

# LYRIC THEATRE HAMMERSMITH LIMITED

England & Wales · Charity number 278518

## Details

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**Other names** LYRIC HAMMERSMITH

**Status** Registered

**Legal form** Charitable company

**Company number** [01443809](#)

**Registered** 1979-09-10

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Lyric Theatre  
Lyric Square  
King Street  
London  
W6 0QL

**Phone** 02087416822

**Email** [enquiries@lyric.co.uk](mailto:enquiries@lyric.co.uk)

**Website** [www.lyric.co.uk](http://www.lyric.co.uk)

## Activities

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**Objects:** THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC AND IN PARTICULAR OF PERSONS WHO LIVE OR WORK IN THE LONDON BOROUGH OF HAMMERSMITH AND FULHAM AND IN THE WEST OF LONDON IN THE ARTS INCLUDING BUT WITHOUT LIMITING THE FOREGOING THE ARTS OF DRAMA BALLET MIME DANCE MUSIC SINGING AND OPERA AND FOR SUCH PURPOSE TO ESTABLISH OPERATE AND MANAGE AND ADMINISTER THE LYRIC THEATRE (INCLUDING THE MAIN AUDITORIUM STUDIO THEATRE AND FOYERS THEREOF) THE PROVISION OF FACILITIES FOR RECREATION AND OTHER LEISURE-TIME OCCUPATION FOR THE PUBLIC AND IN PARTICULAR PERSONS WHO LIVE AND WORK IN THE LONDON BOROUGH OF HAMMERSMITH AND FULHAM IF SUCH PROVISION IS IN THE INTERESTS OF THEIR SOCIAL WELFARE WITHIN THE MEANING OF THE RECREATIONAL CHARITIES ACT 1958.

**Activities:** We produce and present a high quality, accessible programme of contemporary theatre for audiences of all ages and backgrounds from West London and beyond. We also devise and deliver high quality creative learning activities for young people so that they can participate in the arts and develop their personal, social, educational and creative potential.

## Classification

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

## Geography

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- **Area of benefit:** LONDON BOROUGH OF HAMMERSMITH AND FULHAM
- Throughout London

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,741,434	£8,125,439	£8,216,737	103
2024-03-31	£6,353,565	£7,439,054	£8,786,426	103
2023-03-31	£4,904,577	£6,410,178	£9,291,418	94
2022-03-31	£3,959,731	£4,891,240	£10,270,080	84
2021-03-31	£3,637,636	£2,899,825	£10,947,875	82

## Trustees

Name	Role	Appointed
Adedoyin Olayiwola Adepitan		2025-06-04
Bora Kwon		2018-06-27
Callum Thomas William Nimmo		2025-03-19
David Sharkey		2018-06-27
Emily Penhall		2025-12-10
Harbinder Singh Birdi		2023-09-13
Lameya Chaudhury		2021-09-06
Lisa Jayne Popham		2023-09-13
Liz Elston Mayhew		2018-06-27
Lorraine Heggeseey		2022-02-10
Lycia Lobo		2025-12-10
Lydia Paynter		2025-03-19
Nicole Trehly		2022-05-25
Oliver George Mackwood		2023-09-13
Shivani Jaswal		2023-09-13
Susan Whiddington CBE		2024-09-25

**LYRIC THEATRE HAMMERSMITH LIMITED**

England & Wales - Charity number 278518

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# Accounts

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**LYRIC THEATRE HAMMERSMITH LIMITED (THE)**

(A Company Limited by Guarantee)

Registered Company No.1443809

Registered Charity No.278518

**CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2025**

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2025**

The Trustees of the Lyric Theatre Hammersmith are pleased to present their report together with the financial statements for the year ended 31 March 2025.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Details**

Registered Name: Lyric Theatre Hammersmith Limited (The)

Registered Charity No.: 278518

Registered Company No.: 1443809

Registered Address: Lyric Hammersmith Theatre  
Lyric Square  
King Street  
London W6 0QL

Joint Chief Executive &  
Artistic Director: Rachel O'Riordan

Joint Chief Executive &  
Executive Director: Amy Belson

**Advisers**

Auditors: Saffery LLP  
71 Queen Victoria Street  
London EC4V 4BE

Bankers: Barclays Bank  
Knightsbridge Business Centre  
PO Box 32014  
London NW1 2ZG

Solicitors: Harbottle and Lewis  
14 Hanover Square  
London W1R 0BE

Farrer and Co LLP  
66 Lincoln's Inn Fields  
London WC2A 3LH

**Constitution**

The Lyric Theatre Hammersmith is a registered charity and a company limited by guarantee, governed by its Memorandum and Articles of Association dated 14 August 1979 and last updated in 2004.

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**STRATEGIC REPORT**

**Objectives**

The objectives of the charity as set out in the Lyric's Memorandum and Articles of Association are:

- The advancement of the education of the public, and in particular of people living or working in the London Borough of Hammersmith and Fulham and in West London, in the arts.
- The provision of facilities for recreation and other leisure time occupations for the public and in particular persons living and working in the London Borough of Hammersmith and Fulham.

**Mission & strategic objectives**

UK Prime Minister Keir Starmer, then Leader of the Opposition, on his visit to the Lyric Hammersmith Theatre during the election campaign on the 25 June 2024, said:

**"Today, I have had the pleasure of visiting the Lyric Hammersmith Theatre - a cultural venue deeply embedded into its local West London community through their work on stage as well as extensive creative engagement with young people. The Lyric's commitment to supporting their local community is testament to the positive impact a thriving theatre sector can and does make in our country. My Labour Party will always stand squarely behind organisations like the Lyric who are so key to driving growth and investment in this country."**

Mission

We are the Lyric Hammersmith Theatre. We are the artistic and civic heart of West London. In our big, beautiful theatre, we present world-class theatre and tell stories that matter. We bring the best artistic talent to Hammersmith to make ambitious theatre for our audience that entertains and inspires. We believe theatre is for everyone and support tomorrow's artists to discover the power of creativity and realise their potential to shape the future of theatre.

A local theatre with a national impact. The Lyric – 130 years young.

Values

**Work with integrity and respect**

We support each other with kindness, openness and integrity. Together we celebrate our achievements and work collaboratively through our challenges.

**Every day we learn and grow**

We continue to ask questions, seek answers and share our learning with each other for the benefit of the Lyric.

**Be ambitious and action-focused**

We believe in excellence; we have a can-do attitude, go the extra mile and ensure our ideas become actions.

**Serve our West London community**

We are here for the people of West London, every decision we make and action we take should benefit our community

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Strategic objectives for 2024/25:

In 2023 the Lyric Hammersmith Theatre launched the theatre's strategic vision, defining organisational ambitions through to 2026. It forms the foundations of all strategic work and planning across the organisation.

Fundamental to the strategic work is a continued commitment to change, which is articulated through our Anti-Racism Strategy.

The vision is informed by the delivery requirements of our major funders – Arts Council England and the London Borough of Hammersmith & Fulham – alongside creative and organisational priorities that will ensure the future success of the Lyric.

Strategic Strands:

**OUR WORK & IDENTITY**

Positioning the Lyric in the UK theatre landscape

**OUR BUSINESS DEVELOPMENT & SUSTAINABILITY**

Developing and delivering against the Lyric's business model

**OUR AUDIENCE & COMMUNITY**

Engaging and growing the Lyric's audience and wider community

**OUR PEOPLE & CULTURE**

Supporting staff, young people and artists to excel

Activities & Achievements: Delivering the strategic objectives

Productions in 2024/25 included:

Artistic Director, **Rachel O'Riordan** directed a major revival of **Brian Friel's** masterpiece ***Faith Healer***.

**David Haig's *Minority Report***, based on the short story by **Philip K. Dick**, directed by **Max Webster**, ***Minority Report*** was co-produced with **Nottingham Playhouse** and **Birmingham Rep**, in association with **Simon Friend Entertainment**.

A new production of **Alice Childress' seminal play *Wedding Band: A Love/Hate Story in Black and White***, directed by **Monique Touko**, who returned to the Lyric following the success of the 2023 production of ***School Girls; Or, the African Mean Girls Play***.

The UK premiere of the hit Australian musical, ***FANGIRLS***, by award-winning playwright and composer **Yve Blake**, directed by **Paige Rattray**, co-produced with **Sonia Friedman Productions**.

The world premiere of ***The Promise***, a brand new production by award-winning **Deafinitely Theatre** about dementia in the D/deaf community, written by **Paula Garfield** and **Melissa Mostyn** for D/deaf and hearing audiences in the Studio Theatre in a co-production with **Birmingham Rep** and **Deafinitely Theatre**.

Artistic Director **Rachel O'Riordan** directed **Timberlake Wertenbaker's** Olivier Award-winning modern classic, ***Our Country's Good***, with the award-winning playwright revisiting the piece for this major London revival.

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Lorraine Hansberry's American classic, *A Raisin in the Sun*, directed by Lyric Artistic Associate Tinuke Craig in a co-production with Headlong, Leeds Playhouse and Nottingham Playhouse.

*For the Culture: Celebrations of Blackness Festival* returned in conjunction with *A Raisin in the Sun*. This three day festival featured music, art, workshops, celebrating and honouring the Black British diaspora.

Sonia Jalaly wrote the Lyric's 2024 Panto, *Aladdin*, directed by Associate Director, Nicholai La Barrie.

*Play On!*, a major touring musical based on Shakespeare's *Twelfth Night*, directed by Michael Buffong, set in New York's Cotton Club and featuring Duke Ellington's timeless music. In a co-production with Talawa, Belgrade Theatre, Birmingham Hippodrome, Bristol Old Vic, Liverpool's Everyman Playhouse.

The Lyric hosted English Touring Theatre with their touring production of Shakespeare's *Macbeth* directed by their Artistic Director Richard Twyman.

**OUR WORK & IDENTITY | Positioning the Lyric in the UK theatre landscape**

*Highlights of work achieved in 2024/2025:*

The Lyric is a producing theatre with the ability to be genuinely eclectic; the programme for 2024/2025 included new plays alongside classics, musicals, and comedy. We were bold, innovative and welcoming in our programme. Our work in 2024/2025 told big stories from our big beautiful stage transporting audiences to different worlds. We welcomed theatre companies, producers and leading artists from across the world to make theatre in Hammersmith with us for the people of West London and beyond to great critical acclaim.

\*\*\*\* "Quietly spellbinding, beautifully acted staging" (*Faith Healer* | Financial Times)

\*\*\*\* "An important, affecting revival" (*Wedding Band* | The Guardian)

\*\*\*\*\* "A musical that feels unlike anything else" (*FANGIRLS* | The Independent)

\*\*\*\* "Explores the power of theatre as a humanising force" (*Our Country's Good* | The Observer)

\*\*\*\* "A magisterial revival" (*A Raisin in the Sun* | Evening Standard)

\*\*\*\* "The Lyric Hammersmith pantomime is firing on all cylinders" (*Aladdin* | The Times)

\*\*\*\*\* - "Charming, enchanting, laugh-out-loud funny" (*Play On!* | WhatsOnStage)

In the Autumn of 2024, our For the Culture biannual three-day festival returned. For the Culture is a programme of work that celebrates Black British artists and culture. This programme seeks to honour the legacy of Black British Artists while fostering creativity, representation, and new artistic voices. It also seeks to build audiences from the black diaspora and more locally from our West London community. It also seeks to enhance the audience experience of the Lyric's artistic programme and introduce new and Emerging Black British talent to a wider audience. The festival was curated by three-time BAFTA-nominated screenwriter, Sunday Times best-selling author and Young Lyric alumni Nathan Byron and Lyric Associate Director Nicholai La Barrie with 13 events and 1,856 attenders with 94% of audiences first time attenders.

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Our work with young people is sector leading. 2024 saw the end of our three-year pilot of our ambitious flagship programme *Springboard*, which has made a bold intervention into how theatre addresses the lack of affordable drama training and subsequent impact on our industry. A total of 31 trainees took part in Springboard between 2021-2024; 52% of trainees identified as Global Majority, 80% were from the top 50% of deprived wards in West London and 32% identified as having a medical condition or access requirement. 81% of trainees completed the programme, with 68% securing professional representation and 84% of alumni have found professional employment in the creative sector to date. The programme addressed the financial, geographical and institutional barriers to engagement, reflecting the challenges faced by the performing arts sector in diversifying and training new entrants to the workforce.

"SPRINGBOARD provides you with a professional working environment... We've seen 8 productions come in, rehearse and be put on the stage, on top of other rehearsals that we have sat in on ... We've seen artists ... and we're seeing the real working mechanics of this industry whilst learning ... it really does put it above and beyond other training programmes." SPRINGBOARD Trainee

We are very grateful to Esmée Fairbairn Foundation and The Emmanuel Kaye Foundation for funding the first three years of SPRINGBOARD. This generous support has provided young aspiring creatives in West London with bespoke and high-quality industry training, responding to individual needs and ensuring each trainee had a toolkit to confidently move forward in their career. Looking ahead, we aim to train another 30 young people over the next three years, generously supported by John Lyon's Charity. The success of SPRINGBOARD now and for future years is entirely dependent on the vision and generosity of our funders.

**OUR BUSINESS DEVELOPMENT & SUSTAINABILITY** | Developing and delivering against the Lyric's business model

*Highlights of work achieved in 2024/2025:*

We have further developed the Lyric's business model to provide greater financial security and sustainability for the theatre. Most notably with the creation of a Lyric Model Year, with the intention of including quantitative and financial measures to compare the Lyric's activities and budget to each year to highlight the ways in which that year varies. The Model Year will allow us to work more efficiently utilising our available resources to achieve our mission and objectives.

The further development of our Building Use Strategy has ensured greater integration of our space usage to allow us to grow both our commercial hires business, artistic work and Young Lyric projects. In close collaboration with our Landlord Hammersmith & Fulham Council we are developing a capital plan that will protect the Lyric as an asset for the people of our Borough for the future.

Our commitment to environmental sustainability has been further strengthened this year as we take the important steps to becoming a Carbon Literate organisation; with training completed by our nominated Environment Champion at Trustee level, Joint CEO/Executive Director, Head of Production and Head of Buildings & Facilities. Through our Environmental Sustainability Action Plan and Taskforce, our collaborations with other London Theatres and locally with the H&F Climate Alliance, we are making direct actions to ensure we are minimising our impact on the environment.

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**OUR AUDIENCE & COMMUNITY**

Engaging and growing the Lyric's audience and wider community

*Highlights of work achieved in 2024/2025:*

Through 2024/2025 we have had 29,901 unique bookers. 56% of patrons were new to the Lyric. Survey responders described the Lyric as entertaining, affordable and creative. This year we launched our new three-year audience development strategy to continue centring us as an audience-first organisation.

In 2024 we celebrated the 30<sup>th</sup> anniversary of Free First Night, we distributed 3,539 free tickets to people who live or work in Hammersmith & Fulham to our Main House first previews enabling equity of opportunity by ensuring everyone can experience theatre made in their home Borough together. Since 2008 22,439 schoolchildren have benefitted from our free Panto ticket scheme and in 2024, we provided an additional 1,874 free tickets to schoolchildren in Hammersmith & Fulham – ensuring every child in Hammersmith & Fulham gets the opportunity to experience theatre before they leave primary school. The impact of this programme not only enriches schoolchildren's creativity and access to culture but has a positive impact on educational potential. We achieve this through cross-curricular learning activities, supporting children's learning inside and outside of the classroom.

"Absolutely fantastic experience!" (*FANGIRLS* | Audience comment)

"Moving inspirational unexpected" (*The Promise* | Audience comment)

"An engaging and thought provoking evening." (*Our Country's Good* | Audience comment)

"It was fabulous! A wonderful play and a mesmerising performance! Many thanks to everyone involved!" (*A Raisin in the Sun* | Audience comment)

"Everyone enjoyed the show and the theatre staff were exceptional." (*Aladdin* | Audience comment)

"Free, at a time when many theatre tickets (not necessarily the Lyric) are unaffordable. This also gives the event a sense of community, warmth, generosity & inclusiveness." (Free First Night attender)

"I like the atmosphere and the way locals come together." (Free First Night attender)

"Thank you so very, very much to you and all the staff at the Lyric. The families that came with me to watch the Father Christmas show on Monday had such a lovely time - A lot of the families we work with are not privileged and some are very vulnerable so it was so lovely to see the delight on their little faces during the show. Once again, thank you for making our families Christmas a little brighter." LBHF Children's Centre Coordinator

**OUR PEOPLE & CULTURE**

Supporting staff, young people and artists to excel

*Highlights of work achieved in 2024/2025:*

The Lyric can only succeed with the right people and culture to drive it. If the Lyric is the heart of West London, then it is the people who are the blood that keep it pumping. We have focused on growing and supporting the best talent of the UK theatre industry – onstage and off, freelance and

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employed - and provide them with the culture that will allow them to thrive and succeed, embedded within this is our commitment to change articulated through our Anti-Racism Strategy.

Our priority areas to achieve this have and continue to be:

- Transparent culture: we embrace the new working culture to the benefit of the Lyric, placing our values at the heart of that culture. We have ensured our policies are clear and accessible to all.
- Proud and confident: we instil collaborative working and in all areas working as One Lyric team towards our shared mission. Through our Quarterly Staff Meetings, we share ideas and come together to learn and grow.
- Networks: we have brought people into the One Lyric community who we want to work with – strengthening our organisation capabilities and ensuring we are representative of the people we serve in our home Borough with 46% of our workforce identifying as Global Majority.
- Supporting freelancers: we have worked with the very best artists and creative practitioners, employing 120 artists in 24/25, an increase on the previous year, demonstrating the ambition we have in our work and our position as the leading cultural venue in West London.

### Fundraising

We raise money from a range of sources including grants from trusts and foundations, corporate partnerships, corporate support, individual memberships, major donors, crowdfunding appeals, and special events.

In an increasingly difficult fundraising environment, particularly for the arts, we remain grateful for the ongoing – and in some cases – increased support of our current donors across all philanthropic income streams.

### **Team**

The team was without a dedicated Trusts & Foundations fundraiser for the entire financial year due to the difficult recruitment market. The Director of Development, Nathalie Bristow, who served in post for four years, departed in October 2024 and her replacement, Zosha Nash, took up the role in January 2025. However, despite these challenges there were numerous successes for the team and philanthropic income remained steady.

**Trusts and Foundations** fundraising remains a challenge given the increasing demand on these organisations, many of whom have paused giving or re-evaluated their funding criteria. A small number of reliable larger foundations have now spent out, leaving gaps in the prospect pool. However, there is an increasing understanding of the need for core and multi-year funding from trusts and foundations, enabling the team to plan ahead with confidence and ensure our on and off-stage work – especially Young Lyric's demonstrably impactful work with underrepresented young people – can continue.

**Individual** support is a growing area for the theatre. Our membership scheme has been a key focus for expansion and we are heartened by major donor support towards both core and projects, which has made a significant difference to the Lyric's ability to maximise the impact of creative and education work.

**Events** are an increasing opportunity to fundraise and spread the charitable messaging of the organisation. The team have run successful and financially beneficial events including quiz nights, comedy nights and Merry Lyric Christmas. There will be more events, including a ticketed birthday party performance and gala dinner in 2025 to celebrate the Lyric's 130<sup>th</sup> anniversary (Lyric 130), as

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well as other events that will contribute to the major capital campaign to replace the main auditorium lights. We have a busy calendar of events around each of our shows to engage our members and generous donors and cultivate new supporters.

**Corporate** remains the theatres least active stream of philanthropic support, however we have ongoing support from a number of local businesses and have reached more through corporate workshops and opportunities around Panto.

Fundraising activity is delivered in-house by our Development team with the support of a (volunteer) Development Committee and the wider Lyric team. In 2024/25 we recruited an experienced freelance Director of Lyric 130 who is overseeing preparations for all fundraising events in our birthday year. We ensure that our fundraising staff are trained in our fundraising policies and procedures, supported with controls to ensure compliance.

We operate according to an agreed strategy and report back to the Finance & Resources Committee and Trustees at regular Board meetings through the Board member who chairs our Development Committee. Our financial goals in 2024/25 were revised responding to recruitment challenges and some disappointing bid outcomes.

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications of their activities.

It is possible that our fundraisers may come into contact with vulnerable people. We are especially careful and sensitive when engaging with vulnerable people, and have a Safeguarding Policy, procedures and processes in place to ensure we are doing all we can to protect vulnerable people. Our Guidelines for Fundraising Involving Vulnerable People was updated in January 2022.

We are committed to following the Code of Fundraising Practice and voluntarily subscribe to the Fundraising Regulator. We have complied with relevant laws and regulations, including the Proceeds of Crime Act, Data Protection, Tax and Gift Aid legislation, and Charity Commission guidance, as well as our policies, such as Fundraising Policy and Ethics Policies both of which were updated in December 2023. The Development Director and Executive Director have reviewed and monitored all fundraising activity in this financial year against these policies and can report that there has been no negligence. There have been no complaints to date about fundraising at the Lyric. The Lyric is fully compliant with GDPR legislation in how we use data and communicate with our database. Our Privacy Policy states how we use data in fundraising in order to ensure we are only soliciting gifts from those who are willing and able to support us.

### **Future plans**

2025 marks the 130<sup>th</sup> birthday of the Lyric Hammersmith Theatre. Our work on stage will showcase the bold, original storytelling that has kept our Frank Matcham auditorium at the heart of West London and UK theatre for over a century.

Productions and projects include:

- **Artistic Director Rachel O’Riordan** reunites with writer **Gary Owen** (*Iphigenia in Splott*) in a reimagining of Henrik Ibsen’s *Ghosts*.
- The stage adaptation of *Marriage Material* by **Gurpreet Kaur Bhatti**, based on the critically acclaimed novel by **Sathnam Sanghera**, directed by **Iqbal Khan**.
- The **UK premiere** of the critically-acclaimed stage adaptation of *Sing Street* in a brand new production from Tony-Award winning creative team, including writer **Enda Walsh** (*Once*), with music and lyrics by **Gary Clark** and **John Carney**, directed by **Rebecca**

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**Taichman.**

- A brand new adaptation of *Dracula*, based on the novel by **Bram Stoker**, adapted by **Morgan Lloyd Malcolm** (*Emilia*) and directed by **Emma Baggott**.
- The launch of **The Bill Cashmore Award: One Act Play Prize**, run in conjunction with the Lyric as a nationwide opportunity for playwrights aged 18 - 30 to develop a one-act play from the page to professional stage.
- The Lyric collaborates with **Hammersmith & Fulham Council's Gangs, Violence and Exploitation Unit** (GVEU) for the touring theatre intervention production *Cross the Line* with the aim to support reducing future crime amongst young people within the borough.

As we celebrate the Lyric's 130<sup>th</sup> birthday, the Development team's focus is on a major capital campaign to complete vital work to replace the outdated lighting system with energy-efficient LED fixtures, called Light Up the Lyric. Our current lighting infrastructure, installed in 2005, is not only inefficient but also costly to maintain, environmentally unsustainable and on the brink of becoming obsolete, meaning that our on-stage work, and the off-stage work that directly responds to it – is at risk if we do not undertake the works in the next eighteen months. Additionally, upgrading to LED lighting will also significantly reduce our energy consumption, cut electricity costs, and lower our carbon footprint, aligning with our commitment to environmental sustainability.

