THE ROYAL NATIONAL THEATRE FOUNDATION

England & Wales · Charity number 271706

Details

Other names	THE NATIONAL THEATRE FOUNDATION
Status	Registered
Legal form	Other
Registered	1976-08-10
Register	View on the Charity Commission register

Contact

Address	Royal National Theatre Upper Ground London SE1 9PX
Phone	02074523361
Email	dparker@nationaltheatre.org.uk

Activities

Objects: TO EDUCATE THE PUBLIC IN THE ART OF DRAMA AND TO PROMOTE THEIR APPRECIATION OF CLASSICAL AND MODERN DRAMA IN ALL ITS ARTISTIC FORMS AT THE NATIONAL THEATRE. TO RELIEVE PAST OR PRESENT EMPLOYEES OF THE NATIONAL THEATRE WHO ARE IN NECESSITOUS CIRCUMSTANCES.

Activities: The education of the public in the art of drama and the promotion of their appreciation of classical and modern drama in all its artistic forms at the Royal National Theatre (the NT"); the relief of past or present employees of the NT who are in necessitous circumstances; as ancilliary to the above objects, to support the NT in its aims to further the appreciation of classical and modern drama.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£394,309	£726,795	-	-
2024-03-31	£391,906	£830,535	-	-
2023-03-31	£380,354	£833,182	-	-
2022-03-31	£1,294,725	£191,358	£7,077,028	0
2021-03-31	£578,946	£3,815,658	£5,601,805	0

Trustees

Name	Role	Appointed
Graham Eric Barker MStJ DL	Chair	2016-07-05
Ceinewn Rees		2023-02-23
Dame Ursula Mary Brennan		2022-06-28
Daniel George Margolin		2017-05-30
Elizabeth Pryce		2014-04-16
Hazel O'Dell		2025-06-11
Moira Sarah Sinclair		2025-03-05
Sarah Greene		2023-02-23

THE ROYAL NATIONAL THEATRE FOUNDATION

England & Wales - Charity number 271706

Accounts

Royal National Theatre Foundation

Charity Registration Number: 271706

Royal National Theatre Foundation
Contents

In this document The Royal National Theatre Foundation is referred to as "the Foundation", and the Royal National Theatre is referred to as "the NT", "the National", and "the National Theatre".

Administrative Details

Charitable Status

The Royal National Theatre Foundation ('The Foundation') was established as an unincorporated charity under a Trust Deed dated 6th July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10th August 1976.

Principal Office

The Royal National Theatre, Upper Ground, London, SE1 9PX

Trustees

Emeritus Trustee

Bankers

Santander, London Corporate Banking Centre, 12 Park Square West, Ulster Terrace, London, NW1 4LJ

Investment Managers

Rathbone Investment Management Ltd, 8 Finsbury Circus, London, EC2M 7AZ

Independent Auditor

Buzzacott Audit LLP, 130 Wood Street, London, EC2V 6DL

ROYAL NATIONAL THEATRE FOUNDATION
TRUSTEES' ANNUAL REPORT

For the year ended 31 March 2025

REPORT OF CHAIR

It has been an eventful year for the Foundation, and it continues to be a pleasure to work with my fellow Trustees and the National Theatre to continue to support the staff and freelancers who together make up the NT.

Anna Khazen retired from the Board of Trustees in March 2025. The Trustees and I are indebted to her for the contribution she has made to both the Foundation and the NT during her tenure. We are fortunate in the knowledge that Anna will continue to be an advocate for and support the work we do. We have also been delighted to welcome two new appointments to the Board of Trustees: Moira Sinclair and Hazel Holder.

The Foundation is immensely grateful for the extraordinary generosity of those donors and their families who have left legacies to the National Theatre. In 2024/25 we received a total of £244,587 in legacies, and in 2024/25 the Foundation awarded the third installment of the 3-year grant of £500,000 per annum 2022/23 – 2024/25 to support the learning projects. In order to promote the profound difference that legacies make both to the NT and the wider sector, the Foundation has been happy to contribute £28,032 to the costs of the excellent work carried out by the NT's Development Department.

In recognition of the very different external environment and financial position of the National Theatre post pandemic, in March 2025, the Foundation and NT jointly agreed a variation to the 2016 Legacies Agreement between the NT and the Foundation, so that the NT has absolute discretion about whether to pass any legacy income to the Foundation. Currently, the Foundation has reverted to the pre-2016 arrangements whereby it is focusing its available funds on benevolent grants to individuals and the support of welfare at the NT. We are proud of having made substantial capital grants to the NT in recent years but equally happy to be centered on our core activity of making benevolent grants. One of my primary aims when I became Chair of the Foundation was for the Foundation to more proactively fulfil its benevolent remit and to ensure the Trustees were more actively engaged in that vital work. To that end we have established clear criteria and guidelines for benevolent grants, refreshed and updated the Foundation's 'marketing materials' – copy on the website, information provided in new starter packs, and posters about our work displayed in the NT.

The Trustees and I are grateful to Jessica Dickens, Head of Welfare and Wellbeing, and Hannah Scott, Welfare and Wellbeing Manager, for their dedicated work. We are proud and pleased to report that during the 2024/25 financial year the Foundation awarded benevolent grants totaling £53,252 in total to 29 individuals. In addition, in 2024/25, the Foundation helped to support additional welfare and counselling provision at the National Theatre through a £50,000 grant to the NT. That grant supported welfare and wellbeing initiative such as bespoke counselling for staff and freelancers, the National Theatre's new Dye and Wellbeing Garden, and a pilot programme of finance workshops for NT staff and freelancers. This programme points to the holistic nature of the offer the Foundation – providing both support for those in crisis and providing individuals with the skills and tools they need to help avert falling into financial crisis. We are also deeply grateful to Donna Parker for her tireless dedication to the assessment of applications to the Foundation and all she does as secretary to the Board.

The value of the Portfolio on 31 March 2025 was £6,386,967 compared to £6,756,858 the prior year. Within the context of a challenging and turbulent economic environment, the Foundation's investment portfolio generated an absolute investment gain of £219,213, a decrease from the gain of £522,149 last year. The Foundation's funds are invested for the longer term and are actively managed by Rathbones in close consultation with the Trustees. In addition to receiving investment updates at all Trustees' meetings, the Foundation has established a Finance Sub-Committee, which meets with Rathbones to monitor performance and consider the investment strategy in detail. The Trustees also regularly review a rolling five-year budget forecast. The Trustees are confident, and going forward, that the Foundation will continue to have sufficient funds to enable it to continue with its core remit.

As a matter of good governance, and in light of the changed cash requirements of the Foundation, in June 2025, the Foundation put the investment management of its portfolio out to tender. Following a robust and open process the Foundation decided to contract Cazenove Capital as its new Investment Managers. The Trustees and I would like to thank Alexander Dow and Elizabeth Barrett of Rathbones for their excellent work in managing the portfolio over the years. We look forward to working with Cazenove Capital.

Graham Barker, Chair of Trustees

Structure, Governance and Management

Organisational structure

The governing document of the Foundation is a Declaration of Trust, dated 6 July 1976. The Foundation applies the principles of the Charity Governance Code. The Foundation's Trustees generally meet three times a year. Business at Trustees' meetings usually includes consideration of grants to beneficiaries, grants to the National Theatre, reports on previous awards, a review of the financial position and of investment policy and performance, and approval of the annual Trustees' Report and Accounts.

Membership of the Trustee Body

The Trustees keep under review the membership of the Trustee body and are mindful of the need to ensure that, as a group, they have the skills and experience to enable them to fulfil their responsibilities as Trustees of the Foundation. A sub-committee of the Board, makes recommendations to the Board on appointment of Trustees and reviews the composition and effectiveness of the Board.

Trustees are appointed by existing Trustees. All Trustees are appointed for an initial term of three years; after which they may be reappointed for a maximum of a further two three-year terms.

The Secretary arranges the induction of new Trustees to provide them with information about, and an understanding of, the objects of the Foundation, and their responsibilities as charity Trustees.

Decisions

The Foundation's Trustees generally meet three times a year. Business usually includes consideration of applications for grants, reports on previous grant awards, a review of the financial position and of the investment policy. To deal with emergency benevolent applications, the Chair has discretion to make benevolent grants within prescribed limits. The Chair discusses such applications with another Trustee on a rolling rota of Trustees. Grants made under this authority by the Chair must be ratified by the Trustees in a full meeting.

The Trustees are independent of the National and operate at their own discretion, however in the interests of maintaining an up to date knowledge of National activities, two Trustees also serve on the National's Board. The Trustees have procedures in place for handling any conflict of interest to which that situation might lead.

Investment and Finance

The Board's responsibilities include reviewing the investment policy and performance; monitoring and reviewing financial performance and management; reviewing the preparation of the annual financial statements; relationships with the External Auditors and reviewing the risk register.

The Board have regular meetings and discussions with Rathbone Investment Management Limited (Investment Managers) to monitor investment performance and review the investment strategy. A Finance Sub-Committee of the Board meets at least annually to consider investment performance and strategy and the indicative 5-year financial plan.

Public Benefit Disclosure

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's published guidance on public benefit when reviewing the Foundation's aims, objectives and grant making policy and in planning future activities. The Foundation carries out these objectives and seeks to achieve public benefit through the following grant giving policy:

Grants to the National Theatre are made primarily to fund initiatives which are outside of the National's financial capabilities in any particular year but are relevant to its current policy. The National Theatre is itself a charity with a comprehensive public reach achieved through accessible ticket pricing, an education arm and a growing internet and digital presence to members of the public.

Benevolent grants are made to individuals who work, have worked or who have a close association with the National and who are in need.

Grants to other individuals and organisations are generally made for charitable purposes linked to the National Theatre.

OBJECTIVES AND ACTIVITIES

AIMS AND OBJECTIVES OF THE FOUNDATION

The objects of the Foundation shall be in the United Kingdom or any other part of the world:

a. to educate the public in the art of drama and to promote their appreciation of classical and modern drama in all its artistic forms at the Royal National Theatre;

b. to relieve past or present employees of the Royal National Theatre who are in necessitous circumstances; and

c. (i) as ancillary to the above objects, to support the Royal National Theatre in its aims to further the appreciation of classical and modern drama;

c. (ii) to promote and support such other charitable institutions or purposes as the Trustees may from time to time at their absolute discretion think fit.

The Foundation has achieved these objectives by issuing a grant to the National Theatre to support the work of the National Theatre's Welfare Counselling Service. 29 benevolent grants (2023/24: 28) were issued to past and present employees of the National Theatre. The Foundation has also issued the third of three £500k grants to the National Theatre this year plus funding to cover the costs of Legacy work carried out by the National Theatre's Development Department.

ACHIEVEMENTS AND PERFORMANCE

The Trustees are extremely grateful to the individuals who have remembered the Foundation in their wills. The Foundation has received legacies during the year totalling £244,587 [2023/24: £234,944].

The Foundation does not employ any professional fundraisers and complies with the standards of the scheme for fundraising. No complaints have been received, and no undue pressure has been placed on any person.

The Trustees granted a total of £588,032 (2023-24: £620,600) grants and awards to the National Theatre.

£50,000 to the National Theatre's welfare counselling services and the Rayne Award for £10,000. The Foundation also contributed £28,032 towards the costs of Legacy work carried out by the National Theatre's Development Department. The Trustees also granted £500,000 towards the "Participate" strand of the new NT learning strategy at the National Theatre.

The Trustees approved 29 benevolent grants totalling £53,252 [2023/24: £77,549 for 28 grants] made this year to current and former staff and members of the acting companies.

FINANCIAL REVIEW

The Foundation received investment income during the year of £139,402 [2023/24: £143,231], £63,094 of which is unrestricted [2023/24: £86,335]. Donations and legacy income of £254,907 [2023/24: £248,675] was received during the year. All legacy income for the year was received via the National Theatre. Total expenditure in the year was £726,795 [2023/24: £830,535]. The Foundation's investment portfolio made a gain on its investment assets of £79,891 [2023/24: a gain of £378,918], giving an annual absolute investment gain of £219,293 (investment income plus gain on portfolio) [2023/24 a gain of £522,149].

The total funds balance carried forward at 31 March 2025 was £5,914,335 [2023/24: £6,166,930].

The Foundation's Portfolio was valued at £6,386,967 at 31st March 2025 [2023/24 £6,756,858].

INVESTMENTS

The Trustees' overarching goal is an investment strategy designed to produce a balance of capital and income growth to enable them to continue the Foundation's grant support to the National and to meet its other charitable objects in a manner and scale broadly similar to that provided in the past.

The Foundation has a total return strategy with a goal of achieving an average annual return of inflation plus 3% such as to preserve and increase its capital over the long term. Risk is minimised by appropriate diversification across global equities, fixed income, property and cash with consideration being given from time to time to investments in hedge funds, emerging markets and convertible bonds. Liquidity is an important consideration, and all investments are required to be of a reasonably liquid nature. It is intended that a minimum annual income from interest and dividends and, if necessary, liquidation of capital gains, of £200,000 should be generated to fund benevolent grants, other grants and expenses.

Performance is reviewed at least twice a year by the Investment and Finance Committee. Investment policy and strategy is reviewed at least annually by the same Committee and followed by a report made to the full Trustee body.

KEY RISKS AND UNCERTAINTIES DISCLOSURE

The Trustees have considered the major strategic, business and operational risks which the Foundation faces. The fundamental one is uncertainty of income. Procedures, which include regular reporting on risk management to the Trustees, have been established to manage these risks.

PLANS FOR FUTURE PERIODS

The Foundation will continue its essential remit of benevolence by making grants to NT employees and past staff members suffering financial hardship. From 31 March 2025, by agreement with the National Theatre, legacies will be retained by the National Theatre and directed to the Foundation at the discretion of the National Theatre.

RESERVES

UNRESTRICTED FUNDS

In setting a target level of reserves for the Foundation, the Trustees have taken into account that the scale and number of applications to the Foundation are variable; that income from returns on the investment portfolio are unpredictable and that in the event of a major, exceptional financial crisis afflicting the National, the Foundation would wish to provide significant support of a general nature to it. In doing so, the Trustees thus recognise the moral commitment given to the then Trustees of the Royal National Theatre Endowment Fund, on its winding up, that funds transferred to the Foundation from the Endowment Fund would be retained to be able to assist the National in such circumstances.

The Trustees consider the level of reserves in the General Fund to be free reserves, which stood at £2.9m at the year-end [2023/24: £2.9m].

These free reserves, together with the designated funds held in the Foundation General Purpose fund £0.5m (2023/24: £0.52m) and the restricted fund NT General Purpose Fund £1.4m [2023/24: £1.1m] to be adequate to enable them to respond to the potential value of grant applications in the foreseeable future.

DESIGNATED FUNDS

i. Benevolent Fund

The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfil the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Trustees consider that a fund of £1,000,000 is needed to meet likely on-going applications. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the Foundation General Purpose Fund each year.

Since April 2024 the Foundation has awarded benevolent grants to 29 individuals, totaling £53,252.[2023/24: 28, £77,549].

During the year, the Trustees have offered support to the NT's Apprenticeship scheme through its allocation of funds, assisting individual apprentices who might themselves be in hardship because of travel costs or living expenses, to the extent that it would jeopardise their ability to complete the apprenticeship.

ii. Foundation General Purpose Fund

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all unrestricted legacies received directly by the Foundation are to be allocated to the Foundation General Purpose Fund. This clause remains unchanged as per the March 2025 version of this agreement, and where legacies are transferred at the National Theatre's discretion this will be upheld.

Restricted Funds

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all restricted legacies received by either the National Theatre or the Foundation are to be allocated to the Funds, which is one of the five restricted National Theatre sub-funds (NT Learning, NT Productions, NT Premises, NT Studio/New Work and NT General Purposes). This clause remains unchanged in the March 2025 version of this agreement.

i. NT Learning sub fund

This fund, previously known as Learning Fund, was established to reflect the former Legacies Agreement (dated 22 March 2012) between the National Theatre and the Foundation to provide a long term and significant source of grants for learning activities at the National and through the Foundation. Monies equivalent to amounts received as unrestricted legacies by the National Theatre were given to the Foundation for investment in this Fund. The current Legacy Agreement stipulated that the balance on the Learning Fund to be credited to the NT Learning sub-fund.

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

ii. NT Productions, NT Premises, NT Studio/New Work and NT General Purpose

These funds represent legacy gifts received in year and an allocation of the net gains on investment in year.

Connected Charities

The Foundation has objectives related to those of the National but fulfills these independently.

Legacies

The NT General Purpose Fund received £244,587 [2023/24: £234,944] from the National representing legacies left to it.

Charitable Activities

During the year a £50,000 grant was paid to the National to support the Welfare Department.

In addition, year 3 payment of a 3-year £500,000 per year commitment was agreed. The Foundation also contributed £28,032 towards the costs of Legacy work carried out by the National Theatre's Development Department. Plus £10,000 for the Rayne Award.

There have been 29 Benevolent Grants awarded this year totaling £53,252 [2023/24: £77,549 for 28 grants].

Administrative support is provided by the National Theatre and a fee of £18,000 [2023/24: £18,000] is charged to the Foundation for these services.

Statement of Recommended Practice

The financial statements have been prepared in accordance with the accounting policies set out on pages 15-17 and comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" and relevant statutory requirements.

Statement on Disclosure of Information to the Auditors

In so far as the Trustees are aware:

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

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 presume that the charity will continue in business.

The Trustees 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 Charities Act 2011 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 Trustees' Annual Report was approved by the Trustees and authorised for issue on ...5th Nov 2025.......

And signed on its behalf by

G E Barker

Graham Barker, Chair of Trustees

Independent auditor's report to the trustees of the Royal National Theatre Foundation

Opinion

We have audited the accounts of The Royal National Theatre Foundation (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and 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 accounts or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 145 for a lower income charity 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 accounts 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 accounts.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019), and
- We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustees and review of the minutes of trustee meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including how fraud might occur by:

- Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested the authorisation of expenditure;
- Tested the implementation of financial controls; and
- Reviewed a sample of journal entries for validity and appropriate authorisation.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;

- Reading the minutes of meetings of the trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity'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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ROYAL NATIONAL THEATRE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2025

YEAR ENDED 31 MARCH 2025	Notes	Unrestricted General £	Unrestricted Designated £	Restricted £	Total £
Income & Endowments from:					
Donations & legacies	4	320	-	254,587	254,907
Investments	5	63,094	32,724	43,584	139,402
TOTAL Income & Endowments		**63,414**	**32,724**	**298,171**	**394,309**
Expenditure on:					
Investment Management Costs	6	17,293	8,970	11,947	38,210
Charitable activities	7	83,787	57,180	547,618	688,585
TOTAL Expenditure		**101,080**	**66,150**	**559,565**	**726,795**
Net gains on investment		36,159	18,754	24,978	79,891
Net expenditure		**(1,507)**	**(14,672)**	**(236,416)**	**(252,595)**
Transfers only between designated funds	11	-	-	-	-
Net movement in funds		**(1,507)**	**(14,672)**	**(236,416)**	**(252,595)**
Reconciliation of Funds:					
Total funds brought forward	11	2,900,540	1,522,987	1,743,403	6,166,930
TOTAL Funds carried forward		**2,899,033**	**1,508,315**	**1,506,987**	**5,914,335**

YEAR ENDED 31 MARCH 2024	Notes	Unrestricted General £	Unrestricted Designated £	Restricted £	Total £
Income & Endowments from:					
Donations & legacies	4	3,731	-	244,944	248,675
Investments	5	86,335	22,439	34,457	143,231
TOTAL Income & Endowments		**90,066**	**22,439**	**279,401**	**391,906**
Expenditure on:					
Investment Management Costs	6	29,757	7,734	11,876	49,367
Charitable activities	7	136,364	80,971	563,833	781,168
TOTAL Expenditure		**166,121**	**88,705**	**575,709**	**830,535**
Net gains on investment		**228,399**	**59,362**	**91,157**	**378,918**
Net income/(expenditure)		152,344	**(6,904)**	**(205,151)**	**(59,711)**
Transfers between funds	11	-	-	-	-
Net movement in funds		152,344	**(6,904)**	**(205,151)**	**(59,711)**
Reconciliation of Funds:					
Total funds brought forward	11	2,748,196	1,529,891	1,948,554	6,226,641
TOTAL Funds carried forward		**2,900,540**	**1,522,987**	**1,743,403**	**6,166,930**

All income and expenditure is derived from continuing activities.

The notes on pages 14 to 25 constitute part of the financial statements.

ROYAL NATIONAL THEATRE FOUNDATION
BALANCE SHEET
For the year ended 31 March 2025

	Note	2025	2024
		£	£
Fixed Assets:			
Investments	8	6,386,967	6,756,858
TOTAL Fixed Assets		**6,386,967**	**6,756,858**
Current assets:			
Debtors	9	10,000	10,000
Accrued Income	9	8,776	2,671
Cash at bank and in hand		51,016	7,245
TOTAL Current Assets		69,792	**19,916**
Liabilities:			
Creditors: amounts falling due within one year	10	(542,424)	(609,844)
Net Current Liabilities		(472,632)	**(589,928)**
TOTAL Assets less Current Liabilities		**5,914,335**	**6,166,930**
TOTAL Net Assets		**5,914,335**	**6,166,930**
The Funds of the Charity:			
Unrestricted general funds	11	2,899,033	2,900,541
Unrestricted designated funds	11	1,508,315	1,522,986
Restricted funds	11	1,506,987	1,743,403
TOTAL Funds		**5,914,335**	**6,166,930**

Approved and authorised for issue by the trustees on G Barker 5th Nov 2025

And signed on its behalf by:

G Barker

Graham Barker

(Chair)

The notes on pages 14 to 25 constitute part of the financial statements.

ROYAL NATIONAL THEATRE FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities:	(i)		
Net cash used in operating activities		**(545,413)**	(197,528)
Cash flows from investing activities:			
Dividends, interest and rents from investments		139,402	129,648
Proceeds from sale of investments		860,152	589,690
Purchase of investments		(437,404)	(578,269)
Net cash provided by investing activities		**562,150**	141,069
Change in cash and cash equivalents in the reporting period		**16,737**	(56,459)
Cash and cash equivalents at the beginning of the reporting period	(ii)	257,137	313,596
Cash and cash equivalents at the end of the reporting period	(ii)	**273,874**	257,137

(i) Reconciliation of net expenditure to net cash flow from operating activities:

	2025 £	2024 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(252,595)	(59,711)
Dividends, interest and rents from investments	(139,402)	(129,648)
Gains on investments	(79,891)	(378,918)
Working capital movements:		
(Increase)/decrease in debtors	(6,105)	12,602
(Decrease)/increase in creditors	(67,420)	358,147
Net cash used in operating activities	**(545,413)**	(197,528)

(ii) Analysis of cash and cash equivalents

	£	£
Cash at bank and in hand	51,016	7,245
Cash held as part of investment portfolio	222,858	249,892
TOTAL cash and cash equivalents	**273,874**	257,137

1 General Information

The Foundation was established as an unincorporated charity under a Trust Deed dated 6 July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10 August 1976 for the education of the public in the art of drama and the promotion of their appreciation of classical and modern drama in all its artistic forms at the National Theatre; the relief of past or present employees of the National Theatre who are in necessitous circumstances; as ancillary to the above objects, to support the National Theatre in its aims to further the appreciation of classical and modern drama. The Foundation's registered office is The Royal National Theatre, Upper Ground, London, SE1 9PX.

