particularly in uncertain political and world market times, which impact on corporate behaviours and investment portfolios. A balanced budget relies on an ambitious fundraising target, often before the detailed Production activity of the year has been decided. The Trusts and Foundations portfolios are concentrating more and more on work outside London which makes the location of our theatre an interesting challenge.

Our Risk Management Policy includes building issues as a risk to the organisation: the renewal of the lease (signed in July 2022), the shared usage of the alleyway running beside the building giving access to our stage door and dock, and the dilapidation of the stage technology and building systems as well as increased pressure from climate challenges such as flooding and heat.

A fundamental risk to the charity in these times, as an organisation that is built on asking difficult questions about the world we live in means we will undoubtedly fall into the social media tumult of differing opinions. The controversy around the mis-naming of a character in one of our productions has thrown up one of the more challenging chapters in the English Stage Company's story. Recommendations from a board report that was created after investigating the root of this issue has led to strategies being put in place with the board and Executive team to mitigate something like this happening again.

Strategies are in place at the highest level to support and offset risks, including proactive stakeholder liaison, long-term contingency planning, and a flexible producing model that allows us to respond to external impacts. The trustees have a risk management strategy that comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face as laid out in the risk register
- the establishment of policies, systems and procedures to mitigate those risks as laid out in the risk register
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise

Our objectives and activities

The Royal Court Theatre is the writers' theatre. It is the leading force in world theatre for finding writers and producing new plays that are original, contemporary and provocative. The Royal Court's mission is to be meaningfully engaged with civic, political, domestic and international life; giving writers a home in which to tackle big ideas and tell extraordinary stories, and to share their work with the widest possible audience.

The purposes of the charity are:

- to advance the education of the public in all aspects of world class contemporary playwriting
- to cultivate, train and develop new playwriting talent, diversifying pathways to writing for the stage
- the development of public appreciation of art by the provision of theatre and the presentation of public

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- performances; and
- to further the social and cultural welfare of the communities in which we work throughout London

The vision that shapes our annual activities has been consistent for 60 years, and this year was Year Four of a four-year strategic and business plan approved by the Board and Arts Council England.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. The theatre relies on Arts Council England funding, fundraising income and the revenue from tickets and trading to cover its operating costs. Affordability and access is critical to us in setting pricing.

We endeavour to represent and encourage all those within London's communities to attend or take part. We work with local and Greater London schools and many higher education institutions across the UK.

The strategies employed to achieve the charity's aims and objectives in the year ended 31 March 2022 were to:

- Continue to Sustain the workforce as we emerge from the pandemic
- Reinstate the postponed work from 2020, only reopening our Theatre Upstairs from December 2021 in order to mitigate losses in that smaller space.
- Stage Jasmine Lee-Jones' seven methods of killing kylie jenner in a reconfigured Downstairs auditorium to allow for socially distant audiences on both sides of the stage, T
- The production has been invited to NY and Washington in Jan / Feb / Mar 2022 and we will film it for on-demand online viewing in the Winter of 2021/22.
- Continue a pipeline of talent through writer development activity
- Cultivate fund-raising support for innovative projects in a challenging context
- Support schools and young people stricken by Covid related isolation and frustrated learning
- Read up to 3,000 plays and continue commissioning new works
- Work in collaboration with the sector across the UK to disseminate our skills and share practice
- Actively promote and celebrate the diversity of cultures in our society by working with artists of different backgrounds, and supporting atypical artists to make work with us and for us

Achievements and Performance

Talent Development and Work on Stage

2021/22 continued to be a very challenging year as we were still emerging from CRF funding related activities and the pandemic but with many aspects that had so curtailed our ambitions in 2020/2021 still having an effect.

Remarkably, during 2021/22 we reinstated all of the postponed work from 2020. We decided only to reopen the Jerwood Theatre Upstairs from December 2021 in order to mitigate losses. We began with Jasmine Lee-Jones' seven methods of killing kylie jenner in a reconfigured downstairs auditorium to allow for socially distant audiences on both sides of the stage. The production was postponed from its US visit to New York and Washington in Jan / Feb / Mar 2022 as Covid prevented it from happening and we filmed it for on-demand online viewing in the Winter of 2021/22. It is scheduled to go to New York and Washington in January 2023.

From September we resumed full house productions in the Jerwood Theatre Downstairs.

We co-produced with two theatres the Abbey in Dublin and Theatre Clwyd in Wales

Our work for this year included:

IS GOD IS by Aleshea Harris – directed by Ola Ince, originally produced in the US.

WHAT IF IF ONLY by Caryl Churchill – a 15 minute short from one of our leading writers played alongside Is God Is

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

MARYLAND by Lucy Kirkwood - script-in-hand – a rapid response piece to the murder of Sarah Everard by a policeman and played with a changing company of performers over 3 weeks. This is also scheduled to be filmed for the BBC.

RARE EARTH METTLE by Al Smith - programmed to coincide with COP26 – directed by Hamish Pirie

A FIGHT AGAINST by Pablo Manzi translated by William Gregory - filmed and streamed into Santiago a Mil Festival, Chile – an International commission directed by Sam Pritchard

THE GLOW by Alistair McDowall

PURPLE SNOWFLAKES AND TITTYWANKS by Sarah Hanly - co-produced with the Abbey Theatre, Dublin

TWO PALESTINIANS GO DOGGING by Sami Ibrahim

In addition we presented work by the Queer Upstairs writers group, hosted a week of plays and talks around our Living Archive enquiry, and co-produced ISLA by Tim Price with Theatr Clwyd, opening there in October 2021. We will produce our first play as part of our collaboration with Sister Pictures in Feb 2022 in the Theatre Upstairs.

We also responded to the War in Ukraine by hosting a reading of our play Bad Roads by Nataalka Vorozhbit and a series of readings by contemporary playwrights in response to the war in Ukraine called On the War.

We ran nine writers groups during the year, working with 88 writers leading to performances on stage with new plays and exciting partnerships with organisations within theatre and the arts more widely. The groups included three Introduction to Playwriting groups for brand new writers selected through open application. In addition, we ran groups with several partners: Sister Pictures, The Queer House, Black Atlantic Project, Outside Edge, Intermission and Clean Break and also ran a group focusing on dramaturgy with disabled artists.

We began a piece of work looking at our archive and asking writers to respond to the Royal Court plays they feel deeply connected to in ways that might feel playful or challenging. This culminated in commissions and performances and will expand to an online space in the coming months. This work was the start of a project to create a Living Archive. This will support the mission of the Royal Court to provide a platform for the best writers – new, emerging and established – to challenge, disrupt and question. We received generous funding from Bloomberg Philanthropies to start this project and we have been invited to make a full application for a long-term digital platform. Bloomberg Philanthropies would fund the set up and support for two years when we hope the archive will become embedded as part of the work we do.

The Royal Court produced flagship works during the year and continued to make an impact on writers, artists and audiences, responding to the world we live in. The scale and focus of the Court's development of writing talent is unsurpassed in the theatre ecology.

Reach and Inclusion

The programme is deliberately diverse, expansive and broad - we are as ambitious for developing our audiences as we are for our artists. We aim to draw an audience that is representative of London and increase attendance by those with access needs.

In 2021/22 from the 258 people who responded to our data collection, 67% identify as female, and 40% black, global majority or of mixed heritage. 5% of our artists were deaf or disabled.

58% of the writers we commissioned were Black and Global Majority. 69% were women. 9% were disabled. The work leads, and writers have a very important enfranchised voice in the culture of our organisation.

Our Board is 40% Black and Global Majority, 40% identify as female, 10% are disabled. Our workforce is not yet fully representative of the city: 60% white identifying.

The impacts of Covid-19 will exacerbate inequalities and implement barriers for audiences which we have spent years dismantling. We know that working class theatre-makers are experiencing profound poverty and leaving the sector

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

already - unprotected by the Equalities Act, this is an area where we are committed to action.

We have been shocked to learn and experience first hand the amount of freelancers, artists and technicians as well as those just starting out in theatre that have chosen or have been forced to leave the profession. We are committed to growing fees, creating better work/life balance, and giving more opportunities to those with barriers from entering the profession than ever before, while acknowledging that these choices will put new strains on the business and artistic model of the organisation.

The critical role for cultural organisations is to rebuild a confident recovery with social justice and inclusion at the centre. As we enter ACE's Let's Create strategy, this crisis fast-tracks the principles of creativity and culture building better, fairer, more resilient communities. The provocative, contemporary, responsive mission of the Royal Court is the unique privilege of this organisation and why we must and will weather this devastating crisis for the arts so we can contribute and sustain the sector.

International Work

Digital working across the artistic team enabled international writers to join digital writers groups for the first time, and to participate fully in Living Newspaper and other core projects. Our major invitational writers group included writers from China, the US, Peru and Singapore alongside artists for the UK. And voices from Palestine, Chile, Peru, China, Lebanon, Belarus, the US, India and Austria took part in Living Newspaper.

Understandably planned in-person workshops in Japan, Palestine and the Caribbean were postponed but work with writers was able to continue in a virtual format. We also forged new partnerships: developing a relationship with PuSh Festival in Canada and obtaining money from the High Commission to deliver a new exchange project; with the Taiwan Cultural Division and the National Theatre of Taiwan; with the Norwegian cultural office paying to translate Norwegian plays into English with the idea of developing a new project; and with Pro Hevetia (Swiss Arts Council) running an online residency for a major Swiss artist during lockdown.

Funders and Partners

As we continue to recover from the pandemic, much of our activity continues to be supported by generous funders, partners, and supporters. A considerable amount of our play development work is underpinned through grants from Trusts & Foundations. Jerwood Arts continued to support our Jerwood New Playwrights, bringing forward the final grant payments from 20/21 as well as supporting our young writer's group through Outside Edge.

Our participatory work received funding from Trusts as well, including The Backstage Trust, Noel Coward Foundation, and Charles Skey Charitable Trust. Production support for Rare Earth Mettle was also provided by Trusts from Cockayne and the Edgerton Foundation. Support from individuals remained our largest fundraised income stream. After a slight decrease in membership income last year, this line has remained steady and we have seen a continued increase in gifts from major donors, including the first year of our largest gift from an individual, which has been pledged for 3 years. Corporate membership income has also remained steady this past year, with significant support from our newest partners, whose first gift of three pledged has been received.

Environmental sustainability

We are proud of our readiness to step into sector-leading work in this field. During 2020/21 we contributed to the new Green Book for theatre production and adopted its principles as standard going forwards.

We have continued to work co-operatively with fellow LTC theatres to progress the shared strategy for the environmental impact of our work. With LTC, we are part of the Arts Council Accelerator programme with an ambitious roadmap of sustainable ambitions to 2025.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The Court was awarded 5* in our Industry Green certification and Lucy Davies was awarded Creative Green Champion at this years Julie's Bicycle Creative Green Awards.

We have committed to delivering productions to Green Book Baseline targets (50%/65%) which means 50% Of materials used in the production; Set, Props, Costumes etc. has had a previous life and 65% of materials used are re-used or recycled. A clause has gone into the creative team contracts, committing to work within Green Book Targets. We will also look at projects which could aim for Intermediate (75%/80%) and Advanced (100%/100%).

Financial Report and Risks

At April 1st 2021 we were carrying forward restricted CRF and donated funds to support artistic activity between April and June 21 delayed by closures as well as designated reserves for the theatre's recovery. We end the year having spent the restricted CRF and donated funds on planned activity leaving a small reserve and some designated funds to support the theatre in 2021-22 which will be a challenging post Covid year.

The budget for 2021-22 with reduced houses expected and Covid still affecting staff and performers had a significant shortfall effectively utilizing the carried forward funds. It was always going to be a very difficult year financially as the world started to function again after the prolonged effects of Covid. We were fortunate to have been able to build the reserve during 2020 and 2021 to weather this period.

A sustainable and innovative business model supports the Royal Court's artistic programme, but it is undoubtedly tested by a decade of flat line public funding. We were successful with our application for NPO funding for 2023 - 2026 but with a 5% reduction. This gap, after already working hard to raise funds to close the gap from standstill funding and as costs rise, is acutely felt. The practice of well-controlled expenditure, prudent forecasting, energetic fundraising, diverse partnerships and seeking robust commercial activity continues to be pushed to plug that gap but longer term we need to find new business models to sustain the theatre.

Reserves

At the year-end date, ESC had total reserves of £2.22m (2021: £2.87m). There is an endowment fund of £137k (2021: £137k) established to support exploitation of the Charity's work; other funds restricted to use on particular projects and programmes amount to £620k (2021: £1,211k). The remaining funds of £1.47m include funds designated by the Board of £496k for new writing and future development and capital replacement of £246k. At year end a further £615k remains designated to fund the recovery during 2021-22 post pandemic. This leaves free reserves of £109k, which is a realistic figure given that the designated funds exist to support the objects of the Charity.

On a day-to-day basis, ESC monitors its financial position less in terms of free reserves, and more in terms of the availability of cash and cash flow in the business. Our cash-flow, like other theatres, results in peaks and troughs of cash at certain times of the year and through vigilant management of the finances and regular financial information provided to trustees ESC seeks to hold sufficient cash to ensure it can fulfil its short and medium term strategic objectives. The nature of the receipt of Theatre Tax Relief at one point in the year is challenging for the cash flow of the organisation. The Trustees are aware that through cash flow projections ESC can quickly deplete reserves and should continue to complete the accounts and corporation tax returns as early as possible to maximise a positive cash flow potential.