The Reuben Foundation Wing - which houses our Young Lyric classes, much of our talent development and work with vulnerable young people, plus our rehearsal, meeting and office spaces – is now ten years old and requires capital work to ensure it is fit for purpose. This is also a priority for the team as fundraising is required to cover at least some of the costs of this work, which includes new lighting systems, updated equipment, and repairing general wear and tear after a decade of intensive use.

Additional initiatives in fundraising will focus on expanding our membership scheme at all levels from Bronze to Artistic Director's Circle; membership offers vital unrestricted funding which can be allocated where it is needed most in the organisation, and enables members to see behind the curtain to the creative heart of the theatre, hearing from writers, directors and actors around each production.

Finally, we intend to run two medium scale crowdfunding campaigns – a Big Give Christmas Challenge around START, which will enter its 20<sup>th</sup> year in 2026, and one around Light Up the Lyric.

This next year the Lyric will continue to grow and strengthen its position as the creative heart of West London - a major producing house delivering for our audiences with creative engagement and opportunity at our core.

## FINANCIAL REVIEW

The group's total income for the year was £6,741,434, a 6% increase on 2023/24. This represents our highest level of annual income (excluding grants towards the refurbishment of the theatre's Main House in 2018/19), after reduced audience numbers during and after the Coronavirus pandemic from 2020 to 2023 resulting in income falling to between £3.6m and £4.9m.

Of this income, £3.8m was from charitable activities, £1.4m from public funding, £0.9m from commercial activity (bars, catering, hires and events) and £0.6m from grants, donations and other fundraising.

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Total expenditure for the year was £8,125,439. This represents our highest ever level of expenditure, reflecting our most ambitious season of theatrical productions to date.

Of this expenditure, £7.1m was on charitable activities (£6.5m on theatre productions and £0.6m on our Young People's programme), £0.6m on commercial activity, £0.2m on support costs and £0.2m on fundraising.

After receipt of Theatre Tax Relief of £814,316, the net movement of funds for the year was a deficit of £569,689. The net movement of funds includes £472,193 of depreciation from restricted and designated funds.

The charity's net deficit for the year, excluding restricted funds, was £114,681.

The group's total funds at 31 March 2025 were £8,216,737, comprising £6,091,140 fixed assets held in restricted funds, £522,230 fixed assets held in designated funds, £137,031 restricted funds for activities in 2025-26, £1,458,146 in designated reserves (see below) and £8,190 general funds.

### Reserves

As part of the charity's risk management strategy (see below) the potential financial impact of each risk is assessed and weighted according to its likelihood. The Trustees' reserves policy is to maintain a designated **Reserves Fund** to cover this overall level of risk. The current requirement, according to this policy, is for the Reserves Fund to hold between £1.1m and £1.5m, against which £1.1m was held at 31 March 2025. During the year a transfer of £30,000 was made from the Reserves Fund into General Funds.

The Trustees have also identified the need to hold a designated **Building Renewal Fund** for the essential replacement and renewal of equipment, fixtures and fittings over the short term, and for the larger capital expenses which will be required to maintain the theatre over the long term. The Trustees' initial assessment is that this fund should maintain a balance of between £0.2m and £0.6m during the next 4-5 years, with a view to increasing this level over the subsequent decade. Total movement on the Fund during the year was £124,633, reducing the Fund balance from £0.5m to £0.4m. Of this, £80,503 was a transfer to the Fixed Asset Fund (for fixed assets bought during the year not funded by restricted income), including a new Building Management System.

For detailed analysis of reserves see Notes 15-17 of the Financial Statements.

### Risk Management

The company has a risk management strategy which includes an Organisational Risk Register and a Disaster Recovery Plan. The Register assesses the major risks faced by the company, and an outline of actions taken to mitigate each risk. The Register is reviewed quarterly by the Senior Management Team, the Finance & Resources Committee and the Board.

The most significant areas of risk that the company currently faces are:

#### **Box office income targets**

As a publicly-funded theatre committed to the production and presentation of new and innovative work we face an inherent risk in the potential failure to reach box office targets. To manage this risk, we set realistic targets and reforecast annual budgets to take account of shows which under- or over-perform against these targets. We aim for a balanced programme and seek opportunities to maximise revenue wherever possible when a show is successful.

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**Fundraising targets**

We raise a significant proportion of our total income from trusts, companies and individual donations, and from our commercial activity. We set realistic targets which are regularly monitored against confirmed income and we reforecast according to our performance in this area.

**Building, equipment and facilities maintenance and renewal**

Damage or breakdown of essential equipment or infrastructure could have a significant impact on the Lyric's ability to undertake its charitable activities. To manage this risk a schedule of planned preventative maintenance is undertaken; close communication is maintained with our landlord (the London Borough of Hammersmith and Fulham) regarding shared obligations; and a capital plan is in place for renewal and refurbishment in order to maintain the building to a standard befitting its use as a theatre and community hub.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The group consists of the Lyric Theatre Hammersmith charity and two wholly-owned subsidiaries: Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited.

The charity is a Company Limited by Guarantee, the Trustees of the charity being the Directors of the Company, governed by its Memorandum and Articles of Association.

**Board of Trustees**

The Articles of Association require that the Board comprise between ten and sixteen members as follows:

- up to four persons nominated by the London Borough of Hammersmith and Fulham who hold current office as Councillors of the Borough
- up to eight persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular expertise or experience in the promotion or encouragement of the lively arts and or theatre management, of which up to four persons the Directors will endeavour to nominate from the local community; and
- up to four persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular involvement engagement or employment in or with the community or voluntary sectors or other local organisation or group within the Borough.

Board Members are required to retire at the first Annual General Meeting after the third anniversary of their appointment. Board Members may be re-appointed unless they have served for more than six consecutive years.

The Trustees who have served since 1 April 2024 and to the date of this report are:

Lorraine Heggese (Chair)  
David Sharkey (Deputy Chair)  
Councillor Emma Apthorp (*to 8 January 2025*)  
Lameya Chaudhury  
Liz Elston Mayhew  
David Greig  
Shivani Jaswal  
Farah Karim-Cooper (*to 12 June 2024*)  
Councillor Bora Kwon  
Oliver Mackwood  
Julie Molloy  
Lisa Popham  
Harbinder Singh Birdi  
Councillor Nikos Souslous (*to 14 March 2025*)  
Councillor Nicole Trehy

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2025**

Susan Whiddington (*from 25 September 2024*)  
Councillor Lydia Paynter (*from 27 March 2025*)  
Councillor Callum Nimmo (*from 27 March 2025*)  
Adedoyin Olayiwola Adepitan (*from 4 June 2025*)

Observers may also attend Board meetings, subject to the approval of the Board, as representatives of the London Borough of Hammersmith & Fulham, Arts Council England, and the company's employees.

The Board met four times during the year in order to oversee the direction of the company, the day to day management of which is delegated to the Executive Team (comprising the Artistic Director and Executive Director) within terms agreed by the Board.

### **Recruitment, induction and training of Trustees**

The Nominations Committee (see below) oversees the recruitment, induction and training of Trustees.

All new Trustees are provided with an induction pack and meetings with relevant senior staff members, and ongoing training is provided by inviting Trustees to attend relevant courses.

### **Committees**

A Finance & Resources Committee, comprising the Chair of the Board, at least two other Board members, and co-opted ex-officio members, reports to the Board. It meets prior to Board meetings in order to oversee the company's finances, building and HR matters. Members of the Committee during 2024/25 were:

David Sharkey (Chair)  
Lorraine Heggessey  
Bishin Ho (*to 17 January 2025*)  
Julie Molloy  
Harbinder Singh Birdi  
Councillor Nikos Souslous  
Shivani Jaswal

A Nominations Committee, comprising at least three Board members, makes recommendations to the Board regarding the structure, size and composition of the Board, and to plan for the recruitment, appointment, induction and succession of Board members. The members of the Committee during 2024/25 were:

David Sharkey (Chair)  
Lameya Chaudhury  
Lorraine Heggessey  
Liz Elston Mayhew  
Julie Molloy  
Councillor Bora Kwon

### **Related parties**

The Lyric Theatre Hammersmith's core funders are Arts Council England and the London Borough of Hammersmith and Fulham, who provide funding to enable the company to carry out its charitable activities.

The London Borough of Hammersmith and Fulham is also the theatre's landlord. The freehold of the Lyric is owned by Ingka, who lease it to the Borough on a 999 year term. A new 125 year lease was signed in November 2018, which was drawn up as part of the Agreement to develop the site with the freeholder and the theatre's landlord.

**Lyric Theatre Hammersmith Limited (The)**  
**Trustees' Report**  
**For the year ended 31 March 2025**

The Lyric Theatre Hammersmith has two wholly-owned subsidiaries:

- Lyric Hammersmith Enterprises Limited, which was established to operate the events, bar and catering facilities of the theatre. The profits of the subsidiary are donated to the Lyric.
- Lyric Hammersmith Worldwide Limited, which was originally established for the transfer of Lyric productions to the West End and any commercial exploitation of work and is now used as the vehicle to produce all Lyric productions and co-productions, maximising the benefit of theatre production tax relief. Any profits of the subsidiary are donated to the Lyric.

**Remuneration Policy**

The Board of Trustees do not receive any remuneration.

Remuneration for the Artistic Director, Executive Director, and Director of Finance & Resources is reviewed and set annually by the Nominations Committee. Other employees' remuneration is set with reference to the Lyric's Pay Policy and annual increases are considered by the Finance & Resources Committee as part of its regular monitoring of budgets and approved by the Board.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2025**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

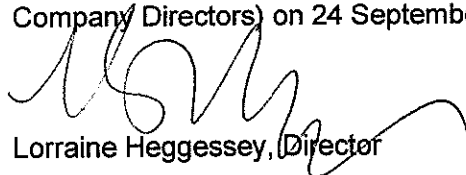
**AUDIT INFORMATION**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**APPROVAL**

The Trustees' Annual Report was approved by the Board of Trustees (in their capacity as Company Directors) on 24 September 2025.

  
Lorraine Heggeseey, Director

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2025**

**Opinion**

We have audited the financial statements of Lyric Theatre Hammersmith Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2025**

inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

**Other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2025**

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2025**

**Use of our report**

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Cara Turlington (Senior Statutory Auditor)  
for and on behalf of Saffery LLP  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date:

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

**Lyric Theatre Hammersmith Limited (The)**  
**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For the year ended 31 March 2025**

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
<b>Income from:</b>						
Donations	3(a)	165,157	-	136,464	301,621	242,430
Charitable activities						
Theatre & Young						
People's Activity	2	3,806,779	-	-	3,806,779	3,428,949
Grants	3(b)	1,371,400	-	265,748	1,637,148	1,642,770
Other trading activities	4	953,312	-	-	953,312	969,628
Interest received		42,574	-	-	42,574	69,788
<b>Total income</b>		<b>6,339,222</b>	<b>-</b>	<b>402,212</b>	<b>6,741,434</b>	<b>6,353,565</b>
<b>Expenditure on:</b>						
Raising funds	6	1,051,669	-	-	1,051,669	1,060,819
Charitable activities	7	6,160,474	104,076	809,220	7,073,770	6,378,235
<b>Total expenditure</b>		<b>7,212,143</b>	<b>104,076</b>	<b>809,220</b>	<b>8,125,439</b>	<b>7,439,054</b>
Net losses on investments	12	-	-	-	-	(3,000)
<b>Net expenditure before taxation</b>		<b>(872,921)</b>	<b>(104,076)</b>	<b>(407,008)</b>	<b>(1,384,005)</b>	<b>(1,088,489)</b>
Taxation	9	814,316	-	-	814,316	583,497
Transfers between funds	15,16	53,000	(5,000)	(48,000)	-	-
<b>Net movement in funds</b>		<b>(5,605)</b>	<b>(109,076)</b>	<b>(455,008)</b>	<b>(569,689)</b>	<b>(504,992)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		13,795	2,089,452	6,683,179	8,786,426	9,291,418
<b>Total funds carried forward</b>		<b>8,190</b>	<b>1,980,376</b>	<b>6,228,171</b>	<b>8,216,737</b>	<b>8,786,426</b>

These results derive from continuing activities and all gains and losses recognised in the year are included in the above statement.

The notes on pages 22 to 34 form part of the financial statements.

**Lyric Theatre Hammersmith Limited (The)**  
**Registered Company No.1443809**  
**Balance Sheet**  
**For the year ended 31 March 2025**

	Note	2025 £	Group 2024 £	2025 £	Company 2024 £
<b>Fixed assets:</b>					
Tangible fixed assets	11	6,613,370	6,980,060	6,613,370	6,980,060
Investments	12	-	-	3	3
<b>Total fixed assets</b>		<u>6,613,370</u>	<u>6,980,060</u>	<u>6,613,373</u>	<u>6,980,063</u>
<b>Current assets:</b>					
Stock and work in progress		197,880	201,225	185,219	186,599
Debtors	13	1,253,236	1,171,144	1,464,401	1,241,043
Cash on deposit		168,000	495,874	168,000	495,874
Cash at bank and in hand		1,394,104	1,323,786	1,061,922	1,139,924
<b>Total current assets</b>		<u>3,013,220</u>	<u>3,192,029</u>	<u>2,879,542</u>	<u>3,063,440</u>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	14	(1,409,853)	(1,385,663)	(1,276,178)	(1,257,077)
<b>Net current assets</b>		<u>1,603,367</u>	<u>1,806,366</u>	<u>1,603,364</u>	<u>1,806,363</u>
<b>Total net assets</b>		<u>8,216,737</u>	<u>8,786,426</u>	<u>8,216,737</u>	<u>8,786,426</u>
<b>The funds of the charity:</b>					
Restricted funds	15	<u>6,228,171</u>	<u>6,683,179</u>	<u>6,228,171</u>	<u>6,683,179</u>
Unrestricted funds:					
Designated funds	16	1,980,376	2,089,452	1,980,376	2,089,452
General funds	16	8,190	13,795	8,190	13,795
<b>Total unrestricted funds</b>		<u>1,988,566</u>	<u>2,103,247</u>	<u>1,988,566</u>	<u>2,103,247</u>
<b>Total funds</b>		<u>8,216,737</u>	<u>8,786,426</u>	<u>8,216,737</u>	<u>8,786,426</u>

No separate company Statement of Financial Activities (SoFA) has been prepared by the company, as permitted by Section 408 of the Companies Act 2006. The Charity's net surplus/deficit for the year, excluding restricted funds, was a deficit of £114,681 (2024: surplus of £55,792).

The notes on pages 22 to 34 form part of the financial statements.

The financial statements were approved by the board and authorised for issue and signed on 24 September 2025.

Lorraine Heggsey, Director

**Lyric Theatre Hammersmith Limited (The)**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 March 2025**

**Consolidated statement of cash flows**

	2025 £	2025 £	2024 £	2024 £
<b>Net cash(used in)/ provided by operating activities</b>		(194,627)		108,035
<b>Cash flows from investing activities:</b>				
Interest received	42,574		69,788	
Proceeds from sale of fixed assets	-		2,500	
Purchase of fixed assets	(105,503)		(161,276)	
Purchase of investments	-		(25,000)	
Disposal of investments	-		22,000	
<b>Net cash used in investment activities</b>		(62,929)		(91,988)
(Decrease)/increase in cash		(257,556)		16,047
Opening cash balance at 1 April		1,819,660		1,803,613
<b>Closing cash balance at 31 March</b>		1,562,104		1,819,660

**Reconciliation of net income/expenditure to net cash flow from operating activities**

	2025 £	2024 £
<b>Net expenditure</b>	(569,689)	(504,992)
<b>Adjustments for:</b>		
Depreciation charges	472,193	498,813
Net losses on investments	-	3,000
Interest received	(42,574)	(69,788)
Loss on disposal of fixed assets	-	114,810
Increase/(decrease) in stock and work in progress	3,346	(54,386)
Increase in debtors	(82,092)	(49,358)
Increase in creditors	24,189	169,936
<b>Net cash (used in)/ provided by operating activities</b>	(194,627)	108,035

**Analysis of changes in cash and changes in net debt**

	At 1 April 2024 £	Cash flow £	At 31 March 2025 £
Cash at bank and in hand	1,819,660	(257,556)	1,562,104
	1,819,660	(257,556)	1,562,104

The notes on pages 22 to 34 form part of the financial statements.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2025**

**1. Accounting policies**

**Company status**

The charity is a company limited by guarantee, registered in England and Wales. The registered office is Lyric Theatre, King Street, Hammersmith, London, W6 0QL. The members of the company have served as directors or are currently serving as directors as named on page 9. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1st January 2019.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

**Consolidation**

The SOFA and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

**Going concern**

At the time of approving the financial statements the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which are not designated for other purposes.

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

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

Transfers between funds are made at the discretion of the Board.

**Income**

Income from theatre admission fees is included in incoming resources in the period in which the relevant performance takes place. Income related to productions or lettings in a subsequent period is treated as deferred income.

Income from commercial activities is included in the period in which the activity takes place.

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, reasonable certainty of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Gifts in kind have been realised at cost.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2025**

**Expenditure**

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting donations and those incurred in the operation of trading activities that raise funds.
- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as touring and educational programmes. Cost of charitable activities include both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is on the basis of the relative proportion of direct costs incurred.
- Governance costs are the costs incurred in the governance of the charity and associated constitutional and statutory requirements. These costs are allocated between the charitable activities.

Where performances of a production straddle the balance sheet date direct costs are allocated to the period in which the performance takes place; royalties and similar costs are apportioned between the periods based on the production's theatre admissions income.

**Tangible fixed assets**

Individual fixed assets consisting of amounts greater than £2,500 for IT purchases and £5,000 for fixtures, fittings and equipment with a useful life in excess of one year are capitalised at cost. Tangible fixed assets are depreciated over their anticipated useful lives in equal instalments. The periods used are:

Leasehold improvements	28-30 years
Reuben Foundation Wing improvements	20 years
Auditorium, Studio and FOH improvements	4-20 years
Roof Garden	12 years
Fixtures and fittings	3-15 years
Technical and computer equipment	3-8 years

**Investments**

Investments in the charity's two wholly-owned subsidiaries, Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited, are investments in shares which cannot be publicly traded and the directors therefore consider it appropriate to include the investments at cost.

The charity invests in theatrical productions which the directors consider to have value in fulfilling its charitable objects and these are therefore classed as mixed motive investments. They are accounted for at fair value based on the charity's share of underlying net assets when information is available. When information is not available, they will be accounted for at cost less a provision for impairment. Any movement in fair value is accounted for as an unrealised investment gain or loss in the statement of financial activities.

**Financial Instruments**

Financial assets are recognised in the Charity's statement of financial position when the Charity becomes party to the contractual provisions of the instrument. The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

**Lyric Theatre Hammersmith Limited (The)**  
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**Other financial assets**

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

**Impairment of financial assets**

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

**De-recognition of financial assets**

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**Classification of financial liabilities**

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

**Other financial liabilities**

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

**De-recognition of financial liabilities**

Financial liabilities are de-recognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

**Lyric Theatre Hammersmith Limited (The)**  
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**2. Income from charitable activities**

	<b>2025</b>	<b>2024</b>
	£	£
Ticket sales	2,811,498	2,808,239
Touring income	95,400	102,500
Co-production income	436,789	139,222
Royalties income	11,547	25,449
Front of House sales	134,186	107,218
Income from partners	89,021	92,783
Young People's income	53,178	29,894
Other income	175,160	123,644
	<b>3,806,779</b>	<b>3,428,949</b>

**3. (a) Income from donations**

	<b>2025</b>	<b>2024</b>
	£	£
Total income from donations	<b>301,621</b>	<b>242,340</b>

Included within the total income from donations is £136,464 of restricted income (2024: £127,757).

**(b) Income from charitable activities: grants**

	<b>2025</b>	<b>2024</b>
	£	£
<b>Public funding:</b>		
<i>Core funding:</i>		
Arts Council England:		
National Portfolio Organisation funding	1,120,240	1,120,240
London Borough of Hammersmith & Fulham:		
3 <sup>rd</sup> Sector Investment Funding	251,160	241,500
<i>Project funding:</i>		
London Borough of Hammersmith & Fulham:		
King Charles III Coronation Youth Fund	-	27,792
The British Council	1,000	4,000
<b>Trusts &amp; Foundations</b>		
<i>Restricted grants:</i>		
Young People's Programme activities	117,948	164,692
Theatre productions activities	146,800	84,396
Unrestricted grants	-	150
Total income from charitable activities: grants	<b>1,637,148</b>	<b>1,642,770</b>

Included in note 3 above are government grants of £251,160 from the London Borough of Hammersmith & Fulham (2024: £269,292).

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
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**4. Income from other trading activities**

	<b>2025</b>	<b>2024</b>
	£	£
Fundraising events	16,665	24,858
Corporate fundraising	10,401	76,468
Other trading	144	138
Commercial trading operations (note 5)	926,102	868,164
	953,312	969,628

**5. Commercial trading operations**

**Lyric Hammersmith Enterprises Limited**

The wholly owned trading subsidiary Lyric Hammersmith Enterprises Limited, incorporated in England and Wales, pays all its profits to the charitable company by Gift Aid. Lyric Hammersmith Enterprises Limited manages catering, hires and events at the Lyric Hammersmith Theatre.

The company owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below.

*Summary profit and loss account:*

	<b>2025</b>	<b>2024</b>
	£	£
Turnover	926,102	866,664
Other operating income	-	1,500
Interest received	2,838	4,990
Cost of sales	(177,085)	(179,560)
Administration expenses	(372,232)	(361,608)
Management fees	(219,984)	(180,000)
Net gains/(losses) on investments	-	(3,000)
	159,639	148,986
Net profit	159,639	148,986
Amount gifted to charity	(159,639)	(148,986)
	-	-
Profit retained in the subsidiary	-	-

*The assets and liabilities of the subsidiary at 31 March were:*

Current assets	402,025	275,468
Creditors: amounts falling due within one year	(402,023)	(275,466)
	2	2
Total net assets	2	2
	-	-
Profit and loss account	-	-
Aggregate share capital and reserves	2	2
	2	2
Total funds	2	2

**Lyric Theatre Hammersmith Limited (The)**  
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**Lyric Hammersmith Worldwide Limited**

The wholly owned trading subsidiary Lyric Hammersmith Worldwide Limited, incorporated in England and Wales provides production services to Lyric Theatre Hammersmith Limited.

The company owns the entire issued share capital of 1 ordinary share of £1. A summary of the trading results is shown below.