These objects are set out in the governing document, which is a Declaration of Trust, and have been developed into a set of aims and objectives as described within this report on page 4.

2 Statement of Compliance

The Foundation meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, ,the Charities Act 2011, and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS 102) effective 1 January 2019 ("Charities SORP (FRS102)").

3 Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

A Basis of Preparation

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) (effective 1 January 2019), with FRS 102 and the requirements of the Charities Act 2011.

B GOING CONCERN

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due and will draw down from the investment portfolio to fulfil the net current liabilities position on the balance sheet.

The Foundation has sufficient cash and investments to cover the grants committed to at the year end and trustees are able to control the costs and level of grants made and as such conclude that the Foundation remains a going concern for at least 12 months from the date of approval of these financial statements.

C Income

All income is included in the Statement of Financial Activities when the Foundation has legal entitlement, there is reasonable probability over receipt and the amount of income can be quantified with reasonable accuracy.

- Donations and legacies are recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably; furthermore, entitlement to legacy income is when estate accounts are settled or there is notification of a distribution.
- Charitable activities are recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably.
- Investment income and interest receivable are recognised on an accruals basis.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

D EXPENDITURE

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

- Grants for specific projects are accounted for when approved by the Trustees and notified to the beneficiaries.
- Excess grants are written back on receipt of final claims from beneficiaries.
- Benevolent grants are made to current and former employees of the National and its acting company; these grants are accounted for when the beneficiary is notified.
- Raising donations & legacies – expenditure on raising donations and legacies represent the cost of securing donations and legacies, including marketing costs.
- Charitable activities – expenditure directly incurred relating to the charitable objectives, including awards and grants to National Theatre and individuals.
- Support costs are apportioned across charitable activities in proportion to the value of grants and awards made as set out in Note 8, including expenditure on audit fees, National Theatre management and bank charges. The Foundation uses the services of staff employed and paid by National Theatre and a management charge of £18,000 [2023/24: £18,000] is paid in this respect.

E FINANCIAL INSTRUMENTS

The Foundation has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets are held at amortised cost and comprise cash at bank and in hand, and debtors. Financial liabilities are held at amortised cost and comprise of creditors.

At the Balance Sheet date, the Foundation held financial assets at amortised cost of £69,792 [2023/24: £19,916] and financial liabilities at amortised cost of £542,424 [2023/24: £609,844].

F INVESTMENTS

Investments, including bonds held as part of an investment portfolio, are stated at market value as at the balance sheet date. Investments are revalued to market value as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year, and this is reinvested into the portfolio.

At the Balance Sheet date, the Foundation held financial assets at market value of £6,386,967 [2023/24: £6,756,858].

G DEBTORS

Debtors include amounts owed to the Foundation for the provision of goods and services, or the amounts the charity has paid in advance for the goods and services it will receive. Debtors also include amounts receivable on grant funding to which the charity is entitled. Debtors are measured at their recoverable amount.

H CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash in hand, deposits held at call with banks, and other highly liquid investments.

I CREDITORS

Creditors are measured at their settlement amount and is recognised for the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

J RESTRICTED FUNDS

These are monies which have legal restrictions on their use where donors have specified that the funds can only be spent on certain of the charity's activities. These represent restricted grant funding, and legacies covered by the agreement between the National Theatre and the Foundation effective 17 February 2016 and updated March 2025.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

K UNRESTRICTED GENERAL FUNDS

These general funds are available for use at the discretion of the Trustees in furtherance of the charity's general objectives.

L UNRESTRICTED DESIGNATED FUNDS

These are funds set aside out of general funds by the Trustees, for particular purposes. The Benevolent fund is to provide protection for a proportion of the Foundation's assets for the future to enable the Trustees to continue to fulfill the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Trustees consider that this fund of £1,000,000 is sufficient to meet likely on-going applications. The Trustees keep this policy under review. An amount equivalent to that paid out in benevolent grants is transferred from the second designated fund the Foundation General Purpose Fund each year.

M TAXATION

The Foundation is a registered charity and can take advantage of the exemptions from income tax under the provisions of the Income Taxes Act 2007.

Tax recoverable relates to tax due to be reclaimed from HMRC on investment income where tax was deducted at source.

N CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Foundation's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values 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 relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going 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 affects the current and future periods.

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

4 DONATIONS & LEGACIES

	Unrestricted General	Unrestricted Designated	Restricted	2025
	£	£	£	£
Donations	320	-	10,000	10,320
Legacies	-	-	244,587	244,587
	320	**-**	**254,587**	**254,907**

	Unrestricted General	*Unrestricted Designated*	*Restricted*	*2024*
	£	£	£	£
Donations	3,731	-	10,000	13,731
Legacies	-	-	234,944	234,944
	3,731	**-**	**244,944**	**248,675**

5 INVESTMENT INCOME

	Unrestricted General	Unrestricted Designated	Restricted	2025
	£	£	£	£
Income from securities	40,225	20,863	27,787	88,875
Interest receivable	22,869	11,861	15,797	50,527
	63,094	**32,724**	**43,584**	**139,402**

	Unrestricted General	*Unrestricted Designated*	*Restricted*	*2024*
	£	£	£	£
Income from securities	52,951	13,762	21,133	87,846
Interest receivable	33,384	8,677	13,324	55,385
	86,335	**22,439**	**34,457**	**143,231**

6 INVESTMENT MANAGEMENT COSTS

	Unrestricted	Designated	Restricted	2025
	£	£	£	£
Investment Management Costs	17,293	8,970	11,947	38,210
	17,923	**8,970**	**11,947**	**38,210**

	Unrestricted	*Designated*	*Restricted*	*2024*
	£	*£*	*£*	*£*
Investment Management Costs	29,757	7,734	11,876	49,367
	29,757	**7,734**	**11,876**	**49,367**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

(a) Analysis of expenditure on charitable activities

	Grant funding of activities	Support costs	2025
	£	£	£
Grants to National Theatre	578,032	42,636	620,668
Grants to Other Institutions	-	-	-
Benevolent Grants	53,252	3,928	57,180
Awards to National Theatre	10,000	737	10,737
	641,284	**47,301**	**688,585**

	Grant funding of activities	*Support costs*	*2024*
	£	*£*	*£*
Grants to National Theatre	580,600	25,624	606,224
Grants to Other Institutions	50,000	2,207	52,207
Benevolent Grants	77,549	3,423	80,972
Awards	40,000	1,765	41,765
	748,149	**33,019**	**781,168**

(b) Analysis of Support Costs

	National Theatre £	Other Institutions £	Benevolent Grants £	Awards £	2025 £
Governance	14,422	-	1,329	249	16,000
NT Management Charge	16,225	-	1,495	280	18,000
Finance	439	-	41	8	488
Other	11,550	-	1,063	200	12,813
	42,636	-	**3,928**	**737**	**47,301**

	National Theatre £	*Other Institutions £*	*Benevolent Grants £*	*Awards £*	*2024 £*
Governance	10,129	872	1,353	698	13,052
NT Management Charge	13,969	1,203	1,866	962	18,000
Finance	392	34	52	27	505
Other	1,134	98	152	78	1,462
	25,624	**2,207**	**3,423**	**1,765**	**33,019**

Support costs are allocated to the key activity areas driving support costs as above based on their proportionate costs to overall direct costs.

Governance costs includes auditor's remuneration which consists of a statutory audit fee of £12,000 [2023/24: £12,000].

The Foundation uses the services of staff employed and paid by the National Theatre and a management charge of £18,000 [2023/24: £18,000] is included in support costs.

(c) Analysis of Grants

	Grants to institutions £	Grants to individuals £	Support costs £	2025 £
National Theatre				
National Theatre Welfare Grant	50,000	-	3,688	53,688
Learning Program Grant	500,000	-	36,880	536,880
NT Legacy Costs	28,032	-	2,068	30,100
Awards	10,000	-	737	10,737
Other				
Benevolent Grants	-	53,252	3,928	57,180
	588,032	53,252	47,301	688,585

	Grants to institutions £	*Grants to individuals* £	*Support costs* £	*2024* £
National Theatre				
National Theatre Welfare Grant	50,000	-	2,207	52,207
Capital Grant	500,000	-	22,067	522,067
NT Legacy Costs	30,600	-	1,350	31,950
Awards	40,000	-	1,765	41,765
Other				
Benevolent Grants				
New Motley Design Grant	-	77,549	3,423	80,972
	50,000	-	2,207	52,207
	670,600	**77,549**	**33,019**	**781,168**

8 INVESTMENTS

(a) Movement in fixed asset investments

	2025 £	*2024* £
Market Value at Beginning of Year	6,756,858	6,284,500
New Money Invested	-	107,593
Reinvested Income (realised gains)	139,402	133,699
Amounts extracted	(549,999)	(110,000)
Investment management fees paid in year	(39,185)	(37,852)
Increase in value of investments	79,891	378,918
Market Value at End of Year	**6,386,967**	**6,756,858**

At the 31 March 2025, all funds were held with Rathbone Investment Management Ltd.

(b) Investments at Market Value comprised:

	2025 £	*2024* £
Fixed Interest	1,692,977	1,798,055
Equities	4,197,922	4,425,819
Property	150,175	122,540
Commodities	123,035	160,552
Cash	222,858	249,892
Market Value at End of Year	**6,386,967**	**6,756,858**

The value of Investments held outside the UK at 31 March 2025 was £2,753,245 [2023/24: £2,491,509].

8 INVESTMENTS (CONTINUED)

(c) Material Holdings of Investments

As at 31st March 2025, the Royal National Theatre Foundation held the following material investments:

Investment Name	Nature of Investment	Percentage Holding	Market Value (£)
SPDR Series Trust	Overseas Equities	11.4%	£728,756
7/8% Green Gilt 2033	Fixed Interest	10.6%	£677,288
Findlay Park Funds	Overseas Equities	5.5%	£350,763
Edgewood L Select	Overseas Equities	5.3%	£336,754

As at 31st March 2024, the Royal National Theatre Foundation held the following material investments:

Investment Name	Nature of Investment	Percentage Holding	Market Value (£)
7/8% Green Gilt 2033	Fixed Interest	10.9%	£735,767
SPDR Series Trust	Overseas Equities	10.4%	£705,568
Invest Fund Services	UK Equities	6.0%	£402,287
JP Morgan Asset Mgrs	UK Equities	5.8%	£394,415

9 DEBTORS

	2025 £	*2024* *£*
Trade debtors	10,000	10,000
Accrued Income	8,776	2,672
	18,776	**12,672**

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

(a) Creditors: amounts falling due within one year

	2025	*2024*
	£	£
Accruals for grants payable	486,501	550,000
Trade creditors	34,597	26,124
Accruals and deferred income	21,326	33,720
	542,424	**609,844**

(b) Grant commitments

	Brought forward	Paid in year	Committed in year	Carried forward
	£	£	£	£
Awards	550,000	(704,783)	641,284	486,501
	550,000	(704,783)	641,284	486,501

11 ANALYSIS OF FUNDS

YEAR ENDED 31 MARCH 2025

	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund:	2,900,539	63,414	(101,080)	-	36,160	2,899,033
Designated Funds:						
Benevolent Fund	1,000,000	-	(57,180)	57,180	-	1,000,000
Foundation General Purposes Fund	522,988	32,724	(8,970)	(57,180)	18,753	508,315
Restricted Funds:						
Restricted Income:						
NT Learning	622,589	10,280	(539,698)	-	5,892	99,063
NT Studio/New Work	10,318	229	(63)	-	131	10,615
NT General Purpose	1,110,496	287,662	(19,804)	-	18,955	1,397,309
Total Funds	**6,166,930**	**394,309**	**(726,795)**	**-**	**79,891**	**5,914,335**

YEAR ENDED 31 MARCH 2024

	Fund balances brought forward	*Income*	*Expenditure*	*Transfers*	*Gains and losses*	*Fund balances carried forward*
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund:	2,748,196	83,488	(159,543)	-	228,400	2,900,541
Designated Funds:						
Benevolent Fund	1,000,000	-	(80,971)	80,971	-	1,000,000
Foundation General Purposes Fund	529,891	20,729	(6,024)	(80,971)	59,361	522,986
Restricted Funds:						
Restricted Income:						
NT Learning	589,834	9,167	(2,665)	-	26,252	622,588
NT Studio/New Work	9,590	204	(59)	-	584	10,319
NT General Purpose	1,349,130	267,405	(570,360)	-	64,321	1,110,496
Total Funds	**6,226,641**	**380,993**	**(819,622)**	**-**	**378,918**	**6,166,930**

Unrestricted Designated Funds

The Trustees consider that a Benevolent Fund of £1,000,000 is sufficient to meet likely on-going benevolent applications over the long term. An amount equivalent to that paid out in grants is transferred from the second designated fund the Foundation General Purposes Fund each year, which was £57,180 in year [2023/24: £80,971].

The Foundation General Purpose sub-fund has received an allocation of the net gains on investment in year.

Restricted Funds

i. **NT Learning sub fund**

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

ii. **NT Productions, NT Premises, NT Studio/New Work and NT General Purpose sub funds**

These funds represent legacy gifts received in year and they also received an allocation of the net gains on investment in year.

12 ANALYSIS OF ASSETS BETWEEN FUNDS

YEAR ENDED 31 MARCH 2025

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Investments Asset	2,847,439	1,517,883	2,021,645	6,386,967
Current Assets	55,960	1,530	12,302	69,792
Current Liabilities	(4,366)	(11,098)	(526,960)	(542,424)
	2,899,033	**1,508,315**	1,506,987	5,914,335

YEAR ENDED 31 MARCH 2024

	Unrestricted Funds	*Designated Funds*	*Restricted Funds*	*Total Funds*
	£	£	£	£
Investments Assets	2,898,285	1,548,692	2,309,881	6,756,858
Current Assets	8,854	419	10,643	19,916
Current Liabilities	(6,598)	(26,125)	(577,121)	(609,844)
	2,900,541	**1,522,986**	**1,743,403**	**6,166,930**

13 TRUSTEES REMUNERATION & EXPENSES

Trustees have not received any remuneration or benefits or incurred any expenses for their service to the Foundation in the year [2023/24: nil].

14 RELATED PARTY TRANSACTIONS

Two Trustees, Elizabeth Pryce (formally Elizabeth Offord) and Simon Warshaw, were also Board Members of the Royal National Theatre during the period.

The value of money paid from the Foundation to the Royal National Theatre totalled £606,032 (Grants and Awards totalling £588,032 plus £18,000 management fee). With £521,098 owing at year end.

[2023/24: £638,600 (Grants and Awards totalling £620,600 plus £18,000 management fee). With £550,000 owing at year end].

There have not been any further related party transactions in the year [2023/24: nil].

THE ROYAL NATIONAL THEATRE FOUNDATION

England & Wales - Charity number 271706

Accounts

Royal National Theatre Foundation

Charity Registration Number: 271706

ROYAL NATIONAL THEATRE FOUNDATION
CONTENTS

In this document The Royal National Theatre Foundation is referred to as "the Foundation", and the Royal National Theatre is referred to as "the NT", "the National", and "the National Theatre"

Royal National Theatre Foundation
Trustees' Annual Report

For the year ended 31 March 2024

Administrative Details

Charitable Status

The Royal National Theatre Foundation ('The Foundation') was established as an unincorporated charity under a Trust Deed dated 6th July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10th August 1976.

Principal Office

The Royal National Theatre, Upper Ground, London, SE1 9PX

Trustees

Emeritus Trustee

Bankers

Santander, London Corporate Banking Centre, 12 Park Square West, Ulster Terrace, London, NW1 4LJ

Investment Managers

Rathbone Investment Management Ltd, 8 Finsbury Circus, London, EC2M 7AZ

Independent Auditor

Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

REPORT OF CHAIR

It has been another busy and productive year for the Foundation, and it is such a pleasure to work with my fellow Trustees and with the National Theatre to continue to find new opportunities to support the NT's work and workforce. By extension we also look to influence the wider sector, which we wish to see not only surviving but actively thriving. We also continue to review and refine the guidance for benevolence, welfare support and financial advice, working to ensure we reach as many individuals as possible in the most accessible ways.

Lesley Manville retires from the Board of Trustees this autumn. The Trustees and I are indebted to her for the contribution she has made to both the Foundation and the NT during her tenure and are fortunate to know that she will continue to advocate for and support the work we do. The Board and Nominations Committee continue to consider the size, shape, diversity and skills needed on the governing body. Following a robust and open search supported by Nurole, we are in the final stages of the process to make new appointments to the Trustee body. The Board of Trustees and I are especially grateful to the Deputy Chair of the Foundation, Ursula Brennan, for her invaluable assistance in the search process.

The Foundation is only able to continue its work through the extraordinary generosity of those who have left legacies to the National Theatre. We are immensely grateful to those donors and their families for their bequests. Those legacies make a profound difference. In 2023/24 we received a total of £235k in legacies. This year's annual National Treasures' event, dedicated to thanking those who have remembered the National Theatre in their Wills, will be a lunch and special performance of *Coriolanus*. We are indebted to those individuals and their families, and I and the Trustees are grateful to have the opportunity to mark and celebrate their contribution.

The Foundation has continued to actively support the NT and has awarded year 2 of a 3-year grant of £500k per annum 2022/23 – 2024/25 to support urgent capital and other projects. Additionally, in 2023/24 the Foundation awarded the final payment of a 2-year grant of £50k per annum to support the pilot phase of the Genesis Theatre Design course. This is a sector-changing course which will help make a meaningful change to access to the design profession and chimes with the Foundation's ambition to support education, the NT and the wider sector and to help remove barriers for those who were disadvantaged.

In order to promote the profound difference that legacies make both to the NT and the wider sector, the Foundation has been happy to contribute £31k to the costs of the excellent work carried out by the NT's Development Department. The Trustees and I are extremely grateful to Lesley Manville who has recorded a superb short promotional video for the legacy fundraising campaign which is a model of its kind.

The Trustees and I are grateful to the Head of Wellbeing and the Welfare team for their dedicated work. We are delighted to welcome Jessica Dickens, Head of Welfare and Wellbeing back from maternity leave and would like to record our thanks to Sarah Dean for her excellent work covering that role. We are particularly proud and pleased to report that during the 2023/24 financial year the Foundation awarded benevolent grants totaling £78k in total to 28 individuals. That represents both a significant increase on the previous year's benevolent giving and is the highest level of benevolent grants ever made in a single year. In addition, in 2023/24, the Foundation has helped to support additional welfare and counselling provision at the NT through a £50k grant to the NT. Another key area of support which has been put in place is the provision of grants for individual financial advice sessions with the Wealth Coach, Sara Maxwell. The take up for and feedback from those sessions has been immensely positive. Donna Parker, the Board Secretary, goes above and beyond to support everything that the Foundation does, and the Trustees and I wish to pay a heart-felt tribute to her.

The value of the Portfolio on 31 March 2024 was £6,756,858 compared to £6,284,500 the prior year. Within the context of a challenging and turbulent economic environment, the Foundation's investment portfolio generated an absolute investment gain of £522,149 an improvement on the loss of £269,142 last year. The Foundation's funds are invested for the longer-term and are actively managed by Rathbones in close consultation with the Trustees. In addition to receiving investment updates at all Trustees' meetings, the Foundation has established a Finance Sub-Committee, which meets with Rathbones to monitor performance and consider the investment strategy in detail. The Trustees also regularly review a rolling five-year budget forecast. The Trustees are confident, going forward, that the Foundation will continue to have sufficient funds to enable it to continue with its core remit. The Board actively supports the new legacy campaign which will be key in maintaining and growing its funds through increased levels of legacies.

Graham Barker, Chair of Trustees

Structure, Governance and Management

Organisational structure

The governing document of the Foundation is a Declaration of Trust, dated 6 July 1976. The Foundation applies the principles of the Charity Governance Code. The Foundation's Trustees generally meet three times a year. Business at Trustees' meetings usually includes consideration of grants to beneficiaries, grants to the National Theatre, reports on previous awards, a review of the financial position and of investment policy and performance, and approval of the annual Trustees' Report and Accounts.

Membership of the Trustee Body

The Trustees keep under review the membership of the Trustee body and are mindful of the need to ensure that, as a group, they have the skills and experience to enable them to fulfil their responsibilities as Trustees of the Foundation. A sub-committee of the Board, makes recommendations to the Board on appointment of Trustees and reviews the composition and effectiveness of the Board.

Trustees are appointed by existing Trustees. All Trustees are appointed for an initial term of three years; after which they may be reappointed for a maximum of a further two three-year terms.

The Secretary arranges the induction of new Trustees to provide them with information about, and an understanding of, the objects of the Foundation, and their responsibilities as charity Trustees.

Decisions

The Foundation's Trustees generally meet three times a year. Business usually includes consideration of applications for grants, reports on previous grant awards, a review of the financial position and of the investment policy. To deal with emergency benevolent applications, the Chair has discretion to make benevolent grants within prescribed limits. The Chair discusses such applications with another Trustee on a rolling rota of Trustees. Grants made under this authority by the Chair must be ratified by the Trustees in a full meeting.

The Trustees are independent of the National and operate at their own discretion, however in the interests of maintaining an up to date knowledge of National activities, two Trustees also serve on the National's Board. The Trustees have procedures in place for handling any conflict of interest to which that situation might lead.

Investment and Finance

The Board's responsibilities include reviewing the investment policy and performance; monitoring and reviewing financial performance and management; reviewing the preparation of the annual financial statements; relationships with the External Auditors and reviewing the risk register.

The Board have regular meetings and discussions with Rathbone Investment Management Limited (Investment Managers) to monitor investment performance and review the investment strategy. A Finance Sub-Committee of the Board meets at least annually to consider investment performance and strategy and the indicative 5-year financial plan.

Public Benefit Disclosure

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's published guidance on public benefit when reviewing the Foundation's aims, objectives and grant making policy and in planning future activities. The Foundation carries out these objectives and seeks to achieve public benefit through the following grant giving policy:

Grants to the National Theatre are made primarily to fund initiatives which are outside of the National's financial capabilities in any particular year but are relevant to its current policy. The National Theatre is itself a charity with a comprehensive public reach achieved through accessible ticket pricing, an education arm and a growing internet and digital presence to members of the public.

Benevolent grants are made to individuals who work, have worked or who have a close association with the National and who are in need.

Grants to other individuals and organisations are generally made for charitable purposes linked to the National Theatre.

OBJECTIVES AND ACTIVITIES

AIMS AND OBJECTIVES OF THE FOUNDATION

The objects of the Foundation shall be in the United Kingdom or any other part of the world:

a. to educate the public in the art of drama and to promote their appreciation of classical and modern drama in all its artistic forms at the Royal National Theatre;

b. to relieve past or present employees of the Royal National Theatre who are in necessitous circumstances; and

c. (i) as ancillary to the above objects, to support the Royal National Theatre in its aims to further the appreciation of classical and modern drama;

c. (ii) to promote and support such other charitable institutions or purposes as the Trustees may from time to time at their absolute discretion think fit.