Fundraising

The Royal Court's fundraising activities include seeking and securing financial contributions from individuals, corporations and trusts, foundations and grant-making bodies towards the Royal Court's work. We run an Individual Giving scheme which offers various levels of split memberships which incorporate a benefits package and a charitable donation. This membership scheme ranges from £250 to £10,000 and donations made above this amount are considered Major Gifts. Our Annual Fund encourages low-level one-off donations from audience members outside of our regular giving schemes and these are often made in addition to ticket purchases. We claim Gift Aid on donations

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

made by individuals who are eligible. We welcome legacy gifts and encourage supporters and audience members to remember the Royal Court in their will. We run a Corporate Membership scheme that offers companies different tiers of support ranging from £5,000-£15,000 plus VAT. In addition, we work with companies with whom we share values to create larger partnerships and offer sponsorship opportunities. Partnerships with companies can offer both financial and in-kind support. We seek funds from charitable Trusts and Foundations and apply for both general core support and funds restricted to specific projects and purposes. Occasionally, we programme special fundraising events to generate additional income throughout the year and have introduced Production Circles for our supporters to join.

All fundraising is managed internally and delegated to the Development Director who is accountable to the Trustees via the Executive.

As well as being guided by our own internal ethical fundraising policy, the Royal Court is a member of the UK Fundraising Regulator to ensure our fundraising activity adheres to their code of conduct and follows best practice. No complaints were received during the year in relation to our fundraising.

Future Developments

We are still in uncertain times and programming and balancing audience targets with artistic ambition is harder than ever.

2022/23 will be very challenging as we compete for funding after the relief funds have now finished and in an emerging environment of rising costs.

That said we have a thrilling and innovative programme of diverse work ahead

FOR BLACK BOYS by Ryan Calais Cameron
HANGMEN by Martin McDonagh on Broadway
TWO PALESTINIANS GO DOGGING by Sami Ibrahim
THAT'S NOT WHO I AM by Dave Davison AKA RAPTURE by Lucy Kirkwood
NOT ONE OF THESE PEOPLE by Martin Crimp in a co-production with
JEWS IN THEIR OWN WORDS by Jonathon Freedland
BAGHDADDY by Jasmine Nazier Jones
BLACK SUPERHERO by Danny Lee Wynter
GRACELAND by Ava Wong Davies
SOUND OF THE UNDERGROUND by Tarvis Alabanza and Debbie Hannan
FOR BLACK BOYS in the West End
12 One night Stands
FIGHT AGAINST by Pablo Manzi – Film in the Santiago A Mil festival.

In addition we will present work by Clean Break, Outside Edge and will launch our Living Archive.

We are hopeful of sustaining Court in the Square through the summer and the winter, and for many summers to come.

Our work with The What If Experiment continues and the Zero Harm work will come to fruition with a Practice of Care document for all stakeholders, new policies and the appointment of a head of people/ HR manager. We will review of our structures the ongoing capital challenges to our building's fabric and systems will influence a review of the operational team and the development of a capital fundraising scheme while seizing on all potential grant opportunities. A new commercial income working group will be created to look at long-term income generation, and our net zero planning and Green Book work will be ramped up during this critical year.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

The Council Members are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations.

Company law requires the Council Members to prepare financial statements for each financial year. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements the Council Members are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation

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

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

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees met the Executive team very regularly for 6 months to discuss what impacts the Covid-19 pandemic may have for the Charity. Actions for both the Charity and Catering Subsidiary were deliberated using key information such as cash flow. The Trustees consider that the ongoing NPO funding, use of furlough and successful applications in July and October for Emergency funding will ensure the Charity and its subsidiaries can meet their commitments and liabilities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

AUDITORS

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

Signed on behalf of the Trustees on 24 March 2023 by:



Anthony C Burton CBE - Director

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ENGLISH STAGE COMPANY LIMITED

Opinion

We have audited the financial statements of English Stage Company Limited ('the parent charity') and its subsidiaries (together 'the group') for the year ended 31 March 2021 set out on pages 14 to 35. 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Charity'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ENGLISH STAGE COMPANY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE ENGLISH STAGE COMPANY LIMITED**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Julian Flitter
Goodman Jones LLP

Statutory Auditors and Chartered Accountants
29/30 Fitzroy Square
London
W1T 6LQ
Date: 27-03-23

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ENGLISH STAGE COMPANY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Designated and unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME FROM:						
Voluntary income	3	3,554,324	407,069	-	3,961,393	5,347,695
Activities for generating funds	9	744,437	-	-	744,437	163,419
Investment income	4	819	-	-	819	1,695
Total		4,299,580	407,069	-	4,706,649	5,512,809
Incoming resources from charitable activities	5	779,731	-	-	779,731	42,940
Other incoming resources		417,522	-	-	417,522	45,456
Total incoming resources		5,496,833	407,069	-	5,903,902	5,601,205
EXPENDITURE ON:						
Costs of raising funds						
Costs of generating voluntary income	6	430,462	-	-	430,462	371,834
Trading costs	6	571,860	-	-	571,860	169,659
Total costs of raising funds		1,002,322	-	-	1,002,322	541,493
Charitable activities	5a	4,553,291	997,883	-	5,551,174	3,868,522
Total resources expended	6	5,555,613	997,883	-	6,553,496	4,410,015
Net (expenditure)/income before redevelopment expenditure		(58,781)	(590,814)	-	(649,595)	1,191,190
Redevelopment expenditure		-	-	-	-	-
Net movement in funds		(58,781)	(590,814)	-	(649,595)	1,191,190
Balances brought forward at 1 April 2021		1,526,521	1,211,280	137,455	2,875,256	1,684,066
Balance carried forward at 31 March 2022		1,467,740	620,466	137,455	2,225,661	2,875,256

The income and expenditure detailed above all arises from continuing operations. There were no discontinued operations in the year. The charity has no recognised gains and losses other than those above and therefore no separate Statement of Total Recognised Gains and Losses has been presented. There is no difference between the net movement in funds for the year stated above and its historical cost equivalent.

The notes on pages 17 to 35 form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31 MARCH 2022

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
FIXED ASSETS					
Tangible assets	11a&b	467,129	574,286	467,129	574,286
Tangible assets - redevelopment	11c	-	-	-	-
Investments	12	-	-	101	101
		467,129	574,286	467,230	574,387
CURRENT ASSETS					
Stock	13	9,649	7,947	-	-
Debtors: amounts falling due within one year	14	1,018,938	338,295	1,032,177	357,107
Advance expenditure on productions		189,730	20,262	189,730	20,262
Cash and cash equivalents		1,453,528	2,457,480	1,397,792	2,446,852
		2,671,845	2,823,984	2,619,699	2,824,221
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	15	(747,617)	(490,329)	(695,572)	(470,438)
Deferred income	16	(165,696)	(32,685)	(165,696)	(32,685)
		(913,313)	(523,014)	(861,268)	(503,123)
NET CURRENT ASSETS		1,758,532	2,300,970	1,758,431	2,321,098
TOTAL ASSETS LESS CURRENT LIABILITIES		2,225,661	2,875,256	2,225,661	2,895,485
NET ASSETS		2,225,661	2,875,256	2,225,661	2,895,485
CAPITAL AND RESERVES					
<i>Unrestricted funds</i>					
Designated funds	17	1,358,314	1,449,433	1,358,314	1,449,433
General funds	18	109,426	97,317	109,426	97,317
Trading Subsidiaries	12	-	(20,229)	-	-
		1,467,740	1,526,521	1,467,740	1,546,750
Restricted funds	19	620,466	1,211,280	620,466	1,211,280
Endowment funds	20	137,455	137,455	137,455	137,455
TOTAL FUNDS		2,225,661	2,875,256	2,225,661	2,895,485

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements. The financial statements were approved and authorised for issue by the Trustees and were signed below on its behalf by:



 Anthony Burton CBE
 Chair

Date 24-03-23

The notes on pages 17 to 35 form part of these accounts.

THE ENGLISH STAGE COMPANY LIMITED
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities		(932,893)	1,242,441
Cash flows from investing activities			
Dividends and interest	4	819	1,695
Purchase of property, plant and equipment	11a	(71,878)	(1,836)
Net cash provided by/(used in) investing activities		(71,059)	(141)
Change in cash and cash equivalents in the reporting period		(1,003,952)	1,242,300
Cash and cash equivalents at the beginning of the reporting period		2,457,480	1,215,180
Cash and cash equivalents at the end of the reporting period		1,453,528	2,457,480

NOTES TO THE CASH FLOW STATEMENT

	Notes	2022 £	2021 £
Reconciliation of Net income to Net Cash Flow from Operating Activities			
Net income for the reporting period		(649,595)	1,191,190
Depreciation charges	11a	177,657	174,410
Loss on disposal of Fixtures and Fittings		1,378	-
Decrease/(increase) in debtors		(850,111)	630,417
(Decrease)/increase in creditors	15	390,299	(754,249)
Interest and dividends	4	(819)	(1,695)
Decrease/(increase) in stock	13	(1,702)	2,368
Net cash provided by/(used in) operating activities		(932,893)	1,242,441
Analysis of Cash and Cash Equivalents			
Cash at bank and in hand		1,453,528	2,457,480
Short term deposits		-	-
Total:		1,453,528	2,457,480

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1. GENERAL INFORMATION AND COMPANY STATUS

The English Stage Company is a charitable company limited by guarantee registered in England and Wales. The registered office and principal place of business is Royal Court Theatre, Sloane Square, London, SW1W 8AS. The liability of each member in the event of winding-up is limited to £10. The main activities of the charity are to find, develop and produce new plays, creating the conditions for writers, nationally and internationally, to flourish.

2. PRINCIPAL ACCOUNTING POLICIES

The financial statements 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) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, are set out below. The charitable company is a public benefit entity under FRS102 and it is registered as a charity in England and Wales.

Going concern

The Trustees have a reasonable confidence that the Charity has adequate resources to continue in operational existence for the foreseeable future. English Stage Company were successful with their application to Arts Council England for NPO funding for 2023-26. 2022-23 will be an interim standalone year which was agreed early in 2022. The Finance and General Purposes Committee met with the Executive team to look at the future budgets for both the Charity and Catering Subsidiary using key information such as cash flow and management accounts. The Trustees consider that the ongoing NPO funding despite a 5% cut will ensure the Charity can meet their commitments and liabilities for the period. The Catering Subsidiary will continue to run an operation in the square which provides the potential for financial security success. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Consolidation

The financial statements consolidate those of the English Stage Company Limited and its non-charitable subsidiaries Royal Court Theatre Productions Limited and ESC Catering Limited. The results of these wholly-owned trading subsidiaries are incorporated on a line by line basis in these financial statements. A further wholly-owned subsidiary, ESC Productions Limited, has not been consolidated as it was dormant for the whole of the current and prior years.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006. The income and expenditure account for the year dealt with in the accounts of the Charity was a deficit of £669,824 (2021: £1,269,561 surplus).

Foreign currency

Transactions which are denominated in a foreign currency are translated at the rate prevailing at the date of the transaction. Balance sheet items are translated at the rate prevailing at year-end. All differences are taken to the Statement of Financial Activities.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Council members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Council members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and Endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes in the financial statements.

Income

Income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Sponsorship and donations

Sponsorship and donations are credited to the Statement of Financial Activities in the year in which they are receivable or alternatively if sponsorship or donations are given for a specific play or project then they are credited in the year in which that play or project takes place.

Grant funding

Grants are credited to the Statement of Financial Activities in the year in which they are receivable. They are recognised when the above income recognition criteria are met and to the extent that any performance conditions attached to the grants have been met.

Box office and associated income and expenditure

Box office income comprises ticket sales for performances and events in the Jerwood Theatre Downstairs and the Jerwood Theatre Upstairs. For productions occurring wholly within one financial year, revenue is recognised as ticket sales are made and all associated costs are written off in that financial year. Where productions span the year-end costs and income are recognised in the year in which the press night of the related production takes place.

Trading income

Trading income is stated exclusive of value added tax.

Gifts in kind

Gifts in kind are recognised as incoming resources when received, at the cost to the donor, where the amount is material and quantifiable.

Interest receivable

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

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Resources expended

All expenditure is accounted for on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure has been classified under the headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with use of resources. Costs are attributed in proportion to the number of employees directly engaged in each area of activity. All expenditure is inclusive of any irrecoverable VAT.

Support costs

Support costs comprise the indirect costs, including staff costs, relating to the charitable activities and are attributed in proportion to the directly associated activity.

Redundancy and termination costs

The charity recognises employee redundancy and termination costs in full on the date the redundancy or termination is confirmed.

Governance Costs

Governance costs are stated as a sum total of the audit fee and any Board related costs in the year.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease terms.