*Summary profit and loss account:*

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Turnover	2,214,280	1,650,602
Cost of sales	(3,028,851)	(2,234,099)
Net profit/(loss)	(814,571)	(583,497)
Taxation	814,571	583,497
Profit retained in the subsidiary	-	-

*The assets and liabilities of the subsidiary at 31 March were:*

Current assets	814,571	583,497
Creditors: amounts falling due within one year	(814,570)	(583,496)
Total net assets	1	1
Profit and loss account	-	-
Aggregate share capital and reserves	1	1
Total funds	1	1

**6. Expenditure on activities for raising funds**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Trading companies' staff costs	331,048	325,668
Trading companies' other costs	210,514	208,235
Commercial staff costs	62,210	55,197
Fundraising staff costs	127,635	137,885
Other direct fundraising costs	47,490	17,814
Support costs (note 8)	272,772	316,020
	<u>1,051,669</u>	<u>1,060,819</u>

**Lyric Theatre Hammersmith Limited (The)**  
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**7. Charitable activities**

	Activities undertaken directly £	Support costs £	Total 2025 £
Theatre productions	4,786,118	1,681,912	6,468,030
Young People's programme	458,879	146,861	605,740
	<u>5,244,997</u>	<u>1,828,773</u>	<u>7,073,770</u>
			<b>Total 2024 £</b>
<i>Theatre productions</i>	<i>4,090,522</i>	<i>1,653,164</i>	<i>5,743,686</i>
<i>Young People's programme</i>	<i>462,604</i>	<i>171,945</i>	<i>634,549</i>
	<u><i>4,553,126</i></u>	<u><i>1,825,109</i></u>	<u><i>6,378,235</i></u>

**8. Support costs**

	Charitable activities £	Cost of raising funds £	Total 2025 £
Staff costs	404,284	60,301	464,585
Building costs	420,058	62,654	482,712
Administration costs	312,388	46,595	358,983
Depreciation	410,904	61,289	472,193
Disposals	-	-	-
Irrecoverable VAT on overheads	245,121	36,561	281,682
Governance costs:			
Audit fees	36,018	5,372	41,390
	<u>1,828,773</u>	<u>272,772</u>	<u>2,101,545</u>
			<b>Total 2024 £</b>
<i>Staff costs</i>	<i>309,428</i>	<i>53,578</i>	<i>363,006</i>
<i>Building costs</i>	<i>494,561</i>	<i>85,634</i>	<i>580,195</i>
<i>Administration costs</i>	<i>342,614</i>	<i>59,324</i>	<i>401,938</i>
<i>Depreciation</i>	<i>425,191</i>	<i>73,622</i>	<i>498,813</i>
<i>Disposals</i>	<i>99,996</i>	<i>17,314</i>	<i>117,310</i>
<i>Irrecoverable VAT on overheads</i>	<i>125,369</i>	<i>21,708</i>	<i>147,077</i>
<i>Governance costs:</i>			
<i>Audit fees</i>	<i>27,950</i>	<i>4,840</i>	<i>32,790</i>
	<u><i>1,825,109</i></u>	<u><i>316,020</i></u>	<u><i>2,141,129</i></u>

Support costs are allocated on the basis of the relative proportion of direct costs incurred.

**Lyric Theatre Hammersmith Limited (The)**  
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**9. Taxation**

	2025 £	2024 £
<b>Domestic current year tax</b>		
UK Corporation Tax	(814,316)	(583,497)
	(814,316)	(583,497)

Income from UK Corporation Tax relates to a credit for Theatre Tax Relief.

**10. Staff costs and directors' remuneration**

	2025 £	2024 £
Salaries and wages	2,499,528	2,323,373
Employers' National Insurance contributions	223,634	206,713
Employers' pension contributions	59,180	56,549
	2,782,342	2,586,635

These costs are included as follows:

Theatre productions	1,580,489	1,494,562
Young People's programme	216,374	210,317
Fundraising	127,635	137,885
Other activities for generating funds	393,258	380,865
Support costs	464,585	363,006
	2,782,342	2,586,635

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

	2025	2024
Full time	46	43
Part time and casual	57	60
	103	103

The number of full time equivalent employees was 72 (2024: 82) in the following categories:

Theatre productions	42	53
Young People's programme	6	7
Fundraising	3	3
Other activities for generating funds	10	11
Support activities	11	8
	72	82

One employees' total employee benefits fell within the range of £60,001-£70,000, one within the range of £70,001-£80,000 and one within the range of £80,001-£90,000 (2024: one in the range of £60,001-£70,000, one in the range £70,001-£80,000 and one in the range of £80,001-£90,000).

Key management personnel comprise the Senior Management Team of 10 employees (2024: 10 employees): Artistic Director / Chief Executive, Executive Director, Associate Director, Commercial Director, Director of Communications and Sales, Director of Development, Director of Finance and Resources, Director of Young Lyric, Head of Production and Senior Producer.

The total employee benefits of the key management personnel were £672,326 (2024: £597,058).

**Lyric Theatre Hammersmith Limited (The)**  
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**For the year ended 31 March 2025**

**11. Tangible fixed assets**

All assets relate to the charitable company and are used for charitable purposes.

	Leasehold improvements £	Equipment and furniture £	Total £
<b>Cost</b>			
At 1 April 2024	12,784,040	2,333,621	15,117,661
Additions	105,503	-	105,503
Disposals	-	-	-
At 31 March 2025	<u>12,889,543</u>	<u>2,333,621</u>	<u>15,223,164</u>
<b>Depreciation</b>			
At 1 April 2024	5,891,336	2,246,265	8,137,601
Disposals	-	-	-
Charge for the year	454,574	17,619	472,193
At 31 March 2025	<u>6,345,910</u>	<u>2,263,884</u>	<u>8,609,794</u>
<b>Net book value</b>			
At 31 March 2025	<u>6,543,632</u>	<u>69,737</u>	<u>6,613,370</u>
At 31 March 2024	<u>6,892,704</u>	<u>87,356</u>	<u>6,980,060</u>

Legal charges exist over the long-term leasehold properties to secure the interests of Arts Council England, which contributed grant funding towards their redevelopment.

**12.(a) Investments in subsidiary undertakings**

	Group		Company	
	2025 £	2024 £	2025 £	2024 £
Investment in subsidiary undertakings	-	-	3	3

Investments in subsidiary undertakings are included at cost and are unlisted. In the opinion of the directors the market value of the investment is not materially different from the cost.

	Number of shares	% of issued share capital	Cost of shares
Lyric Hammersmith Enterprises Limited (note 5)	2	100%	2
Lyric Hammersmith Worldwide Limited (note 5)	1	100%	1

**(b) Mixed motive investments**

	2025 £	2024 £
Purchase of investments	-	(25,000)
Disposal of investments	-	22,000
Net losses on investments	<u>-</u>	<u>(3,000)</u>

**Lyric Theatre Hammersmith Limited (The)**  
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**13. Debtors**

	Group		Company	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	210,586	257,417	166,813	198,852
Subsidiary undertakings	-	-	1,070,543	730,377
Other debtors	924,995	734,070	110,424	150,573
Prepayments	45,293	88,096	45,293	69,680
Accrued income	72,362	91,561	71,328	91,561
	<u>1,253,236</u>	<u>1,171,144</u>	<u>1,464,401</u>	<u>1,241,043</u>

**14. Creditors: amounts falling due within one year**

	Group		Company	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	186,493	270,087	174,210	256,775
Subsidiary undertakings	-	-	2,376	-
Taxation and social security	132,538	75,188	86,586	43,071
Other creditors	34,234	68,492	8,316	35,832
Accruals	381,869	484,820	366,704	434,323
Deferred income	674,719	487,076	637,986	487,076
	<u>1,409,853</u>	<u>1,385,663</u>	<u>1,276,178</u>	<u>1,257,077</u>

**15. Restricted funds**

		31 March				31 March
		2024 £	Incoming £	Outgoing £	Transfers £	2025 £
Capital extension 2004	(1)	733,196	-	(91,622)	-	641,574
Capital project 2015	(2)	5,394,806	-	(268,058)	-	5,126,748
Capital project 2018	(3)	375,385	-	(52,567)	-	322,818
Young People's fund	(4)	141,792	284,264	(299,650)	-	126,406
Restricted activity fund	(5)	38,000	117,948	(97,323)	(48,000)	10,625
		<u>6,683,179</u>	<u>402,212</u>	<u>(809,220)</u>	<u>(48,000)</u>	<u>6,228,171</u>

- (1) The Capital extension 2004 fund relates to the extension built in 2004 and represents fixed assets. The movement on the fund represents depreciation charges.
- (2) The Capital project 2015 fund comprises income received for the building of the Reuben Foundation Wing and represents fixed assets. The movement on the fund represents depreciation charges.
- (3) The Capital project 2018 fund relates to the refurbishment of the auditorium and Studio in 2018 and represents fixed assets. The movement on the fund represents depreciation charges.
- (4) The Young People's fund represents income received to support young people's activity and the related expenditure. The balance at 31 March 2025 represents income received toward activities to be undertaken in 2025-56.
- (5) The Restricted activity fund represents income received to support specific charitable activities and the related expenditure. The transfer represents expenditure on capital. The balance at 31 March 2025 represents income received towards activities to be undertaken in 2025-26.

**Lyric Theatre Hammersmith Limited (The)**  
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		<b>31 March 2023</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>31 March 2024</b>
		£	£	£	£
Capital extension 2004	(1)	824,818	-	(91,622)	733,196
Capital project 2015	(2)	5,813,088	-	(418,282)	5,394,806
Capital project 2018	(3)	427,957	-	(52,572)	375,385
Young People's fund	(4)	155,700	237,769	(251,677)	141,792
Restricted activity fund	(5)	22,400	170,868	(155,268)	38,000
		<b>7,243,963</b>	<b>408,637</b>	<b>(969,421)</b>	<b>6,683,179</b>

**16. Unrestricted funds**

		<b>31 March</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Transfers</b>	<b>31 March</b>
		2024	£	£	£	2025
		£	£	£	£	£
<b>Designated funds</b>						
Fixed Asset Fund	(1)	476,673	-	(59,946)	105,503	522,230
Building Renewal Fund	(2)	487,779	-	(44,130)	(80,503)	363,146
Reserves Fund	(3)	1,125,000	-	-	(30,000)	1,095,000
Total designated funds		<b>2,089,452</b>	<b>-</b>	<b>(104,076)</b>	<b>(5,000)</b>	<b>1,980,376</b>
<b>Other unrestricted funds</b>						
General funds	(4)	13,795	7,153,538	(7,212,143)	53,000	8,190
Total unrestricted funds		<b>2,103,247</b>	<b>7,153,538</b>	<b>(7,316,219)</b>	<b>48,000</b>	<b>1,988,566</b>

- (1) The Fixed Asset Fund represents the net book value of tangible fixed assets. The expenditure from the fund represents depreciation charges and during the year £105,503 was transferred into the fund from the Building Renewal Fund for additions to the charity's fixed assets (see note 11).
- (2) The Building Renewal Fund provides funds for the essential replacement and renewal of equipment, fixtures and fittings over the short term, and for the larger capital expenses which will be required to maintain the Lyric Theatre over the long term. During the year £44,130 was expended on non-capitalised renewal of fixtures and fittings and a transfer was made to the Fixed Asset Fund for capitalised assets of £80,503.
- (3) The Reserves Fund has been designated by the Trustees to cover the level of financial risk inherent in the charity's operations, as identified in the risk management strategy (see page 10).
- (4) General funds represent the Charity's free reserves. During the year a transfer of £30,000 was made from the designated Reserve Fund (see above).

		<b>31 March 2023</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Transfers</b>	<b>31 March 2024</b>
		£	£	£	£	£
<b>Designated funds</b>						
Fixed Asset Fund		479,175	-	(49,727)	47,225	476,673
Building Renewal Fund		594,945	-	(59,943)	(47,223)	487,779
Reserves Fund		965,000	-	-	160,000	1,125,000
Total designated funds		<b>2,039,120</b>	<b>-</b>	<b>(109,670)</b>	<b>160,002</b>	<b>2,089,452</b>
<b>Other unrestricted funds</b>						
General funds		8,335	6,528,425	(6,362,963)	(160,002)	13,795
Total unrestricted funds		<b>2,047,455</b>	<b>6,528,425</b>	<b>(6,472,633)</b>	<b>-</b>	<b>2,103,247</b>

**Lyric Theatre Hammersmith Limited (The)**  
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**17. Analysis of group net assets between funds**

	Unrestricted funds		Restricted funds £	Total 2025 £
	General funds £	Designated funds £		
	Fixed assets and investments	-		
Current assets	1,418,043	1,458,147	137,030	3,013,220
Creditors	(1,409,853)	-	-	(1,409,853)
	<u>8,190</u>	<u>1,980,376</u>	<u>6,228,171</u>	<u>8,216,737</u>

	Unrestricted funds		Restricted funds £	Total 2024 £
	General funds £	Designated funds £		
	Fixed assets and investments	-		
Current assets	1,399,458	1,612,779	179,792	3,192,029
Creditors	(1,385,663)	-	-	(1,385,663)
	<u>13,795</u>	<u>2,089,452</u>	<u>6,683,179</u>	<u>8,786,426</u>

**18. Lease obligations – charity and group**

The total of future minimum lease payments under the charity's non-cancellable 125-year operating lease for the Lyric Theatre is as follows:

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
<b>Land and buildings</b>				
One year	40,000	40,000	40,000	40,000
Two to five years	160,000	160,000	160,000	160,000
More than five years	4,545,653	4,585,544	4,545,653	4,585,544
	<u>4,745,653</u>	<u>4,785,544</u>	<u>4,745,653</u>	<u>4,785,544</u>

**19. Related party transactions**

During the year ended 31 March 2025 trustees and persons connected with them received no remuneration (2024: nil) and £500 expenses (2024: £250).

During the year ended 31 March 2025 trustees and persons connected with them made donations to the Charity totalling £9,625 (2024: £9,331).

At 31 March 2025 the following amounts were owed to the Charity by its subsidiary companies:

- Lyric Hammersmith Enterprises Limited: £253,596 comprising a donation of £159,639 and a net amount of £93,957 for intercompany recharges.
- Lyric Hammersmith Worldwide Limited: £814,570 comprising payments for production services.

Transactions between Lyric Theatre Hammersmith and its subsidiaries are detailed in note 5.

**Lyric Theatre Hammersmith Limited (The)**  
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**20. Comparative consolidated statement of financial activities for the year ended 31 March 2024**

	<i>Note</i>	<i>General Funds £</i>	<i>Designated Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2024 £</i>
<b>Income from:</b>					
<i>Donations</i>	3(a)	114,673	-	127,757	242,430
<i>Charitable activities</i>					
<i>Theatre &amp; Young     People's Activity</i>	2	3,428,949	-	-	3,428,949
<i>Grants</i>	3(b)	1,361,890	-	280,880	1,642,770
<i>Other trading activities</i>	4	969,628	-	-	969,628
<i>Interest received</i>		69,788	-	-	69,788
<b>Total income</b>		<b>5,944,928</b>	<b>-</b>	<b>408,637</b>	<b>6,353,565</b>
<b>Expenditure on:</b>					
<i>Raising funds</i>	6	1,060,819	-	-	1,060,819
<i>Charitable activities</i>	7	5,299,144	109,670	969,421	6,378,235
<b>Total expenditure</b>		<b>6,359,963</b>	<b>109,670</b>	<b>969,421</b>	<b>7,439,054</b>
<i>Net losses on investments</i>	12	(3,000)	-	-	(3,000)
<b>Net income/(expenditure) before taxation</b>					
<i>Taxation</i>	9	(418,035)	(109,670)	(560,784)	(1,088,489)
<i>Transfers between funds</i>	15,16	583,497	-	-	583,497
<b>Net movement in funds</b>		<b>(160,002)</b>	<b>160,002</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of funds:</b>					
<i>Total funds brought forward</i>		5,460	50,332	(560,784)	(504,992)
<b>Total funds carried forward</b>		<b>8,335</b>	<b>2,039,120</b>	<b>7,243,963</b>	<b>9,291,418</b>
		<b>13,795</b>	<b>2,089,542</b>	<b>6,683,179</b>	<b>8,786,426</b>

**LYRIC THEATRE HAMMERSMITH LIMITED**

England & Wales - Charity number 278518

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# Accounts

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**LYRIC THEATRE HAMMERSMITH LIMITED (THE)**  
(A Company Limited by Guarantee)

Registered Company No.1443809  
Registered Charity No.278518

**CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2024**

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

The Trustees of the Lyric Theatre Hammersmith are pleased to present their report together with the financial statements for the year ended 31 March 2024.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Details**

Registered Name: Lyric Theatre Hammersmith Limited (The)

Registered Charity No.: 278518

Registered Company No.: 1443809

Registered Address: Lyric Hammersmith Theatre  
Lyric Square  
King Street  
London W6 0QL

Joint Chief Executive &  
Artistic Director: Rachel O'Riordan

Joint Chief Executive &  
Executive Director: Amy Belson

**Advisers**

Auditors: Saffery LLP  
71 Queen Victoria Street  
London EC4V 4BE

Bankers: Barclays Bank  
Knightsbridge Business Centre  
PO Box 32014  
London NW1 2ZG

Solicitors: Harbottle and Lewis  
14 Hanover Square  
London W1R 0BE

Farrer and Co LLP  
66 Lincoln's Inn Fields  
London WC2A 3LH

**Constitution**

The Lyric Theatre Hammersmith is a registered charity and a company limited by guarantee, governed by its Memorandum and Articles of Association dated 14 August 1979 and last updated in 2004.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

STRATEGIC REPORT

## **Objectives**

The objectives of the charity as set out in the Lyric's Memorandum and Articles of Association are:

- The advancement of the education of the public, and in particular of people living or working in the London Borough of Hammersmith and Fulham and in West London, in the arts.
- The provision of facilities for recreation and other leisure time occupations for the public and in particular persons living and working in the London Borough of Hammersmith and Fulham.

## **Mission & strategic objectives**

### Mission

We are the Lyric Hammersmith Theatre. We are the artistic and civic heart of West London. In our big, beautiful theatre, we present world-class theatre and tell stories that matter. We bring the best artistic talent to Hammersmith to make ambitious theatre for our audience that entertains and inspires. We believe theatre is for everyone and support tomorrow's artists to discover the power of creativity and realise their potential to shape the future of theatre.

A local theatre with a national impact. The Lyric – 125 years young.

### Values

#### **Work with integrity and respect**

We support each other with kindness, openness and integrity. Together we celebrate our achievements and work collaboratively through our challenges.

#### **Every day we learn and grow**

We continue to ask questions, seek answers and share our learning with each other for the benefit of the Lyric.

#### **Be ambitious and action-focused**

We believe in excellence; we have a can-do attitude, go the extra mile and ensure our ideas become actions.

#### **Serve our West London community**

We are here for the people of West London, every decision we make and action we take should benefit our community

### Strategic objectives for 2023/24:

In 2023 the Lyric Hammersmith Theatre launched the theatre's strategic vision, defining organisational ambitions through to 2026. It forms the foundations of all strategic work and planning across the organisation.

Fundamental to the strategic work is a continued commitment to change, which is articulated through a new Anti-Racism Strategy.

The vision is informed by the delivery requirements of our major funders – Arts Council England and the London Borough of Hammersmith & Fulham – alongside creative and organisational priorities that will ensure the future success of the Lyric.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

Strategic Strands:

**OUR WORK & IDENTITY**

Positioning the Lyric in the UK theatre landscape

**OUR BUSINESS DEVELOPMENT & SUSTAINABILITY**

Developing and delivering against the Lyric's business model

**OUR AUDIENCE & COMMUNITY**

Engaging and growing the Lyric's audience and wider community

**OUR PEOPLE & CULTURE**

Supporting staff, young people and artists to excel

Activities & Achievements: Delivering the strategic objectives

Productions in 2023/24 included:

***Accidental Death of an Anarchist*** by Dario Fo and Franca Rame, in a new adaptation by comedian, writer and actor Tom Basden, directed by Daniel Raggett and starring BAFTA winner Daniel Rigby, which transferred to the West End in Summer 2023 and was nominated for an Olivier Award for Best Entertainment.

***The Good Person of Szechwan*** adapted by Nina Segal and directed by Anthony Lau, a Lyric co-production with English Touring Theatre and Sheffield Theatres.

The UK premiere of award-winning hit US comedy ***School Girls; Or, the African Mean Girls Play*** by Jocelyn Bioh, directed by Monique Touko.

A new adaptation of Euripides' ***The Bacchae*** by Katherine Soper, directed by Kwame Owusu and performed by actors from the Lyric's ground-breaking performance training programme, SPRINGBOARD.

**Yasmina Reza's *God of Carnage***, in a translation by **Christopher Hampton**, directed by the Lyric's Associate Director **Nicholai La Barrie**.

The London transfer of the Royal Shakespeare Company's ***The Empress*** by Lyric Associate Artist **Tanika Gupta**, directed by **Pooja Ghai**.

***Cinderella*** in a new adaptation by award-winning writer, composer and comedian **Vikki Stone** and directed by **Tonderai Munyevu**.

The start of the Lyric's new co-producing partnership with Frantic Assembly with a new adaptation of Franz Kafka's ***Metamorphosis***, by **Lemn Sissay OBE**, directed by **Scott Graham**.

Artistic Director, **Rachel O'Riordan** directed a major revival of **Brian Friel's** masterpiece ***Faith Healer***.

In May 2024, the Lyric published its first Impact Report, articulating the theatre's work, priorities and achievements across two years (1 April 2022 – 31 March 2024) against the theatre's strategic objectives. We see the impacts explored in the report as belonging to the heart of the Lyric: our community of staff, audiences, artists, participants and supporters. The Impact Report is available

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

to view in full on the Lyric's website and the below highlights key statistics and quotes from the people who have been connected with the Lyric during this period.

- Open to the public for 8,500+ hours
- 95% of visitors are likely to return to the Lyric
- 5,965 'Free First Night' tickets distributed
- 4,039 free tickets for schoolchildren
- 14 inclusion programmes for underrepresented young people
- 250 creative freelancers engaged every year
- 1,559 unique young people took part in Young Lyric
- 84% of West London audiences believe the Lyric is important to the local economy
- 90% of audiences felt the Lyric produced high-quality theatre with 16 Main House productions and 34 Studio productions/events
- The Lyric used 635,000 kWh of 100% renewable electricity annually
- 93% of waste was recycled, saving 6 tonnes of CO2 annually
- Shortlisted for The Stage Awards 2024 Theatre of the Year

'This was a tremendous year for the Lyric, which put the challenges of the pandemic firmly behind it. Under Artistic Director Rachel O'Riordan and Executive Director Amy Belson's leadership, the Lyric has bounced back to even higher levels than before the lockdowns.' THE STAGE | JANUARY 2024

'One of the most interesting theatres in the capital right now.' EVENING STANDARD, MARCH 2024

'I'm a West Londoner and it's so important to me that theatre remains accessible, both to working professionals as well as children. The Lyric is so unique in that it encourages those from all walks to attend its venue through schemes, affordable prices.' WEST LONDONER AUDIENCE MEMBER, MALE AGED 27, FEBRUARY 2024

'This show is a tonic, and a joy injection that encourages us to embrace difference – a message, I reckon, we all need to hear right now.' EVENING STANDARD REVIEW OF SCHOOL GIRLS  
★★★★

'My time in the Lyric has shown a greater strength in myself but has also enabled me to be more confident in my everyday life. Thanks to the Lyric my passion for acting and music has held on strong.' RHEA | YOUNG LYRIC PARTICIPANT, FEBRUARY 2024

'Thank you... for the incredible experience you gave our year 9s... over the last few months... the boys will never forget the experience through your belief and nurturing of them over your Thursday sessions. How lucky were they.' MARIA, TEACHER | THE GREEN SCHOOL FOR BOYS

'The Lyric Hammersmith Theatre plays a central role in the cultural life of the borough, not just as a venue with thought-provoking and entertaining shows, but also in delivering high quality education and training programmes and as a home for other cultural companies. We are proud to have such an asset in Hammersmith & Fulham, and pleased to be working closely with the theatre on delivering our cultural ambitions.' CLLR HOLDER, CABINET MEMBER FOR PUBLIC REALM

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

Fundraising

We raise money from a range of sources including grants from trusts and foundations, corporate partnerships, corporate support, individual memberships, major donors, crowdfunding appeals, and special events. Our first Impact Report covers the years 2022-2024 and will be an excellent way of demonstrating the importance of our funders who make all activity possible.

