

**THE YOUNG VIC COMPANY**  
**(A registered charity and company limited by guarantee)**

**REPORT OF THE TRUSTEES AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**Charity Number: 268876**  
**Company Registration Number: 01188209 (England and Wales)**

**THE YOUNG VIC COMPANY**  
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**FOR THE YEAR ENDED 31 MARCH 2023**

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# THE YOUNG VIC COMPANY

## CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2023

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**Trustees and directors**

Glenn Earle - Chair  
Varun Chandra  
Nicola Dunn OBE  
Dr. Robert Easton  
Kobna Holdbrook-Smith  
Dr. Ali Hossaini Jr.  
Kwame Kwei-Armah OBE  
Andrea Ling  
Layla Madanat  
Ebelechukwu Okobi  
Joshua Parr  
Farah Ramzan Golant  
Fiona Shaw  
Steven Tompkins  
Anna Williams

**Artistic Director**

Kwame Kwei-Armah OBE

**Executive Director**

Lucy Davies

**Executive Committee**

Nicola Dunn OBE  
Glenn Earle  
Dr. Robert Easton  
Kwame Kwei-Armah OBE  
Anna Williams

**Registered Office**

66 The Cut  
London  
SE1 8LZ

**Company Registration Number**

01188209 (England and Wales)

**Charity Registration Number**

268876

**Bankers**

Barclays Bank PLC  
1 Churchill Place  
Canary Wharf  
London  
E14 5HP

**Auditors**

Azets Audit Services  
2<sup>nd</sup> Floor, Regis House  
45 King William Street  
London  
EC4R 9AN

## THE YOUNG VIC COMPANY

### REPORT OF THE CHAIR

#### FOR THE YEAR ENDED 31 MARCH 2023

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*"London's most essential theatre" – The Guardian*

I am delighted to present the annual report and financial statements for the Young Vic for the year ended 31 March 2023.

This was one of the most expansive and dynamic years of artistic output in the Young Vic's story. At home in Lambeth, we produced a stellar range of work, from *Oklahoma!* to *Mandela* to Ivo van Hove's *Who Killed My Father?* We invited early career directors Jennifer Tang and Milli Bhatia to our main stage with beautiful works.

In the West End, the transfer of James Graham's *Best of Enemies* ran at the Noël Coward Theatre back to back with *Oklahoma!* at the Wyndhams; while on Broadway the transfer of *Death of a Salesman* ran alongside *The Collaboration*. The Young Vic won Oliviers, Critics Circle Awards and more, and employed 580 freelancers across this outstanding global body of work.

Our renowned Taking Part department celebrated 25 years of local participatory creative practice with a summer of wonderful projects that broke out of the building onto The Cut and turned the Maria into an interactive exhibition. Taking Part like to be iconoclastic and pioneering: they proved so with preparation for a series of theatrical Balls, forging collaborations across the globe with the Ball community. Our work in schools reached 1,000 young people and the Creators Program engaged over 1,500 artists in 60 activities.

So much to celebrate, but as these accounts show, 2022-23 brought the Young Vic and the whole sector significant challenges and shocks. Cost inflation, energy prices, summer heat, unpredictable audience patterns, and extensive show cancellations all impacted our resilience. The Board were thankful again for the Culture Recovery Funds which bolstered our funds to support these shocks.

This was a year of change in our leadership team, as we welcomed Lucy Davies as Executive Director and saw brilliant key appointments in Finance, Development and People.

We look ahead to a dynamic future, with a stable and experienced team led by the incomparable Kwame Kwei-Armah, in an external context that will demand great imagination and resourcefulness. The Young Vic is an institution filled with inspired and inspirational people. As ever, we acknowledge and celebrate our staff, trustees, collaborators, artists, supporters, friends and audiences without whom our journey through this year would not have been possible.

Glenn Earle  
Chair



## **THE YOUNG VIC COMPANY**

### **TRUSTEES' ANNUAL REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees present their report and the audited financial statements of the charity and its subsidiary company, Young Vic Productions Limited, for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity. The Trustees' Annual Report incorporates the group Directors' Report and Strategic Report.

The financial statements have been prepared in accordance with accounting policies set out in notes to the accounts and comply with the charity's governing document, the Companies Act 2006, the Charities Act 2011, provisions of the Charities Act 2022 in force at the time of preparing these accounts, and 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).

#### **PUBLIC BENEFIT STATEMENT**

The Trustees have paid due regard to the Charity Commission guidance on public benefit when reviewing the charity's objectives and activities.

#### **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The objects of the charity are to create high quality, innovative and imaginative theatre for a wide and, in particular, contemporary audience in unique adaptable auditoria with far-reaching education activities and access policies. We continue to develop an international reach through collaboration and co-production with theatre makers from across the world, and through digital distribution of our productions. We work with outstanding international directors and the best of the new generation of British directors. We continue with our extensive professional development programme for young directors and theatre-makers, and we uphold an ongoing programme of creative engagement with our local boroughs and civic partners.

#### **RELATIONSHIPS WITH AFFILIATED ORGANISATIONS**

We maintain close relationships with major funders for revenue activity, notably at this time Arts Council England, Genesis Foundation, Esmée Fairbairn Foundation, Bloomberg Philanthropies and Jerwood Arts.

#### **ACHIEVEMENTS AND PERFORMANCE FOR THE PUBLIC BENEFIT**

##### **Purpose**

Founded in 1970 as a space for world-premiere productions and unexpected takes on classic plays that speak urgently to our present, the Young Vic Theatre has been one of London's leading theatres for more than fifty years.

Welcoming more than 100,000 visitors a year to its London Waterloo location, the Young Vic stands out in the city's cultural landscape for balancing daring commercial drive, success and artistic flair with genuine grassroots social impact change in our neighbourhood.

We forge deep connections in our neighbourhood through our Taking Part programme, where we engage with over 15,000 people every year via a wide range of projects, from skills-based workshops to on-stage performances. We give 10% of our tickets free to schools and neighbours, irrespective of box office demand, and we are committed to keeping ticket prices low.

The Young Vic's Creators Program is our space for multi- and anti-disciplinary artists, and is the only scheme of its kind. Launched in 2001, and formerly known as the Directors Program, we offer artists and producers a unique opportunity to develop their craft through initiatives that range from trainee and assistant director roles to a two-year residency through the Genesis Fellow/Associate Director position. The Genesis Network

## THE YOUNG VIC COMPANY

### TRUSTEES' ANNUAL REPORT

#### FOR THE YEAR ENDED 31 MARCH 2023

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provides an online community to over 2,000 artists and producers. Each year, the recipient of the Genesis Future Directors Award directs a show in the Clare Theatre with full support from the Young Vic team.

Built upon the principles of access, innovation, and community, the Young Vic is deepening its roots nationally and internationally.

The Young Vic's founding spirit is iconoclastic and pushing at the forefront of possibility, bringing together artists and audiences on a global scale and using the power of stories to change our world.