Tangible Fixed Assets (including redevelopment)

All assets are included at their purchase price together with any incidental costs of acquisition. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Assets with a value below £300 are not capitalised. Assets which are co-dependent and have a combined value of £300 and above are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation and amortisation of tangible fixed assets is carried out using the straight line method over the following periods:

Leasehold Premises/Improvements	Lifetime of the lease
Stage and Lighting Equipment	3-10 years
Plant Equipment, Fixtures and Fittings	3-10 years
Office and Computer Equipment	3-10 years

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Stock

Stock in the consolidated accounts represents food, liquor, disposable items, books, play texts, programmes, and merchandise held for resale and is valued at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Advance expenditure on productions

These consist of expenditure incurred in respect of productions in the future period and are carried forward on the balance sheet until they are expensed in the period that the related production has its press night.

Cash at Bank and in hand

Cash at bank and 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.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Deferred income

Income received in the year is deferred where the event to which the income relates is happening in a future period or where the performance conditions attached to the funding have not been met.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

Critical accounting judgements and estimates

In the application of the accounting policies, the Trustees are required to make judgement, 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.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted funds £	Total 2022 £
Sponsorship and donations			
Performance			
Trusts and Foundation	-	20,882	20,882
Individual donations	8,748	93,000	101,748
Corporate Sponsorship	104,166	-	104,166
	112,914	113,882	226,796
General activity including Capital			
Trusts and Foundation	6,500	2,500	9,000
Individual donations	372,492	-	372,492
Corporate Sponsorship	95,649	-	95,649
	474,641	2,500	477,141
Writer and Play Development			
Trusts and Foundation	-	15,000	15,000
Individual donations	-	5,927	5,927
Corporate Sponsorships & Events	104,167	50,000	154,167
	104,167	70,927	175,094
Participation			
Trusts and Foundation	5,000	87,000	92,000
Individual donations	-	-	-
Corporate Sponsorships & Events	5,000	-	5,000
	10,000	87,000	97,000
Total sponsorships and donations	701,722	274,309	976,031
Public Funding	2,852,602	132,760	2,985,362
Total Voluntary income	3,554,324	407,069	3,961,393

Public Funding relates to grants received from Arts Council, British Council, Great London Authority and income received from the Corona Virus Job Retention Scheme.

Corporate sponsorships includes £308,982 (2021: £205,366) of corporate membership and corporate sponsorship fees. This disclosure allows income to be consistent and in line with the costs to generate this income, which is included in fundraising costs within note 6.

THE ENGLISH STAGE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

3a. PRIOR YEAR VOLUNTARY INCOME

	Unrestricted Funds £	Restricted funds £	Total 2021 £
Sponsorship and donations			
Performance			
Trusts and Foundation	-	5,000	5,000
Individual donations	46,468	149,113	195,581
Corporate Sponsorship	-	100,262	100,262
	46,468	254,375	300,843
General activity including Capital			
Trusts and Foundation	67,000	7,500	74,500
Individual donations	500,315	-	500,315
Corporate Sponsorship	105,104	-	105,104
	672,419	7,500	679,919
Writer and Play Development			
Trusts and Foundation	-	40,000	40,000
Individual donations	-	25,910	25,910
Corporate Sponsorships & Events	-	-	-
	-	65,910	65,910
Participation			
Trusts and Foundation	-	5,000	5,000
Individual donations	-	31,000	31,000
Corporate Sponsorships & Events	-	-	-
	-	36,000	36,000
Total sponsorships and donations	718,887	363,785	1,082,672
Public Funding	3,561,164	703,859	4,265,023
Total Voluntary income	4,280,051	1,067,644	5,347,695

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

4. INVESTMENT INCOME	2022	2021
	£	£
Interest bearing deposits	819	1,695
	<u>819</u>	<u>1,695</u>

All investment income in the current and the prior year relates to unrestricted funds.

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2022	2021
	£	£
Box office and associated income		
<i>Box office income</i>		
Jerwood theatre downstairs	631,192	-
Jerwood theatre upstairs	57,290	-
Digital	15,717	-
Royalties/fees	58,707	35,490
Outside contributions to productions	16,825	7,450
	<u>779,731</u>	<u>42,940</u>
By geographical segment:		
United Kingdom	<u>779,731</u>	<u>42,940</u>

All incoming resources from charitable activities in the current and the prior year relates to unrestricted funds.

5a COSTS OF CHARITABLE ACTIVITIES	Direct Costs £	Support Costs £	2022 £	2021 £
Performances				
Restricted	682,904	-	682,904	313,975
Unrestricted/designated	2,499,518	930,565	3,430,083	1,926,578
Play development				
Restricted	55,709	-	55,709	115,219
Unrestricted/designated	378,332	110,406	488,738	592,490
General activity				
Restricted	2,500	146,201	153,701	153,704
Unrestricted/designated	163,357	181,381	344,738	461,694
Education and writer development				
Restricted	110,569	-	110,569	56,086
Unrestricted/designated	198,253	91,479	289,732	248,776
Total costs of charitable activity	<u>4,091,142</u>	<u>1,460,032</u>	<u>5,551,174</u>	<u>3,868,522</u>
<i>Total costs of charitable activity in 2021</i>	<u>2,588,717</u>	<u>1,279,805</u>	<u>3,868,522</u>	

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

6. RESOURCES EXPENDED	Staff Costs £	Other Costs £	Depreciation £	2022 £
Costs of generated funds:				
Trading costs (unrestricted)	311,178	260,682	-	571,860
	311,178	260,682	-	571,860
Costs of generating voluntary income:				
Fundraising costs (unrestricted)	151,595	23,071	-	174,666
Marketing and publicity (unrestricted)	175,610	80,186	-	255,796
	327,205	103,257	-	430,462
Costs of charitable activities:				
Production costs (unrestricted)	1,551,709	997,873	-	2,509,582
Production costs (restricted)	562,022	287,160	-	849,182
Support costs (unrestricted)	961,002	1,051,254	31,453	2,043,709
Support costs (restricted)	-	2,500	146,201	148,701
	3,034,733	2,338,787	177,654	5,551,174
Total resources expended	3,673,116	2,702,726	177,654	6,553,496

6a. PRIOR YEAR RESOURCES EXPENDED

	Staff Costs £	Other Costs £	Depreciation £	2021 £
Costs of generated funds:				
Trading costs (unrestricted)	151,648	15,001	3,010	169,659
	151,648	15,001	3,010	169,659
Costs of generating voluntary income:				
Fundraising costs (unrestricted)	180,435	5,184	-	185,619
Marketing and publicity (unrestricted)	156,626	29,589	-	186,215
	337,061	34,773	-	371,834
Costs of charitable activities:				
Production costs (unrestricted)	1,462,332	239,278	-	1,701,610
Production costs (restricted)	-	485,280	-	485,280
Support costs (unrestricted)	986,796	515,934	25,198	1,527,928
Support costs (restricted)	-	7,500	146,204	153,704
	2,449,128	1,247,992	171,402	3,868,522
Total resources expended	2,937,837	1,297,766	174,412	4,410,015

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

7. NET INCOMING RESOURCES	2022	2021
	£	£
Net incoming resources is stated after crediting:		
Interest receivable	819	1,695
Net incoming resources is stated after charging:		
Depreciation	177,654	174,412
Auditors' remuneration	17,500	16,000

Indemnity insurance for Council members' liability has been purchased by the charity. The Auditor's remuneration includes costs of auditing the charity and group.

8. EMPLOYEE INFORMATION	2022	2021
	Number	Number
The average weekly number of full-time equivalent persons employed during the year was:		
Performances	59	43
Play development	7	10
General activity	12	16
Education	6	4
ESC Catering Ltd	11	7
	94	80

Key management salary and pension

The following staff comprise key management and their remuneration is as follows:

The five (2021: five) members of the Senior Management team received total emoluments of £400,717 (Salaries and NI: £385,711, Pension: £15,006). In the prior year these costs were £358,939 (Salaries and NI: £346,316, Pension: £12,623).

Redundancy payments of £NIL were made in the year to no employees (2021: £12,269 to 3 employees), which is included within wages and salaries.

1 employee received emoluments between £60,000 and £70,000, 1 employee received emoluments between £70,000 and £80,000, and 1 employee between £90,000 and £100,000 during the current period (2021: One employee received emoluments between £60,000 and £70,000, one employee received emoluments between £70,000 and £80,000, and one employee between £80,000 and £90,000).

No Trustees received emoluments in that capacity during the current or previous period. The Charity has not reimbursed expenses incurred by any Trustee.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

8. EMPLOYEE INFORMATION (continued)

	2022 £	2021 £
Total staff costs		
Wages and salaries	2,647,163	2,667,028
Freelancers and Contractors	697,694	-
Social security costs	241,775	205,430
Pension costs	86,484	65,379
	<hr/>	<hr/>
	3,673,116	2,937,837

The company operates a defined contribution pension scheme. Contributions payable to the company's pensions scheme are charged to the profit and loss account in the period to which they relate

9. ACTIVITIES FOR GENERATING FUNDS

	2022 £	2021 £
Summary		
Trading and catering sales	744,437	163,419
Less: Trading and catering purchases	(260,682)	(18,011)
Bookshop & catering staffing	(311,178)	(151,648)
	<hr/>	<hr/>
Net (deficit)/contribution from trading activities	172,577	(6,240)
	<hr/>	<hr/>
ESC Catering Limited - Note 12	706,808	149,167
Royal Court Theatre Productions Limited - Note 12	7,737	2,412
	<hr/>	<hr/>
	714,545	151,579
Other trading activities	29,892	11,840
	<hr/>	<hr/>
Total income	744,437	163,419
	<hr/>	<hr/>
Less: Trading costs	(571,860)	(169,659)
	<hr/>	<hr/>
Net contribution from trading activities	172,577	(6,240)

All income and expenditure for activities for generating funds in the current and the prior year relates to unrestricted funds.

10. TAXATION

The entity is a registered charity, and as such is entitled to certain tax exemptions on any surpluses on trading activities carried on in furtherance of the charity's primary objectives if these surpluses are applied solely for charitable purposes.

English Stage Company Limited and its subsidiaries are standard rated for VAT.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

11a. TANGIBLE FIXED ASSETS	Leasehold premises & improvement £	Stage and lighting equipment £	Plant, equipment fixtures & Fittings £	Total £
Group				
Cost				
At 1 April 2021	2,535,181	469,780	235,455	3,240,416
Additions	48,553	-	23,325	71,878
Disposals	-	-	(69,084)	(69,084)
At 31 March 2022	2,583,734	469,780	189,696	3,243,210
Depreciation				
At 1 April 2021	2,120,564	337,298	208,268	2,666,130
Charge for the year	123,918	39,451	14,288	177,657
Eliminated on disposals	-	-	(67,706)	(67,706)
At 31 March 2022	2,244,482	376,749	154,850	2,776,081
Net Book Value				
At 31 March 2022	339,252	93,031	34,846	467,129
At 31 March 2021	414,617	132,482	27,187	574,286
11b. TANGIBLE FIXED ASSETS				
Charity				
Cost				
At 1 April 2021	2,497,841	469,780	232,125	3,199,746
Additions	48,553	-	23,325	71,878
Disposals	-	-	(69,084)	(69,084)
At 31 March 2022	2,546,394	469,780	186,366	3,202,540
Depreciation				
At 1 April 2021	2,083,224	337,298	204,939	2,625,460
Charge for the year	123,918	39,451	14,288	177,657
Eliminated on disposals	-	-	(67,706)	(67,706)
At 31 March 2022	2,207,142	376,749	151,520	2,735,411
Net Book Value				
At 31 March 2022	339,252	93,031	34,846	467,129
At 31 March 2021	414,617	132,482	27,187	574,286

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

11c. TANGIBLE FIXED ASSETS

Redevelopment – Group & Charity	Leasehold premises £	Stage and lighting equipment £	Plant & machinery, fixtures & fittings £	Office & computer equipment £	Total £
Cost					
At 1 April 2021	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Depreciation					
At 1 April 2021	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Charge for the year	-	-	-	-	-
At 31 March 2022	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Net Book Value					
At 31 March 2022	-	-	-	-	-
At 31 March 2021	-	-	-	-	-

12. FIXED ASSET INVESTMENTS

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Interest in group undertakings:				
Cost	-	-	101	101
Net book value	-	-	101	101

Name of undertaking and country of incorporation and registration	Description of shares held	Proportion of nominal value of issued share capital
Royal Court Theatre Productions Limited (UK)	100 Ordinary shares of £1 each	100%
ESC Catering Limited	1 Ordinary share of £1 each	100%

The normal activity of Royal Court Theatre Productions Limited is the commercial exploitation of plays produced by the English Stage Company Limited.

The activity of ESC Catering Limited is to serve food and drink to Royal Court patrons and the general public in the Royal Court Cafe Bar in the basement and Balcony Bar.