**Trusts and Foundations** fundraising continues to be challenging so we were delighted to welcome back some previous funders as well as new ones particularly in supporting the Young Lyric programmes.

**Corporate** support is returning to pre-pandemic levels as local businesses recognise the importance of the Lyric in the community and want to align with our mission. We introduced more ways for corporates to support us through volunteering and secured a Panto sponsor for the first time which was very successful.

**Individual** support continues to grow through our membership scheme and particularly through our auction and another Big Give Christmas Challenge which exceeded its target for the second year. Our stewardship of individuals is leading to increased donations, new multi-year major donors, as well as a legacy programme – *Leave it to Lyric* – which will be launched in 2024/25.

**Events** are our way to use our assets for fundraising and we are increasing the number of events to include regular comedy nights, Christmas events, and talks which are proving popular. This income stream is also being built to support a busy calendar of fundraising events in our 130th anniversary year.

All our fundraising activity is delivered in-house by our Development team with the support of a (volunteer) Development Committee and the wider Lyric team. We do not engage a professional fund-raiser. We ensure that our fundraising staff are trained in our fundraising policies and procedures, supported with controls to ensure compliance.

We operate according to an agreed strategy and report back to the Finance & Resources Committee and Trustees at regular Board meetings through the Board member who chairs our Development Committee. Our financial goals in 2023-24 were re-forecast responding to recruitment challenges and some disappointing bid outcomes.

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications of their activities.

It is possible that our fundraisers may come into contact with vulnerable people. We are especially careful and sensitive when engaging with vulnerable people, and have a Safeguarding Policy, procedures and processes in place to ensure we are doing all we can to protect vulnerable people. Our Guidelines for Fundraising Involving Vulnerable People was updated in January 2022.

We are committed to following the Code of Fundraising Practice and voluntarily subscribe to the Fundraising Regulator. We have complied with relevant laws and regulations, including the Proceeds of Crime Act, Data Protection, Tax and Gift Aid legislation, and Charity Commission guidance, as well as our policies, such as Fundraising Policy and Ethics Policies both of which were updated in December 2023. The Development Director and Executive Director have reviewed and monitored all fundraising activity in this financial year against these policies and can report that there has been no negligence. There have been no complaints to date about fundraising at the Lyric. The Lyric is fully compliant with GDPR legislation in how we use data and communicate with our database. Our Privacy Policy states how we use data in fundraising in order to ensure we are only soliciting gifts from those who are willing and able to support us.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

**Future plans**

2025 marks the Lyric's 130th birthday and the 10-year anniversary of the opening of the Reuben Foundation Wing, which provides creative engagement opportunities for the young people of West London.

This major year will see the launch in late 2024 of the Lyric's fundraising Birthday campaign to future proof the Main House by raising the funds needed to complete vital work to replace the outdated lighting system with energy-efficient LED fixtures. This work will improve performance facilities for the Lyric's artistic and education programmes for more audiences and participants.

Our current lighting infrastructure, installed in 2005, is not only inefficient but also costly to maintain, environmentally unsustainable and nearing its end of life. Upgrading to LED lighting will significantly reduce our energy consumption, cut electricity costs, and lower our carbon footprint, aligning with our commitment to environmental sustainability.

Young Lyric projects will see the Lyric build further the targeted and expansive work in supporting West Londoners aged 0-25. The pioneering pathways programme, SPRINGBOARD, moves into its fourth year with a pivotal conference and evaluation where the Lyric will share learnings with the industry. The launch of the Lyric's Schools Circle sees an increase in the work and support of teachers and schoolchildren across West London responding to the needs of our most local schools. As part of our commitment to establishing equality of opportunity for young people to access theatre, we will launch a brand new free SEND ticket scheme in collaboration with our partners. Our longstanding provision regarding social justice in Hammersmith and Fulham is further strengthened with the launch of a collaborative project with LBHF GVEU, touring a new schools production for young people aged 11-13 who are at risk of being coerced and exploited into gang-related activity.

Productions in 2024/25 will position the Lyric as a major leading producing theatre that collaborates with England's leading producers and theatres. The ambitious programme includes:

**Minority Report.** The sci-fi thriller based on the short story by Philip K. Dick, adapted by David Haig and directed by Max Webster, in a co-production with Simon Friend Entertainment, Nottingham Playhouse and Birmingham Rep.

**Wedding Band: A Love/Hate Story in Black and White,** written by Alice Childress and directed by Monique Touko in the plays UK premiere. Touko returns to the Lyric following the sell-out success of *School Girls; Or, The African Mean Girls Play*.

**The Promise,** co-produced with **Birmingham Rep** and **Deafinitely Theatre**, an award-winning deaf-led theatre company in the UK, producing bilingual theatre in British Sign Language and Spoken English plays in the Lyric's Studio Theatre.

**FANGIRLS,** written and composed by **Yve Blake** and directed by **Paige Rattray**. The multi-award-winning Australian pop musical phenomenon makes its UK premiere in a brand-new production co-produced with **Sonia Friedman Productions**.

**Artistic Director Rachel O'Riordan** directs **Timberlake Wertenbaker's** Olivier Award-winning modern classic, **Our Country's Good**, with the award-winning playwright revisiting the piece for this major London revival.

**Lorraine Hansberry's** American classic, **A Raisin in the Sun**, directed by **Lyric Artistic Associate Tinuke Craig** in a co-production with **Headlong, Leeds Playhouse** and **Nottingham Playhouse**.

**Lyric Theatre Hammersmith Limited (The)  
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For the year ended 31 March 2024**

***Play On!***, a major touring musical based on Shakespeare's *Twelfth Night*, directed by **Michael Buffong**, set in New York's Cotton Club and featuring Duke Ellington's timeless music. A co-production with **Talawa, Belgrade Theatre, Birmingham Hippodrome, Bristol Old Vic, Liverpool's Everyman Playhouse**, and **Wiltshire Creative**, making its London premiere at the Lyric.

**Sonia Jalaly** writes the Lyric's 2024 Panto, ***Aladdin***, directed by **Associate Director, Nicholai La Barrie**.

***For the Culture: Celebrations of Blackness Festival*** returns. This three day festival will feature music, art, workshops and more, celebrating and honouring the Black British diaspora.

We remain confident in our resilience and commitment to serve the people of West London, to ensuring leading artists from across the world can create the very best theatre in our home in Hammersmith and that through our passion and determination we will break down the barriers to creative engagement.

## FINANCIAL REVIEW

The group's total income for the year was £6,353,565. This represents our highest ever level of annual income (excluding grants towards the refurbishment of the theatre's Main House in 2018/19), after 3 years in which our income had fallen to between £3.6m and £4.9m as a consequence of reduced audience numbers during and after the Coronavirus pandemic.

Of this income, £3.4m was from charitable activities, £1.4m from public funding, £0.9m from commercial activity (bars, catering, hires and events) and £0.6m from grants, donations and other fundraising.

Total expenditure for the year was £7,439,054. This represents our highest ever level of expenditure, reflecting our most ambitious season of theatrical productions to date.

Of this expenditure, £6.4m was on charitable activities (£5.7m on theatre productions and £0.6m on our Young People's programme), £0.6m on commercial activity, £0.3m on support costs and £0.2m on fundraising.

After receipt of Theatre Tax Relief of £583,497 and a net loss on investments of £3,000 (an investment in the West End transfer of the Lyric's production of *Accidental Death of an Anarchist*), the net movement of funds for the year was a deficit of £504,992. The net movement of funds includes £498,813 of depreciation from restricted and designated funds and the disposal of assets valued at £117,310 from restricted funds. These disposals relate to obsolete equipment in the cinema and Digital Playspace in the Reuben Foundation Wing, built in 2015 and converted in 2024 into a new rehearsal room, classroom and office space to better support the charity's objectives. The cost of these works was met by the use of the final £110,132 of current assets held in the Capital project 2015 restricted fund.

The charity's net surplus for the year, excluding restricted funds, was £55,792.

The group's total funds at 31 March 2024 were £8,786,426, comprising £6,503,387 fixed assets held in restricted funds, £476,673 fixed assets held in designated funds, £179,792 restricted funds for activities in 2024-25, £1,612,779 in designated reserves (see below) and £13,795 general funds.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

Reserves

As part of the charity's risk management strategy (see below) the potential financial impact of each risk is assessed and weighted according to its likelihood. The Trustees' reserves policy is to maintain a designated **Reserves Fund** to cover this overall level of risk. The current requirement, according to this policy, is for the Reserves Fund to hold between £1.0m and £1.4m, against which £1.1m was held at 31 March 2024. During the year a transfer of £160,000 was made into the Reserves Fund from General Funds.

The Trustees have also identified the need to hold a designated **Building Renewal Fund** for the essential replacement and renewal of equipment, fixtures and fittings over the short term, and for the larger capital expenses which will be required to maintain the theatre over the long term. The Trustees' initial assessment is that this fund should maintain a balance of between £0.2m and £0.6m during the next 4-5 years, with a view to increasing this level over the subsequent decade. Total movement on the Fund during the year was £107,166, reducing the Fund balance from £0.6m to £0.5m. Of this, £47,223 was a transfer to the Fixed Asset Fund (for fixed assets bought during the year not funded by restricted income), including a cooling system for the Main House, and £59,943 for replacement and renewal of other essential equipment.

For detailed analysis of reserves see Notes 15-17 of the Financial Statements.

Risk Management

The company has a risk management strategy which includes an Organisational Risk Register and a Disaster Recovery Plan. The Register assesses the major risks faced by the company, and an outline of actions taken to mitigate each risk. The Register is reviewed quarterly by the Senior Management Team, the Finance & Resources Committee and the Board.

The most significant areas of risk that the company currently faces are:

**Box office income targets**

As a publicly-funded theatre committed to the production and presentation of new and innovative work we face an inherent risk in the potential failure to reach box office targets. To manage this risk, we set realistic targets and reforecast annual budgets to take account of shows which under- or over-perform against these targets. We aim for a balanced programme and seek opportunities to maximise revenue wherever possible when a show is successful.

**Fundraising targets**

We raise a significant proportion of our total income from trusts, companies and individual donations, and from our commercial activity. We set realistic targets which are regularly monitored against confirmed income and we reforecast according to our performance in this area.

**Building, equipment and facilities maintenance and renewal**

Damage or breakdown of essential equipment or infrastructure could have a significant impact on the Lyric's ability to undertake its charitable activities. To manage this risk a schedule of planned preventative maintenance is undertaken; close communication is maintained with our landlord (the London Borough of Hammersmith and Fulham) regarding shared obligations; and a capital plan is in place for renewal and refurbishment in order to maintain the building in a standard befitting its use as a theatre and community hub.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The group consists of the Lyric Theatre Hammersmith charity and two wholly-owned subsidiaries: Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited.

The charity is a Company Limited by Guarantee, the Trustees of the charity being the Directors of the Company, governed by its Memorandum and Articles of Association.

**Board of Trustees**

The Articles of Association require that the Board comprise between ten and sixteen members as follows:

- up to four persons nominated by the London Borough of Hammersmith and Fulham who hold current office as Councillors of the Borough
- up to eight persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular expertise or experience in the promotion or encouragement of the lively arts and or theatre management, of which up to four persons the Directors will endeavour to nominate from the local community; and
- up to four persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular involvement engagement or employment in or with the community or voluntary sectors or other local organisation or group within the Borough.

Board Members are required to retire at the first Annual General Meeting after the third anniversary of their appointment. Board Members may be re-appointed unless they have served for more than six consecutive years.

The Trustees who have served since 1 April 2023 are:

Lorraine Heggsey (Chair)  
David Sharkey (Deputy Chair)  
Councillor Emma Apthorp  
Lameya Chaudhury  
Liz Elston Mayhew  
David Grieg  
Shivani Jaswal (*from 13 September 2023*)  
Farah Karim-Cooper (*to 12 June 2024*)  
Councillor Bora Kwon  
Oliver Mackwood (*from 13 September 2023*)  
Julie Molloy  
Lisa Popham (*from 13 September 2023*)  
Harbinder Singh Birdi (*from 13 September 2023*)  
Councillor Nikos Souslous  
Councillor Nicole Trehy

Observers may also attend Board meetings, subject to the approval of the Board, as representatives of the London Borough of Hammersmith & Fulham, Arts Council England, and the company's employees.

The Board met four times during the year in order to oversee the direction of the company, the day to day management of which is delegated to the Executive Team (comprising the Artistic Director and Executive Director) within terms agreed by the Board.

**Recruitment, induction and training of Trustees**

The Nominations Committee (see below) oversees the recruitment, induction and training of Trustees.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

All new Trustees are provided with an induction pack and meetings with relevant senior staff members, and ongoing training is provided by inviting Trustees to attend relevant courses.

**Committees**

A Finance & Resources Committee, comprising the Chair of the Board, at least two other Board members, and co-opted ex-officio members, reports to the Board. It meets prior to Board meetings in order to oversee the company's finances, building and HR matters. Members of the Committee during 2023/24 were:

David Sharkey (Chair)  
Lorraine Heggessey  
Bishin Ho  
Julie Molloy  
Harbinder Singh Birdi  
Councillor Nikos Soslous

A Nominations Committee, comprising at least three Board members, makes recommendations to the Board regarding the structure, size and composition of the Board, and to plan for the recruitment, appointment, induction and succession of Board members. The members of the Committee during 2023/24 were:

David Sharkey (Chair)  
Lameya Chaudhury  
Lorraine Heggessey  
Liz Elston Mayhew  
Julie Molloy  
Councillor Bora Kwon

**Related parties**

The Lyric Theatre Hammersmith's core funders are Arts Council England and the London Borough of Hammersmith and Fulham, who provide funding to enable the company to carry out its charitable activities.

The London Borough of Hammersmith and Fulham is also the theatre's landlord. The freehold of the Lyric is owned by Ingka, who lease it to the Borough on a 999 year term. A new 125 year lease was signed in November 2018, which was drawn up as part of the Agreement to develop the site with the freeholder and the theatre's landlord.

The Lyric Theatre Hammersmith has two wholly-owned subsidiaries:

- Lyric Hammersmith Enterprises Limited, which was established to operate the events, bar and catering facilities of the theatre. The profits of the subsidiary are donated to the Lyric.
- Lyric Hammersmith Worldwide Limited, which was originally established for the transfer of Lyric productions to the West End and any commercial exploitation of work and is now used as the vehicle to produce all Lyric productions and co-productions, maximising the benefit of theatre production tax relief. Any profits of the subsidiary are donated to the Lyric.

**Remuneration Policy**

The Board of Trustees do not receive any remuneration.

Remuneration for the Artistic Director, Executive Director, and Director of Finance & Resources is reviewed and set annually by the Nominations Committee. Other employees' remuneration is set with reference to the Lyric's Pay Policy and annual increases are considered by the Finance & Resources Committee as part of its regular monitoring of budgets and approved by the Board.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2024**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**AUDIT INFORMATION**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**APPROVAL**

The Trustees' Annual Report was approved by the Board of Trustees (in their capacity as Company Directors) on 11 December 2024.

  
Lorraine Heggeseey, Director

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2024**

## **Opinion**

We have audited the financial statements of Lyric Theatre Hammersmith Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2024**

inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

**Other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2024**

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2024**

**Use of our report**

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turtington (Senior Statutory Auditor)  
for and on behalf of Saffery LLP

Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: 19 December 2024

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

**Lyric Theatre Hammersmith Limited (The)**  
**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For the year ended 31 March 2024**

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
<b>Income from:</b>						
Donations	3(a)	114,673	-	127,757	242,430	178,962
Charitable activities						
Theatre & Young						
People's Activity	2	3,428,949	-	-	3,428,949	2,248,116
Grants	3(b)	1,361,890	-	280,880	1,642,770	1,596,427
Other trading activities	4	969,628	-	-	969,628	852,187
Interest received		69,788	-	-	69,788	28,885
<b>Total income</b>		<b>5,944,928</b>	<b>-</b>	<b>408,637</b>	<b>6,353,565</b>	<b>4,904,577</b>
<b>Expenditure on:</b>						
Raising funds	6	1,060,819	-	-	1,060,819	1,240,579
Charitable activities	7	5,299,144	109,670	969,421	6,378,235	5,169,599
<b>Total expenditure</b>		<b>6,359,963</b>	<b>109,670</b>	<b>969,421</b>	<b>7,439,054</b>	<b>6,410,178</b>
Net gains/(losses) on investments	12	(3,000)	-	-	(3,000)	-
<b>Net income/(expenditure) before taxation</b>		<b>(418,035)</b>	<b>(109,670)</b>	<b>(560,784)</b>	<b>(1,088,489)</b>	<b>(1,505,601)</b>
Taxation	9	583,497	-	-	583,497	526,939
<b>Transfers between funds</b>	15,16	<b>(160,002)</b>	<b>160,002</b>		<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>5,460</b>	<b>50,332</b>	<b>(560,784)</b>	<b>(504,992)</b>	<b>(978,662)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		8,335	2,039,120	7,243,963	9,291,418	10,270,080
<b>Total funds carried forward</b>		<b>13,795</b>	<b>2,089,452</b>	<b>6,683,179</b>	<b>8,786,426</b>	<b>9,291,418</b>

These results derive from continuing activities and all gains and losses recognised in the year are included in the above statement.

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

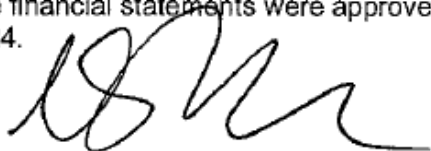
**Lyric Theatre Hammersmith Limited (The)**  
**Registered Company No.1443809**  
**Balance Sheet**  
**For the year ended 31 March 2024**

	Note	2024 £	Group 2023 £	2024 £	Company 2023 £
<b>Fixed assets:</b>					
Tangible fixed assets	11	6,980,060	7,434,907	6,980,060	7,434,907
Investments	12	-	-	3	3
<b>Total fixed assets</b>		<u>6,980,060</u>	<u>7,434,907</u>	<u>6,980,063</u>	<u>7,434,910</u>
<b>Current assets:</b>					
Stock and work in progress		201,225	146,839	186,599	133,268
Debtors	13	1,171,144	1,121,786	1,241,043	1,300,512
Cash on deposit		495,874	-	495,874	-
Cash at bank and in hand		1,323,786	1,803,613	1,139,924	1,494,487
<b>Total current assets</b>		<u>3,192,029</u>	<u>3,072,238</u>	<u>3,063,440</u>	<u>2,928,267</u>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	14	(1,385,663)	(1,215,727)	(1,257,077)	(1,071,759)
<b>Net current assets</b>		<u>1,806,366</u>	<u>1,856,511</u>	<u>1,806,363</u>	<u>1,856,508</u>
<b>Total net assets</b>		<u>8,786,426</u>	<u>9,291,418</u>	<u>8,786,426</u>	<u>9,291,418</u>
<b>The funds of the charity:</b>					
Restricted funds	15	6,683,179	7,243,963	6,683,179	7,243,963
Unrestricted funds:					
Designated funds	16	2,089,452	2,039,120	2,089,452	2,039,120
General funds	16	13,795	8,335	13,795	8,335
Total unrestricted funds		<u>2,103,247</u>	<u>2,047,455</u>	<u>2,103,247</u>	<u>2,047,455</u>
<b>Total funds</b>		<u>8,786,426</u>	<u>9,291,418</u>	<u>8,786,426</u>	<u>9,291,418</u>

No separate company Statement of Financial Activities (SoFA) has been prepared by the company, as permitted by Section 408 of the Companies Act 2006. The Charity's net surplus/deficit for the year, excluding restricted funds, was a surplus of £55,792 (2023: deficit of £540,153).

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

The financial statements were approved by the board and authorised for issue and signed on 11 December 2024.



Lorraine Heggessey, Director

**Lyric Theatre Hammersmith Limited (The)**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 March 2024**

**Consolidated statement of cash flows**

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	£	£	£	£
<b>Net cash provided by/(used in) operating activities</b>		108,035		(977,095)
<b>Cash flows from investing activities:</b>				
Interest received	69,788		28,885	
Proceeds from sale of fixed assets	2,500		-	
Purchase of fixed assets	(161,276)		(84,685)	
Purchase of investments	(25,000)		-	
Disposal of investments	22,000		-	
<b>Net cash provided by/(used in) investment activities</b>		(91,988)		(55,800)
Increase/(decrease) in cash		16,047		(1,032,895)
Opening cash balance at 1 April		1,803,613		2,836,508
<b>Closing cash balance at 31 March</b>		<u>1,819,660</u>		<u>1,803,613</u>

**Reconciliation of net income/expenditure to net cash flow from operating activities**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Net income/(expenditure)</b>	(504,992)	(978,662)
<b>Adjustments for:</b>		
Depreciation charges	498,813	529,213
Net losses on investments	3,000	-
Interest received	(69,788)	(28,885)
Loss on disposal of fixed assets	114,810	-
Increase/(decrease) in stock and work in progress	(54,386)	77,545
Increase in debtors	(49,358)	(630,759)
Increase in creditors	169,936	54,453
<b>Net cash provided by/(used in) operating activities</b>	<u>108,035</u>	<u>(977,095)</u>

**Analysis of changes in cash and changes in net debt**

	<b>At 1 April</b>	<b>Cash flow</b>	<b>At 31 March</b>
	<b>2023</b>	<b>2024</b>	<b>2024</b>
	£	£	£
Cash at bank and in hand	1,803,613	16,047	1,819,660
	<u>1,803,613</u>	<u>16,047</u>	<u>1,819,660</u>

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

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**1. Accounting policies**

**Company status**

The charity is a company limited by guarantee, registered in England and Wales. The registered office is Lyric Theatre, King Street, Hammersmith, London, W6 0QL. The members of the company have served as directors or are currently serving as directors as named on page 9. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1st January 2019.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

**Consolidation**

The SOFA and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

**Going concern**

At the time of approving the financial statements the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which are not designated for other purposes.

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

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

Transfers between funds are made at the discretion of the Board.

**Income**

Income from theatre admission fees is included in incoming resources in the period in which the relevant performance takes place. Income related to productions or lettings in a subsequent period is treated as deferred income.

Income from commercial activities is included in the period in which the activity takes place.

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, reasonable certainty of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Gifts in kind have been realised at cost.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**Expenditure**

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting donations and those incurred in the operation of trading activities that raise funds.
- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as touring and educational programmes. Cost of charitable activities include both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is on the basis of the relative proportion of direct costs incurred.
- Governance costs are the costs incurred in the governance of the charity and associated constitutional and statutory requirements. These costs are allocated between the charitable activities.

Where performances of a production straddle the balance sheet date direct costs are allocated to the period in which the performance takes place; royalties and similar costs are apportioned between the periods based on the production's theatre admissions income.

**Tangible fixed assets**

Individual fixed assets consisting of amounts greater than £2,500 for IT purchases and £5,000 for fixtures, fittings and equipment with a useful life in excess of one year are capitalised at cost. Tangible fixed assets are depreciated over their anticipated useful lives in equal instalments. The periods used are:

Leasehold improvements	28-30 years
Reuben Foundation Wing improvements	20 years
Auditorium, Studio and FOH improvements	4-20 years
Roof Garden	12 years
Fixtures and fittings	3-15 years
Technical and computer equipment	3-8 years

**Investments**

Investments in the charity's two wholly-owned subsidiaries, Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited, are investments in shares which cannot be publicly traded and the directors therefore consider it appropriate to include the investments at cost.