#### Artistic Programme

The Young Vic produced five projects in the main house during the financial year:

**Rodger and Hammerstein's Oklahoma!** directed by Daniel Fish

**Chasing Hares** by Sonali Bhattacharyya directed by Milli Bhatia

**Who Killed My Father?** adapted from Édouard Louis' novel and directed by Ivo van Hove

**Mandela** music and lyrics by Greg Dean Borowsky and Shaun Borowsky; book by Laiona Michelle and directed by Schele Williams

**Further Than the Furthest Thing** by Zinnie Harris directed by Genesis Fellow Jennifer Tang

The Young Vic produced three projects in the Maria and Clare studios during this year:

**The Secretaries** by the Five Lesbian Brothers directed by Genesis Future Director Deirdre McLaughlin

**Of The Cut** by Yasmin Joseph directed by Philip J Morris

**I Wonder If...** directed by Daniel Bailey

#### West End

**Rodger and Hammerstein's Oklahoma!** directed by Daniel Fish

**Best of Enemies** by James Graham directed by Jeremy Herrin

#### New York

**Death of A Salesman** by Arthur Miller directed by Miranda Cromwell

**The Collaboration** by Anthony McCarten directed by Kwame Kwei-Armah

#### Digital platforms

**Best Seat in Your House:** Mandela

**NT at Home:** A Streetcar Named Desire, A View From The Bridge, Yerma and Cat on a Hot Tin Roof

Our artistic output reached 60,000 people at the Young Vic and hundreds of thousands more in the West End, in New York and online. We worked with 580 freelancers during the year (up from 439 the year before).

It was an extraordinary year of work, without question, achieving a number of awards and nominations (Oliviers, Critics Circle, South Bank Sky Arts and finalist in Asian Media Awards), with great critical acclaim and press profile on both sides of the Atlantic. Nonetheless, we were blighted by ongoing aftershocks of the pandemic – both audience booking patterns and regularity, and company sickness and ill-health. Despite contingency and cover plans, we very regrettably had to cancel 41% of the **Mandela** run which had a significant impact on our sales income for that show and on building trust and confidence in our bookers. The death of HM Queen in September 2022 on the opening night of **Who Killed My Father?** impacted press coverage and certainly affected public behaviour and interest in the short weeks of the run that followed; intense heat earlier that summer in July combined with rail and tube strikes, all contributing to an audience still re-discovering a theatre-going habit. This external environment, which includes cost inflation and soaring energy bills, hit a budget already drawing on reserves.

#### Taking Part (TP)

Taking Part celebrated 25 years of industry-recognised sector-leading practice in 2022. Over the summer the three strands of TP work combined to deliver **Of The Cut**, a week-long performance spilling into the streets around the Young Vic, and **TwentyThrive**, an interactive exhibition charting the work of the past quarter century.



## THE YOUNG VIC COMPANY

### TRUSTEES' ANNUAL REPORT

#### FOR THE YEAR ENDED 31 MARCH 2023

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TP continued its work across its three strands: Learning, Participation and Neighbourhood Theatre. In Learning, TP worked with 808 young people in secondary education in Lambeth and Southwark, running 156 sessions. Participation includes the productions and also the appointment of four Young Associates who work across the organisation for nine months. Neighbourhood Theatre Company ran a number of regular sessions and events together, creating work in response to the main stage and their own productions, festivals and performances in the Studios.

#### **Creators Program (CP)**

The Creators Program is Young Vic's longstanding career development strand offering an annual programme of skills-based talent development workshops to over 2,000 theatre makers in the Genesis Network. CP reached over 1,500 artists through 60 activities in this year, and also offered Trainee and Assistant Director opportunities on all the work across all the spaces. CP also leads on the Genesis Fellow and Genesis Future Directors Awards.

#### **Environmental Strategy**

This year, the Young Vic rebooted its Environmental Policy and Action Plan. New initiatives included

- declaring climate emergency
- replanting the wildlife attracting green roof terrace
- concluding the Arts Council Julie's Bicycle Spotlight programme with new strategies for energy reduction
- introducing a Green Levy to all ticket bookings to support sustainable practice and investments
- adoption of the Theatre Green Book standard from Jan 2023
- joining the European Theatre Convention Green Committee
- collaborating with our South Bank cultural neighbours to share approaches

Our carbon footprint from core activity was 139 tonnes of CO<sub>2</sub>. In addition, we generated 122 tonnes from audience travel, and 175 tonnes from business travel in such an international year. This last, business travel, we offset / mitigate through a UK partner.

#### **Antiracism at the Young Vic**

This year the Young Vic completed its two year partnership with the What If Experiment and embedded the Action Plan for its antiracism work, at the heart of which was recruiting a vital new role, Head of People, with particular responsibility for embedding a people-centred culture. Working groups drive the action plan and a suite of Values in Practice were implemented this year (for staff, theatre-makers, participants, and audience), alongside an Accountability Flowchart if things arise. All staff continue to receive training and induction in this work. During this year we also piloted an app: Call It! - developed in the film and TV industry - for anonymously logging how staff are treated at work.

#### **Arts Council England (ACE) – National Portfolio**

In November 2022 the Young Vic received news that it had been successful in maintaining its place in Arts Council England's national portfolio of funding for the three year period April 2023 - March 2026. While some London peer organisations saw a reduction or a total cut, the Young Vic's funding was sustained at a standstill level. This core funding level has been at a standstill for a decade, so whilst it is enormously welcome and a critical spine of secured funding, the inflationary gap widens. Most significantly, this success was important recognition of Young Vic's contribution to ACE's 10 year Let's Create strategy which holds creative dynamism, community relevance and business innovation as core principles of investment. The Young Vic has for many years embodied the synthesis of global talent with local belonging, and through all of the work will confidently deliver to ACE's aims and visions.

## THE YOUNG VIC COMPANY

### TRUSTEES' ANNUAL REPORT

#### FOR THE YEAR ENDED 31 MARCH 2023

#### FINANCIAL SUMMARY

At 31 March 2023, the Young Vic's funds excluding those tied up in Fixed Assets were £605,958, of which £nil are designated by the Trustees towards specific projects and situations (2022: £1,737,294). All designated funds as at 31 March 2022 were agreed by the Trustees to be spent on productions and co-productions during 2022-23.

£122,892 of the year end funds are restricted in accordance with funder's wishes towards specific projects and activities, mostly in support of the Creators Program and Taking Part. Restrictions were fully lifted on funds held at the previous year end towards commercial transfers (2022: £107,560) and artistic recovery (2022: £99,069), with funds transferred to General Operating Funds in support of 2022-23 activities and overheads.

The following year-on-year comparison outlines the consolidated financial performance of The Young Vic Company and its subsidiary Young Vic Productions Limited, with headings as used in internal budgets and reports. Designated Fixed Asset/Capital Funds are excluded. The Statement of Financial Activities (SoFA) (p.16) and related Income and Expenditure notes 3 to 5 (p.23-24) present the same figures analysed against the required SoFA headings.