The charity also owns 100% of the issued share capital (1 ordinary share of £1 each) in ESC Productions Limited. This company is dormant and has not traded in either the current or the prior year.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

12. FIXED ASSET INVESTMENTS (continued)

	ESC Catering Limited		Royal Court Theatre Productions Limited	
	2022	2021	2022	2021
	£	£	£	£
Profit and loss account				
Turnover	696,857	32,309	7,737	2,412
Cost of sales	(568,045)	(162,992)	-	-
Gross profit	128,812	(130,683)	7,737	2,412
Other operating expenses	(32,966)	(6,405)	(7,738)	(47)
Other operating income	11,100	116,859	-	-
Operating (loss)/profit	106,946	(20,229)	(1)	2,365
Net interest receivable	-	-	1	1
Profit/(loss) for the financial year before tax	106,946	(20,229)	-	2,366
Tax on profit for the year	-	-	-	-
Profit/(loss) for the financial year after tax	(20,229)	(20,229)	-	2,366
Payments under deed of covenant to parent charity	(86,717)	-	-	(2,366)
Profit and loss account carry forward	-	(20,229)	-	-

	ESC Catering Limited		Royal Court Theatre Productions Limited	
	2022	2021	2022	2021
	£	£	£	£
Fixed assets				
Tangible assets	-	-	-	-
Current assets				
Stock	9,649	7,947	-	-
Debtors and prepayments	101,990	7,698	-	-
Cash at bank and in hand	46,661	6,895	9,075	3,733
	158,300	22,540	9,075	3,733
Creditors: amounts falling due within one year	(158,299)	(42,768)	(8,975)	(3,633)
Total assets less current liabilities	1	(20,228)	100	100
Net assets/(liabilities)	1	(20,228)	100	100
Capital and Reserves				
Called up share capital	1	1	100	100
Profit and loss account	-	(20,229)	-	-
Equity shareholders' funds	1	(20,228)	100	100

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

13. STOCKS	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Catering stock	9,649	7,947	-	-
	9,649	7,947	-	-

14. DEBTORS: amounts falling due within one year	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	273,690	82,553	188,963	80,264
Due from subsidiary undertakings	-	-	115,229	23,993
Other taxation and social security	28,363	23,806	28,363	23,806
Other debtors	509,328	85,512	509,328	87,878
Prepayments	207,557	146,424	190,294	141,166
	1,018,938	338,295	1,032,177	357,107

15. CREDITORS: amounts falling due within one year	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	343,491	239,641	300,143	239,641
Other taxation and social security	62,178	71,800	60,460	55,976
Other creditors	16,520	23,996	15,866	23,002
Accruals	325,428	154,892	319,103	151,819
	747,617	490,329	695,572	470,438

16. DEFERRED INCOME

	Group £	Charity £
The movement in deferred income is analysed below:		
Deferred income brought forward at 1 April 2021	32,685	32,685
Amounts released from previous years	(32,685)	(32,685)
Incoming resources deferred in the year	165,696	165,696
Deferred income carried forward to 31 March 2022	165,696	165,696

The charity received income relating to production sponsorship and other activities in advance of the upcoming year.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

17. UNRESTRICTED FUNDS - DESIGNATED FUNDS

Group and Charity	Capital Replacement Fund £	Theatre Writing Fund £	Future Developments Fund £	COVID Recovery Fund £	Total £
At 1 April 2021	263,887	307,840	262,706	615,000	1,449,433
Sponsorship, donations and other income	-	-	-	-	-
Transfers	-	-	-	-	-
Expenditure	(17,157)	(73,962)	-	-	(91,119)
At 31 March 2022	246,730	233,878	262,706	615,000	1,358,314

The Capital Replacement Fund is used to service the depreciation charge on capital purchases not funded elsewhere and matches net book value of the relevant group of tangible assets.

The Theatre Writing Fund is used to cover commission payments, liabilities arising through timing of script delivery and expenditure on shows and play development.

The Future Development Fund is held for future work and activity. This fund is considered by the Trustees when looking at the reserves policy.

The COVID Recovery Fund will ensure donations received for the recovery of the theatre's activities and fabric are used accordingly.

18. UNRESTRICTED FUNDS - GENERAL FUNDS

	Group £	Charity £
At 1 April 2021	97,317	97,317
Trading subsidiary deficit at 1 April 2021	(20,229)	-
Incoming resources	5,496,833	4,901,275
Resources Expended	(5,464,494)	(4,889,166)
At 31 March 2022	109,426	109,426

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

19. RESTRICTED FUNDS Group and Charity	Balance				Balance
	1 April 2021	Income	Transfers	Expenditure	31 March 2022
	£	£	£	£	£
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre Fund	11,238	4,410	-	-	15,648
ACE Capital Project Fund	276,152	-	-	(93,108)	183,044
Participation Fund	37,845	87,000	-	(110,569)	14,276
International Play Development	15,777	-	-	(5,560)	142,977
Capital Matched Funding	157,478	2,500	-	(55,593)	104,385
Writer Development	26,500	65,000	-	(49,149)	42,351
Legacy Fund	34,808	1,517	-	(1,000)	35,325
			-		
New Playwrights	20,000	113,882	-	(120,882)	13,000
Reopening Fund	237,375	-	-	(183,997)	53,378
Cultural Recovery Fund	378,025	-	-	(378,025)	-
			-		
	1,211,280	407,069	-	(997,883)	620,466

The Neville Blond Fund was set up in 1987 to commemorate Neville Blond and is used to provide bursaries for young writers.

The Clare McIntyre Fund was set up in 2010 to support writers' attachments to the theatre.

The ACE Capital Project Fund is the grant awarded for the refurbishment project and will be depreciated proportionally.

The Participation Fund is dedicated to encouraging and developing young writers. We aim to show-case the work by putting on a bi-annual Young Writers Festival.

The International Play Development and Performance is dedicated to developing and nurturing playwriting talent outside the UK.

The Capital Matched Fund was set up to provide a matched contribution as part of the capital.

The Writer Development initiative supports the play development work of the Royal Court Theatre.

Legacy Fund relates to donations in memory of a member of staff that is to be put towards a project in the next year.

The New Playwrights initiative supports the development and production of plays at the Royal Court Theatre.

The Reopening Fund is made up of restricted funds donated to support the theatre and cultural recovery when the doors re-opened and we were able to stage work.

The Cultural Recovery Fund is a restricted fund from the Arts Council which enabled us to re-open with a programme of work under social distancing measures. The timetable for this work changed after theatres had to close in the first part of 2021 but we were able to carry funds forward.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

20. ENDOWMENT FUNDS	2022 £	2021 £
Balance at 1 April 2021	137,455	137,455
Investment income	-	-
Expenditure - management costs	-	-
Net gain/(loss) on revaluation	-	-
Balance at 31 March 2022	137,455	137,455

The endowment fund was received in 2008 and is used to support new commissions.

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term liabilities £	2022 Total £	2021 Total £
Restricted funds	-	-	620,466	-	620,466	1,211,280
Unrestricted funds	467,129	-	1,000,611	-	1,467,740	1,526,521
Endowment funds	-	-	137,455	-	137,455	137,455
	467,129	-	1,758,532	-	2,225,661	2,875,256

PRIOR YEAR ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Long term liabilities £	2021 Total £
Restricted funds	-	-	1,211,280	-	1,211,280
Unrestricted funds	574,286	-	952,235	-	1,526,521
Endowment funds	-	-	137,455	-	137,455
	574,286	-	2,300,970	-	2,875,256

22. CAPITAL

The charity is a company limited by guarantee. Each Council member has undertaken to contribute £10 to the assets of the charity to meet its liabilities if called to do so. The total amount guaranteed by Council members at 31 March 2022 is £120 (2021: £140).

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2022

23. RELATED PARTY TRANSACTIONS

The following transactions took place between the charity and council members during the year:

Anthony Burton is a solicitor whose firm, Simons, Muirhead & Burton, receives fees paid by the charity for ad hoc legal work separate from the work carried out by him in his capacity as a Council member for which he receives no remuneration. During the year, SMB received remuneration for their services of £NIL (2021: £9,262).

Judy Daish is a theatrical agent who receive commission from her clients, when contracted to the charity. During the year her agency received commissions of £14,176 (2021: £4,615).

During the year, Trustees made donations of £7,850 in aggregate (2021: £2,392).

All these transactions have been disclosed net of VAT.

24. OPERATING LEASE COMMITMENTS

At 31 March 2022 the total of the Group's and Charity's future minimum lease payments under non-cancellable operating leases was:

	2022	2021
	£	£
Amounts payable:		
Within 1 year	-	-
After 1 year but not more than 5 years	-	-
After 5 years	-	-
Total	<u>-</u>	<u>-</u>

English Stage Company agreed a new 15 year lease with Cadogan Estates in November 2020 and this was signed on 14 July 2022.

25. FINANCIAL INSTRUMENTS

Financial assets measured at fair value through profit or loss comprise trade debtors and cash at the balance sheet date. Financial Liabilities measured at amortised cost comprise trade creditors at the balance sheet date.

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	<u>1,727,218</u>	<u>2,540,033</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>343,491</u>	<u>239,641</u>

27. PRIOR YEAR GROUP AND CHARITY UNRESTRICTED FUNDS - DESIGNATED FUNDS

	Capital Replacement Fund £	Theatre Writing Fund £	Future Developments Fund £	Covid Recovery Fund £	£
At 1 April 2020	174,152	267,840	262,706	-	704,698
Sponsorship, donations and other income	-	-	-	-	-
Transfers	100,000	40,000	-	615,000	755,000
Expenditure	(10,265)	-	-	-	(10,265)
At 31 March 2021	263,887	307,840	262,706	615,000	1,449,433

See note 17 for description of each fund.

28. PRIOR YEAR UNRESTRICTED FUNDS - GENERAL FUNDS

	Group £	Charity £
At 1 April 2020	59,293	59,293
Incoming resources	4,533,561	4,384,347
Transfers from restricted funds	(755,000)	(755,000)
Resources Expended	(3,760,766)	(3,591,323)
At 31 March 2021	77,088	97,317

29. PRIOR YEAR GROUP AND CHARITY RESTRICTED FUNDS

	Balance 1 April 2020 £	Income £	Transfers £	Expenditure £	Balance 31 March 2021 £
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre Fund	9,838	1,400	-	-	11,238
ACE Capital Project Fund	369,260	-	-	(93,108)	276,152
Participation Fund	57,931	36,000	-	(56,086)	37,845
International Play Development	15,777	28,859	-	(28,859)	15,777
Capital Matched Funding	210,574	7,500	-	(60,596)	157,478
Writer Development	51,500	60,000	-	(85,000)	26,500
Legacy Fund	31,658	4,510	-	(1,360)	34,808
Reopening Night	-	249,375	-	(12,000)	237,375
Cultural Recovery Fund	-	675,000	-	(296,975)	378,025
New Playwrights	20,000	5,000	-	(5,000)	20,000
	782,620	1,067,644	-	(638,984)	1,211,280

See note 19 for description of each fund.

THE ENGLISH STAGE COMPANY LIMITED

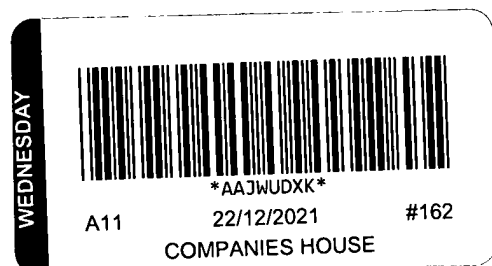
England & Wales - Charity number 231242

Accounts

THE ENGLISH STAGE COMPANY LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Registered Charity Number: 231242

Registered Company Number: 539332



THE ENGLISH STAGE COMPANY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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THE ENGLISH STAGE COMPANY LIMITED

TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2021

Principal Address

Royal Court Theatre, Sloane Square, London, SW1W 8AS

Trustees and advisors

The Trustees, who are also the directors of the company for the purpose of the Companies Act, form the Council of the English Stage Company Limited:

Anthony Burton CBE (Chair)
Graham Devlin CBE (Vice-Chair)
Jeanette Arnold
Judy Daish
Pamela Jikiemi
Mwenya Kawesha
Emma Marsh
James Midgley
Winsome Pinnock
Andrew Rodger
Anita Scott
Emma Tucker (resigned 21st May 2021)
Lord Stewart Wood
Mahdi Yahya

Senior Management Team

Executive

Artistic Director and CEO - Vicky Featherstone
Executive Producer - Lucy Davies

Senior Managers

Finance Director - Helen Perryer
General Manager - Catherine Thornborrow
Head of Production - Marius Rønning

Company Secretary

Lucy Glynn

Auditors

Goodman Jones LLP, 29/30 Fitzroy Square, London, W1T 6LQ

Principal Bankers

Barclays Bank, United Kingdom House, 7th Floor, 180 Oxford Street, London, W1D 1EA

Solicitors

Simons Muirhead & Burton,
8-9 Frith Street, Soho, London, W1D 3JB

Other principal advisors

Wrightsure Services Ltd, t/a Performers, Wrightsure House, 799 London Road, West Thurrock, Essex, RM20 3LH

THE ENGLISH STAGE COMPANY LIMITED

CHAIR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Chair's Report

The coronavirus pandemic has been devastating for the cultural sector, and we will look back on 2020/21 as an incredibly difficult year in our theatre's history.

It is a remarkable achievement, therefore, that the Royal Court team immediately stepped into lobbying and fundraising, while also creating imaginative digital work and continuing to gather writers together online. The whole staff team played their part in steadying the organisation and ensuring that it weathered this dreadful storm intact. We were able to retain all staff in the charity, fundraising vigorously to protect jobs and support freelance artists. Although working remotely the team miraculously kept the spirit and vigour of the Royal Court alive.

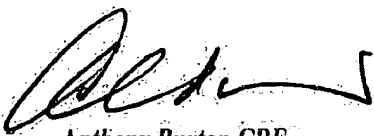
The Bar and Kitchen led by the incomparable Robert Smael was able to open a new outdoor offering, Court in the Square, which was a game-changing opportunity contributing so brilliantly to the identity and financial health of the theatre - for many years to come, we hope.