The charity invests in theatrical productions which the directors consider to have value in fulfilling its charitable objects and these are therefore classed as mixed motive investments. They are accounted for at fair value based on the charity's share of underlying net assets when information is available. When information is not available, they will be accounted for at cost less a provision for impairment. Any movement in fair value is accounted for as an unrealised investment gain or loss in the statement of financial activities.

**Financial Instruments**

Financial assets are recognised in the Charity's statement of financial position when the Charity becomes party to the contractual provisions of the instrument. The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

**Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**Other financial assets**

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

**Impairment of financial assets**

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

**De-recognition of financial assets**

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**Classification of financial liabilities**

**Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

**Other financial liabilities**

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

**De-recognition of financial liabilities**

Financial liabilities are de-recognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**2. Income from charitable activities**

	<b>2024</b>	<b>2023</b>
	£	£
Ticket sales	2,808,239	1,913,983
Touring income	102,500	40,500
Co-production income	139,222	43,000
Royalties income	25,449	3,000
Front of House sales	107,218	91,911
Income from partners	92,783	86,058
Young People's income	29,894	41,143
Other income	123,644	28,521
	3,428,949	2,248,116

**3. (a) Income from donations**

	<b>2024</b>	<b>2023</b>
	£	£
Total income from donations	242,340	178,962

Included within the total income from donations is £127,757 of restricted income (2023: £5,000).

**(b) Income from charitable activities: grants**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Public funding:</b>		
<i>Core funding:</i>		
Arts Council England:		
National Portfolio Organisation funding	1,120,240	1,120,240
London Borough of Hammersmith & Fulham:		
3 <sup>rd</sup> Sector Investment Funding	241,500	230,000
<i>Project funding:</i>		
London Borough of Hammersmith & Fulham:		
King Charles III Coronation Youth Fund	27,792	-
The British Council	4,000	-
<b>Trusts &amp; Foundations</b>		
<i>Restricted grants:</i>		
Young People's Programme activities	164,692	198,387
Theatre productions activities	84,396	23,300
Unrestricted grants	150	24,500
Total income from charitable activities: grants	1,642,770	1,596,427

Included in note 3 above are government grants of £269,292 from the London Borough of Hammersmith & Fulham (2023: £230,000).

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**4. Income from other trading activities**

	<b>2024</b>	<b>2023</b>
	£	£
Fundraising events	24,858	16,840
Corporate fundraising	76,468	58,549
Other trading	138	-
Commercial trading operations (note 5)	868,164	776,798
	969,628	852,187

**5. Commercial trading operations**

**Lyric Hammersmith Enterprises Limited**

The wholly owned trading subsidiary Lyric Hammersmith Enterprises Limited, incorporated in England and Wales, pays all its profits to the charitable company by Gift Aid. Lyric Hammersmith Enterprises Limited manages catering, hires and events at the Lyric Hammersmith Theatre.

The company owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below.

*Summary profit and loss account:*

	<b>2024</b>	<b>2023</b>
	£	£
Turnover	866,664	776,798
Other operating income	1,500	-
Interest received	4,990	1,895
Cost of sales	(179,560)	(177,850)
Administration expenses	(361,608)	(463,488)
Management fees	(180,000)	(137,355)
Net gains/(losses) on investments	(3,000)	-
	148,986	-
Net profit	148,986	-
Amount gifted to charity	(148,986)	-
	-	-
Profit retained in the subsidiary	-	-

*The assets and liabilities of the subsidiary at 31 March were:*

Current assets	275,468	437,362
Creditors: amounts falling due within one year	(275,466)	(437,360)
	2	2
Total net assets	2	2
Profit and loss account	-	-
Aggregate share capital and reserves	2	2
	2	2
Total funds	2	2

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**Lyric Hammersmith Worldwide Limited**

The wholly owned trading subsidiary Lyric Hammersmith Worldwide Limited, incorporated in England and Wales provides production services to Lyric Theatre Hammersmith Limited.

The company owns the entire issued share capital of 1 ordinary share of £1. A summary of the trading results is shown below.

*Summary profit and loss account:*

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Turnover	1,650,602	1,465,872
Cost of sales	(2,234,099)	(1,992,811)
Net profit/(loss)	(583,497)	(526,939)
Taxation	583,497	526,939
Profit retained in the subsidiary	-	-

*The assets and liabilities of the subsidiary at 31 March were:*

Current assets	583,497	780,653
Creditors: amounts falling due within one year	(583,496)	(780,652)
Total net assets	1	1
Profit and loss account	-	-
Aggregate share capital and reserves	1	1
Total funds	1	1

**6. Expenditure on activities for raising funds**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trading companies' staff costs	325,668	369,867
Trading companies' other costs	208,235	262,596
Commercial staff costs	55,197	-
Fundraising staff costs	137,885	-
Fundraising and commercial staff costs	-	216,167
Other direct fundraising costs	17,814	21,396
Support costs (note 8)	316,020	370,553
	1,060,819	1,240,579

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**7. Charitable activities**

	Activities undertaken directly £	Support costs £	Total 2024 £
Theatre productions	4,090,522	1,653,164	5,743,686
Young People's programme	462,604	171,945	634,549
	<u>4,553,126</u>	<u>1,825,109</u>	<u>6,378,235</u>
			<b>Total 2023 £</b>
<i>Theatre productions</i>	<i>3,170,525</i>	<i>1,350,363</i>	<i>4,520,888</i>
<i>Young People's programme</i>	<i>454,945</i>	<i>193,766</i>	<i>648,711</i>
	<u><i>3,625,470</i></u>	<u><i>1,544,129</i></u>	<u><i>5,169,599</i></u>

**8. Support costs**

	Charitable activities £	Cost of raising funds £	Total 2024 £
Staff costs	309,428	53,578	363,006
Building costs	494,561	85,634	580,195
Administration costs	342,614	59,324	401,938
Depreciation	425,191	73,622	498,813
Disposals	99,996	17,314	117,310
Irrecoverable VAT on overheads	125,369	21,708	147,077
Governance costs:			
Audit fees	27,950	4,840	32,790
Legal fees	-	-	-
	<u>1,825,109</u>	<u>316,020</u>	<u>2,141,129</u>
			<b>Total 2023 £</b>
<i>Staff costs</i>	<i>249,767</i>	<i>59,938</i>	<i>309,705</i>
<i>Building costs</i>	<i>452,631</i>	<i>108,621</i>	<i>561,252</i>
<i>Administration costs</i>	<i>297,969</i>	<i>71,505</i>	<i>369,474</i>
<i>Depreciation</i>	<i>426,794</i>	<i>102,420</i>	<i>529,214</i>
<i>Irrecoverable VAT on overheads</i>	<i>87,818</i>	<i>21,074</i>	<i>108,892</i>
Governance costs:			
<i>Audit fees</i>	<i>29,029</i>	<i>6,966</i>	<i>35,995</i>
<i>Legal fees</i>	<i>121</i>	<i>29</i>	<i>150</i>
	<u><i>1,544,129</i></u>	<u><i>370,553</i></u>	<u><i>1,914,682</i></u>

Support costs are allocated on the basis of the relative proportion of direct costs incurred.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**9. Taxation**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Domestic current year tax</b>		
UK Corporation Tax	(583,497)	(526,939)
	<u>(583,497)</u>	<u>(526,939)</u>

Income from UK Corporation Tax relates to a credit for Theatre Tax Relief.

**10. Staff costs and directors' remuneration**

	<b>2024</b>	<b>2023</b>
	£	£
Salaries and wages	2,323,373	2,090,994
Employers' National Insurance contributions	206,713	194,767
Employers' pension contributions	56,549	48,341
	<u>2,586,635</u>	<u>2,334,102</u>

These costs are included as follows:

Theatre productions	1,494,562	1,231,794
Young People's programme	210,317	179,348
Fundraising	137,885	108,884
Other activities for generating funds	380,865	504,371
Support costs	363,006	309,705
	<u>2,586,635</u>	<u>2,334,102</u>

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

	<b>2024</b>	<b>2023</b>
Full time	43	42
Part time and casual	60	52
	<u>103</u>	<u>94</u>

The number of full time equivalent employees was 82 (2023: 79) in the following categories:

Theatre productions	53	50
Young People's programme	7	7
Fundraising	3	2
Other activities for generating funds	11	14
Support activities	8	6
	<u>82</u>	<u>79</u>

One employees' total employee benefits fell within the range of £60,001-£70,000, one within the range of £70,001-£80,000 and one within the range of £80,001-£90,000 (2023: two in the range of £60,001-£70,000 and one in the range of £80,001-£90,000).

Key management personnel comprise the Senior Management Team of 10 employees (2023: 10 employees): Artistic Director / Chief Executive, Executive Director, Associate Director, Commercial Director, Director of Communications and Sales, Director of Development, Director of Finance and Resources, Director of Young Lyric, Head of Production and Senior Producer.

The total employee benefits of the key management personnel were £597,058 (2023: £578,150).

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**11. Tangible fixed assets**

All assets relate to the charitable company and are used for charitable purposes.

	Leasehold improvements £	Equipment and furniture £	Total £
<b>Cost</b>			
At 1 April 2023	12,869,831	2,282,071	15,151,902
Additions	109,726	51,550	161,276
Disposals	(195,517)	-	(195,517)
At 31 March 2024	<u>12,784,040</u>	<u>2,333,621</u>	<u>15,117,661</u>
<b>Depreciation</b>			
At 1 April 2023	5,506,411	2,210,584	7,716,995
Disposals	(78,207)	-	(78,207)
Charge for the year	463,132	35,681	498,813
At 31 March 2024	<u>5,891,336</u>	<u>2,246,265</u>	<u>8,137,601</u>
<b>Net book value</b>			
At 31 March 2024	<u>6,892,704</u>	<u>87,356</u>	<u>6,980,060</u>
At 31 March 2023	<u>7,363,420</u>	<u>71,487</u>	<u>7,434,907</u>

Legal charges exist over the long-term leasehold properties to secure the interests of Arts Council England, which contributed grant funding towards their redevelopment.

**12.(a) Investments in subsidiary undertakings**

	2024 £	Group 2023 £	2024 £	Company 2023 £
Investment in subsidiary undertakings	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>

Investments in subsidiary undertakings are included at cost and are unlisted. In the opinion of the directors the market value of the investment is not materially different from the cost.

	Number of shares	% of issued share capital	Cost of shares
Lyric Hammersmith Enterprises Limited (note 5)	2	100%	2
Lyric Hammersmith Worldwide Limited (note 5)	1	100%	1

**(b) Mixed motive investments**

	2024 £	2023 £
Purchase of investments	(25,000)	-
Disposal of investments	22,000	-
Net gains/(losses) on investments	<u>(3,000)</u>	<u>-</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**13. Debtors**

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	257,417	156,249	198,852	47,611
Subsidiary undertakings	-	-	730,377	1,073,695
Other debtors	734,070	857,466	150,573	76,812
Prepayments	88,096	57,479	69,680	51,802
Accrued income	91,561	50,592	91,561	50,592
	<u>1,171,144</u>	<u>1,121,786</u>	<u>1,241,043</u>	<u>1,300,512</u>

**14. Creditors: amounts falling due within one year**

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Trade creditors	270,087	345,426	256,775	332,771
Taxation and social security	75,188	52,754	43,071	11,974
Other creditors	68,492	101,882	35,832	65,102
Accruals	484,820	370,953	434,323	317,200
Deferred income	487,076	344,712	487,076	344,712
	<u>1,385,663</u>	<u>1,215,727</u>	<u>1,257,077</u>	<u>1,071,759</u>

**15. Restricted funds**

		31 March 2023 £	Incoming £	Outgoing £	31 March 2024 £
		Capital extension 2004	(1)	824,818	-
Capital project 2015	(2)	5,813,088	-	(418,282)	5,394,806
Capital project 2018	(3)	427,957	-	(52,572)	375,385
Young People's fund	(4)	155,700	237,769	(251,677)	141,792
Restricted activity fund	(5)	22,400	170,868	(155,268)	38,000
		<u>7,243,963</u>	<u>408,637</u>	<u>(969,421)</u>	<u>6,683,179</u>

- (1) The Capital extension 2004 fund relates to the extension built in 2004 and represents fixed assets. The movement on the fund represents depreciation charges.
- (2) The Capital project 2015 fund comprises income received for the building of the Reuben Foundation Wing and represents fixed assets. The movement on the fund represents depreciation charges and expenditure of £110,132 on the conversion of the cinema and Digital Playspace (see page 7).
- (3) The Capital project 2018 fund relates to the refurbishment of the auditorium and Studio in 2018 and represents fixed assets. The movement on the fund represents depreciation charges.
- (4) The Young People's fund represents income received to support young people's activity and the related expenditure. The balance at 31 March 2024 represents income received toward activities to be undertaken in 2024-25.
- (5) The Restricted activity fund represents income received to support specific charitable activities and the related expenditure. The balance at 31 March 2024 represents income received towards activities to be undertaken in 2024-25.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

		<b>31 March 2022</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>31 March 2023</b>
		£	£	£	£
Capital extension 2004	(1)	916,440	-	(91,622)	824,818
Capital project 2015	(2)	6,099,439	-	(286,351)	5,813,088
Capital project 2018	(3)	483,671	-	(55,714)	427,957
Young People's fund	(4)	182,922	199,387	(226,609)	155,700
Restricted activity fund	(5)	-	27,300	(4,900)	22,400
		<b>7,682,472</b>	<b>226,687</b>	<b>(665,196)</b>	<b>7,243,963</b>

**16. Unrestricted funds**

		<b>31 March</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Transfers</b>	<b>31 March</b>
		2023	£	£	£	2024
		£	£	£	£	£
<b>Designated funds</b>						
Fixed Asset Fund	(1)	479,175	-	(49,727)	47,225	476,673
Building Renewal Fund	(2)	594,945	-	(59,943)	(47,223)	487,779
Reserves Fund	(3)	965,000	-	-	160,000	1,125,000
Total designated funds		2,039,120	-	(109,670)	160,002	2,089,452
<b>Other unrestricted funds</b>						
General funds	(4)	8,335	6,528,425	(6,362,963)	(160,002)	13,795
Total unrestricted funds		2,047,455	6,528,425	(6,472,633)	-	2,103,247

- (1) The Fixed Asset Fund represents the net book value of tangible fixed assets. The expenditure from the fund represents depreciation charges and during the year £47,225 was transferred into the fund from the Building Renewal Fund for additions to the charity's fixed assets (see note 11).
- (2) The Building Renewal Fund provides funds for the essential replacement and renewal of equipment, fixtures and fittings over the short term, and for the larger capital expenses which will be required to maintain the Lyric Theatre over the long term. During the year £59,943 was expended on non-capitalised renewal of fixtures and fittings and a transfer was made to the Fixed Asset Fund for capitalised assets (see above).
- (3) The Reserves Fund has been designated by the Trustees to cover the level of financial risk inherent in the charity's operations, as identified in the risk management strategy (see page 8).
- (4) General funds represent the Charity's free reserves. During the year a transfer of £160,002 was made to the designated Reserve Fund (see above).

		<b>31 March 2022</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Transfers</b>	<b>31 March 2023</b>
		£	£	£	£	£
<b>Designated funds</b>						
New Building 2015 Fund		412,160	-	(65,452)	(346,708)	-
Fixed Asset Fund		77,858	-	(30,076)	431,393	479,175
Building Renewal Fund		710,000	-	(30,370)	(84,685)	594,945
Re-opening Fund 2021		200,000	-	(200,000)	-	-
Building Emergency Reserve		100,000	-	-	(100,000)	-
Programme Development		200,000	-	(25,000)	(175,000)	-
Organisational Development		25,001	-	-	(25,001)	-
Green Fund		25,000	-	-	(25,000)	-
Next Generation Fund		100,297	-	(25,297)	(75,000)	-
Reserves Fund		-	-	-	965,000	965,000
Total designated funds		1,850,316	-	(376,195)	564,999	2,039,120
<b>Other unrestricted funds</b>						
General funds		737,292	5,204,829	(5,368,787)	(564,999)	8,335
Total unrestricted funds		2,587,608	5,204,829	(5,744,982)	-	2,047,455

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**17. Analysis of group net assets between funds**

	<b>Unrestricted funds</b>		<b>Restricted funds</b>	<b>Total 2024</b>
	<b>General funds</b>	<b>Designated funds</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets and investments	-	476,673	6,503,387	6,980,060
Current assets	1,399,458	1,612,779	179,792	3,192,029
Creditors	(1,385,663)	-	-	(1,385,663)
	<u>13,795</u>	<u>2,089,452</u>	<u>6,683,179</u>	<u>8,786,426</u>

	<b>Unrestricted funds</b>		<b>Restricted funds</b>	<b>Total 2023</b>
	<b>General funds</b>	<b>Designated funds</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Fixed assets and investments</i>	-	479,177	6,955,730	7,434,907
<i>Current assets</i>	1,224,062	1,559,943	288,233	3,072,238
<i>Creditors</i>	(1,215,727)	-	-	(1,215,727)
	<u>8,335</u>	<u>2,039,120</u>	<u>7,243,963</u>	<u>9,291,418</u>

**18. Lease obligations – charity and group**

The total of future minimum lease payments under the charity's non-cancellable 125-year operating lease for the Lyric Theatre is as follows:

	<b>Group</b>		<b>Charity</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>(restated)</b>	<b>£</b>	<b>(restated)</b>
		<b>£</b>		<b>£</b>
<b>Land and buildings</b>				
One year	40,000	40,000	40,000	40,000
Two to five years	160,000	160,000	160,000	160,000
More than five years	4,585,544	4,625,544	4,585,544	4,625,544
	<u>4,785,544</u>	<u>4,825,544</u>	<u>4,785,544</u>	<u>4,825,544</u>

Lease obligations at 31 March 2023 have been restated to correct an error in prior years' accounts which understated the payments due in more than five years by £65,544.

**19. Related party transactions**

During the year ended 31 March 2024 trustees and persons connected with them received no remuneration (2023: nil) and expenses of £250 (2022: £545).

During the year ended 31 March 2024 trustees and persons connected with them made donations to the Charity totalling £9,331 (2022: £10,553).

At 31 March 2024 the following amounts were owed to the Charity by its subsidiary companies:

- Lyric Hammersmith Enterprises Limited: £146,880 comprising a donation of £148,986 less a net amount of £2,106 for intercompany recharges.
- Lyric Hammersmith Worldwide Limited: £581,385 comprising payments for production services.

Transactions between Lyric Theatre Hammersmith and its subsidiaries are detailed in note 5.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2024**

**20. Comparative consolidated statement of financial activities for the year ended 31 March 2023**

	<i>Note</i>	<i>General Funds £</i>	<i>Designated Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2023 £</i>
<b>Income from:</b>					
Donations	3(a)	173,962	-	5,000	178,962
<i>Charitable activities</i>					
Theatre & Young People's Activity	2	2,248,116	-	-	2,248,116
Grants	3(b)	1,374,740	-	221,687	1,596,427
Other trading activities	4	852,187	-	-	852,187
Interest received		28,885	-	-	28,885
<b>Total income</b>		<b>4,677,890</b>	<b>-</b>	<b>226,687</b>	<b>4,904,577</b>
<b>Expenditure on:</b>					
Raising funds	6	1,240,579	-	-	1,240,579
Charitable activities	7	4,128,208	376,195	665,196	5,169,599
<b>Total expenditure</b>		<b>5,368,787</b>	<b>376,195</b>	<b>665,196</b>	<b>6,410,178</b>
<b>Net income/(expenditure) before taxation</b>					
		(690,897)	(376,195)	(438,509)	(1,505,601)
Taxation	9	526,939	-	-	526,939
<b>Transfers between funds</b>					
	15, 16	(564,999)	564,999	-	-
<b>Net movement in funds</b>		<b>(728,957)</b>	<b>188,804</b>	<b>(438,509)</b>	<b>(978,662)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		737,292	1,850,316	7,682,472	10,270,080
<b>Total funds carried forward</b>		<b>8,335</b>	<b>2,039,120</b>	<b>7,243,963</b>	<b>9,291,418</b>

**LYRIC THEATRE HAMMERSMITH LIMITED**

England & Wales - Charity number 278518

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# Accounts

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LYRIC THEATRE HAMMERSMITH LIMITED (THE)  
(A Company Limited by Guarantee)

Registered Company No.1443809  
Registered Charity No.278518

CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2023

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2023**

The Trustees of the Lyric Theatre Hammersmith are pleased to present their report together with the financial statements for the year ended 31 March 2023.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Details**

Registered Name: Lyric Theatre Hammersmith Limited (The)

Registered Charity No.: 278518

Registered Company No.: 1443809

Registered Address: Lyric Hammersmith Theatre  
Lyric Square  
King Street  
London W6 0QL

Chief Executive &  
Artistic Director: Rachel O'Riordan

Executive Director: Amy Belson

**Advisers**

Auditors: Saffery LLP  
71 Queen Victoria Street  
London EC4V 4BE

Bankers: Barclays Bank  
Knightsbridge Business Centre  
PO Box 32014  
London NW1 2ZG

Solicitors: Harbottle and Lewis  
14 Hanover Square  
London W1R 0BE

Farrer and Co LLP  
66 Lincoln's Inn Fields  
London WC2A 3LH

**Constitution**

The Lyric Theatre Hammersmith is a registered charity and a company limited by guarantee, governed by its Memorandum and Articles of Association dated 14 August 1979 and last updated in 2004.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2023**

STRATEGIC REPORT

## Objectives

The objectives of the charity as set out in the Lyric's Memorandum and Articles of Association are:

- The advancement of the education of the public, and in particular of people living or working in the London Borough of Hammersmith and Fulham and in West London, in the arts
- The provision of facilities for recreation and other leisure time occupations for the public and in particular persons living and working in the London Borough of Hammersmith and Fulham.

## Mission & strategic objectives

The Lyric Hammersmith Theatre is the civic and creative heart of West London. We believe that everyone deserves to experience the life changing impact of theatre. In our big, beautiful theatre, we tell stories that matter and work with exceptional talent to make ambitious, entertaining, inspiring shows for our audience in West London and beyond. We remove barriers to engagement and ensure young people have the opportunity to discover the power of their creativity, shaping the future of British theatre. We are inclusive, forward looking and unafraid of change.

### Key strategic objectives for 2022/23:

These key strategic objectives for the Lyric in 2022/23 were set out in the Lyric's Business Plan and submitted to Arts Council England. All activity for the year was focused on delivering against these objectives, with the overarching objective of delivering against our mission for the purpose of the public's benefit.

**1. Work with the UK's leading artists to develop and present world-class theatre from the heart of Hammersmith that speaks to existing and new audiences.**

The Lyric is a unique theatre. We combine the audience and artistic experience of performance within an original Frank Matcham designed auditorium with the contemporary atmosphere and modern facilities of our building. This combination of new and old, local and national, allows us to embrace both tradition and innovation, allowing artists the chance to explore and reimagine, and giving our audiences a theatrical experience equivalent to the grandeur of the West End houses.