	2022-23 £	2021-22 £	2020-21 £
<b>Income</b>			
Box Office income	1,614,706	1,522,499	-
Other production income	1,280,971	322,326	151,656
Funding – Arts Council England	1,792,530	2,648,816	1,942,530
Funding – General Fundraising	1,287,574	1,512,277	2,301,017
Covid-19 - Job Retention Scheme and other relief	-	102,557	1,929,230
Theatre Tax Relief	1,392,971	151,152	5,047
Other sources of income	417,632	456,703	36,483
Young Vic Productions Ltd	10,133	6,015	116,880
<b>Total Income</b>	<b>7,796,517</b>	<b>6,722,345</b>	<b>6,482,843</b>
<b>Expenditure</b>			
Production and programme costs	5,814,862	3,077,597	697,040
Staff costs	2,647,201	2,256,710	2,468,814
Overheads	1,428,144	1,353,060	431,458
Young Vic Productions Ltd	839	6,072	128,335
Expenditure before depreciation	9,891,046	6,693,439	3,725,647
Depreciation	375,315	414,071	343,393
<b>Total Expenditure</b>	<b>10,266,361</b>	<b>7,107,510</b>	<b>4,069,040</b>
<b>Surplus / (Deficit)</b>	<b>(2,469,844)</b>	<b>(385,165)</b>	<b>2,413,803</b>
Brought forward funds	2,724,020	3,412,017	654,821
Transfers (from) or to Fixed Asset / Capital Funds	351,782	(302,832)	343,393
<b>Carried forward funds</b>	<b>£605,958</b>	<b>£2,724,020</b>	<b>£3,412,017</b>

#### *Productions and programme:*

Income earned from productions, co-productions and events (Box Office and Other) totalled £2,895,677 this year, compared with £1,844,825 in the previous year - and a minimal £151,656 during 2020-21 when the venue was closed due to the pandemic. Production and programme costs were also significantly higher this year, at £5,814,862 compared with £3,077,597 in 2021-22 and of course a much lower cost of £697,040 the year



## THE YOUNG VIC COMPANY

### TRUSTEES' ANNUAL REPORT

#### FOR THE YEAR ENDED 31 MARCH 2023

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before. 2022-23 year saw five main house productions, including two musicals, compared with four main house plays in 2021-22. Musicals generally have a higher cost base but also generate higher ticket revenue and can attract significant co-producer and sponsorship support, as was the case this year. However, costs were higher than expected on **Oklahoma** and **Mandela**, particularly the latter due to extensive illness and the related costs of additional cast members and re-rehearsals. Pre-opening, **Mandela** ticket sales were clearly on track to hit target but this was heavily impacted by the cancelled performances, with only 53% of the sales target ultimately achieved after refunds.

This year also saw a significant increase in theatre tax relief income compared with the prior year, as a result of the two larger scale productions during 2022-23, five productions vs four, and all at an enhanced claim percentage, as well as a higher than expected final claim for 2021-22. Theatre tax relief, currently at 45-50% of 80% of eligible production costs (compared with 20-25% of 80% pre October 2021), is a huge support for the Young Vic and the wider theatre sector at this time, but does require careful cashflow planning, as claims are submitted and cash credits received some time after the year end.

#### *Funding:*

Funding from Arts Council England returned to the core grant level of £1,792,530 this year, following a year with additional pandemic related recovery support, and some specific project support during 2020-21.

Emergency support from the Coronavirus Job Retention Scheme and other funders was a lifeline during the pandemic, ending last year (2022: £102,557 and 2021: £1,929,230).

In terms of general fundraising, Young Vic raised £1,257,574 this year from individuals, local authorities, corporations, trusts and foundations including gift aid, with legacy gifts contributing a further £30,000 (2022: £1,464,249 and legacy gifts £48,249 and 2021: £1,201,017 and legacy gifts £1,100,000). Young Vic is extremely grateful to have the support of a wide range of loyal and generous funders so we can continue to produce world class theatre for our times and invest in the hugely impactful work of the Creators Program and Taking Part. Excluding legacy gifts, over the past six years between £1.25m and £1.8m has been raised annually through general fundraising. In these times of rising costs for all and static subsidy, we are increasingly dependent on the brilliant individuals and organisations who recognise the need for private funding for us to deliver our work and the importance, power and potential of the performing arts.

#### *Staff costs and overheads:*

Staff costs rose in 2022-23 to support a bumper year of activity at home and beyond and to build our People function. General overheads also increased, incorporating additional investment in building maintenance this year, and a huge increase in energy costs from mid year.

#### *Net result:*

The net result was an in-year deficit of £2,469,844 compared with a deficit of £385,165 in 2021-22 and a surplus of £2,413,803 in 2020-21. This three year comparison clearly shows the spending down of funds received in 2020-21 during the following two years and especially this year. Deficits were budgeted this year and last, but as noted elsewhere in this report, a number of factors including audience booking patterns and regularity, company sickness and ill-health, and rising energy and materials costs led to a deficit well beyond budget this year, leaving unrestricted reserves depleted.

## PLANS FOR FINANCIAL YEAR 2023/24

The Executive team considered the environment and put a good deal of thought into the creative parameters within a considered, cautious balanced budget. This year will see five projects in the Main House and three in the Studios.

In the first half of 2023, the Young Vic worked in partnership on two flagship projects: with London International Festival of Theatre (LIFT) on **The Second Woman** created by Nat Randall and Anna Breckon – a 24 hour theatrical event with Ruth Wilson in May; and with Manchester International Festival (MIF), Manchester Royal

## THE YOUNG VIC COMPANY

### TRUSTEES' ANNUAL REPORT

#### FOR THE YEAR ENDED 31 MARCH 2023

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Exchange and Headlong on **Untitled F\*ck M\*ss S\*\*gon Play** by Kimber Lee from September to November. In between, through July 2023, Kwame Kwei-Armah directed his own play **Beneatha's Place**.

Beyond that, over the winter of 2023-24, the Young Vic is producing two extraordinary and potent plays: Harold Pinter's great 20<sup>th</sup> century classic **The Homecoming** directed by Matthew Dunster, who began his directing career at the Young Vic, and the UK premiere of a new play, **Nachtland**, by leading German playwright Marius von Mayenburg directed by Patrick Marber, fresh from his Tony award win for Best Director. These two are produced solely by the Young Vic, working within a new production budget model and sharing a thrust staging configuration.

Taking Part saw the fruits of its work with the Hetrick-Martin Institute in New York, an organisation devoted to serving the needs of LGBTQ youth between the ages of 13 and 24, and their families. In two Balls and in **Sundown Kiki Reloaded**, the Young Vic invites the HMI young people to participate and create pioneering theatre projects which combine the extravaganza and inclusivity of the global Ball community. Other signature TP projects in 2023-24 include Neighbourhood Theatre's Mayfest and **TRIBE**.

Also in the Maria, we will produce the next Genesis Future Director's Award play towards the end of the financial year.