The Foundation has achieved these objectives by issuing a grant to the National Theatre to support the work of the National Theatre's Welfare Counselling Service. 28 benevolent grants were issued to past and present employees of the National Theatre. The Foundation has also issued the second of three £500k grants to the National Theatre this year as well as the Peter Hall Award plus funding to cover the costs of Legacy work carried out by the National Theatre's Development Department.

ACHIEVEMENTS AND PERFORMANCE

The Trustees are extremely grateful to the individuals who have remembered the Foundation in their wills. The Foundation has received legacies during the year totalling £234,944 [2022/23: £238,312].

The Foundation does not employ any professional fundraisers and complies with the standards of the scheme for fundraising. No complaints have been received and no undue pressure has been placed on any person.

The Trustees granted a total of £620,600 (2023: £632,954) grants and awards to the National Theatre.

£50,000 to the National Theatre's welfare counselling services. The Peter Hall's Directors Award for £30,000 and the Rayne Award for £10,000. The Foundation also contributed £30,600 towards the costs of Legacy work carried out by the National Theatre's Development Department. The Trustees also granted £500,000 towards urgent Capital Projects.

The Trustees approved 28 benevolent grants totalling £77,549 [2022/23: £76,100] made this year to current and former staff and members of the acting companies.

FINANCIAL REVIEW

The Foundation received investment income during the year of £143,231 [2022/23: £128,417], £86,335 of which is unrestricted [2022/23: £72,103]. Donations and legacy income of £248,675 [2022/23: £251,937] was received during the year. All legacy income for the year was received via the National Theatre. Total expenditure in the year was £830,535 [2022/23: £833,182]. The Foundation's investment portfolio made a gain on its investment assets of £378,918 [2022/23: a loss of £397,559], giving an annual absolute investment gain of £522,149 (investment income plus gain on portfolio) [2022/23 a loss of £269,142].

The total funds balance carried forward at 31 March 2024 was £6,166,930 [2022/23: £6,226,641].

The Foundation's Portfolio was valued at £6,756,858 at 31st March 2024 [2022/23 £6,284,500].

INVESTMENTS

The Trustees' overarching goal is an investment strategy designed to produce a balance of capital and income growth to enable them to continue the Foundation's grant support to the National and to meet its other charitable objects in a manner and scale broadly similar to that provided in the past.

The Foundation has a total return strategy with a goal of achieving an average annual return of inflation plus 3% such as to preserve and increase its capital over the long term. Risk is minimised by appropriate diversification across global equities, fixed income, property and cash with consideration being given from time to time to investments in hedge funds, emerging markets and convertible bonds. Liquidity is an important consideration, and all investments are required to be of a reasonably liquid nature. It is intended that a minimum annual income from interest and dividends and, if necessary, liquidation of capital gains, of £200,000 should be generated to fund benevolent grants, other grants and expenses.

Performance is reviewed at least twice a year by the Investment and Finance Committee. Investment policy and strategy is reviewed at least annually by the same Committee and followed by a report made to the full Trustee body.

KEY RISKS AND UNCERTAINTIES DISCLOSURE

The Trustees have considered the major strategic, business and operational risks which the Foundation faces. The fundamental one is uncertainty of income. Procedures, which include regular reporting on risk management to the Trustees, have been established to manage these risks.

PLANS FOR FUTURE PERIODS

The Foundation will continue its essential remit of benevolence by making grants to NT employees and past staff members suffering financial hardship. Working closely with the National Theatre, the Foundation will continue to support and develop the Fundraising campaign to encourage supporters of the National Theatre to remember the Theatre in their Wills.

RESERVES

UNRESTRICTED FUNDS

In setting a target level of reserves for the Foundation, the Trustees have taken into account that the scale and number of applications to the Foundation are variable; that income from returns on the investment portfolio are unpredictable and that in the event of a major, exceptional financial crisis afflicting the National, the Foundation would wish to provide significant support of a general nature to it. In doing so, the Trustees thus recognise the moral commitment given to the then Trustees of the Royal National Theatre Endowment Fund, on its winding up, that funds transferred to the Foundation from the Endowment Fund would be retained to be able to assist the National in such circumstances.

The Trustees consider the level of reserves in the General Fund, which stood at £2.9m at the year-end [2022/23: £2.75m], together with the designated funds held in the Foundation General Purpose fund £0.52m (2022/23: £0.53m) and the NT General Purpose Fund £1.1m (2021/22: £1.35m) to be adequate to enable them to respond to the potential value of grant applications in the foreseeable future.

DESIGNATED FUNDS

i. **Benevolent Fund**

The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfil the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Trustees consider that a fund of £1,000,000 is needed to meet likely on-going applications. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the Foundation General Purpose Fund each year.

Since April 2023 the Foundation has awarded benevolent grants to 28 individuals, totaling £77,549.

In prior years the Trustees have offered support to the NT's Apprenticeship scheme through its allocation of funds, assisting individual apprentices who might themselves be in hardship because of travel costs or living expenses, to the extent that it would jeopardise their ability to complete the apprenticeship. Whilst the Trustees did not receive any applications this year, they feel that there is still a real need in this area, and given their commitment to the NT's apprenticeship scheme, have agreed to continue to support it in future years.

ii. Foundation General Purpose Fund

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all unrestricted legacies received directly by the Foundation are to be allocated to the Foundation General Purpose Fund.

RESTRICTED FUNDS

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all restricted legacies received by either the National Theatre or the Foundation are to be allocated to the Funds, which is one of the five restricted National Theatre sub-funds (NT Learning, NT Productions, NT Premises, NT Studio/New Work and NT General Purposes).

i. NT Learning sub fund

This fund, previously known as Learning Fund, was established to reflect the former Legacies Agreement (dated 22 March 2012) between the National Theatre and the Foundation to provide a long term and significant source of grants for learning activities at the National and through the Foundation. Monies equivalent to amounts received as unrestricted legacies by the National Theatre were given to the Foundation for investment in this Fund. The current Legacy Agreement stipulated that the balance on the Learning Fund to be credited to the NT Learning sub-fund.

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

ii. NT Productions, NT Premises, NT Studio/New Work and NT General Purpose

These funds represent legacy gifts received in year and an allocation of the net gains on investment in year.

CONNECTED CHARITIES

The Foundation has objectives related to those of the National but fulfills these independently.

LEGACIES

The NT General Purpose Fund received £234,944 from the National representing legacies left to it.

CHARITABLE ACTIVITIES

During the year a £50,000 grant was paid to the National to support the Welfare Department.

A payment of £30,000 was also made to the National for the Peter Hall Director's Award. In addition, year 2 payment of a 3-year £500,000 per year commitment was agreed. The Foundation also contributed £30,600 towards the costs of Legacy work carried out by the National Theatre's Development Department. Plus £10,000 for the Rayne Award.

There have been 28 Benevolent Grants awarded this year totaling £77,549 [2022/23: £76,100].

Administrative support is provided by the National Theatre and a fee of £18,000 [2022/23: £18,000] is charged to the Foundation for these services.

STATEMENT OF RECOMMENDED PRACTICE

The financial statements have been prepared in accordance with the accounting policies set out on pages 15-17 and comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" and relevant statutory requirements.

STATEMENT ON DISCLOSURE OF INFORMATION TO THE AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 presume that the charity will continue in business.

The Trustees 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 Charities Act 2011 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 Trustees' Annual Report was approved by the Trustees and authorised for issue on 15/10/2024

And signed on its behalf by

G. E. Barker

Graham Barker, Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL NATIONAL THEATRE FOUNDATION

OPINION

We have audited the accounts of The Royal National Theatre Foundation (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its 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 Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

OTHER INFORMATION

The other information comprises the information included in the annual report, including the trustees' annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and 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 accounts or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

We have nothing to report in respect of the following matters in relation to which 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 accounts; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records; 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS

We have been appointed as auditor under section 145 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 accounts 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 accounts.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019), and
- We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustees and review of the minutes of trustee meetings.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS (CONTINUED)

We assessed the susceptibility of the charity's accounts to material misstatement, including how fraud might occur by:

- Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested the authorisation of expenditure;
- Tested the implementation of financial controls; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of the trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

This report is made solely to the charity'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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date:

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Royal National Theatre Foundation
Statement of Financial Activities

For the year ended 31 March 2024

YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted £	Designated £	Restricted £	Total £
Income & Endowments from:					
Donations & legacies	4	3,731	-	244,944	248,675
Investments	5	86,335	22.439	34,457	143,231
TOTAL Income & Endowments		**90,066**	**22,439**	**279,401**	**391,906**
Expenditure on:					
Investment Management Costs	6	29,757	7,734	11,876	49,367
Charitable activities	7	136,364	80,971	563,833	781,168
TOTAL Expenditure		**166,121**	**88,705**	**575,709**	**830,535**
Net gains on investment		**228,399**	**59,362**	**91,157**	**378,918**
Net income/(expenditure)		152,344	**(6,904)**	**(205,151)**	**(59,711)**
Transfers between funds	11	-	-	-	-
Net movement in funds		152,344	**(6,904)**	**(205,151)**	**(59,711)**
Reconciliation of Funds:					
Total funds brought forward	11	2,748,196	1,529,891	1,948,554	6,226,641
TOTAL Funds carried forward		**2,900,540**	**1,522,987**	**1,743,403**	**6,166,930**

YEAR ENDED 31 MARCH 2023

	Notes	**Unrestricted £**	**Designated £**	**Restricted £**	**Total £**
Income & Endowments from:					
Donations & legacies	4	3,625	58,793	189,519	251,937
Investments	5	72,103	18,462	37,852	128,417
TOTAL Income & Endowments		**75,728**	**77,255**	**227,371**	**380,354**
Expenditure on:					
Investment Management Costs	6	22,038	*5,643*	11,569	*39,250*
Charitable activities	7	149,523	79,596	564,813	793,932
TOTAL Expenditure		**171,561**	**85,239**	**576,382**	**833,182**
Net gains/(losses) on investment		**(223,221)**	**(57,154)**	**(117,184)**	**(397,559)**
Net income/(expenditure)		**(319,054)**	**(65,138)**	**(466,195)**	**(850,387)**
Transfers between funds	11	-	-	-	-
Net movement in funds		**(319,054)**	**(65,138)**	**(466,195)**	**(850,387)**
Reconciliation of Funds:					
Total funds brought forward	11	3,067,250	1,595,029	2,414,749	7,077,028
TOTAL Funds carried forward		**2,748,196**	**1,529,891**	**1,948,554**	**6,226,641**

All income and expenditure is derived from continuing activities.

The notes on pages 14 to 25 constitute part of the financial statements.

ROYAL NATIONAL THEATRE FOUNDATION
BALANCE SHEET
For the year ended 31 March 2024

	Note	2024	2023
		£	£
Fixed Assets:			
Investments	8	6,756,858	6,284,500
TOTAL Fixed Assets		6,756,858	6,284,500
Current assets:			
Debtors	9	10,000	21,329
Accrued Income	9	2,671	3,944
Cash at bank and in hand		7,245	168,565
TOTAL Current Assets		19,916	193,838
Liabilities:			
Creditors: amounts falling due within one year	10	(609,844)	(251,697)
Net Current (Liabilities)/ Assets		(589,928)	251,697
TOTAL Assets less Current Liabilities		6,166,930	6,226,641
TOTAL Net Assets		6,166,930	6,226,641
The Funds of the Charity:			
Unrestricted funds	11	2,900,541	2,748,196
Designated funds	11	1,522,986	1,529,891
Restricted funds	11	1,743,403	1,948,554
TOTAL Funds		6,166,930	6,226,641

Approved and authorised for issue by the trustees on ...15|10|2024......

And signed on its behalf by:

G. E. Barker

Graham Barker

(Chair)

The notes on pages 14 to 25 constitute part of the financial statements,

ROYAL NATIONAL THEATRE FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities:	(i)		
Net cash used in operating activities		(197,528)	*(154,757)*
Cash flows from investing activities:			
Dividends, interest and rents from investments		129,648	*125,267*
Proceeds from sale of investment		589,690	*1,737,273*
Purchase of investments		(578,269)	*(1,674,695)*
Net cash provided by investing activities		141,069	*187,845*
Change in cash and cash equivalents in the reporting period		(56,459)	*33,088*
Cash and cash equivalents at the beginning of the reporting period	(ii)	313,596	*280,510*
Cash and cash equivalents at the end of the reporting period	(ii)	257,137	*313,598*

(i) Reconciliation of net income/(expenditure) to net cash flow from operating activities:	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(59,711)	*(850,387)*
Dividends, interest and rents from investments	(129,648)	*(125,267)*
(Gains)/losses on investments	(378,918)	*397,559*
Working capital movements:		
Decrease in debtors	12,602	*207,995*
Increase in creditors	358,147	*215,383*
Net cash used in operating activities	(197,528)	*(154,757)*

(ii) Analysis of cash and cash equivalents	£	£
Cash at bank and in hand	7,245	*168,565*
Cash held as part of investment portfolio	249,892	*145,031*
TOTAL cash and cash equivalents	257,137	*313,596*

1 General Information

The Foundation was established as an unincorporated charity under a Trust Deed dated 6 July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10 August 1976 for the education of the public in the art of drama and the promotion of their appreciation of classical and modern drama in all its artistic forms at the National Theatre; the relief of past or present employees of the National Theatre who are in necessitous circumstances; as ancillary to the above objects, to support the National Theatre in its aims to further the appreciation of classical and modern drama. The Foundation's registered office is The Royal National Theatre, Upper Ground, London, SE1 9PX.

These objects are set out in the governing document, which is a Declaration of Trust, and have been developed into a set of aims and objectives as described within this report on page 4.

2 Statement of Compliance

The Foundation meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, the Companies Act 2006, the Charities Act 2011, and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS 102) effective 1 January 2019 ("Charities SORP (FRS102)").

3 Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

A Basis of Preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention. After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 7.

B GOING CONCERN

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due and will draw down from the investment portfolio to fulfil the net liabilities position on the balance sheet.

The Foundation has sufficient cash and investments to cover the grants committed to at the year end and trustees are able to control the costs and level of grants made and as such conclude that the Foundation remains a going concern for at least 12 months from the date of approval of these financial statements.

C Income

All income is included in the Statement of Financial Activities when the Foundation has legal entitlement, there is reasonable probability over receipt and the amount of income can be quantified with reasonable accuracy.

- Donations and legacies are recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably; furthermore, entitlement to legacy income is when estate accounts are settled or there is notification of a distribution.
- Charitable activities are recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably.
- Investment income and interest receivable are recognised on an accruals basis.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

D EXPENDITURE

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

- Grants for specific projects are accounted for when approved by the Trustees and notified to the beneficiaries.
- Excess grants are written back on receipt of final claims from beneficiaries.
- Benevolent grants are made to current and former employees of the National and its acting company; these grants are accounted for when the beneficiary is notified.
- Raising donations & legacies – expenditure on raising donations and legacies represent the cost of securing donations and legacies, including marketing costs.
- Charitable activities – expenditure directly incurred relating to the charitable objectives, including awards and grants to National Theatre and individuals.
- Support costs are apportioned across charitable activities in proportion to the value of grants and awards made as set out in Note 8, including expenditure on audit fees, National Theatre management and bank charges. The Foundation uses the services of staff employed and paid by National Theatre and a management charge of £18,000 [2022/23: £18,000] is paid in this respect.

E FINANCIAL INSTRUMENTS

The Foundation has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets are held at amortised cost and comprise cash at bank and in hand, and debtors. Financial liabilities are held at amortised cost and comprise of creditors.

At the Balance Sheet date, the Foundation held financial assets at amortised cost of £19,916 [2022/23: £193,838] and financial liabilities at amortised cost of £609,844 [2022/23: £251,697].

F INVESTMENTS

Investments, including bonds held as part of an investment portfolio, are stated at market value as at the balance sheet date. Investments are revalued to market value as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year.

At the Balance Sheet date, the Foundation held financial assets at market value of £6,756,858 [2022/23: £6,284,500].

G DEBTORS

Debtors include amounts owed to the Foundation for the provision of goods and services, or the amounts the charity has paid in advance for the goods and services it will receive. Debtors also include amounts receivable on grant funding to which the charity is entitled. Debtors are measured at their recoverable amount.

H CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash in hand, deposits held at call with banks, and other highly liquid investments.

I CREDITORS

Creditors are measured at their settlement amount and is recognised for the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

J RESTRICTED FUNDS

These are monies which have legal restrictions on their use where donors have specified the funds can only be spent on certain of the charity's activities. These represent restricted grant funding, and legacies covered by the agreement between the National Theatre and the Foundation effective 17 February 2016.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

K UNRESTRICTED FUNDS

These general funds are available for use at the discretion of the Trustees in furtherance of the charity's general objectives.

L DESIGNATED FUNDS

These are funds set aside out of general funds by the Trustees, for particular purposes. The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfill the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Trustees consider that a fund of £1,000,000 is sufficient to meet likely on-going applications. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the Foundation General Purpose Fund each year.

M TAXATION

The Foundation is a registered charity and can take advantage of the exemptions from income tax under the provisions of the Income Taxes Act 2007.

Tax recoverable relates to tax due to be reclaimed from HMRC on investment income where tax was deducted at source.

N CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Foundation's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values 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 on-going 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 affects the current and future periods.

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

4 DONATIONS & LEGACIES

	Unrestricted	Designated	Restricted	2024
	£	£	£	£
Donations	3,731	-	10,000	13,731
Legacies	-	-	234,944	234,944
	3,731	**-**	**244,944**	**248,675**

	Unrestricted	*Designated*	*Restricted*	*2023*
	£	£	£	£
Donations	3,625	-	10,000	13,625
Legacies	-	58,793	179,519	238,312
	3,625	**58,793**	**189,519**	**251,937**

5 INVESTMENT INCOME

	Unrestricted	Designated	Restricted	2024
	£	£	£	£
Income from securities	52,951	13,762	21,133	87,846
Interest receivable	33,384	8,677	13,324	55,385
	86,335	**22,439**	**34,457**	**143,231**

	Unrestricted	*Designated*	*Restricted*	*2023*
	£	£	£	£
Income from securities	39,813	10,194	20,901	70,908
Interest receivable	32,290	8,268	16,951	57,509
	72,103	**18,462**	**37,852**	**128,417**

6 INVESTMENT MANAGEMENT COSTS

	Unrestricted	Designated	Restricted	2024
	£	£	£	£
Investment Management Costs	29,757	7,734	11,876	49,367
	29,757	**7,734**	**11,876**	**49,367**

	Unrestricted	*Designated*	*Restricted*	*2023*
	£	£	£	£
Investment Management Costs	22,038	5,643	11,569	39,250
	22,038	**5,643**	**11,569**	**39,250**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

(a) Analysis of expenditure on charitable activities

	Grant funding of activities	Support costs	2024
	£	£	£
Grants to National Theatre	580,600	25,624	606,224
Grants to Other Institutions	50,000	2,207	52,207
Benevolent Grants	77,549	3,423	80,972
Awards to National Theatre	40,000	1,765	41,765
	748,149	**33,019**	**781,168**

	Grant funding of activities	*Support costs*	*2023*
	£	£	£
Grants to National Theatre	592,954	27,246	620,200
Grants to Other Institutions	50,000	2,297	52,297
Benevolent Grants	76,100	3,497	79,597
Awards	40,000	1,838	41,838
	759,054	**34,878**	**793,932**

(b) Analysis of Support Costs

	National Theatre £	Other Institutions £	Benevolent Grants £	Awards £	2024 £
Governance	10,129	872	1,353	698	13,052
NT Management Charge	13,969	1,203	1,866	962	18,000
Finance	392	34	52	27	505
Other	1,134	98	152	78	1,462
	25,624	**2,207**	**3,423**	**1,765**	**33,019**

	National Theatre £	*Other Institutions £*	*Benevolent Grants £*	*Awards £*	*2023 £*
Governance	12,243	*1,032*	1,571	826	15,672
NT Management Charge	14,061	1,186	1,805	948	18,000
Finance	919	77	118	62	1,176
Other	23	2	3	2	30
	27,246	**2,297**	**3,497**	**1,838**	**34,878**

Support costs are allocated to the key activity areas driving support costs as above based on their proportionate costs to overall direct costs.

Governance costs are comprised of auditor's remuneration which consists of a statutory audit fee of £12,000 [2022/23: £8,400].

The Foundation uses the services of staff employed and paid by the National Theatre and a management charge of £18,000 [2022/23: £18,000] is included in support costs.

(c) Analysis of Grants

	Grants to institutions £	Grants to individuals £	Support costs £	2024 £
National Theatre				
National Theatre Welfare Grant	50,000	-	2,207	52,207
Capital Grant	500,000	-	22,067	522,067
NT Legacy Costs	30,600	-	1,350	31,950
Awards	40,000	-	1,765	41,765
Other				
Benevolent Grants	-	77,549	3,423	80,972
New Motley Design Grant	50,000	-	2,207	52,207
	670,600	**77,549**	**33,019**	**781,168**

	Grants to institutions £	*Grants to individuals* £	*Support costs* £	*2023* £
National Theatre				
National Theatre Welfare Grant	50,000	-	2,298	52,298
Capital Grant	500,000	-	22,975	522,975
NT Legacy Costs	42,954	-	1,973	44,927
Awards	40,000	-	1,838	41,838
Other				
Benevolent Grants	-	76,100	3,497	79,597
New Motley Design Grant	50,000	-	2,297	52,297
	682,954	**76,100**	**34,878**	**793,932**

8 INVESTMENTS

(a) Movement in fixed asset investments

	2024 £	*2023* £
Market Value at Beginning of Year	6,284,500	6,867,375
New Money Invested	107,593	450,824
Reinvested Income	133,699	129,983
Amounts extracted	(110,000)	(726,000)
Investment management fees paid in year	(37,852)	(40,123)
Increase in value of investments	378,918	(397,559)
Market Value at End of Year	**6,756,858**	**6,284,500**

At the 31 March 2024, all funds were held with Rathbone Investment Management Ltd.

(b) Investments at Market Value comprised:

	2024 £	*2023* £
Fixed Interest	1,798,055	1,577,614
Equities	4,425,819	4,284,605
Property	122,540	130,892
Commodities	160,552	146,358
Cash	249,892	145,031
Market Value at End of Year	**6,756,858**	**6,284,500**

The value of Investments held outside the UK at 31 March 2024 was £2,491,509 [2022/23: £1,847,848].