**2. Provide clear and sustainable pathways into the theatre industry for young people from all backgrounds in West London, supporting tomorrow's artists.**

The Lyric has a long and successful history in supporting and nurturing the industry's future artists, working closely with young people from all backgrounds from West London. This area of work has continued and flourished, despite our periods of closure due to the pandemic in the last 18 months.

**3. Deliver and build on our Commitment to Change Action Plan and further build our work in inclusivity and diversity.**

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2023**

We have committed to being an actively anti-racist organisation. We are committed to finding new ways to diversify the Lyric and the theatre industry through our work on stage, the way we run the Lyric and our work with young people.

**4. Provide greater access to our work on stage by making incisive connections to our projects and activity with young people, utilising the impact of excellence to inspire creativity and empower future audiences and theatre makers.**

We know the benefits of creating new clear connections between our work with young people and work on stage. It provides young people with access to excellence, sparks inspiration and helps them to see the pathway and opportunities potentially open to them by seeing professionals at work on stage and backstage.

**5. Ensure the Lyric is resilient, dynamic and stable to face the challenges of the future without impacting our mission.**

The impact of the pandemic has shown how dynamism is more essential than ever. The Lyric has been at the heart of Hammersmith for over 125 years and has survived many challenges during its history. We will ensure that the theatre can withstand and respond to the challenges and opportunities that the next decade will bring.

**6. Take the steps to ensure the Arts Council England investment principles are embedded in all our activity**

We are committed to developing and establishing our actions for each investment principle, identifying the work that delivers on these principles and the key areas of development needed alongside the data sources we will use and the people we will consult.

Delivering the strategic objectives: Activities & Achievements

In 2022/23, we produced a balanced programme of productions and projects that engaged the communities in West London. Our aim was to attract audiences back to the same levels as before the pandemic and provide greater access to our artistic programme through Young Lyric projects and activities.

- We welcomed **300,000 people** to the building
- **121,625 audiences** enjoyed a performance, festival or screening, with **26,130 discounted tickets** and **16,604 free tickets**
- Young Lyric and Lyric partnership activity recorded over **20,000 attendances from young people** in West London
- We contracted **280 freelance artists and practitioners** to work across our productions and Young Lyric activity

We saw a slow build of audience attendance through the financial year, returning to pre-pandemic audience level attendance by January 2023.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2023**

Productions and projects in 22/23 included:

- **Scandaltown**, a new play by Mike Bartlett, directed by Rachel O’Riordan  
★★★★ “*Scandaltown is satirically pure genius, and brings the mix of relevance, controversiality and humour, along with the madness that makes for a great night out.*”  
London Theatre Reviews
- Timberlake Wertenbaker’s adaptation of Jean Racine’s Roman tragedy **Britannicus** directed by Atri Banerjee.  
“*Agents and acting scouts should head to Hammersmith, to behold a fine selection of emerging talent*” The Daily Mail

In response to *Britannicus*, **76 students** from Chiswick School, Fulham Cross Girls’ School, Lady Margaret School, The Green School for Boys and Twickenham School worked with a team of professional directors developed a new performance exploring the story, themes and characters from the production.

*‘Thank you to the Lyric for the incredible experience you gave our Year 9’s over the last few months... The boys will never forget the experience through your belief and nurturing of them’* - Teacher, The Green School

- Young Lyric partner and disability-inclusive professional dance company, Amici Dance Theatre Company celebrated their 40<sup>th</sup> anniversary with **One World: Wealth of the Common People**, bringing together an **80-strong cast**
- A major London revival of Patrick Marber’s Olivier Award-winning **Closer** directed by Clare Lizzimore  
★★★★ “*A searingly good revival.*” Evening Standard

In response to *Closer*, **10 West London queer theatre makers** aged 18-25, created a movement piece exploring the themes of intimacy, relationships and queer utopia. The project was delivered by Outbox Theatre Company, who specialise in creating spaces for queer people to dream and imagine. It culminated in a performance sharing for over 40 friends and family.

*‘This project felt like a safe space to explore my identity and meet other queer people! I loved the freedom involved and it was great to return to movement after a long time.’* – Participant B

- **The Stories We Tell** – we delivered an international participatory collaboration in South Africa for a collective of young black queer women and genderqueer people from the UK, Kenya and South Africa, exploring the intersection of gender, sexuality, ethnicity and nationality. The project was delivered in partnership between the Lyric, Sibikwa Arts Centre, Johannesburg and The National Youth Theatre of Kenya. We produced a digital archive, which captures the learning and journey of the participants, artists and organisations involved - to be shared sector wide.
- The return of Gary Owen’s critically acclaimed **Iphigenia in Splott**, directed by Rachel O’Riordan with Sophie Melville reprising her role as Effie  
★★★★★ “*All its components combine to become bigger than the sum of its parts, from*

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*Rachel O'Riordan's supremely controlled directorial timing ... a growlingly poetic meditation and a call to arms in one. Magnificent... everyone should see this shattering modern classic. No one will remain unmoved."* The Guardian

★★★★★ *"Essential theatre... Liz Truss should see it. Kwasi Kwarteng should see it. And – because it is astonishing, essential theatre – you should see it too... Rarely is theatre so shattering: rarely does it feel so utterly indispensable."* The Stage

- In October 2022, we hosted leading Black British Company **Tiata Fahodzi**, who staged ***Talking About a Revolution*** in the Studio. Three half-hour world premieres from three of the most exciting voices in British theatre were presented – by writers including Diana Nneka Atuona, babirye bukilwa and Malaika Kegode.
- In November 2021, we opened a script submission window. We received a total of **804 scripts** with 767 scripts being eligible for the opportunity. The scripts were read by Liz Daramola (Literary Associate), Kwame Owusu and Alex Hurst (Birkbeck Resident Assistant Directors), and 10 Lyric Young Associates. We identified 4 scripts/writers that we wanted to support with dramaturgy to assist each writer to complete a next draft. We offered writers 3 paid days including: Dramaturgy Day, Writing Day and Workshop day. The end of the engagement was marked by a table read of the play by professional actors and a small invited audience made of industry and Lyric staff. In total we engaged with a total of 19 Artists and 10 Lyric Young Associates.
- ***Jack and the Beanstalk*** by Jude Christian and Sonia Jalaly, directed by Nicholai La Barrie  
★★★★★ *"An udderley brilliant panto... the crème de la crème."* The Times  
★★★★★ *"...Sumptuously OTT panto has a big heart. This loud, front-foot Jack and the Beanstalk is nine-tenths set piece; a production, by Nicholai La Barrie, machine-tooled for uplift. Who needs interval ice creams? The show is all sugar rush."* The Guardian
- Frantic Assembly's ***Othello*** by William Shakespeare, adapted by Scott Graham and Stephen Hoggett, directed by Scott Graham  
★★★★★ *"Frantic Assembly's roughed-up, seized-by-the-scruff-of-its-neck version of Othello keeps shining new lights on Shakespeare's play"* Observer

Alongside Frantic Assembly we worked with **66 young people** across four West London state schools (Fulham Boys School, Lady Margaret's School, Teddington School and Queensmill School) in creating their own work in response to dialogue and characters from *Othello*. The sharing took place in the Main House with over 100 of the participant's friends and family in attendance.

- ***Accidental Death of an Anarchist*** by Dario Fo and Franca Rame in a new adaptation by Tom Basden. Directed by Daniel Raggett. A co-production with Sheffield Theatres.  
★★★★★ *"Daniel Rigby as the Maniac brings the dazzlingly funny script roaringly to life"* The Guardian

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- **Springboard**, the Lyric's ground-breaking two-year programme is a major new performance pathway into employment designed specifically to support young people aged 18-25yrs who live in West London, have zero to little formal drama training and are currently underrepresented in theatre. In January 2023, 10 new trainees were enrolled in the two-year programme, joining the second year students, all benefitting from a bursary supporting them while they take part in a wide range of development initiatives including performances, workshops, masterclasses, artist development and opportunities both on and off the stage. Springboard is kindly supported by the Esmée Fairbairn Foundation and The Emmanuel Kaye Foundation who have helped to launch the programme through funding the first three years for 30 trainees.

Director Diyan Zora and playwright Sophie Ellerby created a reimagined version of **Lysistrata** for and with Springboard trainees as their first studio show, with attendance from agents, casting directors and industry representatives. 30% of trainees secured professional representation within their first year of training as a direct result of the production.

- **START and REWIND**, our flagship inclusion projects were delivered through the year. **26 NEET young people** engaged with START over 22/23 with the following post project pathways established:
  - 57% of young people continued to engage with the Lyric's classes
  - 15% of young people entered full time education at university
  - 4% of young people moved onto SPRINGBOARD
  - 50% of young people have entered full or part time employment

**20 students** engaged with REWIND over 22/23, working in partnership with secondary pupil referral unit Westside School and primary pupil referral unit Ormiston Courtyard Academy. REWIND provided access to theatre for some of the most vulnerable young people in our home borough.

- We delivered over **1,000 creative classes** with our Young Lyric Partners in 22/23 with over **16,000 attendances** from young people in West London. 38 financial bursaries were allocated to young people to attend classes. As of September 2022, 49.4% of our partnership class's delivery team (defined as practitioners, workshop assistants, hosts and visiting artists) were from the Global Majority.

### Fundraising

We raise money from a range of sources including grants from trusts and foundations, corporate partnerships, corporate support, individual memberships, major donors, crowdfunding appeals, and special events.

Following our period of closure when we were reliant on, and grateful for, emergency grants and funding as well as our long-term, loyal individual supports, 22/23 has been a year of stabilisation in fundraising. We re-established relationships with stakeholders and ability to fulfil funding agreements and membership benefits.

# Lyric Theatre Hammersmith Limited (The) Trustees' Report For the year ended 31 March 2023

All our fundraising activity is delivered in-house by our Development team with the support of a (volunteer) Development Committee and the wider Lyric team. We do not engage a professional fund-raiser or commercial participator. We ensure that our fundraising staff are trained in our fundraising policies and procedures, supported with controls to ensure compliance.

We operate according to an agreed strategy and report back to the Finance and Resources Committee and Trustees at regular Board meetings through the Board member who chairs our Development Committee. Our financial goals in 2022/23 were re-forecast in response to reality of a post-pandemic hiatus in trusts and foundations grants and challenges with recruitment. Nevertheless, new targets were met with the support of long-term and new donors wishing to support our exciting artistic programme as well as new Young Lyric initiatives such as the talent development programme, Springboard.

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications of their activities.

It is possible that our fundraisers may come into contact with vulnerable people. We are especially careful and sensitive when engaging with vulnerable people, and have a Safeguarding Policy, procedures and processes in place to ensure we are doing all we can to protect vulnerable people. Our Guidelines for Fundraising Involving Vulnerable People was updated in January 2022.

We are committed to follow the Code of Fundraising Practice and the Fundraising and voluntarily subscribe to the Fundraising Regulator. We have complied with relevant laws and regulations, including the Proceeds of Crime Act, Data Protection, Tax and Gift Aid legislation, and Charity Commission guidance, as well as our policies, such as Fundraising Policy and Ethics Policies both of which were updated in January 2022. The Development Director and Executive Director have reviewed and monitored all fundraising activity in this financial year against these policies and can report that there has been no negligence. There have been no complaints to date about fundraising at the Lyric. The Lyric is fully compliant with GDPR legislation in how we use data and communicate with our database. Our Privacy Policy states how we use data in fundraising in order to ensure we are only soliciting gifts from those who are willing and able to support us.

## Future plans

Following our successful Arts Council England NPO application, in collaboration with the Board and senior management team, we are currently setting out the Lyric's strategic vision for the next three years. The strategic vision looks to build on the Lyric's successes in 2023, which has included the West End transfer of *Accidental Death of An Anarchist* and the financially and critically acclaimed run of the UK premiere of *School Girls; or the African Mean Girls*. The vision has four strategic strands:

- **OUR WORK & IDENTITY**  
Positioning the Lyric in the UK theatre landscape
- **OUR BUSINESS DEVELOPMENT & SUSTAINABILITY**  
Developing and delivering against the Lyric's business model

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- **OUR AUDIENCE & COMMUNITY**  
Engaging and growing the Lyric's audience and wider community
- **OUR PEOPLE & CULTURE**  
Supporting staff and artists to excel

In 2023/24, we are producing work that is bold, innovative and welcoming, platforming excellent talent with interesting creative collaborations that is programmed for our audience and will inspire young people from West London. Our focus for the year is in ensuring the Lyric is for all with further work in access provision and accessibility to creativity for the community of West London.

The pilot of Springboard will continue, with the introduction of two industry showcases created specifically for trainees to gain more experience of the industry as well as exposure to casting and representation. Productions in 2023/24 include a major revival of *God of Carnage*, written by Yasmina Reza, translated by Christopher Hampton and directed by Lyric Associate Director Nicholai La Barrie. The first visit of the Royal Shakespeare Company to the Lyric Hammersmith Theatre with *The Empress*, written by the Lyric's Artistic Associate Tanika Gupta. A new co-production of *Metamorphosis* with Frantic Assembly, adapted by Lemn Sissay, which will see a continuation of the Young Lyric's partnership with Frantic Assembly with a new School Response Project as part of 'Lyric Learning'. The focus of this creative partnership is cultural inclusion therefore a 50:50 mix of SEND/state schools will be recruited and creative exchange between young people will be fostered and celebrated. 23/24 will conclude with Artistic Director, Rachel O'Riordan's production of Brian Friel's extraordinary play *Faith Healer*.

## FINANCIAL REVIEW

### FINANCIAL REVIEW

The group's total income for the year was £4,904,577, plus Theatre Tax Relief of £526,939. This was still below our pre-pandemic levels of income (of between £5.0m and £5.8m per year excluding capital grants and tax relief), reflecting the fact that at the start of the 2022-23 season audience numbers had not yet returned to pre-pandemic levels.

Total expenditure in the year was £6,410,178, including £5,169,599 on charitable activities, reflecting a return to pre-pandemic levels of activity.

The net deficit for the year of £978,662 included £529,214 of depreciation (from restricted and designated funds) and £280,667 planned expenditure from designated funds (including the remaining funds of £200,000 from the Re-opening Fund 2021 which had been designated towards supporting the theatre's post-pandemic recovery).

### RESERVES

As part of the charity's risk management strategy (see below) the potential financial impact of each risk is assessed and weighted according to its likelihood. The Trustees' reserves policy is to maintain a designated Reserves Fund to cover this overall level of risk. The current requirement, according to this policy, is for the Reserves Fund to hold between £0.9m and £1.5m, against which £1.0m was held at 31 March 2023. This fund was created during the year by amalgamating existing designated funds of £0.4m and transferring £0.6m from General Funds.

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The Trustees have also identified the need to hold a designated Building Renewal Fund for the essential replacement and renewal of equipment, fixtures and fittings over the short term, and for the larger capital expenses which will be required to maintain the Lyric Theatre over the long term. The Trustees' initial assessment is that this fund should maintain a balance of between £0.2m and £0.6m during the next 5 years, with a view to increasing this level over the subsequent decade. £0.6m was held in the Building Renewal Fund at 31 March 2023, and the Trustees therefore expect to make capital expenditure from the fund over the coming period.

For detailed analysis of reserves see Notes 15-17 of the Financial Statements.

## RISK MANAGEMENT

The company has a risk management strategy which includes an Organisational Risk Register and a Disaster Recovery Plan. The Register assesses the major risks faced by the company, and an outline of actions taken to mitigate each risk. The Register is reviewed quarterly by the Senior Management Team, the Finance & Resources Committee and the Board.

The most significant areas of risk that the company currently faces are:

### **Box office income targets**

As a publicly-funded theatre committed to the production and presentation of new and innovative work we face an inherent risk in the potential failure to reach box office targets. To manage this risk, we set realistic targets and reforecast annual budgets to take account of shows which under- or over-perform against these targets. We aim for a balanced programme and seek opportunities to maximise revenue wherever possible when a show is successful.

### **Fundraising targets**

Prior to the pandemic we raised an increasingly significant amount of our total income from trusts, companies and individual donations, and from our commercial activity. We set realistic targets which are regularly monitored against confirmed income and we reforecast according to our performance in this area.

### **Building, equipment and facilities maintenance and renewal**

Damage or breakdown of essential equipment or infrastructure could have a significant impact on the Lyric's ability to undertake its charitable activities. To manage this risk a schedule of planned preventative maintenance is undertaken; close communication is maintained with our landlord (the London Borough of Hammersmith and Fulham) regarding shared obligations; and a capital plan is in place for renewal and refurbishment in order to maintain the building in a standard befitting its use as a theatre and community hub.

# Lyric Theatre Hammersmith Limited (The) Trustees' Report For the year ended 31 March 2023

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The group consists of the Lyric Theatre Hammersmith charity and two wholly-owned subsidiaries: Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited.

The charity is a Company Limited by Guarantee, the Trustees of the charity being the Directors of the Company, governed by its Memorandum and Articles of Association.

### Board of Trustees

The Articles of Association require that the Board comprise between ten and sixteen members as follows:

- up to four persons nominated by the London Borough of Hammersmith and Fulham who hold current office as Councillors of the Borough
- up to eight persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular expertise or experience in the promotion or encouragement of the lively arts and or theatre management, of which up to four persons the Directors will endeavour to nominate from the local community; and
- up to four persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular involvement engagement or employment in or with the community or voluntary sectors or other local organisation or group within the Borough.

Board Members are required to retire at the first Annual General Meeting after the third anniversary of their appointment. Board Members may be re-appointed unless they have served for more than six consecutive years (except by Special Resolution).

The Trustees who have served since 1 April 2022 are:

Lorraine Heggessey (Chair)  
David Sharkey (Deputy Chair)  
Rondette Amoy Smith (to 9 March 2023)  
Councillor Emma Aphorp (from 25 May 2022)  
Councillor Jonathan Caleb-Landy (to 6 May 2022)  
Lameya Chaudhury  
Liz Elston Mayhew  
Councillor Sue Fennimore (to 6 May 2022)  
David Grieg  
Shivani Jaswal (from 13 September 2023)  
Farah Karim-Cooper  
Councillor Bora Kwon  
Oliver Mackwood (from 13 September 2023)  
Kamran Mallick (to 9 March 2023)  
Julie Molloy  
Councillor Patricia Quigley (to 25 May 2022)  
Lisa Popham (from 13 September 2023)  
Derek Richards (to 6 March 2023)  
Harbinder Singh Birdi (from 13 September 2023)  
Councillor Nikos Souslous (from 25 May 2022)  
Councillor Nicole Trehy (from 25 May 2022)

# Lyric Theatre Hammersmith Limited (The) Trustees' Report For the year ended 31 March 2023

Observers may also attend Board meetings, subject to the approval of the Board, as representatives of the London Borough of Hammersmith & Fulham, Arts Council England, and the company's employees.

The Board met six times during the year in order to oversee the direction of the company, the day to day management of which is delegated to the Executive Team (comprising the Artistic Director and Executive Director) within terms agreed by the Board.

## **Recruitment, induction and training of Trustees**

The Nominations Committee (see below) oversees the recruitment, induction and training of Trustees.

During the year the Committee carried out a skills audit of Trustees and an analysis of the skills required to help the charity's meet its objectives. An open recruitment process was then undertaken to identify new Trustees with desirable skills and experience, leading to the recruitment of four new Trustees in September 2023.

All new Trustees are provided with an induction pack and meetings with relevant senior staff members, and ongoing training is provided by inviting Trustees to attend relevant courses.

## **Committees**

A Finance & Resources Committee, comprising the Chair of the Board, at least two other Board members, and co-opted ex-officio members, reports to the Board. It meets prior to Board meetings in order to oversee the company's finances, building and HR matters. Members of the Committee during 2022-23 were:

David Sharkey (Chair)  
Lorraine Heggessey  
Bishin Ho  
Julie Molloy  
Councillor Nikos Souslous

A Nominations Committee, comprising at least three Board members, makes recommendations to the Board regarding the structure, size and composition of the Board, and to plan for the recruitment, appointment, induction and succession of Board members. The members of the Committee during 2022-23 were:

David Sharkey (Chair)  
Lameya Chaudhury  
Lorraine Heggessey  
Liz Elston Mayhew  
Julie Molloy  
Councillor Bora Kwon

## **Related parties**

The Lyric Theatre Hammersmith's core funders are Arts Council England and the London Borough of Hammersmith and Fulham, who provide funding to enable the company to carry out its charitable activities.

The London Borough of Hammersmith and Fulham is also the theatre's landlord. The freehold of the Lyric is owned by Ingka, who lease it to the Borough on a 999 year term. A new 125 year

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lease was signed in November 2018, which was drawn up as part of the Agreement to develop the site with the freeholder and the theatre's landlord.

The Lyric Theatre Hammersmith has two wholly-owned subsidiaries:

- Lyric Hammersmith Enterprises Limited, which was established to operate the events, bar and catering facilities of the theatre. The profits of the subsidiary are donated to the Lyric.
- Lyric Hammersmith Worldwide Limited, which was originally established for the transfer of Lyric productions to the West End and any commercial exploitation of work and is now used as the vehicle to produce all Lyric productions and co-productions, maximising the benefit of theatre production tax relief. Any profits of the subsidiary are donated to the Lyric.

**Remuneration Policy**

The Board of Trustees do not receive any remuneration.

Remuneration for the Chief Executive/Artistic Director, Executive Director, and Director of Finance & Resources is reviewed and set annually by the Nominations Committee. Other employees' remuneration is set with reference to the Lyric's Pay Policy and annual increases are considered by the Finance & Resources Committee as part of its regular monitoring of budgets and approved by the Board.

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**AUDIT INFORMATION**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**APPROVAL**

The Trustees' Annual Report was approved by the Board of Trustees (in their capacity as Company Directors) on 13 December 2023.

Lorraine Heggsey, Director

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2023**

## **Opinion**

We have audited the financial statements of Lyric Theatre Hammersmith Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information

**Lyric Theatre Hammersmith Limited (The)**  
**Independent Auditor's Report to the Members**  
**For the year ended 31 March 2023**

and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

### **Other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the

**Lyric Theatre Hammersmith Limited (The)**  
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**For the year ended 31 March 2023**

trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and

**Lyric Theatre Hammersmith Limited (The)  
Independent Auditor's Report to the Members  
For the year ended 31 March 2023**

regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
Cara Turtington (Senior Statutory Auditor)  
for and on behalf of Saffery LLP

Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date:

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

**Lyric Theatre Hammersmith Limited (The)**  
**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For the year ended 31 March 2023**

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>Income from:</b>						
Donations	3(a)	173,962	-	5,000	178,962	115,774
Charitable activities						
Theatre & Young						
People's Activity	2	2,248,116	-	-	2,248,116	1,278,159
Grants	3(b)	1,374,740	-	221,687	1,596,427	2,068,076
Other trading activities	4	852,187	-	-	852,187	495,475
Interest received		28,885	-	-	28,885	2,247
<b>Total income</b>		<b>4,677,890</b>	<b>-</b>	<b>226,687</b>	<b>4,904,577</b>	<b>3,959,731</b>
<b>Expenditure on:</b>						
Raising funds	6	1,240,579	-	-	1,240,579	747,867
Charitable activities	7	4,128,208	376,195	665,196	5,169,599	4,143,373
<b>Total expenditure</b>		<b>5,368,787</b>	<b>376,195</b>	<b>665,196</b>	<b>6,410,178</b>	<b>4,891,240</b>
<b>Net income/(expenditure) before taxation</b>		<b>(690,897)</b>	<b>(376,195)</b>	<b>(438,509)</b>	<b>(1,505,601)</b>	<b>(931,509)</b>
Taxation	9	526,939	-	-	526,939	253,714
<b>Transfers between funds</b>	15,16	<b>(564,999)</b>	<b>564,999</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(728,957)</b>	<b>188,804</b>	<b>(438,509)</b>	<b>(978,662)</b>	<b>(677,795)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		737,292	1,850,316	7,681,472	10,270,080	10,947,875
<b>Total funds carried forward</b>		<b>8,335</b>	<b>2,039,120</b>	<b>7,243,963</b>	<b>9,291,418</b>	<b>10,270,080</b>

These results derive from continuing activities and all gains and losses recognised in the year are included in the above statement.