#### MANAGEMENT AND STAFF

Kwame Kwei-Armah continued as Artistic Director & Chief Executive following his appointment in February 2018.

Lucy Davies took up the role of Executive Director in May 2022.

Sue Emmas remains in post as Associate Artistic Director.

Our Chair, Glenn Earle, continued in post following his appointment in October 2019.

#### RESERVES POLICY

The Charity aims to maintain a surplus on all funds and in particular to maintain sufficient unrestricted operating reserves to cover two months of overheads and salaries (currently around £700,000). This target also provides financial cover for contingent situations, especially shortfalls in ticket sales and fundraising.

The long-term aim of the Charity is to build overall operating reserves of £1m; £750,000 in unrestricted operating reserves, plus a designated artistic fund of £250,000 with the purpose of investing in new work.

The £750,000 unrestricted reserves target is not met at present (2023: £483,066, 64% of target; 2022: £695,361, 92% of target). As expressed in this Report last year, reserves were expected to decrease in this year as the Board strategically deployed funds to support Young Vic's recovery to full artistic production after three years strongly affected by the COVID-19 pandemic. However, additional strains on the operating budget meant drawing deeper on unrestricted reserves this year than anticipated, and put particular pressure on cashflows during the final quarter.

The Board is working closely with the Executive team to monitor the impact, including regular review of income and expenditure budgets, forecasts and cashflow projections. Financial plans for the three years 2023-24 to 2025-26 prioritise sustaining manageable cashflows for the organisation while setting the groundwork for the gradual rebuilding of unrestricted reserves to meet the desired target, within a realistic timeframe.

#### DESIGNATED FUNDS

The Charity also holds designated fixed asset funds of £8,324,277, representing the net book value of its tangible fixed assets, which can only be realised by disposing of these assets, including the theatre building.



## THE YOUNG VIC COMPANY

### TRUSTEES' ANNUAL REPORT

#### FOR THE YEAR ENDED 31 MARCH 2023

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There is charge over the building referenced in the below notes to the financial statements under Contingent Liabilities (note 16b).

#### KEY RISKS AND UNCERTAINTIES

The trustees have examined the major risks that the Charity faces and confirm that systems are in place to manage these risks. The impact of the pandemic combined with cost inflation, Brexit, workforce loss, audience suppression and impending UK recession do threaten the stability of the entire culture sector. The most significant contextual risk is a longstanding challenge to the subsidised theatre sector's economic model, with cost inflation working against a decade of standstill core funding, and an expectation and desire to do more with less; driving forward socially inclusive programmes, activities and pricing. This challenge was sharpened by the pandemic which also saw us facing the need to rebuild our brands, our teams, our audiences and the business patterns that have kept the cycle of producing theatres rolling confidently in the past.

##### Major Economic Risks

**Fundraising Income:** a high proportion of income is from fundraising. The trustees monitor the progress through the year and ensure targets are ambitious but achievable. We are seeing shifts in philanthropy trends and motivations after Covid-19, but we remain confident that the Young Vic mission and programme continues to align in an attractive way for donors.

**Subsidy:** the theatre is reliant on public funding from Arts Council England and has been offered ongoing funding at the same level as part of the National Portfolio for the three years 2023-26.

**Box Office Income:** The Young Vic programme has enabled an uplift in top ticket prices, while continuing to offer free and reduced price tickets as before. Box office has been volatile throughout 2022-23 and the overall picture continues to be unpredictable. This has influenced a more cautious target-setting approach.

**Cost Inflation:** Brexit, the conflict in Ukraine, and a workforce exodus have all combined to make the cost of energy, materials and workers significantly inflate.

We maintain a comprehensive risk management strategy which is reviewed by the Executive Board at least annually. This strategy comprises assessment of all the major risks which the company faces, an outline of the systems that are in place which mitigate these risks and details of the procedures to be undertaken.

#### GOING CONCERN

Covid emergency support came to an end in 2021-22 and reserves have been drawn down heavily during a complex and unpredictable year. The external economic environment continues to be uncertain. The Trustees acknowledge the significant financial challenges ahead, including pressure on cashflows, and continue to take all available steps to maintain sufficient resources to underpin operations and activities, as outlined below.

Critical to the Young Vic's financial security is robust and experienced leadership with a sharp focus on financial planning and clear, transparent communications with the Board of Trustees. The Board are confident that a strong and capable leadership team and excellent relationships with revenue funders and other stakeholders are in place. The key financial assumption underpinning going concern is that general reserves will be held at no less than £350,000 for the period to 31 March 2026.

Since January 2023 Trustees have been meeting more regularly with the Executive Team (Chief Executive/Artistic Director, Executive Director) and Finance Director. The Executive Board, which has delegated authority for detailed financial and business review, meets monthly to monitor progress through management accounts, budget forecasts, detailed 13 week and high level 12 month cashflow projections.

Internal reporting has benefitted from new finance software in place from April 2023 which supports real time financial information and improved budget tracking tools. Programming plans are reviewed carefully for

## THE YOUNG VIC COMPANY

### TRUSTEES' ANNUAL REPORT

#### FOR THE YEAR ENDED 31 MARCH 2023

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financial risk before commitments are made. Planning cycles aim for sufficient lead-in time to enable cost efficiencies and to raise associated funds, whilst ensuring flexibility to accommodate changes that are a necessary part of the creative process.

In assessing going concern, Trustees have given careful consideration to the following:

- Latest budget and cashflow forecast for the 2023-24 financial year, including anticipated year end reserves, and the assumptions therein
- Draft budgets and cashflow forecasts for the two years 2024-25 and 2025-26, including anticipated year end reserves, and the assumptions therein
- Internal and external financial risks and the charity's capacity to absorb and respond to such risks
- Robustness of management processes and communication

Plans for this three year period to March 2026 focus on delivering high impact productions and projects which will maximise audiences and participation and have the potential to attract additional funding. Cost management strategies are based on reducing fixed overheads whilst recognising the constraints of an operating model which includes running a multi-faceted theatre building.

Essential to Young Vic's financial resilience is the ongoing support and flexibility of our long-time core funder Arts Council England which has committed three years unrestricted revenue funding totalling £5,377,590 for the period April 2023 to March 2026, as part of the National Portfolio. Grant instalments are phased to support our activity timeline and cashflows, which provides a solid cash foundation. Trustees are extremely grateful for the support, guidance and responsiveness of Arts Council England.

Taking into account the plans outlined, related budgets and forecasts, and the ongoing support of major stakeholders including Arts Council England, the Trustees have concluded that the projections are sound, deliverable and well controlled. They consider that there is a reasonable expectation that the charity will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future and therefore have prepared the financial statements on a going concern basis.

They will continue to work closely with the Executive Team and Finance Director throughout this period to ensure financial risks are identified and mitigated as they arise and within the available resources.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Constitution

The Young Vic Company is a registered charity in England (number 268876) and company limited by guarantee (number 01188209). The Young Vic Company's governing document is its Memorandum and Articles of Association.