9 DEBTORS

	2024	*2023*
	£	*£*
Trade debtors	10,000	21,329
Accrued Income	2,672	3,944
	12,672	**25,273**

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

(a) Creditors: amounts falling due within one year

	2024	*2023*
	£	*£*
Accruals for grants payable	550,000	185,504
Trade creditors	26,124	36,915
Accruals and deferred income	33,720	29,278
	609,844	**251,697**

(b) Grant commitments

	Brought forward	Paid in year	Committed in year	Carried forward
	£	£	£	£
Awards	185,504	(383,653)	748,149	550,000
	185,504	(383,653)	748,149	550,000

11 ANALYSIS OF FUNDS

YEAR ENDED 31 MARCH 2024

	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund	2,748,196	83,488	(159,543)	-	228,400	2,900,541
Designated Funds:						
Benevolent Fund	1,000,000	-	(80,971)	80,971	-	1,000,000
Foundation General Purposes Fund	529,891	20,729	(6,024)	(80,971)	59,361	522,986
Restricted Funds:						
Restricted Income						
NT Learning	589,834	9,167	(2,665)	-	26,252	622,588
NT Studio/New Work	9,590	204	(59)	-	584	10,319
NT General Purpose	1,349,130	267,405	(570,360)	-	64,321	1,110,496
Total Funds	**6,226,641**	**380,993**	**(819,622)**	**-**	**378,918**	**6,166,930**

YEAR ENDED 31 MARCH 2023

	Fund balances brought forward	*Income*	*Expenditure*	*Transfers*	*Gains and losses*	*Fund balances carried forward*
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund	3,067,250	75,728	(171,561)	-	(223,221)	2,748,196
Designated Funds:						
Benevolent Fund	1,000,000	-	(79,596)	79,596	-	1,000,000
Foundation General Purposes Fund	595,029	77,255	(5,643)	(79,596)	(57,154)	529,891
Restricted Funds:						
Restricted Income						
NT Learning	609,441	8,164	(2,495)	-	(25,276)	589,834
NT Studio/New Work	10,025	182	(55)	-	(562)	9,590
NT General Purpose	1,795,283	219,025	(573,832)	-	(91,346)	1,349,130
Total Funds	**7,077,028**	**380,354**	**(833,182)**	**-**	**(397,559)**	**6,226,641**

Designated Funds

The Trustees consider that a fund of £1,000,000 is sufficient to meet likely on-going benevolent applications. An amount equivalent to that paid out in grants is transferred from the General Fund each year, which was £80,971 in year [2022/23: £79,596].

The Foundation General Purpose sub-fund has received an allocation of the net gains on investment in year.

Restricted Funds

i. **NT Learning sub fund**

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

ii. **NT Productions, NT Premises, NT Studio/New Work and NT General Purpose sub funds**

These funds represent legacy gifts received in year and they also received an allocation of the net gains on investment in year.

12 ANALYSIS OF ASSETS BETWEEN FUNDS

YEAR ENDED 31 MARCH 2024

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Investments Asset	2,898,285	1,548,692	2,309,881	6,756,858
Current Assets	8,854	419	10,643	19,916
Current Liabilities	(6,598)	(26,125)	(577,121)	(609,844)
	2,900,541	**1,522,986**	**1,743,403**	**6,166,930**

YEAR ENDED 31 MARCH 2023	*Unrestricted Funds*	*Designated Funds*	*Restricted Funds*	*Total Funds*
	£	*£*	*£*	*£*
Investments Assets	3,815,200	973,851	1,495,449	6,284,500
Current Assets	(926,494)	563,512	556,820	193,838
Current Liabilities	(140,510)	(7,472)	(103,715)	(251,697)
	2,748,196	***1,529,891***	***1,948,554***	***6,226,641***

13 TRUSTEES REMUNERATION & EXPENSES

Trustees have not received any remuneration or benefits or incurred any expenses for their service to the Foundation in the year [2022/23: nil].

14 RELATED PARTY TRANSACTIONS

There have not been any related party transactions in the year [2022/23: nil].

Two Trustees, Elizabeth Pryce (formally Elizabeth Offord) and Simon Warshaw, are also Board Members of the Royal National Theatre.

The value of money paid from the Foundation to the Royal National Theatre totalled £638,600 (Grants and Awards totalling £620,600 plus £18,000 management fee). With £550,000 owing at year end.

[2022/23: £650,954 (Grants and Awards totalling £632,954 plus £18,000 management fee). With £150,954 owing at year end].

THE ROYAL NATIONAL THEATRE FOUNDATION

England & Wales - Charity number 271706

Accounts

ANNUAL REPORT 2022-23

Royal National Theatre Foundation

Charity Registration Number: 271706

ROYAL NATIONAL THEATRE FOUNDATION
CONTENTS

In this document The Royal National Theatre Foundation is referred to as "the Foundation", and the Royal National Theatre is referred to as "the NT", "the National", and "the National Theatre"

Royal National Theatre Foundation
Trustees' Annual Report

For the year ended 31 March 2023

Administrative Details

Charitable Status

The Royal National Theatre Foundation ('The Foundation') was established as an unincorporated charity under a Trust Deed dated 6th July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10th August 1976.

Principal Office

The Royal National Theatre, Upper Ground, London, SE1 9PX

Trustees

Emeritus Trustee

Bankers

Santander, London Corporate Banking Centre, 12 Park Square West, Ulster Terrace, London, NW1 4LJ

Investment Managers

Rathbone Investment Management Ltd, 8 Finsbury Circus, London, EC2M 7AZ

Independent Auditor

Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

ROYAL NATIONAL THEATRE FOUNDATION
TRUSTEES' ANNUAL REPORT

For the year ended 31 March 2023

REPORT OF CHAIR

It has been a busy and productive year for the Foundation and it is such a pleasure to work with my fellow Trustees and with the National Theatre to continue to find new opportunities to support the NT's work and workforce. By extension we also look to influence the wider sector, which we wish to see not only surviving but actively thriving.

I am delighted to welcome two new Trustees who have been appointed to the Board this year, Sarah Greene and Ceinwen Rees, both of whom are already making a real contribution to the work of the Foundation. The Board and Nominations Committee continue to consider the size, shape, diversity and skills needed on the governing body and we are looking to make further appointments in due course. Both the new Trustees have participated fully in the Rota scheme we now operate whereby applications for benevolent grants are considered by the Chair and one other trustee on a Rota. I am enormously grateful to all Trustees for taking part in this and for responding swiftly on every occasion.

The Foundation is only able to continue its work through the extraordinary generosity of those who have left legacies to the National Theatre. We are immensely grateful to those donors and their families for their bequests. In 2022/23 we received a total of £238k in legacies. This year's annual National Treasures' event, dedicated to thanking those who have remembered the National Theatre in their Wills, was a lunch and special performance of *The Father and The Assassin*. We are indebted to those individuals and their families. Those legacies make a profound difference. For example, the Foundation has continued to actively support the NT and has awarded a 3-year grant of £0.5m per annum for the three years 2022/23 – 2024/25 to support urgent capital and other projects. Additionally, in 2022/23 the Foundation awarded a 2-year grant of £50k per annum to support the pilot phase of the Genesis Theatre Design course. This is a sector-changing course which will help make a meaningful change to access to the design profession and chimes with the Foundation's ambition to support education, the NT and the wider sector and to help remove barriers for those who were disadvantaged.

In order to promote the profound difference that legacies make both to the NT and the wider sector, the Foundation has been happy to contribute £43k to the costs of the excellent work carried out by the NT's Development Department. The Trustees and I are extremely grateful to Lesley Manville who has recorded a short promotional video for the legacy fundraising campaign.

A great deal of work has been undertaken during the year to refresh the guidance for benevolence and find new ways of reaching individuals and advertising the fund. In tandem, the criteria for benevolent grants have been reviewed and approved and a new Trustees' Rota has been introduced to more closely involve Trustees in the consideration of benevolent grant applications. The Trustees and I are grateful to the Head of Wellbeing and the Welfare team for their dedicated work and we are particularly proud and pleased to report that during the 2022/23 financial year the Foundation awarded benevolent grants totaling £76,100 in total to 24 individuals. That represents both a significant increase on the previous year's benevolent giving and is the highest level of benevolent grants ever made in a single year. In addition, the Foundation has helped to support additional welfare and counselling provision at the NT through its 3-year grant (2020/21 – 2022/23) of £50k per annum. In June 2023, the Trustees made a further £50k grant to the NT to support welfare in 2023/24.

The value of the Portfolio at 31 March 2023 was £6,284,500 compared to £6,867,375 the prior year. Within the context of a challenging and turbulent economic environment, the Foundation's investment portfolio experienced a loss of £397,559. The Foundation's funds are invested for the longer-term and are actively managed by Rathbones in close consultation with the Trustees. In addition to receiving investment updates at all Trustees' meetings, the Foundation has established a Finance Sub-Committee, which meets with Rathbones to monitor performance and consider the investment strategy in detail. The Trustees also regularly review a rolling five-year budget forecast. The Trustees are confident, going forward, that the Foundation will continue to have sufficient funds to enable it to continue with its core remit. The Board actively supports the new legacy campaign which will be key in maintaining and growing its funds through increased levels of legacies.

G E Barker

Graham Barker, Chair of Trustees

STRUCTURE, GOVERNANCE AND MANAGEMENT

ORGANISATIONAL STRUCTURE

The governing document of the Foundation is a Declaration of Trust, dated 6 July 1976. The Foundation applies the principles of the Charity Governance Code 2018. The Foundation's Trustees generally meet three times a year. Business at Trustees' meetings usually includes consideration of grants to beneficiaries, grants to the National Theatre, reports on previous awards, a review of the financial position and of investment policy and performance, and approval of the annual Trustees' Report and Accounts.

MEMBERSHIP OF THE TRUSTEE BODY

The Trustees keep under review the membership of the Trustee body and are mindful of the need to ensure that, as a group, they have the skills and experience to enable them to fulfil their responsibilities as Trustees of the Foundation. A sub-committee of the Board, makes recommendations to the Board on appointment of Trustees and reviews the composition and effectiveness of the Board.

Trustees are appointed by existing Trustees. All Trustees are appointed for an initial term of three years; after which they may be reappointed for a maximum of a further two three-year terms.

The Secretary arranges the induction of new Trustees to provide them with information about, and an understanding of, the objects of the Foundation, and their responsibilities as charity Trustees.

DECISIONS

The Foundation's Trustees generally meet three times a year. Business usually includes consideration of applications for grants, reports on previous grant awards, a review of the financial position and of the investment policy. To deal with emergency benevolent applications, the Chair has discretion to make benevolent grants within prescribed limits. The Chair discusses such applications with another Trustee on a rolling rota of Trustees. Grants made under this authority by the Chair must be ratified by the Trustees in a full meeting.

The Trustees are independent of the National and operate at their own discretion, however in the interests of maintaining an up to date knowledge of National activities, two Trustees also serve on the National's Board. The Trustees have procedures in place for handling any conflict of interest to which that situation might lead.

INVESTMENT AND FINANCE

The Board's responsibilities include reviewing the investment policy and performance; monitoring and reviewing financial performance and management; reviewing the preparation of the annual financial statements; relationships with the External Auditors and reviewing the risk register.

The Board have regular meetings and discussions with Rathbone Investment Management Limited (Investment Managers) to monitor investment performance and review the investment strategy. A Finance Sub-Committee of the Board meets at least annually to consider investment performance and strategy and the indicative 5-year financial plan.

PUBLIC BENEFIT DISCLOSURE

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's published guidance on public benefit when reviewing the Foundation's aims, objectives and grant making policy and in planning future activities. The Foundation carries out these objectives and seeks to achieve public benefit through the following grant giving policy:

Grants to the National Theatre are made primarily to fund initiatives which are outside of the National's financial capabilities in any particular year but are relevant to its current policy. The National Theatre is itself a charity with a comprehensive public reach achieved through accessible ticket pricing, an education arm and a growing internet and digital presence to members of the public.

Benevolent grants are made to individuals who work, have worked or who have a close association with the National and who are in need.

Grants to other individuals and organisations are generally made for charitable purposes linked to the National Theatre.

OBJECTIVES AND ACTIVITIES

AIMS AND OBJECTIVES OF THE FOUNDATION

The objects of the Foundation shall be in the United Kingdom or any other part of the world:

a. to educate the public in the art of drama and to promote their appreciation of classical and modern drama in all its artistic forms at the Royal National Theatre;

b. to relieve past or present employees of the Royal National Theatre who are in necessitous circumstances; and

c. (i) as ancillary to the above objects, to support the Royal National Theatre in its aims to further the appreciation of classical and modern drama;

c. (ii) to promote and support such other charitable institutions or purposes as the Trustees may from time to time at their absolute discretion think fit.

The Foundation has achieved these objectives by issuing a grant to the National Theatre to support the work of the National Theatre's Welfare Counselling Service. 24 benevolent grants were issued to past and present employees of the National Theatre. The Foundation has also issued the first of three £500k grants to the National Theatre this year as well as the Peter Hall Award plus funding to cover the costs of Legacy work carried out by the National Theatre's Development Department.

ACHIEVEMENTS AND PERFORMANCE

The Trustees are extremely grateful to the individuals who have remembered the Foundation in their wills. The Foundation has received legacies during the year totalling £238,312 [2021/22: £1,120,903].

The Foundation does not employ any professional fundraisers and complies with the standards of the scheme for fundraising. No complaints have been received and no undue pressure has been placed on any person.

The Trustees granted a total of £632,954 to the National Theatre.

£50,000 to the National Theatre's welfare counselling services. The Peter Hall's Directors Award for £30,000 and the Rayne Award for £10,000. The Foundation also contributed £42,954 towards the costs of Legacy work carried out by the National Theatre's Development Department. The Trustees also granted £500,000 towards urgent Capital Projects.

The Trustees approved 24 benevolent grants totalling £76,100 [2021/22: £17,158] made this year to current and former staff and members of the acting companies.

FINANCIAL REVIEW

The Foundation received investment income during the year of £128,417 [2021/22: £173,732], £72,103 of which is unrestricted [2021/22: £95,509]. Donations and legacy income of £251,937 [2020/21: £1,120,993] was received during the year. Most legacy income for the year was received via the National Theatre, with three receipts paid directly to the Foundation. Total expenditure in the year was £833,182 [2021/22: £191,358]. The Foundation's investment portfolio made a loss on its investment assets of £397,559 [2021/22: a gain of £371,856], giving an annual absolute investment loss of £269,142 (investment income plus loss on portfolio) [2021/22 a gain of £545,588].

The total funds balance carried forward at 31 March 2023 was £6,226,641 [2021/22: £7,077,028].

The Foundation's Portfolio was valued at £6,284,500 at 31st March 2023 [2021/22 £6,867,375].

INVESTMENTS

The Trustees' overarching goal is an investment strategy designed to produce a balance of capital and income growth to enable them to continue the Foundation's grant support to the National and to meet its other charitable objects in a manner and scale broadly similar to that provided in the past.

The Foundation has a total return strategy with a goal of achieving an average annual return of at least CPI plus 2% such as to preserve and increase its capital over the long term. Risk is minimised by appropriate diversification across global equities, fixed income, property and cash with consideration being given from time to time to investments in hedge funds, emerging markets and convertible bonds. Liquidity is an important consideration and all investments are required to be of a reasonably liquid nature. It is intended that a minimum annual income from interest and dividends and, if necessary, liquidation of capital gains, of at least £100,000 should be generated to fund benevolent grants, other grants and expenses.

When material grants are awarded to be paid out over a number of years the Trustees transfer funds to a separate portfolio to ensure capital preservation of the required amount.

Performance is reviewed at least twice a year by the Investment and Finance Committee. Investment policy and strategy is reviewed at least annually by the same Committee and followed by a report made to the full Trustee body. Within the context of a challenging and turbulent economic environment, the Foundation's investment portfolio experienced a loss of £397,559.

KEY RISKS AND UNCERTAINTIES DISCLOSURE

The Trustees have considered the major strategic, business and operational risks which the Foundation faces. The fundamental one is uncertainty of income. Procedures, which include regular reporting on risk management to the Trustees, have been established to manage these risks.

PLANS FOR FUTURE PERIODS

The Foundation will continue its essential remit of benevolence by making grants to NT employees and past staff members suffering financial hardship. Working closely with the National Theatre, the Foundation will continue to support and develop the Fundraising campaign to encourage supporters of the National Theatre to remember the Theatre in their Wills.

RESERVES

UNRESTRICTED FUNDS

In setting a target level of reserves for the Foundation, the Trustees have taken into account that the scale and number of applications to the Foundation are variable; that income from returns on the investment portfolio are unpredictable and that in the event of a major, exceptional financial crisis afflicting the National, the Foundation would wish to provide significant support of a general nature to it. In doing so, the Trustees thus recognise the moral commitment given to the then Trustees of the Royal National Theatre Endowment Fund, on its winding up, that funds transferred to the Foundation from the Endowment Fund would be retained so as to be able to assist the National in such circumstances.

The Trustees consider the level of reserves in the General Fund, which stood at £2.75m at the year-end [2021/22: £3m], together with the designated funds held in the Foundation General Purpose fund £0.53m (2021/22: £0.6m) and the NT General Purpose Fund £1.35m (2021/22: £1.8m) to be adequate to enable them to respond to the potential value of grant applications in the foreseeable future.

DESIGNATED FUNDS

i. Benevolent Fund

The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfil the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Trustees consider that a fund of £1,000,000 is needed to meet likely on-going applications. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the Foundation General Purpose Fund each year.

Since April 2022 the Foundation has awarded benevolent grants to 24 individuals, totaling £76,100.

In prior years the Trustees have offered support to the NT's Apprenticeship scheme through its allocation of funds, assisting individual apprentices who might themselves be in hardship because of travel costs or living expenses, to the extent that it would jeopardise their ability to complete the apprenticeship. Whilst, the Trustees did not receive any applications this year, they feel that there is still a real need in this area, and given their commitment to the NT's apprenticeship scheme, have agreed to continue to support it in future years.

ii. Foundation General Purpose Fund

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all unrestricted legacies received directly by the Foundation are to be allocated to the Foundation General Purpose Fund.

RESTRICTED FUNDS

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all restricted legacies received by either the National Theatre or the Foundation are to be allocated to the Funds, which is one of the five restricted National Theatre sub-funds (NT Learning, NT Productions, NT Premises, NT Studio/New Work and NT General Purposes).

i. NT Learning sub fund

This fund, previously known as Learning Fund, was established to reflect the former Legacies Agreement (dated 22 March 2012) between the National Theatre and the Foundation to provide a long term and significant source of grants for learning activities at the National and through the Foundation. Monies equivalent to amounts received as unrestricted legacies by the National Theatre were given to the Foundation for investment in this Fund. The current Legacy Agreement stipulated that the balance on the Learning Fund to be credited to the NT Learning sub-fund.

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

ii. NT Productions, NT Premises, NT Studio/New Work and NT General Purpose

These funds represent legacy gifts received in year and an allocation of the net gains on investment in year.

CONNECTED CHARITIES

The Foundation has objectives related to those of the National but fulfills these independently.

LEGACIES

The NT General Purpose Fund received £187,848 from the National representing legacies left to it. The Foundation General Purpose Fund received three legacies totaling of £50,464, which was left directly to the Foundation.

CHARITABLE ACTIVITIES

During the year a £50,000 grant was paid to the National to support the Welfare Department. The payment was the third installment of a three year commitment, made in 2020, to pay £50,000 per annum.

A payment of £30,000 was also made to the National for the Peter Hall Director's Award. In addition, a 3 year commitment to pay £500,000 per year was agreed. The Foundation also contributed £42,954 towards the costs of Legacy work carried out by the National Theatre's Development Department. Plus £10,000 for the Rayne Award.

There have been 24 Benevolent Grants awarded this year totaling £76,100 [2021/22: £17,158].

Administrative support is provided by the National Theatre and a fee of £18,000 [2021/22: £18,000] is charged to the Foundation for these services.

STATEMENT OF RECOMMENDED PRACTICE

The financial statements have been prepared in accordance with the accounting policies set out on pages 15-17 and comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" and relevant statutory requirements.

STATEMENT ON DISCLOSURE OF INFORMATION TO THE AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 presume that the charity will continue in business.

The Trustees 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 Charities Act 2011 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 Trustees' Annual Report was approved by the Trustees and authorised for issue on ....

And signed on its behalf by

Graham Barker, Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL NATIONAL THEATRE FOUNDATION

OPINION

We have audited the accounts of the Royal National Theatre Foundation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of the income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 accounts; or
- sufficient accounting records have not been kept; or
- the accounts 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS

Our objectives are to obtain reasonable assurance about whether the accounts, 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 accounts.

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:

How the audit was considered capable of detecting irregularities including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019), and
- We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustees and review of the minutes of trustee meetings.
- We assessed the susceptibility of the charity's accounts to material misstatement, including how fraud might occur by:
- Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS (CONTINUED)

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested the authorisation of expenditure;
- Tested the implementation of financial controls; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of the trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date:

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ROYAL NATIONAL THEATRE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2023

YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted £	Designated £	Restricted £	Total £
Income & Endowments from:					
Donations & legacies	4	3,625	58,793	189,519	251,937
Investments	5	72,103	18,462	37,852	128,417
TOTAL Income & Endowments		**75,728**	**77,255**	**227,371**	**380,354**
Expenditure on:					
Investment Management Costs	6	22,038	5,643	11,569	39,250
Charitable activities	7	149,523	79,596	564,813	793,932
TOTAL Expenditure		**171,561**	**85,239**	**576,382**	**833,182**
Net losses on investment		**(223,221)**	**(57,154)**	**(117,184)**	**(397,559)**
Net expenditure		**(319,054)**	**(65,138)**	**(466,195)**	**(850,387)**
Transfers between funds	11	-	-	-	-
Net movement in funds		**(319,054)**	**(65,138)**	**(466,195)**	**(850,387)**
Reconciliation of Funds:					
Total funds brought forward	11	3,067,250	1,595,029	2,414,749	7,077,028
TOTAL Funds carried forward		**2,748,196**	**1,529,891**	**1,948,554**	**6,226,641**

YEAR ENDED 31 MARCH 2022

	Notes	**Unrestricted £**	**Designated £**	**Restricted £**	**Total £**
Income & Endowments from:					
Donations & legacies	4	90	87,500	1,033,403	1,120,993
Investments	5	95,509	16,209	62,014	173,732
TOTAL Income & Endowments		**95,599**	**103,709**	**1,095,417**	**1,294,725**
Expenditure on:					
Investment Management Costs	6	28,658	4,864	18,608	52,130
Charitable activities	7	79,108	22,179	37,941	139,228
TOTAL Expenditure		**107,766**	**27,043**	**56,549**	**191,358**
Net gains/(losses) on investment		**204,428**	**34,694**	**132,734**	**371,856**
Net income/(expenditure)		**192,261**	**111,360**	**1,171,602**	**1,475,223**
Transfers between funds	11	-	-	-	-
Net movement in funds		**192,261**	**111,360**	**1,171,602**	**1,475,223**
Reconciliation of Funds:					
Total funds brought forward	11	2,874,989	1,483,669	1,243,147	5,601,805
TOTAL Funds carried forward		**3,067,250**	**1,595,029**	**2,414,749**	**7,077,028**

All income and expenditure is derived from continuing activities.

The notes on pages 15 to 25 constitute part of the financial statements.

ROYAL NATIONAL THEATRE FOUNDATION

BALANCE SHEET

For the year ended 31 March 2023

	Note	2023	2022
		£	£
Fixed Assets:			
Investments	8	6,284,500	6,867,375
TOTAL Fixed Assets		6,284,500	6,867,375
Current assets:			
Debtors	9	21,329	224,548
Accrued Income	9	3,944	8,680
Cash at bank and in hand		168,565	12,740
TOTAL Current Assets		193,838	245,968
Liabilities:			
Creditors: amounts falling due within one year	10	(251,697)	(36,315)
Net Current Assets		251,697	209,653
TOTAL Assets less Current Liabilities		6,226,641	7,077,028
TOTAL Net Assets		6,226,641	7,077,028
The Funds of the Charity:			
Unrestricted funds	11	2,748,196	3,067,250
Designated funds	11	1,529,891	1,595,029
Restricted funds	11	1,948,554	2,414,749
TOTAL Funds		6,226,641	7,077,028

Approved and authorised for issue by the trustees on ....