The Finance Committee met weekly and then fortnightly during the first months of this year to support the Executive team in financial decisions and resilience. The entire Board has been strategically critical in the wisdom, guidance and support they have brought and I am immensely grateful to them.

The charity has done all it can this year to support freelancers, with over 300 artists involved in Living Newspaper. We have also begun a multi-year partnership with consultants Sour Lemons to interrogate and reset our internal systems and culture through an anti-racist lens. Interestingly the pandemic has enabled us to reflect and embark on a period of radical change at the Royal Court.

Financially we ended the year with reserves intact and with funds to deliver the artistic activity we envisioned. Nonetheless the future - particularly in 2021/22 and 2022/23 - looks very uncertain and we know that recovering and rebuilding from this terrible crisis is going to demand even more of our collective imagination and adaptability.

The whole Board is indebted and grateful to the leadership of Vicky Featherstone, Lucy Davies and Helen Perryer and the extraordinarily dedicated team at Sloane Square for fighting so hard for the Court with such remarkable stamina and flair.



Anthony Burton CBE
Chair

Date: 4/11/2021

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

The following sections represent the strategic report for the year ended 31 March 2021.

**Structure, Governance and Management
Objectives and Activities of the Charity
Achievements, Performance and Future Plans
Financial Review
Reserves and Policy Statements**

Structure, Governance and Management

The registered charity which is a company limited by guarantee incorporated on 16 October 1954, is governed by its memorandum and articles of association. As at 31 March 2021, there were 15 guarantors whose liability in the event of a winding up is limited to £10 each. These accounts are prepared in accordance with SORP 2015 and the Companies Act 2006.

There is a Council of between five and 20 Trustees. For the purpose of company law, the Trustees are the Directors of the company and are non-executive and unpaid. During the financial period under review, the Trustees met four times. There is one sub-committee for Finance and General Purposes and a Development Council. The Finance and General Purposes Sub-Committee and Development Council are made up of Directors and other professionals. Both operate under specific terms of reference with certain functions delegated by the Council. Each has its decisions discussed by the full Council. The trading subsidiary for the catering operation also has a Board, which meets quarterly made up of Directors, the Executive team, and other professionals.

The Chief Executive (and Artistic Director - not a director as defined by the Companies Act 2006) is appointed by the Council to manage the programming, operations and staff of the company working with the Executive Director / Producer. Together with the Finance Director, these three form the Executive Team.

Trustees are elected by the members of the company at the Annual General Meeting. The English Stage Company Ltd (ESC) Council opts to appoint its Trustees for an unlimited period but regards that appointment as being a three-year appointment, renewable for further terms of three years. The Council meets to review and agree all new appointments in order to secure the best industry and professional expertise. The Council has adopted a policy on governance that incorporates training and trustees' responsibilities.

The Council meets to review the activity of the company and to advise the Executives responsible for carrying out the day-to-day activity of the company.

Trustee induction and training

New trustees undergo an orientation to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Pay policy for senior staff

The Chief Executive and Executive Director review the pay of the employees annually in line with peer organisations of a similar size and consider responsibility levels, London Living Wage and inflation as well as affordability. The recommended pay increases are included in the annual budget that is taken to Finance and General Purposes Committee for approval where salaries are discussed in more detail.

The Finance and General Purposes Committee review the pay of the Executive and other senior staff periodically.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

Risk management

Covid-19 brought an entirely new chapter to the risk register and this continues to be adapted as the circumstances change. The risks associated with audiences, ticket income, and disruption to shows as a result of infection will be with us for some years.

The fundamental systemic risks that our risk review process has revealed are the ongoing challenges of managing standstill core funding and the deferred nature of Theatre Tax Relief payments. The latter in particular holds the risk of an impact on cash flow.

The other major risk for the charity is the unpredictable nature of fundraising income, particularly in uncertain political and world market times, which impact on corporate behaviours and investment portfolios. A balanced budget relies on an ambitious fundraising target, often before the detailed Production activity of the year has been decided.

Our Risk Management Policy includes building issues as a risk to the organisation: the renewal of the lease, the shared usage of the alleyway running beside the building giving access to our stage door and dock, and the dilapidation of the stage technology and building systems.

Mitigating strategies are in place at the highest level to support and offset risks, including proactive stakeholder liaison, long-term contingency planning, and a flexible producing model that allows us to respond to external impacts.

The trustees have a risk management strategy that comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face as laid out in the risk register
- the establishment of policies, systems and procedures to mitigate those risks as laid out in the risk register
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise

Our objectives and activities

The Royal Court Theatre is the writers' theatre. It is the leading force in world theatre for finding writers and producing new plays that are original, contemporary and provocative. The Royal Court's mission is to be meaningfully engaged with civic, political, domestic and international life; giving writers a home in which to tackle big ideas and tell extraordinary stories, and to share their work with the widest possible audience.

The purposes of the charity are:

- to advance the education of the public in all aspects of world class contemporary playwriting
- to cultivate, train and develop new playwriting talent, diversifying pathways to writing for the stage
- the development of public appreciation of art by the provision of theatre and the presentation of public performances; and
- to further the social and cultural welfare of the communities in which we work throughout London

The vision that shapes our annual activities has been consistent for 60 years, and this year was Year Four of a four-year strategic and business plan approved by the Board and Arts Council England.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. The theatre relies on Arts Council England funding, fundraising income and the revenue from tickets and trading to cover its operating costs. Affordability and access is critical to us in setting pricing.

We endeavour to represent and encourage all those within London's communities to attend or take part. We work with local and Greater London schools and many higher education institutions across the UK.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

The strategies employed to achieve the charity's aims and objectives in the year ended 31 March 2021 were to:

- Sustain the workforce throughout the pandemic by using the CJRS and raising Cultural Recovery Fund support
- Continue a pipeline of talent through writer development activity
- Cultivate fund-raising support for innovative projects in a challenging context
- Create artistic content online and in the building for live audiences when legislation allows
- Support schools and young people stricken by Covid related isolation and frustrated learning
- Read up to 3,000 plays and continue commissioning new works
- Work in collaboration with the sector across the UK to disseminate our skills and share practice
- Actively promote and celebrate the diversity of cultures in our society by working with artists of different backgrounds, and supporting atypical artists to make work with us and for us

Achievements and Performance

Talent Development and Work on Stage

Navigating 2020/21 operationally and artistically was a test for every cultural leader. It is an incredible credit to the 18 staff who continued working and the many more who were furloughed (or flexi-furloughed as the picture constantly changed) that the Royal Court produced some flagship works during the year and continued to make an impact on writers, artists and audiences, responding to the world in catastrophe.

Plans were made and unmade as the UK moved in and out of lockdowns over the Spring, Autumn and Winter. Social distancing remained in place throughout periods when we were permitted to open.

Our plan was to sustain a pipeline of talent, retain our global profile and partnerships, build on philanthropic relationships and nurture new and existing audiences. The projects and plays that we considered viable for this partially open, socially distant and digital model were built on a completely different economic premise than a standard production of a play. As a result they were lighter on income but had as much artistic and public impact and reach as a standard programme of work (if not more). Critically, this work appealed to funders and donors, crucially sustaining philanthropic relationships that would otherwise dwindle through ongoing closure.

We cancelled three plays which were in production for April 2020 and delayed a further seven programmed for later in the year. Instead we produced three flagship digital projects, in addition to putting CYPRUS AVENUE by David Ireland back online for a month.

CARETAKER by Hester Chillingworth - a 24-hour durational livestream from our empty stage with audio messages

MY WHITE BEST FRIEND and other letters left unsaid by Rachel De-lahey and Milli Bhatia

LIVING NEWSPAPER - a 7 week programme of weekly editions of a theatrical newspaper created across the whole building by over 68 writers and over 300 freelance artists in total

In addition, we initiated the feature film of debbie tucker green's ear for eye (produced at the Royal Court to great acclaim in 2018) produced by Fiona Lamptey for BBC Films.

The Court's development of writing talent is unsurpassed in the theatre ecology. Despite the pandemic, our writer development work continued online with no reduction in activity compared with a standard year. We ran writers groups, forged new partnerships, continued our Young Agitator and schools programmes and commissioned playwrights.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

Reach and Inclusion

The programme is deliberately diverse, expansive and broad - we are as ambitious for developing our audiences as we are for our artists. We look for shrewd ways to distribute the work across platforms and stages in the UK to reach many more people than we could in Sloane Square alone. We aim to draw an audience that is representative of London and increase attendance by those with access needs.

In 2019/20 55% of the writers whose plays we produced (23 writers) were Black and Global Majority. 74% identify as female. 4% were disabled. 45% of our cast and creative teams were Black and Global Majority. 61% identified as female and 0.5% were disabled. Our audience is younger and more diverse than the London theatre-going average, and around 30% of the audience for any show is new to the Royal Court.

50% of the writers we commissioned were Black and Global Majority. 69% were women. 9% were disabled. The work leads, and writers have a very important enfranchised voice in the culture of our organisation.

Our Board is 40% Black and Global Majority, 60% identify as female, 7% are disabled. Our workforce, however, is not yet representative of the city: 70% white.

George Floyd's murder in May 2020 led many theatres to share a deepened anti-racism plan. At the heart of our plan was forging a new two-year partnership with Sour Lemons to interrogate and reset our internal systems and culture. We wanted an external partner for facilitated third party organisational questioning, a Black-led partner, with fantastic theoretical and practical expertise in systems, processes and language. We knew, and it is proving so, that in looking at our organisation through the lens of race and making it fairer, we would make it fairer and better for everyone.

The impacts of Covid-19 will exacerbate inequalities and implement barriers for audiences which we have spent years dismantling. We know that working class theatre-makers are experiencing profound poverty and leaving the sector already - unprotected by the Equalities Act, this is an area where we are committed to action.

The critical role for cultural organisations is to rebuild a confident recovery with social justice and inclusion at the centre. As we enter ACE's Let's Create strategy, this crisis fast-tracks the principles of creativity and culture building better, fairer, more resilient communities. The provocative, contemporary, responsive mission of the Royal Court is the unique privilege of this organisation and why we must and will weather this devastating crisis for the arts so we can contribute and sustain the sector for another 60 years.

International Work

Digital working across the artistic team enabled international writers to join digital writers groups for the first time, and to participate in Living Newspaper and other core projects where being present was not essential (or even possible).

Understandably planned projects in Japan, Palestine and the Caribbean were all postponed but some were able to continue in a virtual format. We also forged new partnerships: developing a relationship with PuSh Festival in Canada and obtaining money from the High Commission to deliver a new project; with the Taiwan Cultural Division and the National Theatre of Taiwan; with the Norwegian cultural office paying to translate Norwegian plays into English with the idea of developing a new project; and with Pro Hevetia (Swiss Arts Council) running an online residency during lockdown.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

Funders and Partners

Much of our activity in this unprecedented year continued to be supported by generous funders, partners, and supporters. A considerable amount of our play development work is underpinned through grants from Trusts & Foundations. Jerwood Arts continued to fund our Jerwood New Playwrights programme with Hester Chillingworth, Somalia Nonyé Seaton and Ross Willis the 2020 beneficiaries.

Our participatory work received funding from Trusts including The Backstage Trust, The Aurum Charitable Trust, John Lyon's Charity and Garfield Weston Foundation. Our Writer's Groups were supported by the Andrew Lloyd Webber Foundation. Support from individuals remained our largest fundraised income stream. We saw a slight decrease in membership income this year as a result of our extended closure period but an increase in gifts received from major donors. We also had significant success in raising funds following a public 'Support the Court' campaign in October 2020. Despite a decline in corporate membership income during our closed year, overall income from corporates increased thanks to donations from new partners within the film and television industry.

Environmental sustainability

We are proud of our readiness to step into sector-leading work in this field. We were in the first cohort of cultural organisations to declare climate emergency in April 2019 and spent Autumn 2019 developing our credible plan for a just transition to net zero, as outlined in last year's report. This work was forestalled by the pandemic, but also deepened by it. During 2020/21 we contributed to the new Green Book for theatre production and adopted its principles as standard going forwards.

We have continued to work co-operatively with fellow LTC theatres (Lucy remained LTC Chair for a sixth and final year) and Julie's Bicycle, to progress the shared strategy for the environmental impact of our work. With LTC, we are part of the Arts Council Accelerator programme with an ambitious roadmap of sustainable ambitions to 2025.

The Court was awarded 5* in our Industry Green certification and Lucy Davies was awarded Creative Green Champion in the 2020 Creative Green Awards.

Digital distribution

The pandemic demanded a digital offer and, appropriately at the Court, the direction and shape of our online offerings came from the writers. From a durational livestream with audio, to a live zoom festival with post-show decompression spaces for audiences, to Living Newspaper which released 15 short films a week, daily into your inbox, we tested new ways of creating and distributing work. We built a brilliant new artistic partnership with Tea Films, and created a new Cog Player to stream work.

We also partnered with Stuckemarkt Berlin to create a special series of Playwrights Podcasts, hosted by Simon Stephens.