### Organisational Structure

The directors of the charitable company ("the Charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The Charity is managed by the trustees on the Board of Management, currently with thirteen members, which meets four times a year. An Executive Committee of trustees reports to this board.

An Artistic Director (Chief Executive) and Executive Director are appointed by the trustees to manage the day-to-day operations of the Charity.

The trustees serving during the year and since the year end were as follows:



## THE YOUNG VIC COMPANY

### TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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#### Board of Management

Glenn Earle - Chair  
Varun Chandra  
Nicola Dunn OBE  
Dr. Robert Easton  
Kobna Holdbrook-Smith  
Dr. Ali Hossaini Jr.  
Kwame Kwei-Armah OBE  
Andrea Ling (appointed 4 May 2023)  
Layla Madanat (appointed 4 May 2023)  
Ebelechukwu Okobi  
Joshua Parr (appointed 4 May 2023)  
Farah Ramzan Golant  
Abigail Sewell (resigned 4 May 2023)  
Fiona Shaw  
Dr. Sita Thomas (resigned 4 May 2023)  
Steven Tompkins  
Anna Williams

Kwame Kwei-Armah is Artistic Director and Chief Executive of the Charity.

#### Recruitment and Appointment of Trustees

Trustees have the power to appoint or to co-opt new members onto the Board and appointments are ratified in accordance with the rules at the next AGM. New trustees are selected on the basis of skills they can offer to complement the abilities of the Board as a whole. New Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association and the workings of the Board of Management and the decision-making process.

#### STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 the incoming resources and application of resources, including the income and expenditure, of the group and the charity for that period. In preparing these financial statements, the directors are required to:

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

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

**THE YOUNG VIC COMPANY**  
**TRUSTEES' ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Relevant Audit Information**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the Board:



.....  
**Glenn Earle**  
**Chair**

**Date: 27 October 2023**

### Opinion

We have audited the financial statements of The Young Vic Company (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and the notes to the consolidated financial statements, 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 charitable parent company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors 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 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.

### 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, which includes the directors' report and strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's 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.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE YOUNG VIC COMPANY

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### 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 charitable parent 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 charitable parent company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Use of our report

This report is made solely to the charitable parent 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 parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

**John Howard (Senior Statutory Auditor)**

For and on behalf of Azets Audit Services

Chartered Accountants, Statutory Auditor

2<sup>nd</sup> Floor, Regis House, 45 King William Street, London EC4R 9AN

Date: 23 November 2023



THE YOUNG VIC COMPANY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

Incorporating income and expenditure account	Notes	Unrestricted Funds	Designated Funds	Restricted Funds	Total	Total
		Operating	Operating	Fixed Assets	2023	2022
		£	£	£	£	£
<b>Income from:</b>						
Donations and legacies		2,654,182	-	-	3,080,104	4,263,651
Charitable activities		3,309,811	-	-	3,309,811	2,053,850
Other trading activities		10,133	-	-	10,133	6,015
Investment income		3,498	-	-	3,498	30
Other income		1,392,971	-	-	1,392,971	398,799
<b>Total income</b>	<b>3</b>	<b>7,370,595</b>	-	-	<b>7,796,517</b>	<b>6,722,345</b>
<b>Expenditure on:</b>						
<b>Raising funds</b>						
Charitable activities:		578,373	-	-	578,373	351,538
Productions and co-productions		6,185,927	-	-	8,025,217	5,346,556
Creators Program		222,246	1,737,294	-	464,556	292,836
Taking Part		779,438	-	-	822,900	702,509
Depreciation		375,315	-	-	375,315	414,071
<b>Total expenditure</b>	<b>4</b>	<b>8,141,299</b>	<b>1,737,294</b>	-	<b>10,266,361</b>	<b>7,107,510</b>
<b>Net income/(expenditure)</b>		<b>(770,704)</b>	<b>(1,737,294)</b>	-	<b>(2,469,844)</b>	<b>(385,165)</b>
Transfers between funds		558,411	-	(351,782)	-	-
<b>Net movement in funds</b>		<b>(212,293)</b>	<b>(1,737,294)</b>	<b>(351,782)</b>	<b>(2,469,844)</b>	<b>(385,165)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		695,361	1,737,294	8,676,059	11,400,079	11,785,244
<b>Total funds carried forward</b>		<b>£463,068</b>	<b>£-</b>	<b>£8,324,277</b>	<b>£8,930,235</b>	<b>£11,400,079</b>

The detailed breakdown of the 2022 comparatives is given in note 9. The statement of financial activities includes all gains and losses recognised in the year. None of the charity's activities were acquired or discontinued during the above two financial years.

The notes on pages 19 to 29 form part of these financial statements.

THE YOUNG VIC COMPANY

CONSOLIDATED AND CHARITY BALANCE SHEETS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
<b>Fixed Assets</b>					
Tangible assets	10	8,324,277	8,676,059	8,324,277	8,676,059
Investments	11	-	-	1	1
		<u>8,324,277</u>	<u>8,676,059</u>	<u>8,324,278</u>	<u>8,676,060</u>
<b>Current assets</b>					
Debtors	12	2,924,108	1,199,132	2,913,973	1,199,132
Cash at bank and in hand		244,970	2,894,106	236,762	2,885,829
		<u>3,169,078</u>	<u>4,093,238</u>	<u>3,150,735</u>	<u>4,084,961</u>
<b>Creditors:</b> Amounts falling due within one year	13	(2,563,120)	(1,369,218)	(2,553,842)	(1,360,709)
Net current assets		<u>605,958</u>	<u>2,724,020</u>	<u>596,893</u>	<u>2,724,252</u>
<b>Net assets</b>		<u><b>£8,930,235</b></u>	<u><b>£11,400,079</b></u>	<u><b>£8,921,171</b></u>	<u><b>£11,400,312</b></u>
<b>Charity Funds</b>					
Unrestricted funds	14	483,066	695,361	474,002	695,594
Designated funds – Operating	14	-	1,737,294	-	1,737,294
Designated funds – Fixed Assets	14	8,324,277	8,676,059	8,324,277	8,676,059
Restricted funds	14	122,892	291,365	122,892	291,365
		<u><b>£8,930,235</b></u>	<u><b>£11,400,079</b></u>	<u><b>£8,921,171</b></u>	<u><b>£11,400,312</b></u>

The financial statements were approved and authorised for issue by the Board on 27 October 2023.

Signed on behalf of the board of trustees:



.....  
**Glenn Earle**  
**Chair**

The notes on pages 19 to 29 form part of these financial statements.