And signed on its behalf by:

G. E. Barker

Graham Barker

(Chair)

The notes on pages 15 to 25 constitute part of the financial statements.

ROYAL NATIONAL THEATRE FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities:	(i)		
Net cash (used in) provided by operating activities		(154,757)	*(2,919,953)*
Cash flows from investing activities:			
Dividends, interest and rents from investments		125,267	*173,025*
Proceeds from sale of investment		1,737,273	*4,162,237*
Purchase of investments		(1,674,695)	*(1,809,410)*
Net cash provided by investing activities		187,845	*2,525,853*
Change in cash and cash equivalents in the reporting period		33,088	*(394,101)*
Cash and cash equivalents at the beginning of the reporting period	(ii)	280,510	*674,611*
Cash and cash equivalents at the end of the reporting period	(ii)	313,598	*280,510*

(i) Reconciliation of net income/(expenditure) to net cash flow from operating activities:	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(850,387)	*1,475,223*
Dividends, interest and rents from investments	(125,267)	*(173,025)*
Losses/(Gains) on investments	397,559	*(371,856)*
Working capital movements:		
(Increase)/decrease in debtors	207,955	*(181,593)*
Increase/(decrease) in creditors	215,383	*(3,668,703)*
Net cash (used in) provided by operating activities	(154,757)	*(2,919,953)*

(ii) Analysis of cash and cash equivalents	£	£
Cash at bank and in hand	168,565	*12,740*
Cash held as part of investment portfolio	145,031	*267,770*
TOTAL cash and cash equivalents	313,596	*280,510*

1 General Information

The Foundation was established as an unincorporated charity under a Trust Deed dated 6 July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10 August 1976 for the education of the public in the art of drama and the promotion of their appreciation of classical and modern drama in all its artistic forms at the National Theatre; the relief of past or present employees of the National Theatre who are in necessitous circumstances; as ancillary to the above objects, to support the National Theatre in its aims to further the appreciation of classical and modern drama. The Foundation's registered office is The Royal National Theatre, Upper Ground, London, SE1 9PX.

These objects are set out in the governing document, which is a Declaration of Trust, and have been developed into a set of aims and objectives as described within this report on page 4.

2 Statement of Compliance

The Foundation meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, the Companies Act 2006, the Charities Act 2011, and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS 102) effective 1 January 2019 ("Charities SORP (FRS102)").

3 Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

A Basis of Preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention. After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 8.

Going Concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The Foundation has sufficient cash and investments to cover the grants committed to at the year end and trustees are able to control the costs and level of grants made and as such conclude that the Foundation remains a going concern for at least 12 months from the date of approval of these financial statements.

B Income

All income is included in the Statement of Financial Activities when the Foundation has legal entitlement, there is reasonable probability over receipt and the amount of income can be quantified with reasonable accuracy.

- Donations and legacies are recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably; furthermore, entitlement to legacy income is when estate accounts are settled or there is notification of a distribution.
- Charitable activities are recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably.
- Investment income and interest receivable are recognised on an accruals basis.

4 Principal Accounting Policies (continued)

C Expenditure

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

- Grants for specific projects are accounted for when approved by the Trustees and notified to the beneficiaries.
- Excess grants are written back on receipt of final claims from beneficiaries.
- Benevolent grants are made to current and former employees of the National and its acting company; these grants are accounted for when the beneficiary is notified.
- Raising donations & legacies – expenditure on raising donations and legacies represent the cost of securing donations and legacies, including marketing costs.
- Charitable activities – expenditure directly incurred relating to the charitable objectives, including awards and grants to National Theatre and individuals.
- Support costs are apportioned across charitable activities in proportion to the value of grants and awards made as set out in Note 8, including expenditure on audit fees, National Theatre management and bank charges. The Foundation uses the services of staff employed and paid by National Theatre and a management charge of £18,000 [2021/22: £18,000] is paid in this respect.

D Financial Instruments

The Foundation has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets are held at amortised cost and comprise cash at bank and in hand, and debtors. Financial liabilities are held at amortised cost and comprise of creditors.

At the Balance Sheet date, the Foundation held financial assets at amortised cost of £193,838 [2021/22: £245,968] and financial liabilities at amortised cost of £251,697 [2021/22: £36,315].

E Investments

Investments, including bonds held as part of an investment portfolio, are stated at market value as at the balance sheet date. Investments are revalued to market value as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year.

At the Balance Sheet date, the Foundation held financial assets at market value of £6,284,500 [2021/22: £6,867,375].

F Debtors

Debtors include amounts owed to the Foundation for the provision of goods and services, or the amounts the charity has paid in advance for the goods and services it will receive. Debtors also include amounts receivable on grant funding to which the charity is entitled. Debtors are measured at their recoverable amount.

G Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, and other highly liquid investments.

H Creditors

Creditors are measured at their settlement amount and is recognised for the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

I Restricted Funds

These are monies which have legal restrictions on their use where donors have specified the funds can only be spent on certain of the charity's activities. These represent restricted grant funding, and legacies covered by the agreement between the National Theatre and the Foundation effective 17 February 2016.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

J UNRESTRICTED FUNDS

These general funds are available for use at the discretion of the Trustees in furtherance of the charity's general objectives.

K DESIGNATED FUNDS

These are funds set aside out of general funds by the Trustees, for particular purposes. The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfill the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Trustees consider that a fund of £1,000,000 is sufficient to meet likely on-going applications. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the Foundation General Purpose Fund each year.

L TAXATION

The Foundation is a registered charity and is able to take advantage of the exemptions from income tax under the provisions of the Income Taxes Act 2007.

Tax recoverable relates to tax due to be reclaimed from HMRC on investment income where tax was deducted at source.

M CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Foundation's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values 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 on-going 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 affects the current and future periods.

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

4 DONATIONS & LEGACIES

	Unrestricted	Designated	Restricted	2023
	£	£	£	£
Donations	3,625	-	10,000	13,625
Legacies	-	58,793	179,519	238,312
	3,625	**58,793**	**189,519**	**251,937**

	Unrestricted	*Designated*	*Restricted*	*2022*
	£	*£*	*£*	*£*
Donations	90	-	-	90
Legacies	-	87,500	1,033,403	1,120,903
	90	**87,500**	**1,033,403**	**1,120,993**

5 INVESTMENT INCOME

	Unrestricted	Designated	Restricted	2023
	£	£	£	£
Income from securities	39,813	10,194	20,901	70,908
Interest receivable	32,290	8,268	16,951	57,509
	72,103	**18,462**	**37,852**	**128,417**

	Unrestricted	*Designated*	*Restricted*	*2022*
	£	*£*	*£*	*£*
Income from securities	62,080	10,536	40,308	112,924
Interest receivable	33,040	5,607	21,454	60,101
Tax receivable	389	66	252	707
	95,509	**16,209**	**62,014**	**173,732**

6 INVESTMENT MANAGEMENT COSTS

	Unrestricted	Designated	Restricted	2023
	£	£	£	£
Investment Management Costs	22,038	5,643	11,569	39,250
	22,038	**5,643**	**11,569**	**39,250**

	Unrestricted	*Designated*	*Restricted*	*2022*
	£	*£*	*£*	*£*
Investment Management Costs	28,658	4,864	18,608	52,130
	28,658	**4,864**	**18,608**	**52,130**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

(a) Analysis of expenditure on charitable activities

	Grant funding of activities	Support costs	2023
	£	£	£
Grants to National Theatre	592,954	27,246	620,200
Grants to Other Institutions	50,000	2,297	52,297
Benevolent Grants	76,100	3,497	79,597
Awards	40,000	1,838	41,838
	759,054	**34,878**	**793,932**

	Grant funding of activities	*Support costs*	*2022*
	£	*£*	*£*
Grants to National Theatre	62,550	16,558	79,108
Grants to Other Institutions	-	-	-
Benevolent Grants	17,158	4,542	21,700
Apprenticeship Support	379	100	479
Awards	30,000	7,941	37,941
	110,087	**29,141**	**139,228**

(b) Analysis of Support Costs

	National Theatre £	Other Institutions £	Benevolent Grants £	Apprentice Support £	Awards £	2023 £
Governance	12,243	1,032	1,571	-	826	15,672
NT Management Charge	14,061	1,186	1,805	-	948	18,000
Finance	919	77	118	-	62	1,176
Other	23	2	3	-	2	30
	27,246	**2,297**	**3,497**	**-**	**1,838**	**34,878**

	National Theatre £	*Other Institutions £*	*Benevolent Grants £*	*Apprentice Support £*	*Awards £*	*2022 £*
Governance	5,564	-	1,526	34	2,669	9,793
NT Management Charge	10,228	-	2,806	61	4,905	18,000
Finance	766	-	210	5	367	1,348
	16,558	**-**	**4,542**	**100**	**7,941**	**29,141**

Support costs are allocated to the key activity areas driving support costs as above based on their proportionate costs to overall direct costs.

Governance costs are comprised of auditor's remuneration which consists of a statutory audit fee of £8,400 [2021/22: £6,793].

The Foundation uses the services of staff employed and paid by the National Theatre and a management charge of £18,000 [2021/22: £18,000] is included in support costs.

(c) Analysis of Grants

	Grants to institutions £	Grants to individuals £	Support costs £	2023 £
National Theatre				
National Theatre Welfare Grant	50,000	-	2,298	52,298
Capital Grant	500,000	-	22,975	522,975
NT Legacy Costs	42,954	-	1,973	44,927
Awards	40,000	-	1,838	41,838
Other				
Benevolent Grants		76,100	3,497	79,597
New Motley Design Grant	50,000		2,297	52,297
	682,954	**76,100**	**34,878**	**793,932**

	Grants to institutions £	Grants to individuals £	Support costs £	2022 £
National Theatre				
National Theatre Welfare Grant	50,000	-	13,236	63,236
National Theatre Voice Research Project	12,550	-	3,322	15,872
Awards	30,000	-	7,941	37,941
			-	-
Other			-	-
Benevolent Grants	-	17,158	4,542	21,700
Apprenticeship Support	-	379	100	479
	92,550	**17,537**	**29,141**	**139,228**

8 INVESTMENTS

(a) Movement in fixed asset investments

	2023 £	2022 £
Market Value at		
Beginning of Year	6,867,375	9,235,442
New Money Invested	450,824	932,906
Reinvested Income	129,983	180,867
Amounts extracted	(726,000)	(3,798,000)
Investment management fees paid in year	(40,123)	(55,696)
Increase in value of investments	(397,559)	371,856
Market Value at End of Year	**6,284,500**	**6,867,375**

At the 31 March 2023, all funds were held with Rathbone Investment Management Ltd.

(b) Investments at Market Value comprised:

	2023 £	2022 £
Fixed Interest	1,577,614	1,551,304
Equities	4,284,605	4,763,911
Property	130,892	160,421
Commodities	146,358	123,969
Cash	145,031	267,770
Market Value at End of Year	**6,284,500**	**6,867,375**

The value of Investments held outside the UK at 31 March 2023 was £1,847,848 [2021/22: £1,634,370].

9 DEBTORS

	2023	*2022*
	£	*£*
Trade debtors	21,329	223,841
Accrued Income	3,944	8,680
Other debtors	-	707
	25,273	**233,228**

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

(a) Creditors: amounts falling due within one year

	2023	*2022*
	£	*£*
Accruals for grants payable	185,504	12,550
Trade creditors	36,915	5,280
Accruals and deferred income	29,278	17,105
Other Creditors	-	1,380
	251,697	**36,315**

(b) Grant commitments

	Brought forward	Paid in year	Committed in year	Carried forward
	£	£	£	£
Awards	12,550	(586,100)	759,054	185,504
	12,550	(586,100)	759,054	185,504

11 ANALYSIS OF FUNDS

YEAR ENDED 31 MARCH 2023

	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund	3,067,250	75,728	(171,561)	-	(223,221)	2,748,196
Designated Funds:						
Benevolent Fund	1,000,000	-	(79,596)	79,596	-	1,000,000
Foundation General Purposes Fund	595,029	77,255	(5,643)	(79,596)	(57,154)	529,891
Restricted Funds:						
Restricted Income						
NT Learning	609,441	8,164	(2,495)	-	(25,276)	589,834
NT Studio/New Work	10,025	182	(55)	-	(562)	9,590
NT General Purpose	1,795,283	219,025	(573,832)	-	(91,346)	1,349,130
Total Funds	**7,077,028**	**380,354**	**(833,182)**	**-**	**(397,559)**	**6,226,641**

YEAR ENDED 31 MARCH 2022

	Fund balances brought forward	*Income*	*Expenditure*	*Transfers*	*Gains and losses*	*Fund balances carried forward*
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund	2,874,989	95,599	(107,766)	-	204,428	3,067,250
Designated Funds:						
Benevolent Fund	1,000,000	-	(22,179)	22,179	-	1,000,000
Foundation General Purposes Fund	483,669	103,709	(4,864)	(22,179)	34,694	595,029
Restricted Funds:						
Restricted Income						
NT Learning	535,274	26,112	(7,835)	-	55,890	609,441
NT Studio/New Work	9,545	169	(51)	-	362	10,025
NT General Purpose	698,328	1,069,136	(48,663)	-	76,482	1,795,283
Total Funds	**5,601,805**	**1,294,725**	**(191,358)**	**-**	**371,856**	**7,077,028**

Designated Funds

The Trustees consider that a fund of £1,000,000 is sufficient to meet likely on-going benevolent applications. An amount equivalent to that paid out in grants is transferred from the General Fund each year, which was £79,596 in year [2021/22: £22,179].

The Foundation General Purpose sub-fund has received an allocation of the net gains on investment in year.

Restricted Funds

i. **NT Learning sub fund**

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

ii. **NT Productions, NT Premises, NT Studio/New Work and NT General Purpose sub funds**

These funds represent legacy gifts received in year and they also received an allocation of the net gains on investment in year.

12 ANALYSIS OF ASSETS BETWEEN FUNDS

YEAR ENDED 31 MARCH 2023

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Investments Asset	3,815,200	973,851	1,495,449	6,284,500
Current Assets	(926,494)	563,512	556,820	193,838
Current Liabilities	(140,510)	(7,472)	(103,715)	(251,697)
	2,748,196	1,529,891	1,948,554	6,226,641

YEAR ENDED 31 MARCH 2022

	Unrestricted Funds	*Designated Funds*	*Restricted Funds*	*Total Funds*
	£	*£*	*£*	*£*
Investments Assets	*3,776,022*	*1,018,086*	*2,073,267*	*6,867,375*
Current Assets	*(691,484)*	*589,493*	*347,959*	*245,968*
Current Liabilities	*(17,288)*	*(12,550)*	*(6,477)*	*(36,315)*
	3,067,250	***1,595,029***	***2,414,749***	***7,077,028***

13 TRUSTEES REMUNERATION & EXPENSES

Trustees have not received any remuneration or benefits or incurred any expenses for their service to the Foundation in the year [2021/22: nil].

14 RELATED PARTY TRANSACTIONS

There have not been any related party transactions in the year [2021/22: nil].

Two Trustees, Elizabeth Pryce (formally Elizabeth Offord) and Simon Warshaw, are also Board Members of the Royal National Theatre.

The value of money paid from the Foundation to the Royal National Theatre totalled £650,954 (Grants and Awards totalling £632,954 plus £18,000 management fee). With £150,954 owing at year end.

[2021/22: £110,550 (Grants and Awards totalling £92,550 plus £18,000 management fee). With £12,550 owing at year end].

THE ROYAL NATIONAL THEATRE FOUNDATION

England & Wales - Charity number 271706

Accounts

Royal National Theatre Foundation

Charity Registration Number: 271706

ROYAL NATIONAL THEATRE FOUNDATION
CONTENTS

In this document The Royal National Theatre Foundation is referred to as "the Foundation", and the Royal National Theatre is referred to as "the NT", "the National", and "the National Theatre"

Royal National Theatre Foundation
Trustees' Annual Report

For the year ended 31 March 2022

Administrative Details

Charitable Status

The Royal National Theatre Foundation ('The Foundation') was established as an unincorporated charity under a Trust Deed dated 6th July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10th August 1976.

Principal Office

The Royal National Theatre, Upper Ground, London, SE1 9PX

Trustees

Graham Barker (Chair from 8 February 2022)
Dame Ursula Brennan (appointed 28 June 2022)
Anna Khazen
Lesley Manville
Daniel Margolin
Elizabeth Pryce
Simon Warshaw
Sir Richard Eyre (former Chair, retired 8 February 2022)
Susan Chinn CBE (retired 8 February 2022)
Clive Sherling (retired 8 February 2022)
Nicholas Wright (retired 8 February 2022)

Emeritus Trustee

Robert Rayne

Bankers

Santander, London Corporate Banking Centre, 12 Park Square West, Ulster Terrace, London, NW1 4LJ

Investment Managers

Rathbone Investment Management Ltd, 8 Finsbury Circus, London, EC2M 7AZ

Independent Auditor

Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

ROYAL NATIONAL THEATRE FOUNDATION
TRUSTEES' ANNUAL REPORT

For the year ended 31 March 2022

REPORT OF CHAIR

I would like to begin my first report as Chair of the National Theatre Foundation, by saying how honoured I am to have been appointed to the role. I am delighted to have the opportunity, alongside my fellow Trustees, to continue and further develop our work: both to support the National Theatre (NT) and through the NT, the wider theatre sector, and to support staff and individuals closely associated with the NT through the Foundation's benevolent fund.

I would also like to thank and pay tribute to my predecessor as Chair, Sir Richard Eyre, for the extraordinary way he led the Foundation through his tenure and in particular over the pandemic as the Foundation stood shoulder by shoulder with the NT, helping to ensure its survival and continuing to fulfill its never more vital obligation of supporting the welfare of individual NT staff and freelancers. Heartfelt thanks and congratulations are also due to long-standing Trustees Susan Chinn, Clive Sherling, and Nicholas Wright who retired from the Board in February 2022, for their dedication, work and wise counsel over many years. They too made a vital contribution, as did Juliet Messenger, the National Theatre's Welfare Counsellor, who has now retired from the role, but whose work and dedication made a vital difference to the lives and welfare of so many individuals across the NT's workforce and acting companies.

That the Foundation is able to continue its vital work is only possible through the extraordinary generosity of those who have left legacies to the National Theatre. We are immensely grateful to those donors and their families for their bequests. In August this year, I was delighted and moved to attend a lunch and special performance of *Much Ado About Nothing* which was dedicated to thanking those who have remembered the National Theatre in their Will. In the 2021/22 accounts we received a total of £1.1m in legacies from 17 donors. We are indebted to those individuals and their families. Those legacies make a profound difference. In 2021/22 for example the Foundation awarded a grant of £12,550 to fund the research phase of an initiative to deliver specialist voice training for disabled actors at the NT. That initiative will be another important step forward in respect of diversity and inclusion, not just for the NT, but for the sector.

The pandemic and now the mounting cost of living crisis, continues to have a painfully damaging effect, and we continue our essential work in benevolence through the 3-year grant (2020/21 – 2022/23) of £50k per annum to help support additional welfare and counselling provision at the NT. During the 2021/22 Financial year the Foundation awarded benevolent grants to £17.2k in total to 6 individuals. While that represents a decrease on the previous year's level of benevolent giving, the number of grants awarded does not reflect the intensive work which has been ongoing to assist individuals in other ways, including through welfare and counselling support, and help with financial planning and applying for state and other benefits. The Trustees are delighted to welcome Jessica Dickens, the NT's new Welfare Officer, and we are working closely with Jessica and the Board Secretary to refresh the guidance for benevolence, find new ways of reaching individuals and advertising the fund. The Foundation will also be working with the NT to understand the likely future need post pandemic and consider other ways in which the Foundation might support the welfare of the individuals who make up the NT.

Following the retirement of four Trustees in February 2022, a sub Committee of the Board has been constituted to consider the size, shape, diversity and skills needed on the governing body and to recommend appointments to the Board. We are delighted that following a robust recruitment process Dame Ursula Brennan has been appointed to the Board and discussions are in train with further candidates.

The value of the Portfolio at 31 March 2022 was £6,867,375 compared to £9,235,442 the prior year. The drop in value is largely as a result of the sale of assets to realise the cash to pay our grant commitments to NT from last year (£3m & £0.6m Box Office underwrite). The Trustees have been pleased to see that despite the reduction in the number of assets in the portfolio, during the year there was an overall net gain on the revaluation of all remaining assets of £372k. The Trustees are therefore confident that the Foundation has sufficient funds to enable it to continue with its core remit. Furthermore, the continued generous support of donors through legacies will enable us, in time, to rebuild funds.

In closing I would like to state again how much I am looking forward to working with my fellow Trustees and with the National Theatre to continue to find new opportunities to support the NT's work and workforce and through that helping enable the wider sector to not only survive but thrive.

Graham Barker,
Chair of Trustees

STRUCTURE, GOVERNANCE AND MANAGEMENT

ORGANISATIONAL STRUCTURE

The governing document of the Foundation is a Declaration of Trust, dated 6 July 1976. The Foundation applies the principles of the Charity Governance Code 2018. The Foundation's Trustees generally meet three times a year. Business at Trustees' meetings usually includes consideration of grants to beneficiaries, grants to the National Theatre, reports on previous awards, a review of the financial position and of investment policy and performance, and approval of the annual Trustees' Report and Accounts.

MEMBERSHIP OF THE TRUSTEE BODY

The Trustees keep under review the membership of the Trustee body and are mindful of the need to ensure that, as a group, they have the skills and experience to enable them to fulfil their responsibilities as Trustees of the Foundation.

Following the retirement of four Trustees in February 2022, a sub Committee of the Board has been constituted to consider the size, shape, diversity and skills needed on the governing body and to recommend appointments to the Board. We are delighted that following a robust recruitment process Dame Ursula Brennan has been appointed to the Board and discussions are in train with further candidates.

Trustees are appointed by existing Trustees. All Trustees are appointed for an initial term of three years; after which they may be reappointed for a maximum of a further two three-year terms.

The Secretary arranges the induction of new Trustees to provide them with information about, and an understanding of, the objects of the Foundation, and their responsibilities as charity Trustees.

DECISIONS

The Foundation's Trustees generally meet three times a year. Business usually includes consideration of applications for grants, reports on previous grant awards, a review of the financial position and of the investment policy. To deal with emergency benevolent applications, a Benevolent Sub-Committee with the power to commit funds within prescribed limits can be called at short notice. Its decisions are reported to the Trustees in the full meeting. In addition, the Chairman has discretion to make small emergency benevolent grants. Grants made under this authority by the Chairman must be ratified by the Trustees in a full meeting.

The Trustees are independent of the National and operate at their own discretion, however in the interests of maintaining an up to date knowledge of National activities, two Trustees also serve on the National's Board. The Trustees have procedures in place for handling any conflict of interest to which that situation might lead.