The notes on pages 21 to 33 form part of the financial statements.

**Lyric Theatre Hammersmith Limited (The)**  
**Registered Company No.1443809**  
**Balance Sheet**  
**For the year ended 31 March 2023**

	Note	2023 £	Group 2022 £	2023 £	Company 2022 £
<b>Fixed assets:</b>					
Tangible fixed assets	11	7,434,907	7,879,435	7,434,907	7,879,435
Investments	12	-	-	3	3
<b>Total fixed assets</b>		<u>7,434,907</u>	<u>7,879,435</u>	<u>7,434,910</u>	<u>7,879,438</u>
<b>Current assets:</b>					
Stock and work in progress		146,839	224,385	133,268	211,603
Debtors	13	1,121,786	491,027	1,300,512	567,658
Cash at bank and in hand		1,803,613	2,836,508	1,494,487	2,697,058
<b>Total current assets</b>		<u>3,072,238</u>	<u>3,551,920</u>	<u>2,928,267</u>	<u>3,476,319</u>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	14	(1,215,727)	(1,161,274)	(1,071,759)	(1,085,676)
<b>Net current assets</b>		<u>1,856,511</u>	<u>2,390,646</u>	<u>1,856,508</u>	<u>2,390,643</u>
<b>Total net assets</b>		<u><u>9,291,418</u></u>	<u><u>10,270,081</u></u>	<u><u>9,291,418</u></u>	<u><u>10,270,081</u></u>
<b>The funds of the charity:</b>					
Restricted funds	15	<u>7,243,963</u>	<u>7,682,472</u>	<u>7,243,963</u>	<u>7,682,472</u>
Unrestricted funds:					
Designated funds	16	2,039,120	1,850,316	2,039,120	1,850,316
General funds	16	8,335	737,292	8,335	737,292
<b>Total unrestricted funds</b>		<u>2,047,455</u>	<u>2,587,608</u>	<u>2,047,455</u>	<u>2,587,608</u>
<b>Total funds</b>		<u><u>9,291,418</u></u>	<u><u>10,270,080</u></u>	<u><u>9,291,418</u></u>	<u><u>10,270,080</u></u>

No separate company Statement of Financial Activities (SoFA) has been prepared by the company, as permitted by Section 408 of the Companies Act 2006. The Charity's net surplus/deficit for the year, excluding restricted funds, was a deficit of £540,153 (2022: deficit of £130,574).

The notes on pages 21 to 33 form part of the financial statements.

The financial statements were approved by the board and authorised for issue and signed on 13 December 2023.

Lorraine Heggeseey, Director

**Lyric Theatre Hammersmith Limited (The)**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 March 2023**

**Consolidated statement of cash flows**

	2023 £	2023 £	2022 £	2022 £
<b>Net cash provided by/(used in) operating activities</b>		(977,095)		(25,745)
<b>Cash flows from investing activities:</b>				
Interest received	28,885		2,247	
Purchase of tangible fixed assets	(84,685)		(87,582)	
<b>Net cash provided by/(used in) investment activities</b>		(55,800)		(85,335)
Increase/(decrease) in cash		(1,032,895)		(111,080)
Opening cash balance at 1 April		2,836,508		2,947,588
<b>Closing cash balance at 31 March</b>		<u>1,803,613</u>		<u>2,836,508</u>

**Reconciliation of net income/expenditure to net cash flow from operating activities**

	2023 £	2022 £
<b>Net income/(expenditure)</b>	(978,662)	(677,795)
<b>Adjustments for:</b>		
Depreciation charges	529,213	525,699
Interest received	(28,885)	(2,247)
Increase/(decrease) in stock and work in progress	77,545	(157,849)
Increase in debtors	(630,759)	(250,050)
Increase in creditors	54,453	536,497
<b>Net cash provided by/(used in) operating activities</b>	<u>(977,095)</u>	<u>(25,745)</u>

**Analysis of changes in cash and changes in net debt**

	At 1 April 2022 £	Cash flow £	At 31 March 2023 £
Cash at bank and in hand	2,836,508	(1,032,895)	1,803,613
	<u>2,836,508</u>	<u>(1,032,895)</u>	<u>1,803,613</u>

The notes on pages 21 to 33 form part of the financial statements.

# Lyric Theatre Hammersmith Limited (The)

## Notes to the Financial Statements

### For the year ended 31 March 2023

#### 1. Accounting policies

##### Company status

The charity is a company limited by guarantee, registered in England and Wales. The registered office is Lyric Theatre, King Street, Hammersmith, London, W6 0QL. The members of the company have served as directors or are currently serving as directors as named on page 10. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### Basis of accounting

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1st January 2019.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

##### Consolidation

The SOFA and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

##### Going concern

At the time of approving the financial statements the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which are not designated for other purposes.

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

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

Transfers between funds are made at the discretion of the Board.

##### Income

Income from theatre admission fees is included in incoming resources in the period in which the relevant performance takes place. Income related to productions or lettings in a subsequent period is treated as deferred income.

Income from commercial activities is included in the period in which the activity takes place.

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, reasonable certainty of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-

# Lyric Theatre Hammersmith Limited (The)

## Notes to the Financial Statements

### For the year ended 31 March 2023

conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Income from the Coronavirus Job Retention Scheme (CJRS) has been included in incoming resources as a restricted fund, matched against the staff costs it has offset.

Gifts in kind have been realised at cost.

#### **Expenditure**

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting donations and those incurred in the operation of trading activities that raise funds.
- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as touring and educational programmes. Cost of charitable activities include both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is on the basis of the relative proportion of direct costs incurred.
- Governance costs are the costs incurred in the governance of the charity and associated constitutional and statutory requirements. These costs are allocated between the charitable activities.

Where performances of a production straddle the balance sheet date direct costs are allocated to the period in which the performance takes place; royalties and similar costs are apportioned between the periods based on the production's theatre admissions income.

#### **Tangible fixed assets**

Individual fixed assets consisting of amounts greater than £2,500 for IT purchases and £5,000 for fixtures, fittings and equipment with a useful life in excess of one year are capitalised at cost. Tangible fixed assets are depreciated over their anticipated useful lives in equal instalments. The periods used are:

Leasehold improvements	28-30 years
Reuben Foundation Wing improvements	20 years
Auditorium, Studio and FOH improvements	4-20 years
Roof Garden	12 years
Fixtures and fittings	3-15 years
Technical and computer equipment	3-8 years

#### **Investments**

The Statement of Recommended Practice requires investments to be stated at market value. The investments of the Lyric Theatre Hammersmith consist of two subsidiaries, Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited. Both companies are not quoted and the directors consider it appropriate to include the investments at cost.

#### **Financial Instruments**

Financial assets are recognised in the Charity's statement of financial position when the Charity becomes party to the contractual provisions of the instrument. The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

# Lyric Theatre Hammersmith Limited (The)

## Notes to the Financial Statements

### For the year ended 31 March 2023

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

#### **Other financial assets**

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

#### **De-recognition of financial assets**

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

#### **Classification of financial liabilities**

##### **Basic financial liabilities**

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

##### **Other financial liabilities**

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

##### **De-recognition of financial liabilities**

Financial liabilities are de-recognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

**2. Income from charitable activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Ticket sales	1,913,983	937,675
Touring income	40,500	-
Co-production income	43,000	145,508
Royalties income	3,000	-
Front of House sales	91,911	42,747
Income from partners	86,058	59,923
Young People's income	41,143	29,660
Other income	28,521	62,646
	<u>2,248,116</u>	<u>1,278,159</u>

**3. (a) Income from donations**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total income from donations	<u>178,962</u>	<u>115,774</u>

Included within the total income from donations is £5,000 of restricted income (2022: none).

**(b) Income from charitable activities: grants**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Public funding:</b>		
<i>Core funding:</i>		
Arts Council England – National Portfolio Organisation funding	1,120,240	1,120,240
London Borough of Hammersmith & Fulham – 3 <sup>rd</sup> Sector Investment Funding	230,000	230,000
<i>Coronavirus-related funding:</i>		
Culture Recovery Fund (restricted)	-	188,680
Coronavirus Job Retention Scheme (restricted)	-	98,513
Restart Grant	-	18,000
Additional Restrictions Grant	-	20,000
Omicron Hospitality and Leisure Grant	-	6,000
Local Restrictions Support Grants	-	1,179
<i>Project funding:</i>		
Arts Council England – National Lottery Project Grant	-	49,000
British Council – Cultural Exchange Programme	-	29,890
Department for Work and Pensions – Kickstart Scheme	-	29,840

**Trusts & Foundations**

*Restricted grants:*

Young People's Programme activities	198,387	257,434
Theatre productions activities	23,300	9,300
Unrestricted grants	<u>24,500</u>	<u>10,000</u>
Total income from charitable activities: grants	<u>1,596,427</u>	<u>2,068,076</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

Included in note 3 above are government grants of £230,000 from the London Borough of Hammersmith & Fulham (2022: £230,000 from the London Borough of Hammersmith and Fulham, £98,513 from the Coronavirus Job Retention Scheme, £18,000 from the Restart Grant, £20,000 from the Additional Restrictions Grant, £6,000 from the Omicron Hospitality and Leisure Grant and Local Restrictions Support Grants of £1,179.

**4. Income from other trading activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fundraising events	16,840	29,135
Corporate fundraising	58,549	65,663
Commercial trading operations (note 5)	776,798	400,677
	<u>852,187</u>	<u>495,475</u>

**5. Commercial trading operations**

**Lyric Hammersmith Enterprises Limited**

The wholly owned trading subsidiary Lyric Hammersmith Enterprises Limited, incorporated in England and Wales, pays all its profits to the charitable company by Gift Aid. Lyric Hammersmith Enterprises Limited manages catering, hires and events at the Lyric Hammersmith Theatre.

The company owns the entire issued share capital of 2 ordinary shares of £1 each. A Summary of the trading results is shown below.

*Summary profit and loss account:*

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Turnover	776,798	400,677
Interest received	1,895	74
Cost of sales	(177,850)	(69,938)
Administration expenses	(463,488)	(185,961)
Management fees	(137,355)	(144,852)
	<u>-</u>	<u>-</u>
Net profit	-	-
Amount gifted to charity	-	-
	<u>-</u>	<u>-</u>
Profit retained in the subsidiary	-	-

*The assets and liabilities of the subsidiary at 31 March 2022 were:*

Current assets	437,362	187,468
Creditors: amounts falling due within one year	(437,360)	(187,468)
	<u>2</u>	<u>2</u>
Total net assets	2	2
	<u>2</u>	<u>2</u>
Profit and loss account	-	-
Aggregate share capital and reserves	2	2
	<u>2</u>	<u>2</u>
Total funds	2	2

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

**Lyric Hammersmith Worldwide Limited**

The wholly owned trading subsidiary Lyric Hammersmith Worldwide Limited, incorporated in England and Wales provides production services to Lyric Theatre Hammersmith Limited.

The company owns the entire issued share capital of 1 ordinary share of £1. A Summary of the trading results is shown below.

*Summary profit and loss account:*

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Turnover	1,465,872	1,338,563
Cost of sales	(1,992,811)	(1,592,277)
Net profit/(loss)	(526,939)	(253,714)
Taxation	526,939	253,714
Profit retained in the subsidiary	<u>-</u>	<u>-</u>

*The assets and liabilities of the subsidiary at 31 March 2022 were:*

Current assets	780,653	259,859
Creditors: amounts falling due within one year	(780,652)	(259,858)
Total net assets	<u>1</u>	<u>1</u>
Profit and loss account	-	-
Aggregate share capital and reserves	1	1
Total funds	<u>1</u>	<u>1</u>

**6. Expenditure on activities for raising funds**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trading companies staff costs	369,867	136,788
Trading companies other costs	262,596	115,561
Fundraising staff costs	216,167	209,687
Other direct fundraising costs	21,396	35,747
Support costs (note 8)	370,553	250,084
	<u>1,240,579</u>	<u>747,867</u>

**7. Charitable activities**

	<b>Activities undertaken directly</b>	<b>Support costs</b>	<b>Total 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Theatre productions	3,170,525	1,350,363	4,520,888
Young People's programme	454,945	193,766	648,711
	<u>3,625,470</u>	<u>1,544,129</u>	<u>5,169,599</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

			<b>Total 2022 £</b>
<i>Theatre productions</i>	2,417,853	1,214,723	3,632,576
<i>Young People's programme</i>	339,988	170,809	510,797
	2,757,841	1,385,532	4,143,373

**8. Support costs**

	<b>Charitable activities £</b>	<b>Cost of raising funds £</b>	<b>Total 2023 £</b>
Staff costs	249,767	59,938	309,705
Building costs	452,631	108,621	561,252
Administration costs	297,969	71,505	369,474
Depreciation	426,794	102,420	529,214
Irrecoverable VAT on overheads	87,818	21,074	108,892
Governance costs:			
Audit fees	29,029	6,966	35,995
Legal fees	121	29	150
	1,544,129	370,553	1,914,682

			<b>Total 2022 £</b>
<i>Staff costs</i>	216,513	39,080	255,593
<i>Building costs</i>	379,388	68,478	447,866
<i>Administration costs</i>	259,747	46,884	306,631
<i>Depreciation</i>	445,321	80,379	525,700
<i>Irrecoverable VAT on overheads</i>	59,721	10,779	70,500
Governance costs:			
<i>Audit fees</i>	21,741	3,924	25,665
<i>Legal fees</i>	3,101	560	3,661
	1,385,532	250,084	1,635,616

Support costs are allocated on the basis of the relative proportion of direct costs incurred.

**9. Taxation**

	<b>2023 £</b>	<b>2022 £</b>
<b>Domestic current year tax</b>		
UK Corporation Tax	(526,939)	(253,714)
	(526,939)	(253,714)

Income from UK Corporation Tax relates to a credit for Theatre Tax Relief.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

**10. Staff costs and directors' remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Salaries and wages	2,090,994	1,658,571
Employers' National Insurance contributions	194,767	146,017
Employers' pension contributions	48,341	38,080
	<u>2,334,102</u>	<u>1,842,668</u>

These costs are included as follows:

Activities for raising funds	586,034	346,475
Theatre productions	1,231,794	1,049,861
Young People's programme	206,569	190,739
Support costs	309,705	255,593
	<u>2,334,102</u>	<u>1,842,668</u>

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

	<b>2023</b>	<b>2022</b>
Full time	42	33
Part time and casual	52	51
	<u>94</u>	<u>84</u>

The number of full time equivalent employees was 79 (2022: 65) in the following categories:

Activities for raising funds	16	9
Theatre productions	50	41
Young People's programme	7	9
Support activities	6	6
	<u>79</u>	<u>65</u>

Two employees' total employee benefits fell within the range of £60,001 -£70,000 and one within the range of £80,001-£90,000 (2022: two in the range of £60,001-£70,000 and one in the range of £80,001-£90,000).

Key management personnel comprise the Senior Management Team of 10 employees (2022: 9 employees): Artistic Director / Chief Executive, Executive Director, Associate Director, Commercial Director, Director of Communications and Sales, Director of Development, Director of Finance and Resources, Director of Young Lyric, Head of Production and Senior Producer.

The total employee benefits of the key management personnel were £578,150, including benefits relating to statutory parental leave (2022: £492,722).

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

**11. Tangible fixed assets**

All assets relate to the charitable company and are used for charitable purposes.

	Leasehold improvements £	Equipment and furniture £	Total £
<b>Cost</b>			
At 1 April 2022	12,808,851	2,258,366	15,067,217
Additions	60,980	23,705	84,685
At 31 March 2023	<u>12,869,831</u>	<u>2,282,071</u>	<u>15,151,902</u>
<b>Depreciation</b>			
At 1 April 2022	5,056,586	2,131,196	7,187,782
Charge for the year	449,825	79,388	529,213
At 31 March 2023	<u>5,506,411</u>	<u>2,210,584</u>	<u>7,716,995</u>
<b>Net book value</b>			
At 31 March 2023	<u>7,363,420</u>	<u>71,487</u>	<u>7,434,907</u>
At 31 March 2022	<u>7,752,265</u>	<u>127,170</u>	<u>7,879,435</u>

Legal charges exist over the long-term leasehold properties to secure the interests of Arts Council England, which contributed grant funding towards their redevelopment.

**12. Investments**

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Investment in subsidiary undertakings	-	-	3	3

Investments are included at cost and are unlisted. In the opinion of the directors the market value of the investment is not materially different from the cost.

	Number of shares	% of issued share capital	Cost of shares
Lyric Hammersmith Enterprises Limited (note 5)	2	100%	2
Lyric Hammersmith Worldwide Limited (note 5)	1	100%	1

**13. Debtors**

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	156,249	120,971	47,611	88,058
Subsidiary undertakings	-	-	1,073,695	371,727
Other debtors	857,466	269,575	76,812	9,715
Prepayments	57,479	47,410	51,802	45,087
Accrued income	50,592	53,071	50,592	53,071
	<u>1,121,786</u>	<u>491,027</u>	<u>1,300,512</u>	<u>567,658</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

**14. Creditors: amounts falling due within one year**

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	345,426	399,547	332,771	387,028
Taxation and social security	52,754	25,022	11,974	5,844
Other creditors	101,882	156,446	65,102	127,755
Accruals	370,953	336,624	317,200	321,414
Deferred income	344,712	243,635	344,712	243,635
	<u>1,215,727</u>	<u>1,161,274</u>	<u>1,071,759</u>	<u>1,085,676</u>

**15. Restricted funds**

		31 March 2022 £	Net incoming /(outgoing) £	Transfers £	31 March 2023 £
Capital grants – extension 2004	(1)	916,440	(91,622)	-	824,818
Young People's fund	(2)	182,922	(27,222)	-	155,700
Capital project 2015	(3)	6,099,439	(286,351)	-	5,813,088
Capital project 2018	(4)	483,671	(55,714)	-	427,957
Restricted activity fund	(5)	-	22,400	-	22,400
		<u>7,682,472</u>	<u>(438,509)</u>	<u>-</u>	<u>7,243,963</u>

- (1) The Capital grants – extension 2004 fund relates to the extension built in 2004 and represents fixed assets. The movement on the fund represents depreciation charges.
- (2) The Young People's fund represents income received to support young people's activity and the related expenditure. The balance at 31 March 2023 represents income received toward activities to be undertaken in 2023-24.
- (3) The Capital project 2015 fund represents amounts received for the building of the Reuben Foundation Wing. This fund represents fixed assets and funds allocated to supporting our work with young people. The movement on the fund represents depreciation charges.
- (4) The Capital project 2018 fund relates to the refurbishment of the auditorium and Studio in 2018 and represents fixed assets. The movement on the fund represents depreciation charges.
- (5) The Restricted activity fund represents income received to support specific charitable activities and the related expenditure. The balance at 31 March 2023 represents income received towards activities to be undertaken in 2023-24.

		31 March 2021 £	Net incoming /(outgoing) £	Transfers £	31 March 2022 £
Capital grants – extension 2004	(1)	1,008,062	(91,622)	-	916,440
Young People's fund	(2)	77,366	105,556	-	182,922
Capital project 2015	(3)	6,385,790	(286,351)	-	6,099,439
Capital project 2018	(4)	539,385	(55,714)	-	483,671
Restricted activity fund	(5)	219,090	(219,090)	-	-
		<u>8,229,693</u>	<u>(547,221)</u>	<u>-</u>	<u>7,682,472</u>

**Lyric Theatre Hammersmith Limited (The)**  
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**16. Unrestricted funds**

		31 March 2022 £	Incoming £	Outgoing £	Transfers £	31 March 2023 £
<b>Designated funds</b>						
New Building 2015 Fund	(1)	412,160	-	(65,452)	(346,708)	-
Fixed Asset Fund	(2)	77,858	-	(30,076)	431,393	479,175
Building Capital Reserve Fund / Building Renewal Fund	(3)	710,000	-	(30,370)	(84,685)	594,945
Re-opening Fund 2021	(4)	200,000	-	(200,000)	-	-
Building Emergency Reserve Fund	(5)	100,000	-	-	(100,000)	-
Programme Development Fund	(6)	200,000	-	(25,000)	(175,000)	-
Organisational Development Fund	(7)	25,001	-	-	(25,001)	-
Green Fund	(8)	25,000	-	-	(25,000)	-
Next Generation Fund	(9)	100,297	-	(25,297)	(75,000)	-
Reserves Fund	(10)	-	-	-	965,000	965,000
<b>Total designated funds</b>		<b>1,850,316</b>	<b>-</b>	<b>(376,195)</b>	<b>564,999</b>	<b>2,039,120</b>
<b>Other unrestricted funds</b>						
General funds	(11)	737,292	5,204,829	(5,368,787)	(564,999)	8,335
<b>Total unrestricted funds</b>		<b>2,587,608</b>	<b>5,204,829</b>	<b>(5,744,982)</b>	<b>-</b>	<b>2,047,455</b>

- (1) The New Building 2015 Fund represented the net book value of fixed assets funded from the Building Capital Reserve Fund during the building of the Reuben Foundation Wing. The movement on the fund represents depreciation charges and at 31 March 2023 the assets have been transferred to the Fixed Asset Fund (see below).
- (2) The Fixed Asset Fund represents the net book value of tangible fixed assets. The movement on the fund represents depreciation charges and during the year £84,685 was transferred into the fund from the Building Renewal Fund, representing the cost of additions to the charity's fixed assets (see note 11).
- (3) The Building Capital Reserve Fund has been renamed as the Building Renewal Fund. It provides funds for the essential replacement and renewal of equipment, fixtures and fittings over the short term, and for the larger capital expenses which will be required to maintain the Lyric Theatre over the long term. During the year £30,370 was expended on non-capitalised renewal of fixtures and fittings and a transfer of £84,685 was made to the Fixed Asset Fund (see above).
- (4) The Re-opening Fund 2021 was designated by the Trustees in 2021 to recognise the significant amount of income received toward re-opening the building and resuming normal activities after the coronavirus pandemic. A total of £200,000 was expended from the fund on charitable activities in 2022-23.
- (5) The Building Emergency Reserve Fund was designated to provide funds for emergency repair and replacement of essential plant and equipment. During the year these funds have been transferred to the amalgamated Reserves Fund (see below).
- (6) The Programme Development Fund was designated by the Trustees to support the future development of the artistic programme. During the year £25,000 was expended from the fund on the theatre programme and the remaining funds were transferred to the amalgamated Reserves Fund (see below).
- (7) The Organisational Development Fund represents an amount that the Trustees previously designated to invest in planned organisational development work to support the future growth of the Lyric. During the year these funds have been transferred to the amalgamated Reserves Fund (see below).
- (8) The Green Fund represents an amount that the Trustees previously designated, from savings on utilities, for future investment in projects that support the Lyric's environmental sustainability and work towards carbon net zero. During the year these funds have been transferred to the amalgamated Reserves Fund (see below).
- (9) The Next Generation Fund represents an individual donation made in 2016-17 which had initially been designated by the Trustees to support our work with young people between 2017 and 2021 but from which had no funds had been expended. During the year £25,297 was expended from the fund on the

**Lyric Theatre Hammersmith Limited (The)**  
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Young People's programme and the remaining funds were transferred to the amalgamated Reserves Fund (see below).