Financial Report and Risks

We successfully raised £1m in CJRS and just under £1m in two strands of DCMS support: Emergency Funds and CRF1. This combined support amounts to £2m of relief funds which have been a lifeline in sustaining our workforce and stabilising our business during a year when we have lost significant commercial and trading income. We have sought to protect a viable cash reserve position and adapt and explore other income generation strategies, for example vigorous fundraising and an entrepreneurial outdoor catering offer.

On April 1st 2020 our liquid reserves were at £590,000 (Designated and General Reserves excluding Capital Replacement Reserve) against an ideal level of £750,000. The impact of lockdown in March also left us carrying further potential liabilities of around £300,000. Our cash flow showed the business becoming very vulnerable by summer 2020.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

Emergency Funds from DCMS / ACE of £220,000 steadied us, and in August 2020 we successfully applied for a further £750,000 in the first round of CRF funding. We furloughed over 80% of our workforce during the deep period of lockdown and closures while the remaining staff continued to develop and create artistic work, support schools and young people, fundraise and strategise. We produced two digital projects over the summer of 2020 and in the Autumn created a huge Living Newspaper project employing over 300 freelancers, performed live and online. This project was disrupted by 2 further lockdowns and eventually became entirely digital between April and May 2021. The disruptions and migration online inflated the budget by over 25%.

At April 1st 2021 we were carrying forward restricted CRF and donated funds to support artistic activity between April and June 21 delayed by closures as well as designated reserves for the theatres recovery. We did not apply for CRF2 funds as our position was secure at that stage to protect reserves and deliver the programme of activity. Our fundraising efforts had proved successful and we were continuing to judiciously use the flexi-furlough scheme to retain staff.

A proven, sustainable and innovative business model supports the Royal Court's artistic programme, but it is undoubtedly tested by a decade of reduced and flat lining public funding - if our NPO grant had risen in line with inflation we would receive an additional £500,000 today. This gap, as costs rise, is acutely felt. The practice of well controlled expenditure, prudent forecasting, energetic fundraising, diverse partnership and robust commercial activity continues to be pushed to plug that gap.

Reserves

At the year-end date, ESC had total reserves of £2.87m (2020: £1,68m). The Redevelopment Fund set up using funds from Arts Council and other matched funds for the 1997-2000 theatre rebuild has now been fully drawn down in line with the length of the lease. There is an endowment fund of £137k (2020: £137k) established to support exploitation of the Charity's work; other funds restricted to use on particular projects and programmes amount to £1,211k (2020: £783k) with £378k being specific to delayed programme of works and to sustain the company while it continues to deal with the impact of the pandemic. The remaining funds of £1.45m include funds designated by the Board for capital replacement of £264k and £570k for new writing and future development with a further £615k designated to recovery. This leaves free reserves of £77k, which is a realistic figure given that the designated funds exist to support the objects of the Charity.

On a day-to-day basis, ESC monitors its financial position less in terms of free reserves, and more in terms of the availability of cash and cash flow in the business. Our cash-flow, like other theatres, results in peaks and troughs of cash at certain times of the year and through vigilant management of the finances and regular financial information provided to trustees ESC seeks to hold sufficient cash to ensure it can fulfil its short and medium term strategic objectives. The nature of the receipt of Theatre Tax Relief at one point in the year is challenging for the cash flow of the organisation. Although the Trustees are aware of the unprecedented current level of designated reserves, there is an awareness that through cash flow projections ESC will quickly deplete reserves and should continue to complete the accounts and corporation tax returns as early as possible to maximise a positive cash flow potential.

Fundraising

The Royal Court's fundraising activities include seeking and securing financial contributions from individuals, corporations and trusts, foundations and grant-making bodies towards the Royal Court's work. We run an Individual Giving scheme which offers various levels of split memberships which incorporate a benefits package and a charitable donation. This membership scheme ranges from £250 to £10,000 and donations made above this amount are considered Major Gifts. Our Annual Fund encourages low-level one-off donations from audience members outside of our regular giving schemes and these are often made in addition to ticket purchases. We claim Gift Aid on donations made by individuals who are eligible. We welcome legacy gifts and encourage supporters and audience members to remember the Royal Court in their will. We run a Corporate Membership scheme that offers companies different tiers of support ranging from £5,000-£15,000 plus VAT. In addition, we work with companies with whom we share values to create

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

larger partnerships and offer sponsorship opportunities. Partnerships with companies can offer both financial and in-kind support. We seek funds from charitable Trusts and Foundations and apply for both general core support and funds

restricted to specific projects and purposes. Occasionally, we programme special fundraising events to generate additional income throughout the year and have introduced Production Circles for our supporters to join.

All fundraising is managed internally and delegated to the Development Director who is accountable to the Trustees via the Executive.

As well as being guided by our own internal ethical fundraising policy, the Royal Court is a member of the UK Fundraising Regulator to ensure our fundraising activity adheres to their code of conduct and follows best practice. No complaints were received during the year in relation to our fundraising.

Future Developments

These are very uncertain times. 2021/22 and 2022/23 will be very challenging years as the support cushions from the state ebb away and we try to rebuild audiences and trading income.

During 2021/22 we shall reinstate the postponed work from 2020, only reopening our Theatre Upstairs from December 2021 in order to mitigate losses in that smaller space. We will begin with Jasmine Lee-Jones' seven methods of killing kylie jenner in a reconfigured Downstairs auditorium to allow for socially distant audiences on both sides of the stage, The production has been invited to NY and Washington in Jan / Feb / Mar 2022 and we will film it for on-demand online viewing in the Winter of 2021/22. The Song Project follows in August 2021 and from September we resume full productions with full houses:

IS GOD IS by Aleshea Harris

WHAT IF IF ONLY by Caryl Churchill

MARYLAND by Lucy Kirkwood - script-in-hand

RARE EARTH METTLE by Al Smith - programmed to coincide with COP26

A FIGHT AGAINST by Pablo Manzi translated by William Gregory - filmed and streamed into Santiago a Mil Festival, Chile

THE GLOW by Alistair McDowall

PURPLE SNOWFLAKES AND TITTYWANKS by Sarah Hanly - co-produced with the Abbey Theatre, Dublin

TWO PALESTINIANS GO DOGGING by Sami Ibrahim

In addition we will present work by the Queer Upstairs writers group, host a week of plays and talks around our Living Archive enquiry, and co-produce ISLA by Tim Price with Theatr Clwyd, opening there in October 2021. We will produce our first play as part of our collaboration with Sister Pictures in Feb 2022 in the Theatre Upstairs.

We are hopeful of sustaining Court in the Square through the summer and the winter, and for many summers to come.

Our work with Sour Lemons will influence a review of our structures for looking after people, and the ongoing capital challenges to our building's fabric and systems will influence a review of the operational team and the development of a capital fundraising scheme while seizing on all potential grant opportunities. A new commercial income working group will be created to look at long-term income generation, and our net zero planning and Green Book work will be ramped up during this critical year. In Jan - Mar 2022 we will be applying for our next round of NPO funding from Arts Council England and a number of strategic days with Board and staff will take place in the run-up to that submission.

THE ENGLISH STAGE COMPANY LIMITED

REPORT OF THE COUNCIL (continued)

FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

The Council Members are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations.

Company law requires the Council Members to prepare financial statements for each financial year. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements the Council Members are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation

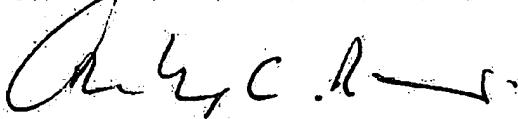
The Council Members are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for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

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

AUDITORS

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

Signed on behalf of the Council on by:



Anthony C Burton CBE - Director

4.11.2021

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ENGLISH STAGE COMPANY LIMITED

Opinion

We have audited the financial statements of English Stage Company Limited ('the parent charity') and its subsidiaries (together 'the group') for the year ended 31 March 2021 set out on pages 14 to 35. 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Charity'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ENGLISH STAGE COMPANY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

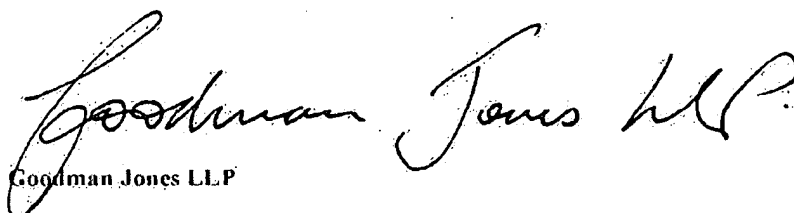
**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE ENGLISH STAGE COMPANY LIMITED**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Goodman Jones LLP

Statutory Auditors and Chartered Accountants

29/30 Fitzroy Square

London

W1T 6EQ

Date:

4.11.2021

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ENGLISH STAGE COMPANY LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Designated and unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME FROM:						
Voluntary income	3	4,280,051	1,067,644	-	5,347,695	3,671,856
Activities for generating funds	9	163,419	-	-	163,419	825,880
Investment income	4	1,695	-	-	1,695	5,163
Total		4,445,165	1,067,644	-	5,512,809	4,502,899
Incoming resources from charitable activities	5	42,940	-	-	42,940	1,719,246
Other incoming resources		45,456	-	-	45,456	412,817
Total incoming resources		4,533,561	1,067,644	-	5,601,205	6,634,962
EXPENDITURE ON:						
Costs of raising funds						
Costs of generating voluntary income	6	371,834	-	-	371,834	511,896
Trading costs	6	169,659	-	-	169,659	610,944
Total costs of raising funds		541,493	-	-	541,493	1,122,840
Charitable activities	5a	3,229,538	638,984	-	3,868,522	6,049,154
Total resources expended	6	3,771,031	638,984	-	4,410,015	7,171,994
Net (expenditure)/income before redevelopment expenditure		762,530	428,660	-	1,191,190	(537,032)
Redevelopment expenditure	21	-	-	-	-	(758,452)
Net movement in funds		762,530	428,660	-	1,191,190	(1,295,484)
Balances brought forward at 1 April 2020		763,991	782,620	137,455	1,684,066	2,979,550
Balance carried forward at 31 March 2021		1,526,521	1,211,280	137,455	2,875,256	1,684,066

The income and expenditure detailed above all arises from continuing operations. There were no discontinued operations in the year. The charity has no recognised gains and losses other than those above and therefore no separate Statement of Total Recognised Gains and Losses has been presented. There is no difference between the net movement in funds for the year stated above and its historical cost equivalent.

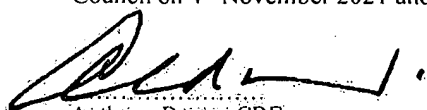
The notes on pages 17 to 35 form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31 MARCH 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Tangible assets	11a&b	574,286	746,860	574,286	743,850
Tangible assets - redevelopment	11c	-	-	-	-
Investments	12	-	-	101	101
		574,286	746,860	574,387	743,951
CURRENT ASSETS					
Stock	13	7,947	10,315	-	-
Debtors: amounts falling due within one year	14	338,295	664,104	357,107	667,986
Advance expenditure on productions		20,262	324,870	20,262	324,870
Cash and cash equivalents		2,457,480	1,215,180	2,446,852	1,192,873
		2,823,984	2,214,469	2,824,221	2,185,729
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	15	(490,329)	(514,723)	(470,438)	(483,074)
Deferred income	16	(32,685)	(762,540)	(32,685)	(762,540)
		(523,014)	(1,277,263)	(503,123)	(1,245,614)
NET CURRENT ASSETS		2,300,970	937,206	2,321,098	940,115
TOTAL ASSETS LESS CURRENT LIABILITIES		2,875,256	1,684,066	2,895,485	1,684,066
NET ASSETS		2,875,256	1,684,066	2,895,485	1,684,066
CAPITAL AND RESERVES					
<i>Unrestricted funds</i>					
Designated funds	17	1,449,433	704,698	1,449,433	704,698
General funds	18	97,317	59,293	97,317	59,293
Trading Subsidiaries	12	(20,229)	-	-	-
		1,526,521	763,991	1,546,750	763,991
Restricted funds	19	1,211,280	782,620	1,211,280	782,620
Endowment funds	20	137,455	137,455	137,455	137,455
TOTAL FUNDS		2,875,256	1,684,066	2,895,485	1,684,066

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements. The financial statements were approved and authorised for issue by the Council on 4th November 2021 and were signed below on its behalf by:



Anthony Burton CBE
Chair

The notes on pages 17 to 35 form part of these accounts.

THE ENGLISH STAGE COMPANY LIMITED
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities	1,242,441	150,890
Cash flows from investing activities		
Dividends and interest	1,695	5,163
Purchase of property, plant and equipment	(1,836)	(28,561)
Net cash provided by/(used in) investing activities	(141)	(23,398)
Change in cash and cash equivalents in the reporting period	1,242,300	127,492
Cash and cash equivalents at the beginning of the reporting period	1,215,180	1,087,688
Cash and cash equivalents at the end of the reporting period	2,457,480	1,215,180

NOTES TO THE CASH FLOW STATEMENT

	2021 £	2020 £
Reconciliation of Net income to Net Cash Flow from Operating Activities		
Net income for the reporting period	1,191,190	(1,295,483)
Depreciation charges	174,410	936,792
Decrease/(increase) in debtors	630,417	34,486
(Decrease)/increase in creditors	(754,249)	476,557
Interest and dividends	(1,695)	(5,163)
Decrease/(increase) in stock	2,368	3,701
Net cash provided by/(used in) operating activities	1,242,441	150,890
Analysis of Cash and Cash Equivalents		
Cash at bank and in hand	2,457,480	1,069,300
Short term deposits	-	145,880
Total:	2,457,480	1,215,180

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

1. GENERAL INFORMATION AND COMPANY STATUS

The English Stage Company is a charitable company limited by guarantee registered in England and Wales. The registered office Royal Court Theatre, Sloane Square, London, SW1W 8AS. The liability of each member in the event of winding-up is limited to £10. The main activities of the charity are to find, develop and produce new plays, creating the conditions for writers, nationally and internationally, to flourish.