INVESTMENT AND FINANCE

The Board's responsibilities include reviewing the investment policy and performance; monitoring and reviewing financial performance and management; reviewing the preparation of the annual financial statements; relationships with the External Auditors and reviewing the risk register.

The Board have regular meetings and discussions with Rathbone Investment Management Limited (Investment Managers) to monitor investment performance and review the investment strategy.

PUBLIC BENEFIT DISCLOSURE

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's published guidance on public benefit when reviewing the Foundation's aims, objectives and grant making policy and in planning future activities. The Foundation carries out these objectives and seeks to achieve public benefit through the following grant giving policy:

Grants to the National Theatre are made primarily to fund initiatives which are outside of the National's financial capabilities in any particular year but are relevant to its current policy. The National Theatre is itself a charity with a comprehensive public reach achieved through accessible ticket pricing, an education arm and a growing internet and digital presence to members of the public. The Foundation does not, in the normal course, contribute to capital projects which are linked to renovation, refurbishment and routine maintenance of the National's buildings but does consider making grants for exceptional capital projects outside of normal operations which have a strong artistic imperative consistent with the educational purposes of the Foundation.

Benevolent grants are made to individuals who work, have worked or who have a close association with the National and who are in need.

Grants to other individuals and organisations are generally made for charitable purposes linked to the National Theatre.

OBJECTIVES AND ACTIVITIES

AIMS AND OBJECTIVES OF THE FOUNDATION

The objects of the Foundation shall be in the United Kingdom or any other part of the world:

a. to educate the public in the art of drama and to promote their appreciation of classical and modern drama in all its artistic forms at the Royal National Theatre;

b. to relieve past or present employees of the Royal National Theatre who are in necessitous circumstances; and

c. (i) as ancillary to the above objects, to support the Royal National Theatre in its aims to further the appreciation of classical and modern drama;

c. (ii) to promote and support such other charitable institutions or purposes as the Trustees may from time to time at their absolute discretion think fit.

The Foundation has achieved these objectives by issuing a grant to the National Theatre to support the work of the National Theatre's Welfare Counselling Service. There was also a commitment made to the National Theatre's Voice department to help fund a research project to inform training for disabled actors and six benevolent grants issued to past and present employees of the National Theatre.

ACHIEVEMENTS AND PERFORMANCE

The Trustees are extremely grateful to the individuals who have remembered the Foundation in their wills. The Foundation has received legacies during the year totalling £1,120,903 [2020/21: £415,791].

The Foundation does not employ any professional fundraisers and complies with the standards of the scheme for fundraising. No complaints have been received and no undue pressure has been placed on any person.

The Trustees granted a total of £92,550 to the National Theatre.

£50,000 to the National Theatre's welfare counselling services and the Peter Hall's Directors Award for £30,000. Plus a commitment of £12,550 to help fund a research project to inform training for disabled actors.

Six benevolent grants totalling £17,158 [2020/21: £41,880] were made this year to current and former staff and members of the acting companies. No apprenticeship support grants were made this year [2020/21: £nil]

FINANCIAL REVIEW

The Foundation received investment income during the year of £173,732 [2020/21: £163,155], £95,509 of which is unrestricted [2020/21: £97,238]. Donations and legacy income of £1,120,993 [2020/21: £415,791] was received during the year. Most legacy income for the year was received via the National Theatre, with one receipt paid directly to the Foundation. Total expenditure in the year was £191,358 [2020/21: £3,815,658]. The Foundation's investment portfolio achieved a gain on its investment assets of £371,856 [2020/21: £1,243,743], giving an annual absolute investment gain of £545,588 (investment income plus gain on portfolio) [2020/21 £1,406,898].

The total funds balance carried forward at 31 March 2022 was £7,077,028 [2020/21: £5,601,805].

The Foundation's Portfolio was valued at £6,867,375 at 31st March 2022 [2020/21 £9,235,442]. The drop in the portfolio is largely as a result of the sale of assets to realise the cash to pay our grant commitments to NT from last year (£3m in grants and £0.6m Box Office Loss underwrite).

INVESTMENTS

The Trustees' overarching goal is an investment strategy designed to produce a balance of capital and income growth to enable them to continue the Foundation's grant support to the National and to meet its other charitable objects in a manner and scale broadly similar to that provided in the past.

The Foundation has a total return strategy with a goal of achieving an average annual return of at least RPI plus 3% such as to preserve and increase its capital over the long term. Risk is minimised by appropriate diversification across global equities, fixed income, property and cash with consideration being given from time to time to investments in hedge funds, emerging markets and convertible bonds. Liquidity is an important consideration and all investments are required to be of a reasonably liquid nature. It is intended that a minimum annual income from interest and dividends and, if necessary, liquidation of capital gains, of at least £100,000 should be generated to fund benevolent grants, other grants and expenses.

When material grants are awarded to be paid out over a number of years the Trustees transfer funds to a separate portfolio to ensure capital preservation of the required amount.

Performance is reviewed at least twice a year by the Investment and Finance Committee. Investment policy and strategy is reviewed at least annually by the same Committee and followed by a report made to the full Trustee body.

KEY RISKS AND UNCERTAINTIES DISCLOSURE

The Trustees have considered the major strategic, business and operational risks which the Foundation faces. The fundamental one is uncertainty of income. Procedures, which include regular reporting on risk management to the Trustees, have been established to manage these risks.

PLANS FOR FUTURE PERIODS

The Foundation will continue its essential remit of benevolence by making grants to NT employees and past staff members suffering financial hardship. Working closely with the National Theatre, the Foundation will continue to support and develop the Fundraising campaign to encourage supporters of the National Theatre to remember the Theatre in their Wills.

RESERVES

UNRESTRICTED FUNDS

In setting a target level of reserves for the Foundation, the Trustees have taken into account that the scale and number of applications to the Foundation are variable; that income from returns on the investment portfolio are unpredictable and that in the event of a major, exceptional financial crisis afflicting the National, the Foundation would wish to provide significant support of a general nature to it. In doing so, the Trustees thus recognise the moral commitment given to the then Trustees of the Royal National Theatre Endowment Fund, on its winding up, that funds transferred to the Foundation from the Endowment Fund would be retained so as to be able to assist the National in such circumstances.

The Trustees reviewed the likely size of such a grant application from the National were it to arise. They have been advised that the annual incoming resources of the National Theatre in 2021/22 was £80.8m and the National's unrestricted fund stands at £15.9m. The National Theatre has determined, following a risk assessed review of income and expenditure, that it should hold unrestricted reserves equivalent to three months of its core operating expenditure, circa £15m. In light of this, the Trustees consider the level of reserves in the General Fund, which stood at just over £3m at the year-end [2020/21: £2.9m], together with the designated funds held in the Foundation General Purpose fund £0.6m (2020/21: £0.5m) and the NT General Purpose Fund £1.8m (2019/20: £0.7m) to be adequate to enable them to respond to the potential value of grant applications in the foreseeable future.

DESIGNATED FUNDS

i. Benevolent Fund

The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfil the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Due to the continuing impact of COVID-19, Trustees consider that a fund of £1,000,000 is needed to meet likely on-going applications and therefore this fund has been increased to £1,000,000 from £500,000. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the General Fund each year.

Since April 2021 the Foundation has awarded hardship grants to 6 individuals, totaling £17,158.

In prior years the Trustees have offered support to the NT's Apprenticeship scheme through its allocation of funds, assisting individual apprentices who might themselves be in hardship because of travel costs or living expenses, to the extent that it would jeopardise their ability to complete the apprenticeship. Whilst, the Trustees did not receive any applications this year, they feel that there is still a real need in this area, and given their commitment to the NT's apprenticeship scheme, have agreed to continue to support it in future years.

ii. Foundation General Purpose Fund

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all unrestricted legacies received directly by the Foundation are to be allocated to the Foundation General Purpose Fund.

RESTRICTED FUNDS

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all restricted legacies received by either the National Theatre or the Foundation are to be allocated to the Funds, which is one of the five restricted National Theatre sub-funds (NT Learning, NT Productions, NT Premises, NT Studio/New Work and NT General Purposes).

i. NT Learning sub fund

This fund, previously known as Learning Fund, was established to reflect the former Legacies Agreement (dated 22 March 2012) between the National Theatre and the Foundation to provide a long term and significant source of grants for learning activities at the National and through the Foundation. Monies equivalent to amounts received as unrestricted legacies by the National Theatre were given to the Foundation for investment in this Fund. The current Legacy Agreement stipulated that the balance on the Learning Fund to be credited to the NT Learning sub-fund.

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

ii. NT Productions, NT Premises, NT Studio/New Work and NT General Purpose

These funds represent legacy gifts received in year and an allocation of the net gains on investment in year.

CONNECTED CHARITIES

The Foundation has objectives related to those of the National but fulfills these independently.

LEGACIES

The NT General Purpose Fund received £1,033,403 from the National representing legacies left to it. The Foundation General Purpose Fund received one legacy totaling of £87,500, which was left directly to the Foundation.

CHARITABLE ACTIVITIES

During the year a £50,000 grant was paid to the National support the Welfare Department. The payment was the second installment of a three year commitment, made in 2020, to pay £50,000 per annum.

A payment of £30,000 was also made to the National for the Peter Hall Director's Award.

Also during the year, a commitment to grant £12,550 was made to the National's Voice Department to fund a research project to inform training for disable actors. This will be paid in the financial year 2022/23.

There have been six Benevolent Grants awarded this year totaling £17,158 [2020/21: £41,880].

Administrative support is provided by the National Theatre and a fee of £18,000 [2020/21: £18,000] is charged to the Foundation for these services.

STATEMENT OF RECOMMENDED PRACTICE

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 18 and comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" and relevant statutory requirements.

STATEMENT ON DISCLOSURE OF INFORMATION TO THE AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 presume that the charity will continue in business.

The Trustees 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 Charities Act 2011 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 Trustees' Annual Report was approved by the Trustees and authorised for issue on 19/10/22

And signed on its behalf by

G. E. Barker

Graham Barker, Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL NATIONAL THEATRE FOUNDATION

OPINION

We have audited the accounts of the Royal National Theatre Foundation (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of the income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustee 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 and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 accounts; or
- sufficient accounting records have not been kept; or
- the accounts 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS

Our objectives are to obtain reasonable assurance about whether the accounts, 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 accounts.

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:

How the audit was considered capable of detecting irregularities including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS (CONTINUED)

- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019), taxation legislation and data protection and anti-bribery legislation; and

- We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustees and review of the minutes of trustee meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including how fraud might occur by:

- Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested the authorisation of expenditure;
- Tested the implementation of financial controls; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of the trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 8 November 2022

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ROYAL NATIONAL THEATRE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2022

YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted £	Designated £	Restricted £	Total £
Income & Endowments from:					
Donations & legacies	4	90	87,500	1,033,403	1,120,993
Investments	5	95,509	16,209	62,014	173,732
TOTAL Income & Endowments		**95,599**	**103,709**	**1,095,417**	**1,294,725**
Expenditure on:					
Investment Management Costs	6	28,658	4,864	18,608	52,130
Charitable activities	7	79,108	22,179	37,941	139,228
TOTAL Expenditure		**107,766**	**27,043**	**56,549**	**191,358**
Net gains/(losses) on investment		**204,428**	**34,694**	**132,734**	**371,856**
Net income/(expenditure)		**192,261**	**111,360**	**1,171,602**	**1,475,223**
Transfers between funds	11	-	-	-	-
Net movement in funds		**192,261**	**111,360**	**1,171,602**	**1,475,223**
Reconciliation of Funds:					
Total funds brought forward	11	2,874,989	1,483,669	1,243,147	5,601,805
TOTAL Funds carried forward		**3,067,250**	**1,595,029**	**2,414,749**	**7,077,028**

YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted £	Designated £	Restricted £	Total £
Income & Endowments from:					
Donations & legacies	4	1,840	25,064	388,887	415,791
Investments	5	97,238	15,524	50,393	163,155
TOTAL Income & Endowments		**99,078**	**40,588**	**439,280**	**578,946**
Expenditure on:					
Investment Management Costs	6	31,350	5,005	16,247	52,602
Charitable activities	7	1,707,423	42,162	2,013,471	3,763,056
TOTAL Expenditure		**1,738,773**	**47,167**	**2,029,718**	**3,815,658**
Net gains/(losses) on investment		**741,253**	**118,338**	**384,152**	**1,243,743**
Net income/(expenditure)		**(898,442)**	**111,759**	**(1,206,286)**	**(1,992,969)**
Transfers between funds	11	**(42,162)**	**42,162**	-	-
Net movement in funds		**(940,604)**	**153,921**	**(1,206,286)**	**(1,992,969)**
Reconciliation of Funds:					
Total funds brought forward	11	3,815,593	1,329,749	2,449,432	7,594,774
TOTAL Funds carried forward		**2,874,989**	**1,483,670**	**1,243,146**	**5,601,805**

All income and expenditure is derived from continuing activities.

The notes on pages 15 to 25 constitute part of the financial statements.

Royal National Theatre Foundation
BALANCE SHEET
For the year ended 31 March 2022

	Note	2022	2021
		£	£
Fixed Assets:			
Investments	8	6,867,375	9,235,442
TOTAL Fixed Assets		**6,867,375**	**9,235,442**
Current assets:			
Debtors	9	224,548	36,639
Accrued Income	9	8,680	14,996
Cash at bank and in hand		12,740	19,745
TOTAL Current Assets		**245,968**	**71,380**
Liabilities:			
Creditors: amounts falling due within one year	10	(36,315)	(3,705,017)
Net Current Assets/(Liabilities)		**209,653**	**(3,633,637)**
TOTAL Assets less Current Liabilities		**7,077,028**	**5,601,805**
TOTAL Net Assets		**7,077,028**	**5,601,805**
The Funds of the Charity:			
Unrestricted funds	11	3,067,250	2,874,989
Designated funds	11	1,595,029	1,483,670
Restricted funds	11	2,414,749	1,243,146
TOTAL Funds		**7,077,028**	**5,601,805**

Approved and authorised for issue by the trustees on 19/10/22

And signed on its behalf by:

G. E. Barker

Graham Barker

(Chair)

The notes on pages 15 to 25 constitute part of the financial statements.

ROYAL NATIONAL THEATRE FOUNDATION
STATEMENT OF CASH FLOWS
For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities:	(i)		
Net cash (used in) provided by operating activities		**(2,919,953)**	**216,703**
Cash flows from investing activities:			
Dividends, interest and rents from investments		173,025	162,359
Proceeds from sale of investment		4,162,237	1,443,184
Purchase of investments		(1,809,410)	(1,440,560)
Net cash provided by investing activities		**2,525,853**	**164,983**
Change in cash and cash equivalents in the reporting period		**(394,101)**	**381,686**
Cash and cash equivalents at the beginning of the reporting period	(ii)	674,611	292,925
Cash and cash equivalents at the end of the reporting period	(ii)	**280,510**	**674,611**

	2022 £	2021 £
(i) Reconciliation of net income/(expenditure) to net cash flow from operating activities:		
Net expenditure for the reporting period (as per the Statement of Financial Activities)	**1,475,223**	**(1,992,969)**
Dividends, interest and rents from investments	(173,025)	(162,359)
Gains on investments	(371,856)	(1,243,743)
Working capital movements:		
Increase in debtors	(181,593)	(24,251)
(Decrease)/increase in creditors	(3,668,702)	3,640,025
Net cash (used in) provided by operating activities	**(2,919,953)**	**216,703**
(ii) Analysis of cash and cash equivalents	£	£
Cash at bank and in hand	12,740	19,745
Cash held as part of investment portfolio	267,770	654,866
TOTAL cash and cash equivalents	**280,510**	**674,611**

1 General Information

The Foundation was established as an unincorporated charity under a Trust Deed dated 6 July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10 August 1976 for the education of the public in the art of drama and the promotion of their appreciation of classical and modern drama in all its artistic forms at the National Theatre; the relief of past or present employees of the National Theatre who are in necessitous circumstances; as ancillary to the above objects, to support the National Theatre in its aims to further the appreciation of classical and modern drama. The Foundation's registered office is The Royal National Theatre, Upper Ground, London, SE1 9PX.

These objects are set out in the governing document, which is a Declaration of Trust, and have been developed into a set of aims and objectives as described within this report on page 4.

2 Statement of Compliance

The Foundation meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, the Companies Act 2006, the Charities Act 2011, and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS 102) effective 1 January 2019 ("Charities SORP (FRS102)").

3 Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

A Basis of Preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention. After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 7.

B Going Concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The Foundation has sufficient cash and investments to cover the grants committed to at the year end and trustees are able to control the costs and level of grants made and as such conclude that the Foundation remains a going concern for at least 12 months from the date of approval of these financial statements.

C Income

All income is included in the Statement of Financial Activities when the Foundation has legal entitlement, there is reasonable probability over receipt and the amount of income can be quantified with reasonable accuracy.

- Donations and legacies are recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably; furthermore, entitlement to legacy income is when estate accounts are settled or there is notification of a distribution.
- Charitable activities are recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably.
- Investment income and interest receivable are recognised on an accruals basis.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

D EXPENDITURE

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

- Grants for specific projects are accounted for when approved by the Trustees and notified to the beneficiaries.
- Excess grants are written back on receipt of final claims from beneficiaries.
- Benevolent grants are made to current and former employees of the National and its acting company; these grants are accounted for when the beneficiary is notified.
- Raising donations & legacies – expenditure on raising donations and legacies represent the cost of securing donations and legacies, including marketing costs.
- Charitable activities – expenditure directly incurred relating to the charitable objectives, including awards and grants to National Theatre and individuals.
- Support costs are apportioned across charitable activities in proportion to the value of grants and awards made as set out in Note 8, including expenditure on audit fees, National Theatre management and bank charges. The Foundation uses the services of staff employed and paid by National Theatre and a management charge of £18,000 [2020/21: £18,000] is paid in this respect.

E FINANCIAL INSTRUMENTS

The Foundation has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets are held at amortised cost and comprise cash at bank and in hand, and debtors. Financial liabilities are held at amortised cost and comprise of creditors.

At the Balance Sheet date, the Foundation held financial assets at amortised cost of £245,968 [2020/21: £71,381] and financial liabilities at amortised cost of £36,313 [2020/21: £3,705,017].

F INVESTMENTS

Investments, including bonds held as part of an investment portfolio, are stated at market value as at the balance sheet date. Investments are revalued to market value as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year.

At the Balance Sheet date, the Foundation held financial assets at market value of £6,867,375 [2020/21: £9,235,442].

G DEBTORS

Debtors include amounts owed to the Foundation for the provision of goods and services, or the amounts the charity has paid in advance for the goods and services it will receive. Debtors also include amounts receivable on grant funding to which the charity is entitled. Debtors are measured at their recoverable amount.

H CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash in hand, deposits held at call with banks, and other highly liquid investments.

I CREDITORS

Creditors are measured at their settlement amount and is recognised for the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

J RESTRICTED FUNDS

These are monies which have legal restrictions on their use where donors have specified the funds can only be spent on certain of the charity's activities. These represent restricted grant funding, and legacies covered by the agreement between the National Theatre and the Foundation effective 17 February 2016.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

K UNRESTRICTED FUNDS

These general funds are available for use at the discretion of the Trustees in furtherance of the charity's general objectives.

L DESIGNATED FUNDS

These are funds set aside out of general funds by the Trustees, for particular purposes. The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfill the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Trustees consider that a fund of £1,000,000 is sufficient to meet likely on-going applications. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the General Fund each year.

M TAXATION

The Foundation is a registered charity and is able to take advantage of the exemptions from income tax under the provisions of the Income Taxes Act 2007.

Tax recoverable relates to tax due to be reclaimed from HMRC on investment income where tax was deducted at source.

N CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Foundation's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values 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 on-going 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 affects the current and future periods.

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

In addition to the above, the full impact following the emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Due to the current macro-economic and geopolitical climate, estimates used in the accounts, particularly with respect to the value of listed investments (see note 8) are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

4 DONATIONS & LEGACIES

	Unrestricted	Designated	Restricted	2022
	£	£	£	£
Donations	90	-	-	90
Legacies	-	87,500	1,033,403	1,120,903
	90	**87,500**	**1,033,403**	**1,120,993**

	Unrestricted	*Designated*	*Restricted*	*2021*
	£	*£*	*£*	*£*
Donations	*1,840*	*-*	*-*	*1,840*
Legacies	*-*	*25,064*	*388,887*	*413,951*
	1,840	***25,064***	***388,887***	***415,791***

5 INVESTMENT INCOME

	Unrestricted	Designated	Restricted	2022
	£	£	£	£
Income from securities	62,080	10,536	40,308	112,924
Interest receivable	33,040	5,607	21,454	60,101
Tax receivable	389	66	252	707
	95,509	**16,209**	**62,014**	**173,732**

	Unrestricted	*Designated*	*Restricted*	*2021*
	£	*£*	*£*	*£*
Income from securities	*62,280*	*9,943*	*32,276*	*104,499*
Interest receivable	*34,484*	*5,505*	*17,871*	*57,860*
Tax receivable	*474*	*76*	*246*	*796*
	97,238	***15,524***	***50,393***	***163,155***

6 INVESTMENT MANAGEMENT COSTS

	Unrestricted	Designated	Restricted	2022
	£	£	£	£
Investment Management Costs	28,658	4,864	18,608	52,130
	28,658	**4,864**	**18,608**	**52,130**

	Unrestricted	*Designated*	*Restricted*	*2021*
	£	*£*	*£*	*£*
Investment Management Costs	*31,350*	*5,005*	*16,247*	*52,602*
	31,350	***5,005***	***16,247***	***52,602***

7 EXPENDITURE ON CHARITABLE ACTIVITIES

(a) Analysis of expenditure on charitable activities

	Grant funding of activities	Support costs	2022
	£	£	£
Grants to National Theatre	62,550	16,558	79,108
Grants to Other Institutions	-	-	-
Benevolent Grants	17,158	4,542	21,700
Apprenticeship Support	379	100	479
Awards	30,000	7,941	37,941
	110,087	**29,141**	**139,228**

	Grant funding of activities	*Support costs*	*2021*
	£	*£*	*£*
Grants to National Theatre	*3,620,000*	*24,382*	*3,644,382*
Grants to Other Institutions	*36,000*	*242*	*36,242*
Benevolent Grants	*41,880*	*282*	*42,162*
Apprenticeship Support	-	-	-
Awards	*40,000*	*270*	*40,270*
	3,737,880	***25,176***	***3,763,056***

(b) Analysis of Support Costs

	National Theatre £	Other Institutions £	Benevolent Grants £	Apprentice Support £	Awards £	2022 £
Governance	5,564	-	1,526	34	2,669	9,793
NT Management Charge	10,228	-	2,806	61	4,905	18,000
Finance	766	-	210	5	367	1,348
	16,558	**-**	**4,542**	**100**	**7,941**	**29,141**

	National Theatre £	*Other Institutions £*	*Benevolent Grants £*	*Apprentice Support £*	*Awards £*	*2021 £*
Governance	*6,450*	*64*	*74*	-	*72*	*6,660*
NT Management Charge	*17,432*	*173*	*202*	-	*193*	*18,000*
Finance	*500*	*5*	*6*	-	*5*	*516*
	24,382	***242***	***282***	**-**	***270***	***25,176***

Support costs are allocated to the key activity areas driving support costs as above based on their proportionate costs to overall direct costs.