Registered Number: 01188209

THE YOUNG VIC COMPANY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

Reconciliation of net income to net cash flows from operating activities	2023 £	2022 £
Net expenditure for year	(2,469,844)	(385,165)
<b>Adjustments for:</b>		
Depreciation of tangible fixed assets	375,315	414,071
Loss on disposal of tangible fixed assets	5,884	-
Increase in debtors	(1,724,976)	(289,191)
Increase/(decrease) in creditors	1,193,902	(79,439)
<b>Net cash flow from operating activities</b>	<b>(2,619,719)</b>	<b>(339,724)</b>
<b>Statement of Cash Flows</b>	<b>£</b>	<b>£</b>
<b>Net cash flow from operating activities</b>	<b>(2,619,719)</b>	<b>(339,724)</b>
<b>Cash flow from investing activities</b>		
Payments to acquire tangible fixed assets	(29,417)	(391,196)
<b>Net decrease in cash and cash equivalents</b>	<b>(2,649,136)</b>	<b>(730,920)</b>
Cash and cash equivalents at 31 March 2022	2,894,106	3,625,026
<b>Cash and cash equivalents at 31 March 2023</b>	<b>£244,970</b>	<b>£2,894,106</b>
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand	244,970	2,894,106
<b>Cash and cash equivalents at 31 March 2023</b>	<b>£244,970</b>	<b>£2,894,106</b>

The notes on pages 19 to 29 form part of these financial statements.

**1. Summary of Significant Accounting Policies**

**(a) General information and basis of accounting**

The Young Vic Company is a charity and a company limited by guarantee in the United Kingdom and registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to create high quality, innovative and imaginative theatre for a wide and, in particular, contemporary audience in unique adaptable auditoria with far-reaching education activities and access policies.

The financial statements have been prepared in accordance with 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), the Charities Act 2011, provisions of the Charities Act 2022 in force at the time of preparing the accounts, the Companies Act 2006 and UK Generally Accepted Practice.

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

The group's financial statements consolidate those of the company and its subsidiary undertaking Young Vic Productions Limited.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(b) Fund accounting**

Unrestricted general funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

Restricted funds are income funds that must be spent on restricted purposes in accordance with the funders' wishes and details of the funds held and restrictions provided are shown in the notes to the accounts.

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. The following specific policies are applied to particular categories of income:

- Voluntary income including core grants, grants for specific activities, donations, legacy gifts, and memberships, sponsorship and corporate support where the substance of the transaction is that of a gift. Voluntary income is included in full in the Statement of Financial Activities when receivable. Grants are recognised when the charity becomes unconditionally entitled to the grant.
- Incoming resources from charitable activities includes box office (ticket sales), sponsorship and fee income from productions, co-productions and tours, income from ancillary trading and royalties from productions originally staged by the charity. Grant income is only included in this category where there are performance related conditions to be met, for example a specific level of services to be provided as a condition of the funding. Income from charitable activities is recognised where there is entitlement to the income, receipt is probable and the monetary value can be measured reliably.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).



**1. Summary of Significant Accounting Policies (continued)**

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on raising funds are those costs incurred in generating voluntary income and other trading income
- Expenditure on charitable activities comprises those costs incurred by the charity in the staging of its productions and other projects and events. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

**(e) Box office and associated income and expenditure**

Box office income comprises ticket sales for productions and projects at the Young Vic and any other performance spaces used by the charity. For productions and projects occurring wholly within one financial year, ticket sales and other directly associated income is recognised when the performances take place and all associated costs are expensed in the same financial year. Where a production spans the year end, all directly associated costs and income are recognised in the year of the official opening night (often referred to as the press night).

**(f) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent specific charitable activities and include venue operating costs, equipment repairs and maintenance, IT and systems costs, office costs, governance costs, charity administration and core salary costs. They are incurred directly in support of expenditure on the objects of the charity. Support costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular area of activity are allocated directly, others are apportioned to reflect the ratio of the different areas of charitable activities, excluding depreciation.

**(g) Tangible fixed assets and depreciation**

Tangible fixed assets for use by the charity are stated at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Theatre rebuild	2% straight line basis
Equipment	25% reducing balance

**(h) Fixed asset investments**

Investments in subsidiary companies are stated at cost.

**(i) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

**(j) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**(k) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(l) Leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

**1. Summary of Significant Accounting Policies (continued)**

**(m) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity contributes to defined contribution personal pension schemes for certain employees. The assets of the schemes are held separately from those of the undertaking in independently administered funds. The pension cost charge represents contributions payable by the charity to the schemes.

**(n) Judgements and key sources of estimation uncertainty**

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

*Useful economic lives of tangible assets:* The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property and equipment, and note 1(g) for the useful economic lives for each class of assets.

*Bad debt provision:* The value of trade debtors is sensitive to the recoverability in full of any invoices issued to each customer. Once the debt becomes overdue it is chased and periodically reviewed to ensure it is recoverable in full. If a provision is deemed necessary this is included on an annual basis.

**(o) Going concern**

Trustees have considered the requirement that the financial statements should be prepared on a going concern basis. They have discussed in detail the internal and external financial risks relevant to the charity in the context of its current financial position and they have concluded that it is appropriate that the financial statements be prepared on a going concern basis.

In making this assessment, the Trustees have considered whether there is a material uncertainty that the charity can continue as a going concern and how this should be presented in the financial statements. They have concluded that whilst the degree of uncertainty described in the Trustees' Report warrants transparent disclosure, it does not constitute material uncertainty related to going concern.

Financial risks are being managed through ongoing risk assessment of the external environment, strong focus on key stakeholder communication, continuous monitoring of progress against income targets and regular review and reforecasting of expenditure and cashflows. The charity has secured the support of its major funder Arts Council England and has created financially viable plans through to March 2026, focused on delivering high impact productions and projects which will maximise audiences and participation and have the potential to attract additional funding. Cost management strategies are based on reducing fixed overheads whilst recognising the constraints of an operating model which includes running a multi-faceted theatre building.

Taking into account the plans outlined, related budgets and forecasts, and the ongoing support of major stakeholders including Arts Council England, the Trustees consider that there is a reasonable expectation that the charity will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future and that there are no material uncertainties about the charity's ability to continue as a going concern.

**(p) Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**2. Taxation**

The company is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.



THE YOUNG VIC COMPANY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

3.	Income					2023 £	2022 £
3.1	Income from grants and donations						
	Core funding: Arts Council England revenue grant					1,792,530	1,792,530
	Other Arts Council England funding					-	856,286
	Individual, Corporate, Trust & Foundation, Local Authority funding					1,257,574	1,464,029
	Legacies					30,000	48,249
	Covid-19 Job Retention Scheme and Emergency Relief					-	102,557
						£3,080,104	£4,263,651
3.2	Income from charitable activities						
	Production income: Box office					1,614,706	1,522,499
	Production income: Co-production, touring and sponsorship					1,280,971	322,326
	Ancillary trading					275,481	76,625
	Royalties, recharges and other fees					138,653	132,400
						£3,309,811	£2,053,850
3.3	Income from other trading activities						
	Young Vic Productions Ltd: Income from productions					10,133	6,015
3.4	Investment income						
	Interest received					3,498	30
3.5	Other income						
	Theatre tax relief					1,392,971	151,152
	Insurance claims					-	247,647
						£1,392,971	£398,799
	Total income					£7,796,517	£6,722,345
4.	Expenditure	Direct Costs - activities £	Direct Costs - staffing £	Support Costs - staffing £	Support Costs - other £	Total 2023 £	Total 2022 £
4.1	Expenditure on raising funds:						
	Costs of raising donations and legacies	187,337	191,590	67,430	127,513	573,870	345,466
	Costs of other trading activities	839	-	3,664	-	4,503	6,072
		188,176	191,590	71,094	127,513	578,373	351,538
4.2	Charitable activities:						
	Productions, co-productions and events	5,125,338	1,301,351	552,923	1,045,605	8,025,217	5,346,556
	Creators Program	195,851	151,739	40,458	76,508	464,556	292,836
	Taking Part	306,336	243,644	94,402	178,518	822,900	702,509
	Depreciation	-	-	-	375,315	375,315	414,071
		5,627,525	1,696,734	687,783	1,675,946	9,687,988	6,755,972
	Total expenditure	5,815,701	1,888,324	758,877	1,803,459	10,266,361	7,107,510