2. PRINCIPAL ACCOUNTING POLICIES

The financial statements 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) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, are set out below. The charitable company is a public benefit entity under FRS102 and it is registered as a charity in England and Wales.

Going concern

After making appropriate enquiries, the Trustees have reasonable confidence that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees met the Executive team very regularly for 6 months to discuss what impacts the Covid-19 pandemic may have for the Charity. Actions for both the Charity and Catering Subsidiary were deliberated using key information such as cash flow and accessibility to financial support. The Trustees consider that the ongoing NPO funding and successful applications in July and October for Emergency funding will ensure the Charity can meet their commitments and liabilities for the foreseeable future. The Catering Subsidiary was able to re-open in the square this summer which provided financial security as the theatre re opened. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Consolidation

The financial statements consolidate those of the English Stage Company Limited and its non-charitable subsidiaries Royal Court Theatre Productions Limited and ESC Catering Limited. The results of these wholly-owned trading subsidiaries are incorporated on a line by line basis in these financial statements. A further wholly-owned subsidiary, ESC Productions Limited, has not been consolidated as it was dormant for the whole of the current and prior years.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006. The income and expenditure account for the year dealt with in the accounts of the Charity was a surplus of £1,269,561 (2020: £1,295,484 deficit).

Foreign currency

Transactions which are denominated in a foreign currency are translated at the rate prevailing at the date of the transaction. Balance sheet items are translated at the rate prevailing at year-end. All differences are taken to the Statement of Financial Activities.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Council members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Council members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and Endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes in the financial statements.

Income

Income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Sponsorship and donations

Sponsorship and donations are credited to the Statement of Financial Activities in the year in which they are receivable or alternatively if sponsorship or donations are given for a specific play or project then they are credited in the year in which that play or project takes place.

Grant funding

Grants are credited to the Statement of Financial Activities in the year in which they are receivable. They are recognised when the above income recognition criteria are met and to the extent that any performance conditions attached to the grants have been met.

Box office and associated income and expenditure

Box office income comprises ticket sales for performances and events in the Jerwood Theatre Downstairs and the Jerwood Theatre Upstairs. For productions occurring wholly within one financial year, revenue is recognised as ticket sales are made and all associated costs are written off in that financial year. Where productions span the year-end costs and income are recognised in the year in which the press night of the related production takes place.

Trading income

Trading income is stated exclusive of value added tax.

Gifts in kind

Gifts in kind are recognised as incoming resources when received, at the cost to the donor, where the amount is material and quantifiable.

Interest receivable

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

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Resources expended

All expenditure is accounted for on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure has been classified under the headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with use of resources. Costs are attributed in proportion to the number of employees directly engaged in each area of activity. All expenditure is inclusive of any irrecoverable VAT.

Support costs

Support costs comprise the indirect costs, including staff costs, relating to the charitable activities and are attributed in proportion to the directly associated activity.

Redundancy and termination costs

The charity recognises employee redundancy and termination costs in full on the date the redundancy or termination is confirmed.

Governance Costs

Governance costs are stated as a sum total of the audit fee and any Board related costs in the year.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease terms.

Tangible Fixed Assets (including redevelopment)

All assets are included at their purchase price together with any incidental costs of acquisition. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Assets with a value below £300 are not capitalised. Assets which are co-dependent and have a combined value of £300 and above are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation and amortisation of tangible fixed assets is carried out using the straight line method over the following periods:

Leasehold Premises/Improvements	Lifetime of the lease
Stage and Lighting Equipment	3-10 years
Plant Equipment, Fixtures and Fittings	3-10 years

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Stock

Stock in the consolidated accounts represents food, liquor, disposable items, books, play texts, programmes, and merchandise held for resale and is valued at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Advance expenditure on productions

These consist of expenditure incurred in respect of productions in the future period and are carried forward on the balance sheet until they are expensed in the period that the related production has its press night.

Cash at Bank and in hand

Cash at bank and 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.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Deferred income

Income received in the year is deferred where the event to which the income relates is happening in a future period or where the performance conditions attached to the funding have not been met.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

Critical accounting judgements and estimates

In the application of the accounting policies, the Trustees are required to make judgement, 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.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

3. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted funds £	Total 2021 £
Sponsorship and donations			
Performance			
Trusts and Foundation	-	5,000	5,000
Individual donations	46,468	149,113	195,581
Corporate Sponsorship	-	100,262	100,262
	46,468	254,375	300,843
General activity including Capital			
Trusts and Foundation	67,000	7,500	74,500
Individual donations	500,315	-	500,315
Corporate Sponsorship	105,104	-	105,104
	672,419	7,500	679,919
Writer and Play Development			
Trusts and Foundation	-	40,000	40,000
Individual donations	-	25,910	25,910
Corporate Sponsorships & Events	-	-	-
	-	65,910	65,910
Participation			
Trusts and Foundation	-	5,000	5,000
Individual donations	-	31,000	31,000
Corporate Sponsorships & Events	-	-	-
	-	36,000	36,000
Total sponsorships and donations	718,887	363,785	1,082,672
Public Funding	3,561,164	703,859	4,265,023
Total Voluntary income	4,280,051	1,067,644	5,347,695

Public Funding relates to grants received from Arts Council, British Council, Great London Authority and income received from the Corona Virus Job Retention Scheme.

Corporate sponsorships includes £205,366 (2020: £144,331) of corporate membership and corporate sponsorship fees. This disclosure allows income to be consistent and in line with the costs to generate this income, which is included in fundraising costs within note 6.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

3a. PRIOR YEAR VOLUNTARY INCOME

	Unrestricted Funds £	Restricted funds £	Total 2020 £
Sponsorship and donations			
Performance			
Trusts and Foundation	-	104,833	104,833
Individual donations	54,425	49,385	103,810
Corporate Sponsorship	-	-	-
	54,425	154,218	208,643
General activity including Capital			
Trusts and Foundation	24,100	7,000	31,100
Individual donations	476,637	-	476,637
Corporate Sponsorship	144,331	-	144,331
	645,068	7,000	652,068
Writer and Play Development			
Trusts and Foundation	-	37,500	37,500
Individual donations	-	87,640	87,640
Corporate Sponsorships & Events	-	-	-
	-	125,140	125,140
Participation			
Trusts and Foundation	-	111,864	111,864
Individual donations	-	35,918	35,918
Corporate Sponsorships & Events	-	-	-
	-	147,782	147,782
Total sponsorships and donations	699,493	434,140	1,133,633
Public Funding	2,311,234	226,989	2,538,223
Total Voluntary income	3,010,727	661,129	3,671,856

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

4. INVESTMENT INCOME	2021 £	2020 £
Interest bearing deposits	1,695	5,163
	<u>1,695</u>	<u>5,163</u>

All investment income in the current and the prior year relates to unrestricted funds.

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2021 £	2020 £
Box office and associated income		
<i>Box office income</i>		
Jerwood theatre downstairs	-	1,369,937
Jerwood theatre upstairs	-	266,246
Royalties/fees	35,490	32,013
Outside contributions to productions	7,450	51,050
	<u>42,940</u>	<u>1,719,246</u>
By geographical segment:		
United Kingdom	42,940	1,719,246
	<u>42,940</u>	<u>1,719,246</u>

All incoming resources from charitable activities in the current and the prior year relates to unrestricted funds.

5a COSTS OF CHARITABLE ACTIVITIES	Direct Costs £	Support Costs £	2021 £	2020 £
Performances				
Restricted	313,975	-	313,975	181,151
Unrestricted/designated	1,287,677	638,901	1,926,578	4,234,473
Play development				
Restricted	115,219	-	115,219	354,755
Unrestricted/designated	448,906	143,584	592,490	371,006
General activity				
Restricted	7,500	146,204	153,704	153,204
Unrestricted/designated	214,589	247,105	461,694	319,486
Education and writer development				
Restricted	56,086	-	56,086	272,478
Unrestricted/designated	144,765	104,011	248,776	162,601
Total costs of charitable activity	<u>2,588,717</u>	<u>1,279,805</u>	<u>3,868,522</u>	<u>6,049,154</u>
<i>Total costs of charitable activity in 2020</i>	4,806,323	1,242,831	6,049,154	

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

6. RESOURCES EXPENDED	Staff Costs £	Other Costs £	Depreciation £	2021 £
Costs of generated funds:				
Trading costs (unrestricted)	151,648	15,001	3,010	169,659
	151,648	15,001	3,010	169,659
Costs of generating voluntary income:				
Fundraising costs (unrestricted)	180,435	5,184	-	185,619
Marketing and publicity (unrestricted)	156,626	29,589	-	186,215
	337,061	34,773	-	371,834
Costs of charitable activities:				
Production costs (unrestricted)	1,462,332	239,278	-	1,701,610
Production costs (restricted)	-	485,280	-	485,280
Support costs (unrestricted)	986,796	515,934	25,198	1,527,928
Support costs (restricted)	-	7,500	146,204	153,704
	2,449,128	1,247,992	171,402	3,868,522
Total resources expended	2,937,837	1,297,766	174,412	4,410,015

6a. PRIOR YEAR RESOURCES EXPENDED

	Staff Costs £	Other Costs £	Depreciation £	2020 £
Costs of generated funds:				
Trading costs (unrestricted)	350,914	257,908	2,122	610,944
	350,914	257,908	2,122	610,944
Costs of generating voluntary income:				
Fundraising costs (unrestricted)	209,600	20,006	-	229,606
Marketing and publicity (unrestricted)	206,422	75,868	-	282,290
	416,022	95,874	-	511,896
Costs of charitable activities:				
Production costs (unrestricted)	2,270,925	1,222,514	-	3,493,439
Production costs (restricted)	64,918	743,466	-	808,384
Support costs (unrestricted)	834,159	729,950	30,018	1,594,127
Support costs (restricted)	-	7,000	146,204	153,204
	3,170,002	2,702,930	176,222	6,049,154
Total resources expended	3,936,938	3,056,712	178,344	7,171,994

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

7. NET INCOMING RESOURCES	2021	2020
	£	£
Net incoming resources is stated after crediting:		
Interest receivable	1,695	5,163
Net incoming resources is stated after charging:		
Depreciation	174,412	178,344
Depreciation - redevelopment	-	758,453
Auditors' remuneration	16,000	16,000

Indemnity insurance for Council members' liability has been purchased by the charity. The Auditor's remuneration includes costs of auditing the charity and group.

8. EMPLOYEE INFORMATION	2021	2020
	Number	Number
The average weekly number of full-time equivalent persons employed during the year was:		
Performances	43	70
Play development	10	10
General activity	16	15
Education	4	4
ESC Catering Ltd	7	14
	80	113

Key management salary and pension

The following staff comprise key management and their remuneration is as follows:

The five members of the Senior Management team received a total remuneration package of £358,939 (Salaries and NI: £346,316, Pension: £12,623). In the prior year these costs were £389,560 (Salaries and NI: £337,018, Pension: £13,360).

Redundancy payments of £12,629 were made in the year to three employees (2020: £nil), which is included within wages and salaries.

One employee received emoluments between £60,000 and £70,000, one employee received emoluments between £70,000 and £80,000, and one employee between £80,000 and £90,000 during the current period (2020: One employee received emoluments between £60,000 and £70,000, one employee received emoluments between £70,000 and £80,000, and one employee between £90,000 and £100,000).

None of the Trustees received emoluments in that capacity during the current or previous period. The Charity has not reimbursed expenses incurred by any Trustee.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

8. EMPLOYEE INFORMATION (continued)

	2021 £	2020 £
Total staff costs		
Wages and salaries	2,667,028	3,602,189
Social security costs	205,430	249,196
Pension costs	65,379	85,553
	2,937,837	3,936,938

9. ACTIVITIES FOR GENERATING FUNDS

	2021 £	2020 £
Summary		
Trading and catering sales	163,419	825,880
Less: Trading and catering purchases	(18,011)	(260,030)
Catering staffing	(151,648)	(350,914)
	(6,240)	214,936
Net (deficit)/contribution from trading activities		
ESC Catering Limited - Note 12	149,167	682,705
Royal Court Theatre Productions Limited - Note 12	2,412	308
	151,579	683,013
Other trading activities	11,840	142,867
	163,419	825,880
Total income		
Less: Trading costs	(169,659)	(610,944)
	(6,240)	214,936
Net contribution from trading activities		

All income and expenditure for activities for generating funds in the current and the prior year relates to unrestricted funds.

10. TAXATION

The entity is a registered charity, and as such is entitled to certain tax exemptions on any surpluses on trading activities carried on in furtherance of the charity's primary objectives if these surpluses are applied solely for charitable purposes.