Governance costs are comprised of auditor's remuneration which consists of a statutory audit fee of £6,793 [2020/21: £5,550].

The Foundation uses the services of staff employed and paid by the National Theatre and a management charge of £18,000 [2020/21: £18,000] is included in support costs.

(c) Analysis of Grants

	Grants to institutions £	Grants to individuals £	Support costs £	2022 £
National Theatre				
National Theatre Welfare Grant	50,000	-	13,236	63,236
National Theatre Voice Research Project	12,550	-	3,322	15,872
Awards	30,000	-	7,941	37,941
			-	-
Other			-	-
Benevolent Grants	-	17,158	4,542	21,700
Apprenticeship Support	-	379	100	479
	92,550	**17,537**	**29,141**	**139,228**

	Grants to institutions £	*Grants to individuals £*	*Support costs £*	*2021 £*
National Theatre				
National Theatre Freelancer Support Grant	*1,000,000*	*-*	*6,735*	*1,006,735*
National Theatre Community Support Grant	*1,000,000*	*-*	*6,735*	*1,006,735*
National Theatre Capital Support Grant	*1,000,000*	*-*	*6,735*	*1,006,735*
National Theatre Box Office Underwrite Grant	*570,000*	*-*	*3,839*	*573,839*
National Theatre Welfare Grant	*50,000*	*-*	*338*	*50,338*
Awards	*40,000*	*-*	*270*	*40,270*
Other				
Freelancers Make Theatre Work Grant	*36,000*	*-*	*242*	*36,242*
Benevolent Grants	*-*	*41,880*	*282*	*42,162*
Apprenticeship Support	*-*	*-*	*-*	*-*
	3,696,000	***41,880***	***25,176***	***3,763,056***

8 INVESTMENTS

(a) Movement in fixed asset investments

	2022 £	*2021 £*
Market Value at Beginning of Year	9,235,442	7,607,930
New Money Invested	932,906	392,272
Reinvested Income	180,867	171,207
Amounts extracted	(3,798,000)	(128,320)
Investment management fees paid in year	(55,696)	(51,390)
Increase in value of investments	371,856	1,243,743
Market Value at End of Year	**6,867,375**	**9,235,442**

At the 31 March 2022, all funds were held with Rathbone Investment Management Ltd.

(b) Investments at Market Value comprised:

	2022 £	*2021 £*
Fixed Interest	1,551,304	2,305,292
Equities	4,763,911	5,877,185
Property	160,421	398,099
Commodities	123,969	
Cash	267,770	654,866
Market Value at End of Year	**6,867,375**	**9,235,442**

The value of Investments held outside the UK at 31 March 2022 was £1,634,370 [2020/21: £2,031,733].

9 DEBTORS

	2022	*2021*
	£	*£*
Trade debtors	223,841	35,844
Accrued Income	8,680	14,996
Other debtors	707	795
	233,228	**51,635**

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

(a) Creditors: amounts falling due within one year

	2022	*2021*
	£	*£*
Accruals for grants payable	12,550	3,660,000
Trade creditors	5,280	24,480
Accruals and deferred income	17,105	20,537
Other Creditors	1,380	
	36,315	**3,705,017**

(b) Grant commitments

	Brought forward	Paid in year	Committed in year	Carried forward
	£	£	£	£
Awards	3,660,000	(3,660,000)	12,550	12,550
	3,660,000	**(3,660,000)**	**12,550**	**12,550**

11 ANALYSIS OF FUNDS

YEAR ENDED 31 MARCH 2022

	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund	2,874,989	95,599	(107,766)	-	204,428	3,067,250
Designated Funds:						
Benevolent Fund	1,000,000	-	(22,179)	22,179	-	1,000,000
Foundation General Purposes Fund	483,669	103,709	(4,864)	(22,179)	34,694	595,029
Restricted Funds:						
Restricted Income						
NT Learning	535,274	26,112	(7,835)	-	55,890	609,441
NT Studio/New Work	9,545	169	(51)	-	362	10,025
NT General Purpose	698,328	1,069,136	(48,663)	-	76,482	1,795,283
Total Funds	**5,601,805**	**1,294,725**	**(191,358)**	**-**	**371,856**	**7,077,028**

YEAR ENDED 31 MARCH 2021

	Fund balances brought forward	*Income*	*Expenditure*	*Transfers*	*Gains and losses*	*Fund balances carried forward*
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund	*3,815,593*	*99,078*	*(1,738,773)*	*(42,162)*	*741,253*	*2,874,989*
Designated Funds:						
Benevolent Fund	*500,000*	-	*(42,162)*	*542,162*	-	*1,000,000*
Foundation General Purposes Fund	*829,749*	*40,588*	*(5,005)*	*(500,000)*	*118,338*	*483,670*
Restricted Funds:						
Restricted Income	-	-	-	-	-	-
NT Learning	*1,340,123*	*24,322*	*(1,014,577)*	-	*185,406*	*535,274*
NT Studio/New Work	*8,136*	*170*	*(55)*	-	*1,294*	*9,545*
NT General Purpose	*1,101,173*	*414,788*	*(1,015,086)*	-	*197,452*	*698,327*
Total Funds	***7,594,774***	***578,946***	***(3,815,658)***	**-**	***1,243,743***	***5,601,805***

Designated Funds

The Trustees consider that a fund of £1,000,000 is sufficient to meet likely on-going benevolent applications. An amount equivalent to that paid out in grants is transferred from the General Fund each year, which was £22,179 in year [2020/21: £42,162].

The Foundation General Purpose sub-fund has received an allocation of the net gains on investment in year.

Restricted Funds

i. **NT Learning sub fund**

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

ii. **NT Productions, NT Premises, NT Studio/New Work and NT General Purpose sub funds**

These funds represent legacy gifts received in year and they also received an allocation of the net gains on investment in year.

12 ANALYSIS OF ASSETS BETWEEN FUNDS

YEAR ENDED 31 MARCH 2022

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Investments Asset	3,776,022	1,018,086	2,073,267	6,867,375
Current Assets	(691,484)	589,493	347,959	245,968
Current Liabilities	(17,288)	(12,550)	(6,477)	(36,315)
	3,067,250	**1,595,029**	**2,414,749**	**7,077,028**

YEAR ENDED 31 MARCH 2021	*Unrestricted Funds*	*Designated Funds*	*Restricted Funds*	*Total Funds*
	£	*£*	*£*	*£*
Investments Assets	*5,267,071*	*884,214*	*3,084,157*	*9,235,442*
Current Assets	*(699,269)*	*600,777*	*169,872*	*71,380*
Current Liabilities	*(1,692,813)*	*(1,321)*	*(2,010,883)*	*(3,705,017)*
	2,874,989	***1,483,670***	***1,243,146***	***5,601,805***

13 TRUSTEES REMUNERATION & EXPENSES

Trustees have not received any remuneration or benefits or incurred any expenses for their service to the Foundation in the year [2020/21: nil].

14 RELATED PARTY TRANSACTIONS

There have not been any related party transactions in the year [2020/21: nil]

Accounts

Royal National Theatre Foundation

Charity Registration Number: 271706

ROYAL NATIONAL THEATRE FOUNDATION
CONTENTS

In this document The Royal National Theatre Foundation is referred to as "the Foundation", and the Royal National Theatre is referred to as "the NT", "the National", and "the National Theatre"

ROYAL NATIONAL THEATRE FOUNDATION
TRUSTEES' ANNUAL REPORT

For the year ended 31 March 2021

ADMINISTRATIVE DETAILS

CHARITABLE STATUS

The Royal National Theatre Foundation ('The Foundation') was established as an unincorporated charity under a Trust Deed dated 6th July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10th August 1976.

PRINCIPAL OFFICE

The Royal National Theatre, Upper Ground, London, SE1 9PX

TRUSTEES

EMERITUS TRUSTEE

Robert Rayne

SECRETARY TO THE BOARD

Donna Parker

BANKERS

Santander, London Corporate Banking Centre, 12 Park Square West, Ulster Terrace, London, NW1 4LJ

INVESTMENT MANAGERS

Rathbone Investment Management Ltd, 8 Finsbury Circus, London, EC2M 7AZ

INDEPENDENT AUDITOR

Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

Royal National Theatre Foundation
Trustees' Annual Report

For the year ended 31 March 2021

Report of Chairman

I had never imagined that there would be an existential threat to the National Theatre in my lifetime, but the Covid virus has transformed all our perceptions of normality. I feel an ironic pride to have chaired the Foundation at a time when it has proved essential to the survival of the NT and has helped to sustain its life-blood - freelance actors, directors, designers, writers, musicians - as well continuing to fulfil its obligation to support NT staff in difficulties.

As set out in the report, during the 2020/21 financial year the Foundation granted £3.6m to the National Theatre; £1m to freelancers; £1m to underwrite the NT's continuing commitment to activities that justify its "National" title; and £1m for urgent capital needs in relation to the Costume workshop. In addition, £570,000 was granted to underwrite the Box Office shortfall. The Foundation further assisted freelancers through a grant of £36,000 towards the set-up and running costs of Freelancers Make Theatre Work.

Once again, albeit posthumously, I would like to thank Max Rayne, former Chairman of the NT Board, for his generosity and prescience in creating the Foundation, as a "rainy day" fund for the NT in the event of severe financial crisis. In addition to Max's donation, many admirers of the NT's work have left legacies enabling the Foundation to make grants to the theatre and to individuals in hardship. We are immensely grateful to those donors and their families for their bequests: they have been vital in helping to ensure the continued existence of the NT.

The pandemic continues to have a painfully damaging effect. To that end, the Trustees increased the designation for benevolent support of NT staff to £1m and made a further 3-year grant to help support additional welfare and counselling provision at the increased level of £50,000 per annum. For the period April 2020 to November 2021 the Foundation has awarded benevolent grants to 36 individuals, totaling £58,480. While that represents an increase on the usual level of benevolent giving, the number of grants awarded does not reflect the intensive work which has been ongoing to assist individuals in other ways, including through welfare and counselling support, and help with financial planning and applying for state and other benefits. I am grateful to Donna Parker, Secretary to the Board and Juliet Messenger, Welfare Counsellor for their dedication to this, not just in the last eighteen months but over many years.

Surprisingly, in spite of early deleterious effects of the pandemic, the markets have since recovered and the value of the Foundation's Reserves were £5.6m at 31 March 2021.The Trustees are therefore confident that the Foundation has sufficient funds to enable it to continue with its core remit. Furthermore, the continued generous support of donors through legacies will enable us, in time, to rebuild funds.

I had been due to step down as Chair of the Foundation in June 2020, but I agreed to continue for an interim period; now is the right moment for me to step down. I am delighted to report that, following a Chair succession process led by Simon Warshaw, Daniel Margolin and Lesley Manville, Graham Barker has been elected as the new Chair of the Foundation and will take up that role after the February 2022 Trustees meeting. Graham has a deep knowledge of the Foundation and a passion for the work of the NT, and I am delighted that he has agreed to take on this role. I would like to thank him and my fellow Trustees for their support and dedication. It has been a pleasure to serve with them.

Sir Richard Eyre
Chair of Trustees

Structure, Governance and Management

Organisational structure

The governing document of the Foundation is a Declaration of Trust, dated 6 July 1976. The Foundation applies the principles of the Charity Governance Code 2018. The Foundation's Trustees generally meet three times a year. Business at Trustees' meetings usually includes consideration of grants to beneficiaries, grants to the National Theatre, reports on previous awards, a review of the financial position and of investment policy and performance, and approval of the annual Trustees' Report and Accounts.

Membership of the Trustee Body

The Trustees keep under review the membership of the Trustee body and are mindful of the need to ensure that, as a group, they have the skills and experience to enable them to fulfil their responsibilities as Trustees of the Foundation.

Trustees are appointed by existing Trustees. All Trustees are appointed for an initial term of three years; after which they may be reappointed for a maximum of a further two three-year terms.

The Secretary arranges the induction of new Trustees to provide them with information about, and an understanding of, the objects of the Foundation, and their responsibilities as charity Trustees.

Decisions

The Foundation's Trustees generally meet three times a year. Business usually includes consideration of applications for grants, reports on previous grant awards, a review of the financial position and of the investment policy. To deal with emergency benevolent applications, a Benevolent Sub-Committee with the power to commit funds within prescribed limits can be called at short notice. Its decisions are reported to the Trustees in the full meeting. In addition, the Chairman has discretion to make small emergency benevolent grants. Grants made under this authority by the Chairman must be ratified by the Trustees in a full meeting.

The Trustees are independent of the National and operate at their own discretion, however in the interests of maintaining an up to date knowledge of National activities, two Trustees also serve on the National's Board. The Trustees have procedures in place for handling any conflict of interest to which that situation might lead.

Investment and Finance Committee

The Investment and Finance Committee comprised four Trustees: Sir Richard Eyre (Chairman), Anna Khazen, Clive Sherling, and Simon Warshaw.

The Committee's responsibilities, which are set out in approved Terms of Reference, include reviewing the investment policy and performance; monitoring and reviewing financial performance and management; reviewing the preparation of the annual financial statements; relationships with the External Auditors and reviewing the risk register.

The Investment and Finance Committee members have regular meetings and discussions with Rathbone Investment Management Limited (Investment Managers) to monitor investment performance and review the investment strategy.

Public Benefit Disclosure

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's published guidance on public benefit when reviewing the Foundation's aims, objectives and grant making policy and in planning future activities. The Foundation carries out these objectives and seeks to achieve public benefit through the following grant giving policy:

Grants to the National Theatre are made primarily to fund initiatives which are outside of the National's financial capabilities in any particular year but are relevant to its current policy. The National Theatre is itself a charity with a comprehensive public reach achieved through accessible ticket pricing, an education arm and a growing internet and digital presence to members of the public.

Public Benefit Disclosure (continued)

Benevolent grants are made to individuals who work, have worked or who have a close association with the National and who are in need.

Objectives and Activities

Aims and Objectives of the Foundation

The objects of the Foundation shall be in the United Kingdom or any other part of the world:

a. to educate the public in the art of drama and to promote their appreciation of classical and modern drama in all its artistic forms at the Royal National Theatre;

b. to relieve past or present employees of the Royal National Theatre who are in necessitous circumstances; and

c. (i) as ancillary to the above objects, to support the Royal National Theatre in its aims to further the appreciation of classical and modern drama;

c. (ii) to promote and support such other charitable institutions or purposes as the Trustees may from time to time at their absolute discretion think fit.

Achievements and Performance

The Trustees are extremely grateful to the individuals who have remembered the Foundation in their wills. The Foundation has received legacies during the year totalling £415,791 [2019/20: £282,565].

In recognition of the extraordinary circumstances impacting the NT, the Foundation does not employ any professional fundraisers and complies with the standards of the scheme for fundraising. No complaints have been received and no undue pressure has been placed on any person.

The Trustees granted a total of £3,660,000 to the National Theatre. £1,000,000 to support the Freelancer community who were particularly impacted by COVID-19 which was funded from the Restricted Learning fund. £1,000,000 to support the National Theatre's commitment to support Nationwide activity; and £1,000,000 for urgent capital needs in relation to the Costume workshop. £570,000 was granted to underwrite the Box Office shortfall, which allowed the National Theatre to continue to perform during the year when not in lockdown. This was funded from the Restricted NT General Purpose fund, the Restricted NT Learning fund and the General Fund.

Grants of £50,000 supported the National Theatre's welfare counselling services and £40,000 to the Peter Hall's Directors Award. These were all granted from the General Fund. The Trustees granted £36,000 to Freelancers Make Theatre Work to support the development and maintenance of their website. This was granted from the General Fund.

Thirty-three benevolent grants totalling £41,880 [2019/20: £38,979] were made this year to current and former staff and members of the acting companies. No apprenticeship support grants were made this year [2019/20: £8,967] as the NT was unable to employ apprentices while being closed during the pandemic.

Financial Review

The Foundation received investment income during the year of £163,155 [2019/20: £215,595], £112,762 of which is unrestricted [2019/20: 159,169]. Donations and legacy income of £415,791 [2019/20: £282,565] was received during the year. Two legacies were directly received into the Foundation totaling £25,064 [2019/20: £10,309], and total legacies of £388,887 [2019/20: £262,256] were received from the National. Total expenditure in the year was £3,815,658 [2019/20: £541,085]. The Foundation's investment portfolio achieved a gain on its investment assets of £1,243,743 [2019/20: incurred a loss of £669,099], giving an annual absolute investment gain of £1,406,898 (investment income plus gain on portfolio) [2019/20: investment income plus loss on portfolio of £453,504].

The total funds balance carried forward at 31 March 2021 was £5,601,805 [2019/20: £7,594,774].

The negative impact of the Covid-19 pandemic on equity markets in the fourth quarter of 19/20 was significant, however the markets have since recovered and the value of the Foundation's investment portfolio as at 31 March 2021 was £9,235,442; of which circa £1.2m comprises investment growth since 31 March 2020.

Investments

The Trustees' overarching goal is an investment strategy designed to produce a balance of capital and income growth to enable them to continue the Foundation's grant support to the National and to meet its other charitable objects in a manner and scale broadly similar to that provided in the past.

The Foundation has a total return strategy with a goal of achieving an average annual return of at least RPI plus 3% such as to preserve and increase its capital over the long term. Risk is minimised by appropriate diversification across global equities, fixed income, property and cash with consideration being given from time to time to investments in hedge funds, emerging markets and convertible bonds. Liquidity is an important consideration and all investments are required to be of a reasonably liquid nature. It is intended that a minimum annual income from interest and dividends and, if necessary, liquidation of capital gains, of at least £100,000 should be generated to fund benevolent grants, other grants and expenses.

When material grants are awarded to be paid out over a number of years the Trustees transfer funds to a separate portfolio to ensure capital preservation of the required amount.

Performance is reviewed at least twice a year by the Investment and Finance Committee. Investment policy and strategy is reviewed at least annually by the same Committee and followed by a report made to the full Trustee body.

Key Risks and Uncertainties Disclosure

The Trustees have considered the major strategic, business and operational risks which the Foundation faces. The fundamental one is uncertainty of income. Procedures, which include regular reporting on risk management to the Trustees, have been established to manage these risks.

Plans for Future Periods

The Foundation will continue its essential remit of benevolence by making grants to NT employees and past staff members suffering financial hardship. In response to the devastating impact of Covid-19 on the National Theatre's finances, and as its funder of last resort, in September 2020 the Foundation agreed to a grant to the NT a guarantee against box office loss due to Covid-19 related risks of up to £3m. £0.6m was drawn-down against this guarantee. The Trustees are mindful of the continuing adverse trading environment as a result of COVID-19 on the NT and have recognised there may be a further application for support. Working closely with the National Theatre, the Foundation will continue to support and develop the Fundraising campaign to encourage supporters of the National Theatre to remember the Theatre in their Wills..

Reserves

Unrestricted Funds

In setting a target level of reserves for the Foundation, the Trustees have taken into account that the scale and number of applications to the Foundation are variable; that income from returns on the investment portfolio are unpredictable and that in the event of a major, exceptional financial crisis afflicting the National, the Foundation would wish to provide significant support of a general nature to it. In doing so, the Trustees thus recognise the moral commitment given to the then Trustees of the Royal National Theatre Endowment Fund, on its winding up, that funds transferred to the Foundation from the Endowment Fund would be retained so as to be able to assist the National in such circumstances.

RESERVES (CONTNUED)

UNRESTRICTED FUNDS (CONTINUED)

The Trustees reviewed the likely size of such a grant application from the National were it to arise. They have been advised that the annual incoming resources of the National Theatre in 2020/21 was £56.3m and the National's unrestricted fund stands at £16.0m. The National Theatre has determined, following a risk assessed review of income and expenditure, that it should hold unrestricted reserves equivalent to three months of its core operating expenditure, circa £15m. In light of this, the Trustees consider the level of reserves in the General Fund, which stood at £2.9m at the year-end [2019/20: £3.8m], together with the designated funds held in the Foundation General Purpose fund £0.5m (2019/20: £0.8m) and the NT General Purpose Fund £0.7m (2019/20: £1.1m) to be adequate to enable them to respond to the potential value of grant applications in the foreseeable future.

In September 2020, the Foundation responded to such a major financial crisis afflicting the National Theatre following the devastating impact of the Covid-19 pandemic on its finances. The Foundation agreed grant support of £3m and a box office underwrite to support Covid-19 related risks of up to £3m, subject to the National Theatre securing a loan of £19.7m from the government's Culture Recovery Fund – this was secured in February 2021. At the time of agreement, the Foundation's investment portfolio had substantially recovered with a value of £8,257,380. As at 31 March 2021 the portfolio stands at a value of £9,235,442 and the National has drawn-down £3.1m from the Foundation in grant support and £0.6m to under-write the Box Office as at March 2021.

The Trustees aim, over the coming five to ten years, to re-build the Foundation's unrestricted funding legacy support from donors, in order to provide support to the National Theatre in the event of a future major financial crisis.

DESIGNATED FUNDS

i. Benevolent Fund

The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfil the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Due to the continuing impact of COVID-19, Trustees consider that a fund of £1,000,000 is needed to meet likely on-going applications and therefore this fund has been increased to £1,000,000 from £500,000. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the General Fund each year.

Since April 2020 the Foundation has awarded hardship grants to 36 individuals, totaling £41,880.

In prior years the Trustees have offered support to the NT's Apprenticeship scheme through its allocation of funds, assisting individual apprentices who might themselves be in hardship because of travel costs or living expenses, to the extent that it would jeopardise their ability to complete the apprenticeship. Whilst, the Trustees did not receive any applications this year, they feel that there is still a real need in this area, and given their commitment to the NT's apprenticeship scheme, have agreed to continue to support it in future years.

ii. Foundation General Purpose Fund

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all unrestricted legacies received directly by the Foundation are to be allocated to the Foundation General Purpose Fund.

RESTRICTED FUNDS

The Legacies Agreement with National Theatre (effective 17 February 2016) states that all restricted legacies received by either the National Theatre or the Foundation are to be allocated to the Funds, which is one of the five restricted National Theatre sub-funds (NT Learning, NT Productions, NT Premises, NT Studio/New Work and NT General Purposes).

i. NT Learning sub fund

This fund, previously known as Learning Fund, was established to reflect the former Legacies Agreement (dated 22 March 2012) between the National Theatre and the Foundation to provide a long term and significant source of grants for learning activities at the National and through the Foundation. Monies equivalent to amounts received as unrestricted legacies by the National Theatre were given to the Foundation for investment in this Fund. The current Legacy Agreement stipulated that the balance on the Learning Fund to be credited to the NT Learning sub-fund.

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net gains on investment in year.

RESERVES (CONTNUED)

RESTRICTED FUNDS (CONTINUED)

ii. NT Productions, NT Premises, NT Studio/New Work and NT General Purpose

These funds represent legacy gifts received in year and an allocation of the net gains on investment in year.

CONNECTED CHARITIES

The Foundation has objectives related to those of the National but fulfills these independently.

LEGACIES

The NT General Purpose Fund received £388,887 from the National representing legacies left to it. The Foundation General Purpose Fund received two legacies totaling of £25,064, which were left directly to the Foundation.