All costs are allocated between the expenditure categories noted above on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Direct staff costs are allocated with reference to the average time that staff spend working directly in each area. Support costs, including support staff but excluding depreciation, are apportioned with reference to headcount in each area.

THE YOUNG VIC COMPANY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

<b>5. Support costs</b>		<b>Total 2023 £</b>	<b>Total 2022 £</b>
HR, IT and Administrative		309,702	381,728
Theatre Operations		730,706	739,760
Production and Technical		104,363	147,354
Strategic Projects		212,679	-
Staffing		744,940	601,623
<b>Governance:</b>			
Professional fees		40,982	58,543
Audit and accountancy		29,712	25,675
Staffing		13,937	-
Depreciation		375,315	414,071
		<b>£2,562,336</b>	<b>£2,368,754</b>
<b>6. Net expenditure for the year</b>		<b>2023 £</b>	<b>2022 £</b>
Net expenditure is stated after charging / (crediting):			
Depreciation of tangible fixed assets		375,315	414,071
Auditors' remuneration	- Audit services	19,427	13,750
	- Other services	10,285	11,925
Directors' remuneration		105,600	103,530
Operating lease rental costs	- Premises	19,673	19,673
	- Equipment	48,132	46,611
Operating lease rental income	- Premises	(140,704)	(70,780)
<b>7. Trustees' remuneration</b>			
During the year the Artistic Director Kwame Kwei-Armah received remuneration under a contract of employment of £105,600, plus employer pension contributions totalling £3,168 (2022: £103,530, pension contributions £3,106), as permitted by the charity's governing document. No other trustee received or waived any remuneration during the year, and no trustee received reimbursement for expenses during the year (2022: none).			
<b>8. Staff costs</b>		<b>2023 £</b>	<b>2022 £</b>
Salaries, wages and fees: core staff		2,319,661	2,015,825
Social security costs		254,143	195,584
Pension costs		55,715	45,301
Termination pay		17,680	-
		<b>£2,647,199</b>	<b>£2,256,710</b>

Salaries, wages and fees include the cost of interim staff (including freelancers) covering vacant core staff roles.

Termination payments made during the year included £2,160 of ex gratia pay (2022: nil). The average monthly number of full time and part time employees employed by the charity during the year was 63 (2022: 56). Three of the employees received annual remuneration of more than £60,000 (2022: three) and within the following bands:

	<b>2023</b>	<b>2022</b>
£100,001-£110,000	1	1
£80,001-£90,000	-	-
£70,001-£80,000	1	-
£60,001-£70,000	1	2

The charity considers its key management personnel to be the Artistic Director and the Executive Director. The aggregate benefits of key management personnel totalled £224,603 (2022: £227,098).

THE YOUNG VIC COMPANY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

9.	Comparatives for the statement of financial activities	2022 Unrestricted Funds Operating £	2022 Designated Funds Operating £	2022 Designated Funds Fixed Assets £	2022 Restricted Funds £	2022 Total £
	<b>Income from:</b>					
	Donations and legacies	3,597,618	45,713	-	620,320	4,263,651
	Charitable activities	2,053,850	-	-	-	2,053,850
	Other trading activities	6,015	-	-	-	6,015
	Investment income	30	-	-	-	30
	Other income	398,799	-	-	-	398,799
	<b>Total income</b>	<b>6,056,312</b>	<b>45,713</b>	<b>-</b>	<b>-</b>	<b>6,722,345</b>
	<b>Expenditure on:</b>					
	<b>Raising funds</b>	351,538	-	-	-	351,538
	<b>Charitable activities:</b>					
	Productions and co-productions	5,053,767	4,273	-	288,516	5,346,556
	Creators Program	141,521	-	-	151,315	292,836
	Taking Part	646,444	-	-	56,065	702,509
	Depreciation	414,071	-	-	-	414,071
	<b>Total expenditure</b>	<b>6,607,341</b>	<b>4,273</b>	<b>-</b>	<b>495,896</b>	<b>7,107,510</b>
	<b>Net expenditure</b>	(551,029)	41,440		124,424	(385,165)
	Transfers between funds	(154,560)	-	302,832	(148,272)	-
	<b>Net movement in funds</b>	(705,589)	41,440	302,832	(23,848)	(385,165)
	<b>Reconciliation of funds:</b>					
	Total funds brought forward	1,400,950	1,695,854	8,373,227	315,213	11,785,244
	<b>Total funds carried forward</b>	<b>£695,361</b>	<b>£1,737,294</b>	<b>£8,676,059</b>	<b>£291,365</b>	<b>£11,400,079</b>
10.	<b>Tangible fixed assets Group and Charity</b>		<b>Equipment £</b>	<b>Theatre Rebuild £</b>	<b>Total £</b>	
	<b>Cost</b>					
	At 1 April 2022		3,121,985	11,745,381	14,867,366	
	Additions		29,417		29,417	
	Disposals		(8,121)	-	(8,121)	
	At 31 March 2023		3,143,281	11,745,381	14,888,662	
	<b>Depreciation</b>					
	At 1 April 2022		2,584,495	3,606,812	6,191,307	
	Charge for the year		140,407	234,908	375,315	
	Disposals		(2,237)	-	(2,237)	
	At 31 March 2023		2,722,665	3,841,720	6,564,385	
	<b>Net Book Value At 31 March 2023</b>		<b>£420,616</b>	<b>£7,903,661</b>	<b>£8,324,277</b>	
	At 31 March 2022		£537,490	£8,138,569	£8,676,059	

THE YOUNG VIC COMPANY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

11. Fixed asset investments

	Shares in group undertakings
<b>Cost</b>	
At 1 April 2022 and at 31 March 2023	£1
<b>Net Book Value</b>	
At 1 April 2022 and 31 March 2023	£1

This investment comprises a 100% owned subsidiary undertaking, Young Vic Productions Limited which is registered in England, registered number 06238751. The principal activity of the company is theatre production. During the year, income in this subsidiary undertaking amounted to £65,662 (2022: £10,642) and expenditure amounted to £56,679 (2022: £10,699). At 31 March 2023 its net assets stood at £8,753 (2022: net liabilities £231). The results of the subsidiary undertaking are included in these consolidated financial statements.