English Stage Company Limited and its subsidiaries are standard rated for VAT.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

11a. TANGIBLE FIXED ASSETS	Leasehold premises & improvement	Stage and lighting equipment	Plant, equipment fixtures & Fittings	Total
Group	£	£	£	£
Cost				
At 1 April 2020	2,535,181	469,780	290,287	3,295,248
Additions	-	-	1,836	1,836
Disposals	-	-	(56,668)	(56,668)
At 31 March 2021	2,535,181	469,780	235,455	3,240,416
Depreciation				
At 1 April 2020	1,996,874	297,845	253,667	2,548,386
Charge for the year	123,691	39,451	11,270	174,412
Eliminated on disposals	-	-	(56,668)	(56,668)
At 31 March 2021	2,120,565	337,296	208,269	2,666,130
Net Book Value				
At 31 March 2021	414,616	132,484	27,186	574,286
At 31 March 2020	538,307	171,935	36,618	746,860
 11b. TANGIBLE FIXED ASSETS				
Charity	Leasehold premises & improvement	Stage and lighting equipment	Plant, equipment fixtures & Fittings	Total
	£	£	£	£
Cost				
At 1 April 2020	2,497,842	469,779	286,957	3,254,578
Additions	-	-	1,836	1,836
Disposals	-	-	(56,668)	(56,668)
At 31 March 2021	2,497,842	469,779	232,125	3,199,746
Depreciation				
At 1 April 2020	1,958,802	299,623	252,301	2,510,726
Charge for the year	120,681	39,451	11,270	171,402
Eliminated on disposals	-	-	(56,668)	(56,668)
At 31 March 2021	2,079,483	339,074	206,903	2,625,460
Net Book Value				
At 31 March 2021	418,359	130,705	25,222	574,286
At 31 March 2020	539,042	170,156	34,654	743,850

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

11c. TANGIBLE FIXED ASSETS

Redevelopment – Group & Charity	Leasehold premises £	Stage and lighting equipment £	Plant & machinery, fixtures & fittings £	Office & computer equipment £	Total £
Cost					
At 1 April 2020	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Depreciation					
At 1 April 2020	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Charge for the year	758,453	-	-	-	758,453
At 31 March 2021	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Net Book Value					
At 31 March 2021	-	-	-	-	-
At 31 March 2020	-	-	-	-	-

12. FIXED ASSET INVESTMENTS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Interest in group undertakings:				
Cost	-	-	101	101
Net book value	-	-	101	101

Name of undertaking and country of incorporation and registration	Description of shares held	Proportion of nominal value of issued share capital
---	----------------------------	---

Royal Court Theatre Productions Limited (UK)	100 Ordinary shares of £1 each	100%
ESC Catering Limited	1 Ordinary share of £1 each	100%

The normal activity of Royal Court Theatre Productions Limited is the commercial exploitation of plays produced by the English Stage Company Limited.

The activity of ESC Catering Limited is to serve food and drink to Royal Court patrons and the general public in the Royal Court Cafe Bar in the basement and Balcony Bar.

The charity also owns 100% of the issued share capital (1 ordinary share of £1 each) in ESC Productions Limited. This company is dormant and has not traded in either the current or the prior year.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

13. STOCKS	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Catering stock	7,947	10,315	-	-
	7,947	10,315	-	-

14. DEBTORS: amounts falling due within one year	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	82,553	95,760	80,264	95,760
Due from subsidiary undertakings	-	-	23,993	15,134
Other taxation and social security	23,806	12,248	23,806	12,248
Other debtors	85,512	427,185	87,878	422,256
Prepayments	146,424	128,911	141,166	122,588
	338,295	664,104	357,107	667,986

15. CREDITORS: amounts falling due within one year	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	239,641	292,555	239,641	290,597
Taxation	15,467	15,580	-	-
Other taxation and social security	56,333	73,694	55,976	63,660
Other creditors	23,996	19,524	23,002	19,524
Accruals	154,892	113,370	151,819	109,293
	490,329	514,723	470,438	483,074

16. DEFERRED INCOME

The movement in deferred income is analysed below:

	Group £	Charity £
Deferred income brought forward at 1 April 2020	762,540	762,540
Amounts released from previous years	(762,540)	(762,540)
Incoming resources deferred in the year	32,685	32,685
Deferred income carried forward to 31 March 2021	32,685	32,685

The charity received income relating to production sponsorship and other activities in advance of the upcoming year.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

17. UNRESTRICTED FUNDS - DESIGNATED FUNDS

Group and Charity	Capital Replacement Fund £	Theatre Writing Fund £	Future Developments Fund £	COVID Recovery Fund £	Total £
At 1 April 2020	174,152	267,840	262,706	-	704,698
Sponsorship, donations and other income	-	-	-	-	-
Transfers	100,000	40,000	-	615,000	755,000
Expenditure	(10,265)	-	-	-	(10,265)
At 31 March 2021	263,887	307,840	262,706	615,000	1,449,433

The Capital Replacement Fund is used to service the depreciation charge on capital purchases not funded elsewhere and matches net book value of the relevant group of tangible assets.

The Theatre Writing Fund is used to cover commission payments, liabilities arising through timing of script delivery and expenditure on shows and play development.

The Future Development Fund is held for future work and activity. This fund is considered by the Trustees when looking at the reserves policy.

The COVID Recovery Fund will ensure donations received for the recovery of the theatre's activities and fabric are used accordingly.

18. UNRESTRICTED FUNDS - GENERAL FUNDS

	Group £	Charity £
At 1 April 2020	59,293	59,293
Incoming resources	4,533,561	4,384,347
Transfer to designated funds	(755,000)	(755,000)
Resources Expended	(3,760,766)	(3,591,323)
At 31 March 2021	77,088	97,317

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

19. RESTRICTED FUNDS	Balance 1 April 2020 £	Income £	Transfers £	Expenditure £	Balance 31 March 2021 £
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre Fund	9,838	1,400	-	-	11,238
ACE Capital Project Fund	369,260	-	-	(93,108)	276,152
Participation Fund	57,931	36,000	-	(56,086)	37,845
International Play Development	15,777	28,859	-	(28,859)	15,777
Capital Matched Funding	210,574	7,500	-	(60,596)	157,478
Writer Development	51,500	60,000	-	(85,000)	26,500
Legacy Fund	31,658	4,510	-	(1,360)	34,808
New Playwrights	20,000	5,000	-	(5,000)	20,000
Reopening Fund	-	249,375	-	(12,000)	237,375
Cultural Recovery Fund	-	675,000	-	(296,975)	378,025
	782,620	1,067,644	-	(638,984)	1,211,280

The Neville Blond Fund was set up in 1987 to commemorate Neville Blond and is used to provide bursaries for young writers.

The Clare McIntyre Fund was set up in 2010 to support writers' attachments to the theatre.

The Royal Court Development ACE fund was set up in 1995/96. It represents the Arts Council England's contributions to the capital redevelopment of the theatre at Sloane Square and it is released to the Statement of Financial Activities over the life the assets it has funded.

The ACE Capital Project Fund is the grant awarded for the refurbishment project and will be depreciated proportionally.

The Participation Fund is dedicated to encouraging and developing young writers. We aim to show-case the work by putting on a bi-annual Young Writers Festival.

The International Play Development and Performance is dedicated to developing and nurturing playwriting talent outside the UK.

The Capital Matched Fund was set up to provide a matched contribution as part of the capital.

The Writer Development initiative supports the play development work of the Royal Court Theatre.

Legacy Fund relates to donations in memory of a member of staff that is to be put towards a project in the next year.

The New Playwrights initiative supports the development and production of plays at the Royal Court Theatre.

The Reopening Fund is made up of restricted funds donated to support the theatre and cultural recovery when the doors re-opened and we were able to stage work.

The Cultural Recovery Fund is a restricted fund from the Arts Council which enabled us to re-open with a programme of work under social distancing measures. The timetable for this work changed after theatres had to close in the first part of 2021 but we were able to carry funds forward.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

20. ENDOWMENT FUNDS	2021	2020
	£	£
Balance at 1 April 2020	137,455	137,455
Investment income	-	-
Expenditure - management costs	-	-
Net gain/(loss) on revaluation	-	-
Balance at 31 March 2021	<u>137,455</u>	<u>137,455</u>

The endowment fund was received in 2008 and is used to support new commissions.

21. REDEVELOPMENT	2021	2020
	£	£
Depreciation on redevelopment capital	-	758,452
Restricted ACE grant released	-	(758,452)
	<u>-</u>	<u>-</u>

22. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Investments	Net current assets/ (liabilities)	Long term liabilities	2021 Total	2020 Total
	£	£	£	£	£	£
Restricted funds	-	-	1,211,280	-	1,211,280	782,620
Unrestricted funds	574,286	-	952,235	-	1,526,521	763,991
Endowment funds	-	-	137,455	-	137,455	137,455
	<u>574,286</u>	<u>-</u>	<u>2,300,970</u>	<u>-</u>	<u>2,875,256</u>	<u>1,684,066</u>

PRIOR YEAR ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Investments	Net current assets/ (liabilities)	Long term liabilities	2020 Total
	£	£	£	£	£
Restricted funds	-	-	782,620	-	782,620
Unrestricted funds	746,860	-	17,131	-	763,991
Endowment funds	-	-	137,455	-	137,455
	<u>746,860</u>	<u>-</u>	<u>937,206</u>	<u>-</u>	<u>1,684,066</u>

22. CAPITAL

The charity is a company limited by guarantee. Each Council member has undertaken to contribute £10 to the assets of the charity to meet its liabilities if called to do so. The total amount guaranteed by Council members at 31 March 2021 is £140 (2020: £140).

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

23. RELATED PARTY TRANSACTIONS

The following transactions took place between the charity and council members during the year:

Anthony Burton is a solicitor whose firm, Simons, Muirhead & Burton, receives fees paid by the charity for ad hoc legal work separate from the work carried out by him in his capacity as a Council member for which he receives no remuneration. During the year, SMB received remuneration for their services of £9,262 (2020: £nil). At the balance sheet date, £nil due to Simons, Muirhead & Burton (2020: £nil).

Judy Daish is a theatrical agent who receives commission from her clients, when contracted to the charity. During the year her agency received commissions of £4,615 (2020: £20,900).

During the year, Trustees made donations of £2,392 in aggregate (2020: £19,310).

All these transactions have been disclosed net of VAT.

24. OPERATING LEASE COMMITMENTS

At 31 March 2021 the total of the Group's and Charity's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£	£
Amounts payable:		
Within 1 year	-	-
After 1 year but not more than 5 years	-	-
After 5 years	-	-
Total	-	-

The current theatre lease expired in January 2020. English Stage Company agreed a new 15 year lease with Cadogan Estates in November 2020 but as yet the head lease remains unsigned due to a delay with the under lease.

25. FINANCIAL INSTRUMENTS

Financial assets measured at fair value through profit or loss comprise trade debtors and cash at the balance sheet date. Financial Liabilities measured at amortised cost comprise trade creditors at the balance sheet date.

	2021	2020
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	2,540,033	1,310,940
Financial liabilities		
Financial liabilities measured at amortised cost	239,641	292,555

26. CONTINGENT LIABILITY

English Stage Company Limited are aware of a potential personal injury claim for exposure to asbestos between 1968 and 1975 following the sad loss of Allan Olsen a stage technician at this time. The English Stage Company have an appointed Solicitor dealing with the case which remains at the pre issue stage.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

27. PRIOR YEAR GROUP AND CHARITY UNRESTRICTED FUNDS - DESIGNATED FUNDS

	Capital Replacement Fund £	Theatre Writing Fund £	Future Developments Fund £	Total £
At 1 April 2019	193,087	362,840	347,706	903,633
Sponsorship, donations and other income	-	-	-	-
Transfers	(8,669)	(95,000)	(85,000)	(188,669)
Expenditure	(10,266)	-	-	(10,266)
At 31 March 2020	174,152	267,840	262,706	704,698

28. PRIOR YEAR UNRESTRICTED FUNDS - GENERAL FUNDS

	Group £	Charity £
At 1 April 2019	96,931	96,931
Incoming resources	5,973,834	5,415,563
Transfers from restricted funds	188,669	188,669
Resources Expended	(6,200,141)	(5,641,870)
At 31 March 2020	59,293	59,293

29. PRIOR YEAR GROUP AND CHARITY RESTRICTED FUNDS

	Balance 1 April 2019 £	Income £	Transfers £	Expenditure £	Balance 31 March 2020 £
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre Fund	5,888	3,950	-	-	9,838
Royal Court Redevelopment:					
ACE Fund (note 21)	758,452	-	-	(758,452)	-
ACE Capital Project Fund	462,368	7,000	-	(100,108)	369,260
Participation Fund	45,205	290,204	-	(277,478)	57,931
International Play Development	169,284	84,567	-	(238,074)	15,777
Capital Matched Funding	263,670	-	-	(53,096)	210,574
Writer Development	110,000	97,501	-	(156,001)	51,500
Legacy Fund	10,582	23,689	-	(2,613)	31,658
New Playwrights	-	154,218	-	(134,218)	20,000
	1,841,531	661,129	-	(1,720,040)	782,620