CHARITABLE ACTIVITIES

In March 2020, the National made an application for a grant of £50,000 a year for three years to support the Welfare Department; the first installment was paid to the National during the year. In September 2020 the Foundation agreed to a grant to the NT of £3m and a further guarantee against box office loss due to Covid-19 related risks of up to £3m, subject to the National Theatre securing a loan of £19.7m from the Government's Culture Recovery Fund – this was secured in February 2021. A further payment of £40,000 was made to the National for the Peter Hall Director's Award.

There have been thirty-three Benevolent Grants awarded this year totaling £41,880 [2019/2020: £38,979].

Administrative support is provided by the National Theatre and a fee of £18,000 [2019/20: £18,000] is charged to the Foundation for these services.

STATEMENT OF RECOMMENDED PRACTICE

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 18 and comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" and relevant statutory requirements.

STATEMENT ON DISCLOSURE OF INFORMATION TO THE AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 presume that the charity will continue in business.

STATEMENT OF TRUSTEES' RESPONSIBILITIES (CONTINUED)

The Trustees 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 Charities Act 2011 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 Trustees' Annual Report was approved by the Trustees and authorised for issue on 31st January 2022 and signed on its behalf by

Sir Richard Eyre (Chair)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL NATIONAL THEATRE FOUNDATION

OPINION

We have audited the accounts of the Royal National Theatre Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of the income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustee 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 and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 accounts; or
- sufficient accounting records have not been kept; or
- the accounts 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS

Our objectives are to obtain reasonable assurance about whether the accounts, 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 accounts.

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:

How the audit was considered capable of detecting irregularities including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS (CONTINUED)

- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019), taxation legislation and data protection and anti-bribery legislation; and

- We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustees and review of the minutes of trustee meetings.

We assessed the susceptibility of the charity's accounts to material misstatement, including how fraud might occur by:

- Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested the authorisation of expenditure;
- Tested the implementation of financial controls;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of the trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 31 January 2022

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ROYAL NATIONAL THEATRE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2021

YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted £	Designated £	Restricted £	Total £
Income & Endowments from:					
Donations & legacies	4	1,840	25,064	388,887	415,791
Investments	5	97,238	15,524	50,393	163,155
TOTAL Income & Endowments		**99,078**	**40,588**	**439,280**	**578,946**
Expenditure on:					
Investment Management Costs	6	31,350	5,005	16,247	52,602
Raising donations & legacies	7	-	-	-	-
Charitable activities	8	1,707,423	42,162	2,013,471	3,763,056
TOTAL Expenditure		**1,738,773**	**47,167**	**2,029,718**	**3,815,658**
Net gains/(losses) on investment		**741,253**	**118,338**	**384,152**	**1,243,743**
Net income/(expenditure)		**(898,442)**	**111,759**	**(1,206,286)**	**(1,992,969)**
Transfers between funds	12	(42,162)	42,162	-	-
Net movement in funds		**(940,604)**	**153,921**	**(1,206,286)**	**(1,992,969)**
Reconciliation of Funds:					
Total funds brought forward	12	3,815,593	1,329,749	2,449,432	7,594,774
TOTAL Funds carried forward		**2,874,989**	**1,483,670**	**1,243,146**	**5,601,805**

YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted £	Designated £	Restricted £	Total £
Income & Endowments from:					
Donations & legacies	4	-	*10,309*	*272,256*	*282,565*
Investments	5	*139,904*	*19,265*	*56,426*	*215,595*
TOTAL Income & Endowments		***139,904***	***29,574***	***328,682***	***498,160***
Expenditure on:					
Investment Management Costs	6	*33,067*	*4,553*	*13,337*	*50,957*
Raising donations & legacies	7	*6,060*	-	-	*6,060*
Charitable activities	8	*422,817*	*50,681*	*10,570*	*484,068*
TOTAL Expenditure		***461,944***	***55,234***	***23,907***	***541,085***
Net gains/(losses) on investment		***(434,192)***	***(59,788)***	***(175,119)***	***(669,099)***
Net income/(expenditure)		***(756,232)***	***(85,448)***	***129,656***	***(712,024)***
Transfers between funds	12	(51,251)	50,680	571	-
Net Movement in funds		**(807,483)**	**(34,768)**	**130,227**	**(712,024)**
Reconciliation of Funds:					
Total funds brought forward	12	*4,623,076*	*1,364,517*	*2,319,205*	*8,306,798*
TOTAL Funds carried forward		***3,815,593***	***1,329,749***	***2,449,432***	***7,594,774***

All income and expenditure is derived from continuing activities.

The notes on pages 16 to 25 constitute part of the financial statements.

ROYAL NATIONAL THEATRE FOUNDATION
BALANCE SHEET
At 31 March 2021

	Note	2021	2020
		£	£
Fixed Assets:			
Investments	9	9,235,442	7,607,930
TOTAL Fixed Assets		**9,235,442**	**7,607,930**
Current assets:			
Debtors	10	36,639	15,141
Accrued Income	10	14,996	12,243
Cash at bank and in hand		19,745	24,452
TOTAL Current Assets		**71,380**	**51,836**
Liabilities:			
Creditors: amounts falling due within one year	11	(3,705,017)	(64,992)
Net Current Assets/(Liabilities)		**(3,633,637)**	**(13,156)**
TOTAL Assets less Current Liabilities		**5,601,805**	**7,594,774**
TOTAL Net Assets		**5,601,805**	**7,594,774**
The Funds of the Charity:			
Unrestricted funds	12	2,874,989	3,815,593
Designated funds	12	1,483,670	1,329,749
Restricted funds	12	1,243,146	2,449,432
TOTAL Funds		**5,601,805**	**7,594,774**

Approved and authorised for issue by the trustees on 31st January 2022 and signed on its behalf by:

Sir Richard Eyre

(Chair)

The notes on pages 16 to 25 constitute part of the financial statements.

ROYAL NATIONAL THEATRE FOUNDATION
STATEMENT OF CASH FLOWS

For the year ended 31 March 2021

	Note	2021 £	*2020 £*
Cash flows from operating activities:	(i)		
Net cash provided by (used in) operating activities		**216,703**	***(299,121)***
Cash flows from investing activities:			
Dividends, interest and rents from investments		**162,359**	*214,871*
Proceeds from sale of investment		**1,443,184**	*332,311*
Purchase of investments		**(1,440,560)**	*(543,209)*
Net cash provided by investing activities		**164,983**	***3,973***
Change in cash and cash equivalents in the reporting period		**381,686**	***(295,148)***
Cash and cash equivalents at the beginning of the reporting period	(ii)	292,925	*588,073*
Cash and cash equivalents at the end of the reporting period	(ii)	**674,611**	***292,925***

	2021 £	*2020 £*
(i) Reconciliation of net income/(expenditure) to net cash flow from operating activities:		
Net expenditure for the reporting period (as per the Statement of Financial Activities)	**(1,992,969)**	*(712,024)*
Dividends, interest and rents from investments	**(162,359)**	*(214,871)*
(Gains)/Losses on investments	**(1,243,743)**	*669,099*
Working capital movements:		
(Increase)/decrease in debtors	**(24,251)**	*25,424*
Increase/(decrease) in creditors	**3,640,025**	*(66,749)*
Net cash provided by (used in) operating activities	**216,703**	***(299,121)***

	£	*£*
(ii) Analysis of cash and cash equivalents		
Cash at bank and in hand	**19,745**	*24,452*
Cash held as part of investment portfolio	**654,866**	*268,473*
TOTAL cash and cash equivalents	**674,611**	***292,925***

1 GENERAL INFORMATION

The Foundation was established as an unincorporated charity under a Trust Deed dated 6 July 1976. The Foundation was registered with the Charity Commission (number 271706) on 10 August 1976 for the education of the public in the art of drama and the promotion of their appreciation of classical and modern drama in all its artistic forms at the National Theatre; the relief of past or present employees of the National Theatre who are in necessitous circumstances; as ancillary to the above objects, to support the National Theatre in its aims to further the appreciation of classical and modern drama. The Foundation's registered office is The Royal National Theatre, Upper Ground, London, SE1 9PX.

These objects are set out in the governing document, which is a Declaration of Trust, and have been developed into a set of aims and objectives as described within this report on page 4.

2 STATEMENT OF COMPLIANCE

The Foundation meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, the Companies Act 2006, the Charities Act 2011, and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS 102) effective 1 January 2019 ("Charities SORP (FRS102)").

3 PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, under the historical cost convention. After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 7.

B GOING CONCERN

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The Foundation has sufficient cash and investments to cover the grants committed to at the year end and trustees are able to control the costs and level of grants made and as such conclude that the Foundation remains a going concern for at least 12 months from the date of approval of these financial statements.

C INCOME

All income is included in the Statement of Financial Activities when the Foundation has legal entitlement, there is reasonable probability over receipt and the amount of income can be quantified with reasonable accuracy.

- Donations and legacies are recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably; furthermore, entitlement to legacy income is when estate accounts are settled or there is notification of a distribution.
- Charitable activities are recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably.
- Investment income and interest receivable are recognised on an accrual's basis.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

D EXPENDITURE

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

- Grants for specific projects are accounted for when approved by the Trustees and notified to the beneficiaries.
- Excess grants are written back on receipt of final claims from beneficiaries.
- Benevolent grants are made to current and former employees of the National and its acting company; these grants are accounted for when the beneficiary is notified.
- Raising donations & legacies – expenditure on raising donations and legacies represent the cost of securing donations and legacies, including marketing costs.
- Charitable activities – expenditure directly incurred relating to the charitable objectives, including awards and grants to National Theatre and individuals.
- Support costs are apportioned across charitable activities in proportion to the value of grants and awards made as set out in Note 8, including expenditure on audit fees, National Theatre management and bank charges. The Foundation uses the services of staff employed and paid by National Theatre and a management charge of £18,000 [2019/20: £18,000] is paid in this respect.

E FINANCIAL INSTRUMENTS

The Foundation has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets are held at amortised cost and comprise cash at bank and in hand, and debtors. Financial liabilities are held at amortised cost and comprise of creditors.

At the Balance Sheet date, the Foundation held financial assets at amortised cost of £71,380 [2019/20: £51,836] and financial liabilities at amortised cost of £3,705,017 [2019/20: £64,992].

F INVESTMENTS

Investments, including bonds held as part of an investment portfolio, are stated at market value as at the balance sheet date. Investments are revalued to market value as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year.

At the Balance Sheet date, the Foundation held financial assets at market value of £9,235,442 [2019/20: £7,607,930].

G DEBTORS

Debtors include amounts owed to the Foundation for the provision of goods and services, or the amounts the charity has paid in advance for the goods and services it will receive. Debtors also include amounts receivable on grant funding to which the charity is entitled. Debtors are measured at their recoverable amount.

H CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash in hand, deposits held at call with banks, and other highly liquid investments.

I CREDITORS

Creditors are measured at their settlement amount and is recognised for the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

J RESTRICTED FUNDS

These are monies which have legal restrictions on their use where donors have specified the funds can only be spent on certain of the charity's activities. These represent restricted grant funding, and legacies covered by the agreement between the National Theatre and the Foundation effective 17 February 2016.

K UNRESTRICTED FUNDS

These general funds are available for use at the discretion of the Trustees in furtherance of the charity's general objectives.

3 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

L DESIGNATED FUNDS

These are funds set aside out of general funds by the Trustees, for particular purposes. The purpose of this Fund is to provide protection for a proportion of the Foundation's assets for the future so as to enable the Trustees to continue to fulfill the Foundation's second charitable objective, to provide support to the staff and former members of staff of the National and of the acting company who are in necessitous circumstances. Trustees consider that a fund of £1,000,000 is sufficient to meet likely on-going applications. The Trustees keep this policy under review. An amount equivalent to that paid out in grants is transferred from the General Fund each year.

M TAXATION

The Foundation is a registered charity and is able to take advantage of the exemptions from income tax under the provisions of the Income Taxes Act 2007.

Tax recoverable relates to tax due to be reclaimed from HMRC on investment income where tax was deducted at source.

N CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Foundation's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values 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 on-going 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 affects the current and future periods.

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

In addition to the above, the full impact following the emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments (see note 9) are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

4 DONATIONS & LEGACIES

	Unrestricted	Designated	Restricted	2021
	£	£	£	£
Donations	1,840	-	-	1,840
Legacies	-	25,064	388,887	413,951
	1,840	**25,064**	**388,887**	**415,791**

	Unrestricted	*Designated*	*Restricted*	*2020*
	£	*£*	*£*	*£*
Donations	-	-	*10,000*	*10,000*
Legacies	-	*10,309*	*262,256*	*272,565*
	-	*10,309*	*272,256*	*282,565*

5 INVESTMENT INCOME

	Unrestricted	Designated	Restricted	2021
	£	£	£	£
Income from securities	62,280	9,943	32,276	104,499
Interest receivable	34,484	5,505	17,871	57,860
Tax receivable	474	76	246	796
	97,238	**15,524**	**50,393**	**163,155**

	Unrestricted	*Designated*	*Restricted*	*2020*
	£	*£*	*£*	*£*
Income from securities	*98,874*	*13,615*	*39,878*	*152,367*
Interest receivable	*40,560*	*5,585*	*16,358*	*62,503*
Tax receivable	*470*	*65*	*190*	*725*
	139,904	*19,265*	*56,426*	*215,595*

6 INVESTMENT MANAGEMENT COSTS

	Unrestricted	Designated	Restricted	2021
	£	£	£	£
Investment Management Costs	31,350	5,005	16,247	52,602
	31,350	**5,005**	**16,247**	**52,602**

	Unrestricted	*Designated*	*Restricted*	*2020*
	£	*£*	*£*	*£*
Investment Management Costs	*33,067*	*4,553*	*13,337*	*50,957*
	33,067	*4,553*	*13,337*	*50,957*

7 EXPENDITURE ON RAISING DONATIONS & LEGACIES

	Unrestricted	Designated	Restricted	2021
	£	£	£	£
Events	-	-	-	-
	-	**-**	**-**	**-**

	Unrestricted	*Designated*	*Restricted*	*2020*
	£	*£*	*£*	*£*
Marketing and direct mail materials	*6,060*	-	-	*6,060*
	6,060	-	-	*6,060*

8 EXPENDITURE ON CHARITABLE ACTIVITIES

(a) Analysis of expenditure on charitable activities

	Grant funding of activities £	Support costs £	2021 £
Grants to National Theatre	3,620,000	24,382	3,644,382
Grants to Other Institutions	36,000	242	36,242
Benevolent Grants	41,880	282	42,162
Apprenticeship Support	-	-	-
Awards	40,000	270	40,270
	3,737,880	**25,176**	**3,763,056**

	Grant funding of activities £	*Support costs £*	*2020 £*
Grants to National Theatre	*390,000*	*22,248*	*412,248*
Grants to Other Institutions	*10,000*	*570*	*10,570*
Benevolent Grants	*38,979*	*2,223*	*41,202*
Apprenticeship Support	*8,967*	*511*	*9,478*
Awards	*10,000*	*570*	*10,570*
	457,946	*26,122*	*484,068*

(b) Analysis of Support Costs

	National Theatre £	Other Institutions £	Benevolent Grants £	Apprentice Support £	Awards £	2021 £
Governance	6,450	64	74	-	72	6,660
NT Management Charge	17,432	173	202	-	193	18,000
Finance	500	5	6	-	5	516
	24,382	**242**	**282**	**-**	**270**	**25,176**

	National Theatre £	*Other Institutions £*	*Benevolent Grants £*	*Apprentice Support £*	*Awards £*	*2020 £*
Governance	*6,592*	*169*	*659*	*152*	*168*	*7,740*
NT Management Charge	*15,329*	*393*	*1,531*	*352*	*395*	*18,000*
Finance	*326*	*8*	*33*	*7*	*8*	*382*
	22,247	*570*	*2,223*	*511*	*571*	*26,122*

8 EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)

Support costs are allocated to the key activity areas driving support costs as above based on their proportionate costs to overall direct costs.

Governance costs are comprised of auditor's remuneration which consists of a statutory audit fee of £5,550 [2019/20: £5,400].

The Foundation uses the services of staff employed and paid by the National Theatre and a management charge of £18,000 [2019/20: £18,000] is included in support costs.

(c) Analysis of Grants

	Grants to institutions	Grants to individuals	Support costs	2021
	£	£	£	£
National Theatre				
National Theatre Freelancer Support Grant	1,000,000	-	6,735	1,006,735
National Theatre Community Support Grant	1,000,000	-	6,735	1,006,735
National Theatre Capital Support Grant	1,000,000	-	6,735	1,006,735
National Theatre Box Office Underwrite Grant	570,000	-	3,839	573,839
National Theatre Welfare Grant	50,000	-	338	50,338
Awards	40,000	-	270	40,270
Other				
Freelancers Make Theatre Work Grant	36,000	-	242	36,242
Benevolent Grants	-	41,880	282	42,162
Apprenticeship Support	-	-	-	-
	3,696,000	**41,880**	**25,176**	**3,763,056**

	Grants to institutions	*Grants to individuals*	*Support costs*	*2020*
	£	*£*	*£*	*£*
National Theatre				
National Theatre Welfare	*30,000*	*-*	*1,711*	*31,711*
National Theatre Coronavirus Fund	*10,000*	*-*	*570*	*10,570*
National Theatre Touring Grant	*350,000*	*-*	*19,965*	*369,965*
Awards	*10,000*	*-*	*570*	*10,570*
Other				
Fuel Production Grants	*10,000*	*-*	*570*	*10,570*
Benevolent Grants	*-*	*38,979*	*2,224*	*41,203*
Apprenticeship Support	*-*	*8,967*	*512*	*9,479*
	410,000	*47,946*	*26,122*	*484,068*

9 INVESTMENTS

(a) Movement in fixed asset investments

	2021 £	*2020 £*
Market Value at		
Beginning of Year	7,607,930	*8,364,101*
New Money Invested	392,272	*268,575*
Reinvested Income	171,207	*216,917*
Amounts extracted	(128,320)	*(520,135)*
Investment management fees paid in year	(51,390)	*(52,429)*
Increase/(Decrease) in value of investments	1,243,743	*(669,099)*
Market Value at End of Year	**9,235,442**	***7,607,930***

At the 31 March 2021, all funds were held with Rathbone Investment Management Ltd.

(b) Investments at Market Value comprised:

	2021 £	*2020 £*
Fixed Interest	2,305,292	*2,201,874*
Equities	5,877,185	*4,743,651*
Property	398,099	*393,932*
Cash	654,866	*268,473*
Market Value at End of Year	**9,235,442**	***7,607,930***

The value of Investments held outside the UK at 31 March 2021 was £2,031,733 [2019/20: £1,416,953].

10 DEBTORS

	2021 £	*2020 £*
Trade debtors	35,844	*14,165*
Accrued Income	14,996	*12,243*
Other debtors	795	*976*
	51,635	***27,384***

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

(a) Creditors: amounts falling due within one year

	2021 £	*2020 £*
Accruals for grants payable	3,660,000	*40,000*
Trade creditors	24,480	*7,320*
Accruals and deferred income	20,537	*17,672*
	3,705,017	***64,992***

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONTINUED)

(b) Grant commitments

	Brought forward	Paid in year	Committed in year	Carried forward
	£	£	£	£
Awards	40,000	(40,000)	3,660,000	3,660,000
	40,000	(40,000)	3,660,000	3,660,000

Amounts carried forward will be paid in 2021/22.

12 ANALYSIS OF FUNDS

YEAR ENDED 31 MARCH 2021

	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund	3,815,593	99,078	(1,738,773)	(42,162)	741,253	2,874,989
Designated Funds:						
Benevolent Fund	500,000	-	(42,162)	542,162	-	1,000,000
Foundation General Purposes Fund	829,749	40,588	(5,005)	(500,000)	118,338	483,670
Restricted Funds:						
Restricted Income	-	-	-	-	-	-
NT Learning	1,340,123	24,322	(1,014,577)	-	185,406	535,274
NT Studio/New Work	8,136	170	(55)	-	1,294	9,545
NT General Purpose	1,101,173	414,788	(1,015,086)	-	197,452	698,327
Total Funds	**7,594,774**	**578,946**	**(3,815,658)**	**-**	**1,243,743**	**5,601,805**

12 ANALYSIS OF FUNDS (CONTINUED)

YEAR ENDED 31 MARCH 2020

	Fund balances brought forward	*Income*	*Expenditure*	*Transfers*	*Gains and losses*	*Fund balances carried forward*
	£	£	£	£	£	£
Unrestricted Funds:						
General Fund	*4,623,076*	*139,904*	*(461,944)*	*(51,251)*	*(434,192)*	*3,815,593*
Designated Funds:						
Benevolent Fund	*500,000*	-	*(50,681)*	*50,681*	-	*500,000*
Foundation General Purposes Fund	*864,517*	*29,574*	*(4,554)*	-	*(59,788)*	*829,749*
Restricted Funds:						
Restricted Income	-	*10,000*	*(10,570)*	*570*	-	-
NT Learning	*1,412,875*	*31,093*	*(7,349)*	-	*(96,496)*	*1,340,123*
NT Studio/New Work	*8,643*	*217*	*(51)*	-	*(673)*	*8,136*
NT General Purpose	*897,687*	*287,372*	*(5,936)*	-	*(77,950)*	*1,101,173*
Total Funds	***8,306,798***	***498,160***	***(541,085)***	-	***(669,099)***	***7,594,744***

Designated Funds

The Trustees consider that a fund of £1,000,000 is sufficient to meet likely on-going benevolent applications. An amount equivalent to that paid out in grants is transferred from the General Fund each year, which was £42,162 in year [2019/20: £50,681] plus a transfer of £500,000 to increase the Benevolent Fund to £1,000,000.

The Foundation General Purpose sub-fund has received an allocation of the net gains on investment in year. The total expenditure was £5,005 which was in respect of investment management costs.

Restricted Funds

i. NT Learning sub fund

The balance on the NT Learning sub-fund represents the brought forward balance and an allocation of the net losses on investment in year.

ii. NT Productions, NT Premises, NT Studio/New Work and NT General Purpose sub funds

These funds represent legacy gifts received in year and an allocation of the net losses on investment in year.

13 ANALYSIS OF ASSETS BETWEEN FUNDS

YEAR ENDED 31 MARCH 2021

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Investments Asset	6,151,285	3,084,157	9,235,442
Current Assets	(1,758,493)	1,829,873	71,380
Current Liabilities	(34,133)	(3,670,884)	(3,705,017)
	4,358,659	**1,243,146**	**5,601,805**

YEAR ENDED 31 MARCH 2020

	Unrestricted Funds £	*Restricted Funds £*	*Total Funds £*
Investments Assets	*5,312,040*	*2,295,890*	*7,607,930*
Current Assets	*(104,804)*	*156,640*	*51,836*
Current Liabilities	*(61,894)*	*(3,098)*	*(64,992)*
	5,145,342	***2,449,432***	***7,594,774***

14 TRUSTEES REMUNERATION & EXPENSES

Trustees have not received any remuneration or benefits or incurred any expenses for their service to the Foundation in the year [2019/20: nil].

15 RELATED PARTY TRANSACTIONS

There have not been any related party transactions in the year [2019/20: nil]