	Group		Charity	
12. Debtors: Amounts falling due within one year	2023 £	2022 £	2023 £	2022 £
Trade debtors	40,901	124,207	40,901	124,207
Other debtors	171,341	50,565	109,497	50,565
Prepayments and accrued income	2,711,866	1,024,360	2,704,643	1,024,360
Amount owed by subsidiary undertaking	-	-	58,932	-
	<b>£2,924,108</b>	<b>£1,199,132</b>	<b>£2,913,973</b>	<b>£1,199,132</b>
13. Creditors: Amounts falling due within one year	£	£	£	£
Trade creditors	704,696	435,378	704,696	435,378
Accruals	590,583	164,158	590,583	164,158
Advance box office receipts	75,089	385,647	75,089	385,647
Other creditors	1,157,179	360,606	1,147,901	352,097
Deferred income	35,573	23,429	35,573	23,429
	<b>£2,563,120</b>	<b>£1,369,218</b>	<b>£2,553,842</b>	<b>£1,360,709</b>

Other creditors includes two loans totalling £861,844 repayable within one year with total interest payable of £618 (2022: no loans).

Deferred income	£	£
Balance as at 1 April	23,429	599,657
Amount released to incoming resources	(23,429)	(599,657)
Amount deferred in year	35,573	23,429
<b>Balance as at 31 March</b>	<b>£35,573</b>	<b>£23,429</b>



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FOR THE YEAR ENDED 31 MARCH 2023

14. Fund reconciliation	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
<b>Group</b>					
<b>Unrestricted</b>					
Operating	695,361	7,370,595	(8,141,299)	558,411	483,068
Designated:					
Fixed Assets	8,676,059	-	-	(351,782)	8,324,277
Operating: Burford Legacy	1,145,713	-	(1,145,713)	-	-
Operating: Special Situations	582,175	-	(582,175)	-	-
Operating: New Commissions	9,406	-	(9,406)	-	-
<b>Restricted</b>					
Commercial Transfers	107,560	-	-	(107,560)	-
Artistic Fund	99,069	-	-	(99,069)	-
Other	84,736	425,922	(387,768)	-	122,890
<b>Total funds</b>	<b>£11,400,079</b>	<b>£7,796,517</b>	<b>£(10,266,361)</b>	<b>-</b>	<b>£8,930,235</b>

The Designated Fixed Asset Fund covers the net book value of all fixed assets, to ensure that this value tied up in the building and its equipment is clearly distinguishable from funds available to spend.

The Designated Operating Funds are funds established by the Board to underpin the financial security of the Young Vic, to provide working capital, to fund exceptional projects designed to increase the reach of the theatre and for commissioning new theatrical works.

The Restricted Commercial Transfers Fund is in respect of donations which may only be applied to future transfers of theatrical productions to the West End or Broadway. The Artistic Fund was established at the start of the pandemic to assist with Young Vic's recovery post reopening.

The Restricted Other fund represents grants and donations given in support of specific productions, projects or activities where the funder has restricted the use of the funds. The majority of Restricted Other funds are received and spent within one year.

Transfers between funds represent the cost of depreciation transferred from unrestricted funds to designated fixed asset funds, the cost of fixed assets purchased from restricted and unrestricted funds transferred to designated fixed asset funds, and amounts released from restricted funds to unrestricted funds where the funders have permitted such transfers.

15. Analysis of net assets between funds

	Fixed Assets £	Net Current Assets £	Total 31 March 2023 £
<b>Group</b>			
<b>Unrestricted Funds</b>			
General Operating	-	483,066	483,066
Designated Funds:			
Fixed Assets	8,324,277	-	8,324,277
<b>Restricted Funds</b>			
Other	-	122,892	122,892
<b>Total</b>	<b>£8,324,277</b>	<b>£605,958</b>	<b>£8,930,235</b>

**THE YOUNG VIC COMPANY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**16. Financial commitments**

**(a) Operating leases**

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods are:

Not later than one year

Later than one year and not later than five years

Office Equipment 2023 £	Office Equipment 2022 £
50,270	46,606
30,764	75,233

The charity has a contract for the grant of a 99 year lease with Lambeth Borough Council, which commenced on 29 September 2006 for an annual rental of £15,000 and increases in line with Retail Price Index inflation on each 10 year anniversary. The current annual rental is £19,674 (2022: £19,674).

**(b) Contingent liabilities**

At 31 March 2022 a contingent liability existed in the form of a charge relating to the building agreement in respect of the theatre premises, whereby the company has agreed to repay a grant funding advance from Arts Council England of £6,250,000 should the terms of the grant agreement not be met.

At 31 March 2022 a contingent liability existed in the form of a debenture, whereby the company has charged to Arts Council England a fixed charge over all debts due or owing to the company and a floating charge over all the company's present and future undertakings and assets, in respect of a grant funding advance of £6,250,000.

**17. Pensions and other post-retirement benefits**

The charity contributes to defined contribution personal pension schemes for certain employees, workers, freelance performers, musicians and stage managers. The amount recognised as an expense in the period was £72,093 (2022: £57,134).

**18. Amount receivable under non-cancellable operating lease**

The minimum amount owed to the company by a tenant under a non-cancellable operating lease is as follows:

	< 1 year	Within 2-5 years	Total
	£	£	£
Rent and service charge	95,805	239,513	335,318

The operating lease relates to the café/restaurant at The Young Vic Theatre with a lease term of 10 years, subject to a break clause after 5 years.

The lease agreement also includes annual turnover rent, calculated at 3%, 5% and 12% of gross turnover in accordance with lessee turnover thresholds which are reviewed on an annual basis.

The lessee does not have an option to purchase the property at the expiry of the lease period.

**19. Related party transactions**

**Donations**

From time to time general donations are made by trustees; donations are freely given with no benefits received in return, with the exception of nominal benefits under membership schemes available to all members at the same level. The total aggregate amount given in general donations by trustees during the year ending 31 March 2023 was £159,474 (2022: £127,938).

**Loans**

During the year trustee Dr Robert Easton entered into a short-term loan agreement with Young Vic Company which was outstanding at the year end, loaning the sum of £61,844 to the Company as an advance against



funds receivable by the Company, to support day to day cashflows. The loan is repayable in full, plus 1% interest, within 12 months. It is represented on the Company's Balance Sheet within Other Creditors (note 13). There were no loan arrangements with trustees in the previous year.

**Expenses**

With the exception of the Chief Executive Kwame Kwei-Armah in the ordinary business of his paid role as Artistic Director, trustees received no reimbursement of their expenses in either year.

**20. Net outgoing resources of parent charity**

As permitted by section 408 of the Companies Act 2006, the Statement of Financial Activities of the parent charity is not presented separately as part of these financial statements. The parent charity's net outgoing resources were £2,479,139, after depreciation of £375,315 (2022: net outgoing resources £385,109, after depreciation of £414,071).

