

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.

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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

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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.

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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

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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.

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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.

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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.

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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

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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.

Signed on behalf of the Trustees on 08-12-23 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

		Group		Charity	
	Notes	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.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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
	<u>16,176</u>	<u>819</u>

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	-
	<u>1,357,965</u>	<u>779,731</u>
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	<u>4,575,177</u>	<u>1,647,768</u>	<u>6,222,945</u>	<u>5,551,174</u>
<i>Total costs of charitable activity in 2022</i>	<u>4,091,142</u>	<u>1,460,032</u>	<u>5,551,174</u>	

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
	775,403	714,545
Other trading activities	206,669	29,892
Total income	982,072	744,437
Less: Trading costs	(671,762)	(571,860)
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

Group	Leasehold premises & improvement £	Stage and lighting equipment £	Plant, equipment fixtures & Fittings £	Total £
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	Leasehold premises & improvement £	Stage and lighting equipment £	Plant, equipment fixtures & Fittings £	Total £
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)

	ESC Catering Limited		Royal Court Theatre Productions Limited	
	2023	2022	2023	2022
	£	£	£	£
Balance sheet				
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

	Group	Charity
	£	£
The movement in deferred income is analysed below:		
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	1,596,938	-

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	2,017,573	1,727,218
Financial liabilities		
Financial liabilities measured at amortised cost	824,438	343,491

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.