- (10) The Reserves Fund represents the amalgamation of the former Building Emergency Reserve Fund, Programme Development Fund, Organisational Development Fund, Green Fund and Next Generation Fund, along with a transfer of £564,999 from general funds. This fund has been designated by the Trustees to cover the level of financial risk inherent in the charity's operations, as identified in the risk management strategy (see page 9).
- (11) General funds represent the Charity's free reserves. During the year a transfer of £564,999 was made to the designated Reserve Fund (see above).

		<b>31 March 2021 £</b>	<b>Net incoming /(outgoing) £</b>	<b>Transfers £</b>	<b>31 March 2022 £</b>
<b>Designated funds</b>					
<i>New Building 2015 Fund</i>	(1)	474,563	(62,403)	-	412,160
<i>Fixed Asset Fund</i>	(2)	19,886	(29,610)	87,582	77,858
<i>Building Capital Reserve Fund</i>	(3)	660,000	(87,582)	137,582	710,000
<i>Re-opening Fund 2021</i>	(4)	565,000	(365,000)	-	200,000
<i>Building Emergency Reserve Fund</i>	(5)	100,000	-	-	100,000
<i>Programme Development Fund</i>	(6)	200,000	-	-	200,000
<i>Organisational Development Fund</i>	(7)	25,001	-	-	25,001
<i>Green Fund</i>	(8)	25,000	-	-	25,000
<i>Next Generation Fund</i>	(9)	100,297	-	-	100,297
<i>Total designated funds</i>		2,169,747	(544,595)	225,164	1,850,316
<b>Other unrestricted funds</b>					
<i>General funds</i>	(11)	548,435	414,021	(225,164)	737,292
<i>Total unrestricted funds</i>		2,718,182	(103,574)	-	2,587,608

**17. Analysis of group net assets between funds**

	<b>Unrestricted funds</b>		<b>Restricted funds</b>	<b>Total 2023 £</b>
	<b>General funds £</b>	<b>Designated funds £</b>	<b>£</b>	<b>£</b>
Fixed assets and investments	-	479,177	6,955,730	7,434,907
Current assets	1,224,062	1,559,943	288,233	3,072,238
Creditors	(1,215,727)	-	-	(1,215,727)
	8,335	2,039,120	7,243,963	9,291,418

	<b>Unrestricted funds</b>		<b>Restricted funds</b>	<b>Total 2022 £</b>
	<b>General funds £</b>	<b>Designated funds £</b>	<b>£</b>	<b>£</b>
<i>Fixed assets and investments</i>	-	490,018	7,389,417	7,879,435
<i>Current assets</i>	1,898,566	1,360,298	293,055	3,551,919
<i>Creditors</i>	(1,161,274)	-	-	(1,161,274)
	737,292	1,850,316	7,682,472	10,270,080

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

**18. Lease obligations – charity and group**

The total of future minimum lease payments under the charity's non-cancellable 125 year operating lease for the Lyric Theatre is as follows:

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
<b>Land and buildings</b>				
One year	40,000	40,000	40,000	40,000
Two to five years	160,000	160,000	160,000	160,000
More than five years	4,560,000	4,600,000	4,560,000	4,600,000
	<u>4,760,000</u>	<u>4,840,000</u>	<u>4,760,000</u>	<u>4,840,000</u>

**19. Related party transactions**

During the year ended 31 March 2023 trustees and persons connected with them received no remuneration (2022: nil) and expenses of £545 (2022: £366).

During the year ended 31 March 2023 trustees and persons connected with them made donations to the Charity totalling £10,553 (2022: £6,799).

At 31 March 2023 the following amounts were owed to the Charity by its subsidiary companies:

- Lyric Hammersmith Enterprises Limited: £293,392 comprising management fees.
- Lyric Hammersmith Worldwide Limited: £780,652 comprising payments for production services.

Transactions between Lyric Theatre Hammersmith and its subsidiaries are detailed in note 5.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023**

**20. Comparative consolidated statement of financial activities for the year ended 31 March 2022**

	<i>Note</i>	<i>General Funds £</i>	<i>Designated Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2022 £</i>
<b>Income from:</b>					
Donations	3(a)	115,774	-	-	115,774
<i>Charitable activities</i>					
<i>Theatre &amp; Young</i>					
People's Activity	2	1,278,159	-	-	1,278,159
Grants	3(b)	1,405,419	-	662,657	2,068,076
Other trading activities	4	495,475	-	-	495,475
Interest received		2,247	-	-	2,247
<b>Total income</b>		<b>3,297,074</b>	<b>-</b>	<b>662,657</b>	<b>3,959,731</b>
<b>Expenditure on:</b>					
Raising funds	6	747,867	-	-	747,867
Charitable activities	7	2,388,900	544,595	1,209,878	4,143,373
<b>Total expenditure</b>		<b>3,136,767</b>	<b>544,595</b>	<b>1,209,878</b>	<b>4,891,240</b>
<b>Net income/(expenditure) before taxation</b>					
		160,307	(544,595)	(547,221)	(931,509)
Taxation	9	253,714	-	-	253,714
<b>Transfers between funds</b>	15,16	<b>(225,164)</b>	<b>225,164</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>188,857</b>	<b>(319,431)</b>	<b>(547,221)</b>	<b>(677,795)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		548,435	2,169,747	8,229,693	10,947,875
<b>Total funds carried forward</b>		<b>737,292</b>	<b>1,850,316</b>	<b>7,682,472</b>	<b>10,270,080</b>

**LYRIC THEATRE HAMMERSMITH LIMITED**

England & Wales - Charity number 278518

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# Accounts

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LYRIC THEATRE HAMMERSMITH LIMITED (THE)

(A Company Limited by Guarantee)

Registered Company No.1443809

Registered Charity No.278518

CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2022

Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2022

The Trustees of the Lyric Theatre Hammersmith are pleased to present their report together with the financial statements for the year ended 31 March 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Details

Registered Name: Lyric Theatre Hammersmith Limited (The)

Registered Charity No.: 278518

Registered Company No.: 1443809

Registered Address: Lyric Hammersmith Theatre  
Lyric Square  
King Street  
London W6 0QL

Chief Executive &  
Artistic Director: Rachel O'Riordan

Executive Director: Amy Belson

Advisers

Auditors: Saffery Champness LLP  
71 Queen Victoria Street  
London EC4V 4BE

Bankers: Barclays Bank  
Knightsbridge Business Centre  
PO Box 32014  
London NW1 2ZG

Solicitors: Harbottle and Lewis  
14 Hanover Square  
London W1R 0BE

Farrer and Co LLP  
66 Lincoln's Inn Fields  
London WC2A 3LH

Constitution

The Lyric Theatre Hammersmith is a registered charity and a company limited by guarantee, governed by its Memorandum and Articles of Association dated 14 August 1979 and last updated in 2004.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2022**

STRATEGIC REPORT

## Objectives

The objectives of the charity as set out in the Lyric's Memorandum and Articles of Association are:

- The advancement of the education of the public, and in particular of people living or working in the London Borough of Hammersmith and Fulham and in West London, in the arts
- The provision of facilities for recreation and other leisure time occupations for the public and in particular persons living and working in the London Borough of Hammersmith and Fulham.

## Activities

### ARTISTIC PROGRAMME 2021-22

Following the building's closure, we reopened our auditorium to audiences with our production of *Out West* – a monodrama trilogy of newly commissioned plays by three of Britain's most exciting playwrights; Tanika Gupta, Simon Stephens and Roy Williams. The production, co-directed by Rachel O'Riordan and Diane Page, received excellent 4 star reviews across the board and a fantastic audience reaction. '*Out West*, a superb triptych of monologues relaunching the Lyric Hammersmith, is united by a strong sense of the local area...' – *The Telegraph*.

*The Very Hungry Caterpillar* ran for two weeks during the summer holidays providing an opportunity for us to retain our connection with and provide an offer for our important family audience. This proved to be a successful touch point in the year (whilst not having our regular Little Lyric season running) with this audience demographic, which we began re-establishing ahead of our Christmas season. In the summer we also programmed and delivered 'Lyric Fest' in collaboration with Hammersmith BID. The outdoor family festival ran across a weekend in August and included performances, music, dance, arts and crafts and storytelling.

In September, *Heart of Hammersmith* (our first large-scale community production) opened – having been re-scheduled from earlier in the summer due to Covid cases within the company. The production exceeded its box office target, but more importantly, welcomed our local community back to the Lyric – placing their stories on our stage in way that created an incredible atmosphere across the theatre. It was the first time the Lyric had produced an intergenerational community play, and the outcome was exhilarating and instructive.

Our co-production of *The Beauty Queen of Leenane* by Martin McDonagh, directed by Rachel O'Riordan, was both a critical and financial success. Produced by the Lyric with Chichester Festival Theatre, the contemporary classic opened in Chichester in September to excellent reviews. 'Devilishly brilliant. Rachel O'Riordan's revival, 25 years on, affirms *Beauty Queen's* status as a modern classic. This is a masterclass in character-acting.' – *Daily Telegraph*. The production returned to the Lyric in October where it was seen by over 7,500 audience members – with only one performance cancelled due to a suspected Covid close contact.

In the autumn, we announced our 2022 season of bold and ambitious work (exploring themes that permeate our post-lockdown world) combining classicism with contemporary plays. Productions included *Running with Lions* (a co-production with Talawa Theatre Company) February-March 2022, *Scandaltown* (a new play by Mike Bartlett) April-May 2022 *Britannicus*

**Lyric Theatre Hammersmith Limited (The)**  
**Trustees' Report**  
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(Timberlake Wertenbaker after Racine) and *Closer* (25<sup>th</sup> anniversary production of Patrick Marber's contemporary classic). The Season began with *For the Culture: Celebrations of Blackness* – a festival celebrating Black joy, talent and success whilst amplifying Black History.

Despite significant Covid-related challenges, the Lyric achieved a successful festive period. Our Pantomime, *Aladdin* written by Vikki Stone, was seen by over 20,000 people and made over £400,000 at the box office. In spite of losing 18 performances during the run because of Covid cases within the company, we achieved an audience capacity of over 80% for the performances that went ahead. *Aladdin* went on to win numerous awards at the UK Panto Awards. Our much loved studio production of *Raymond Briggs' Father Christmas* was also struck with Covid cases throughout the run, but was seen by over 10,000 audience members and made over £100,000 (reaching 85% of its target) at the box office.

Our hugely successful, inaugural *For the Culture: Celebrations of Blackness* festival (celebrating Black joy, talent, culture and creativity), ran across a long weekend in January 2022. The programme curated by Dr Peggy Brunache, Tinuke Craig and Nicholai La Barrie included performances, music, readings, discussions, talks, films, food, and art from some of the UK's most exciting and talented Black artists. Headline acts were Le Gateau Chocolat, Shingai, 90s Baby Show, Lemn Sissay - with a host of free events complimenting this activity throughout the three days. Attendance at the festival vastly exceeded our expectations given the Covid infection spike that occurred at the start of the year – with both paid-for and free events selling out across the weekend. Box office income of over £25,000 was achieved and the festival was delivered significantly under budget, but most importantly we welcomed our Black community/audiences back to the Lyric in record numbers.

Our co-production of *Running with Lions* (with Talawa Theatre Company), a debut play by Sian Carter directed by Talawa's Artistic Director Michael Buffong, opened at the Lyric in February. Despite the production not hitting its financial targets, the show was well received critically and unveiled Sian Carter as a major new Black British writing talent. '...a formidable debut from Carter...' – *Time Out*.

In the autumn, we recommenced our Little Lyric programme of family shows in the Studio, which continued throughout the spring on a weekly basis. Across six weeks in September and October, the Lyric also hosted weekly Artistic Residencies for local West London theatre companies – providing them with space and expertise as they developed new work (with some of this work returning to the Lyric for future development in the summer of 2022).

#### YOUNG LYRIC 2021-22

As the pandemic restrictions began to ease, our longstanding commitment to support and nurture young people in our West London catchment area (the ten surrounding boroughs to Hammersmith & Fulham) continued through the following strands of work:

##### Education

- Tanika Gupta's adaption of *A Doll's House* (first staged and commissioned by the Lyric in 2019) became a set text on the Pearson Edexcel GCSE Drama curriculum. To accompany the teaching of this new text, the Lyric created extensive educational resources including interviews with creatives, curriculum guides and an educational resource pack.

# Lyric Theatre Hammersmith Limited (The) Trustees' Report For the year ended 31 March 2022

- Working in partnership with A New Direction, we oversaw the strategic handover of the Local Cultural Educational Partnership (LCEP) to our local authority's education team, the Lyric continued to play a leading role in ensuring a creative childhood remains accessible for all within the borough.

## Inclusion

- REWIND, our arts intervention project in pupil referral units returned successfully to in-house delivery at the Lyric, working in partnership with Westside School, Courtyard Academy and Bridge Academy in supporting some of the most vulnerable young people back into education.
- START, our theatre programme for NEET West Londoners aged 16-25 returned to in-person delivery, engaging and equipping over 30 young people in employability skills through the use of theatre and performance.
- Refugee provision: working in partnership with LBHF we delivered a series of workshops for local refugees, situated in Hammersmith and Fulham, including free ticket offers to productions in our season.

## Emerging Talent

- In January 2022, we launched Springboard, our new flagship actor training programme for young people aged 18-25 who are under-represented in theatre and each have little to no formal experience at the time of entry onto the course. We continued to work with the first 10 trainees in this pilot year, giving them 360° access to the Lyric theatre and its artists both on and off stage.
- Our annual Evolution festival returned for its sixth year showcasing reimagined classics, new writing and a new digital collaboration with the Roundhouse.
- Our Bill Cashmore Award production of *Kick* by Martha Watson Allpress headlined Evolution festival as a brand new play in our studio theatre.

## COMMUNITY & PARTNERSHIPS

During 2021, we developed and staged the Lyric's first ever large-scale community production, *Heart of Hammersmith*. The production engaged over 51 participants aged between 11-88 years old from our local community. We gave 41% of tickets free to West London residents, schools and community organisations and artistically collaborated with our Lyric Partners enhancing our commitment and expertise in access and inclusion from sector-leading specialist organisations.

The Lyric partnership is a vital element in our ability to engage and interact with our local community. In 2021-22 we continued to work with like-minded organisations to the benefit of people from all parts of our community, collectively offering over 100 free or low-cost creative classes in theatre, dance, music and disability arts.

Our partners are: Action on Disability, Amici Dance Theatre, Dance West, Musiko Musika, New English Ballet Theatre, Tri-borough Music Hub and Turtle Key Arts

## DIVERSITY AND INCLUSION

Through 2021-22 we continued our 'Commitment to Change', a body of work focused on changing the Lyric for the better and being an actively anti-racist organisation. Our Action Plan for Change was developed in consultation with staff, artists, stakeholders and our race equity

# Lyric Theatre Hammersmith Limited (The) Trustees' Report For the year ended 31 March 2022

consultants, with actions focused on workforce, HR, fundraising, internal communication and our work on and off stage.

Areas of focus and activity included:

- Diversifying the Lyric Board with four new appointments in August 2021, this recruitment process was led by BAME recruitment.
- The appointment of a new Executive Director and Chair, continuing the Lyric as a female led organisation.
- A commitment to diversifying the team with 37% of permanent staff and 41% of freelance staff identifying as being from the Global Majority .
- Being the first theatre to sign up as an Ally for Change partner with Inc Arts UK and consulted on their 'Act Against Racism' campaign.
- Working with staff, the introduction of a Diversity Development Group tasked with supporting leadership in diversity and inclusion in all areas of the Lyric.
- Carrying out a training needs analysis to form the basis of an organisation-wide programme to provide development to all staff, including Unconscious Bias training.
- The presentation of the first *For the Culture: Celebrations of Blackness* Festival, which took place in January 2022 in response to Black Lives Matter and was seen by over 2,500 over one weekend.
- The Lyric's first community play *Heart of Hammersmith*, which took place in September 2021 with 51 residents of all ages and abilities.
- The improvement of access provision across our shows with an easy read version of Panto introduced for relaxed performances and work beginning on a social story.

## ENVIRONMENTAL SUSTAINABILITY

Our commitment to environmental sustainability has continued as we re-opened the Lyric following the lockdowns. In particular we aim to work to the baseline standard in the Theatre Green Book on all our in-house productions, and we are working with ACE's Spotlight Programme and the London Theatre Consortium to remain at the forefront of sustainability issues in the sector.

Our carbon footprint from scope 1 and 2 emissions in 2021-22 was 168 tonnes of CO<sub>2</sub>e, all of which was obtained from 100% renewable energy supplies (Good Energy and Ecotricity). Our footprint from scope 3 emissions was an estimated 463 tonnes of CO<sub>2</sub>e, 99.7% of which was generated by audience travel.

## FUNDRAISING

In a year of re-opening recovery we were so grateful for the support of our loyal existing supporters as well as new ones who have been invaluable in helping us to continue to reach our fundraising targets in the face of so many challenges. We are very grateful for the support of the Trusts and Foundations, Corporates, Individuals and Public Funders who have ensured the re-opening year post-pandemic was resourced for the benefit of artists, our audiences, local community and young people.

The Lyric's artistic and local communities have been active and generous in supporting our growing events programme, fundraising campaigns through the Big Give Christmas Challenge and our increased on-site donations.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
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Trusts and Foundations continued to play a vital role supporting our work on and off the stage. New in 2022, our new talent development pilot programme, Springboard, has been made possible with committed 3-year funding from the Esmée Fairbairn Foundation and Emmanuel Kaye Foundation.

We acknowledge that the potential for corporate sponsorship has been impacted by the pandemic and economic climate. However, we are grateful to the local businesses who generously support our Community Tickets Programme which helps us offer free tickets to families and young people especially for our panto.

We intend to launch a major fundraising campaign in 2023 to continue to harness and grow the support we are so grateful for to ensure the future of the Lyric.

The Development Director leads a dedicated, permanent fundraising team who are supported by a (volunteer) Development Committee and overseen by our Board. No commercial fundraisers were contracted in 2021-22.

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications of their activities. In February 2021 we updated our Guidelines for Fundraising involving Vulnerable People, and our Ethics, Whistleblowing and Anti-Bribery policies which outline the standards and practices for all Lyric representatives to adhere to. We are a member of the Fundraising regulator and follow the Code of Fundraising Practice. In February 2021 we updated our Terms of Reference for our Development Committee members.

The Board of Trustees are regularly updated on fundraising progress and the Fundraising Policy outlines the process for accepting and soliciting donations to ensure maximising fundraised income in accordance with our policies and the Code of Fundraising Practice. The Development Director and Executive Director have reviewed and monitored all fundraising activity in this financial year against these policies and can report that there has been no negligence. There have been no complaints to date about fundraising at the Lyric.

The Lyric is fully compliant with GDPR legislation in how we use data and communicate with our database. Our Privacy Policy states how we use data in fundraising in order to ensure we are only soliciting gifts from those who are willing and able to support us.

#### **Future plans**

Since April 2022 the Lyric has successfully re-opened after a difficult period; the Covid-enforced closure had a clear financial impact, and impacted our sense of momentum and company unity.. We are focused on our future, building on learnings from the previous financial year and building on our renewed sense of purpose and direction.

We are aware that we still have challenges ahead, with audiences yet to return to the numbers we saw pre-pandemic. *A Doll's House* remains the benchmark for attendance, in our main stage programme and we will build back to – and beyond – that success. We have seen a successful late summer and autumn period both financially and critically with home produced productions of *Closer* and *Iphigenia in Splott*. The current pilot year of our new ground-breaking programme

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2022**

Springboard, is proving incredibly successful and we are already seeing how this innovative approach to providing pathways for performers from underrepresented backgrounds will impact the future of theatre. We will begin the recruitment for the second cohort of Springboard in late 2022, with the programme increasing to 20 trainees from January 2023. Our 2022 Panto, *Jack and the Beanstalk*, directed by Lyric Associate Director Nicholai La Barrie, is cast and has begun rehearsals.

New season planning includes several co-productions building our partnerships and networks across the UK. The previously announced new version of *The Good Person of Sezchuan* by Nina Segal and directed by Anthony Lau which we are co-producing with ETT and Sheffield Theatres is an example of this thinking..

We are working with a number of artists to develop new work and ideas to ensure the artistically ambitious future of the Lyric. Forming new partnerships, including research and development for two large-scale productions.

## FINANCIAL REVIEW

### FINANCIAL REVIEW

The group's total expenditure in 2021-22 was £4.9m. This was £2m more than our 2020-21 expenditure as we re-opened the theatre following the closures resulting from the coronavirus pandemic. Our total expenditure on charitable activities of £4.1m was still significantly below our 2019-20 level of £5.5m, reflecting the gradual return of our activities to pre-pandemic levels during 2021-22 and into 2022-23.

Total income for 2021-22 (including £0.7m of Theatre Tax Relief) was £4.2m. The net movement in funds was therefore a deficit of £678k, compared with the previous year's surplus of £744k.

This highlights the decision taken by the Trustees in 2020-21 to designate £565k of unrestricted income received since March 2020 towards the costs of re-opening the theatre and offsetting the low levels of charitable and trading income which were anticipated in the following two years. Of these funds, £365k was expended during 2021-22, with the remaining £200k to be used to support our continued recovery in 2022-23.

### RESERVES

At 31 March 2022 the group held total funds of £10.2m, of which £7.7m are restricted funds represented by the net book value of fixed assets and £0.3m restricted grant income towards activities in 2022-23.

The total unrestricted funds of £2.6m includes £1.9m held as designated funds, comprising: £200k income received towards re-opening the building and resuming normal activities after the pandemic; £490k representing the net book value of fixed assets; and £1.16m held towards specific purposes as detailed in our reserves policy (below). The remaining unrestricted funds of £737k are general funds held as a contingency against unexpected income shortfalls, as per our reserves policy.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2022**

The Trustees Reserves Policy is to hold reserves as follows:

- A Building Capital Reserve to provide funds for essential replacement and renewal of equipment, fixtures and fittings and match funding for larger capital investment in the building in the next one to five years. The Trustees' initial assessment is that this fund should maintain a balance between £0.5m and £1m, and it currently holds £0.7m.
- A Building Emergency Reserve of at least £100k to provide funds for emergency repair and replacement of essential plant and equipment, against which we hold £100k.
- Strategic Reserves of c.£350k to support the development over one to four years of the organisation's artistic programme (£200k), work with young people (£100k), business model (£25k) and environmental sustainability (£25k), against which we hold £350k.
- At least three months of average staff and overhead expenses (in normal operating conditions), currently c.£700k, against which we hold £737k general funds.

Our total reserves requirements are therefore £1.65m - £2.15m, against which we held reserves of £1.90m (including general funds) at 31 March 2022.

From time to time the Trustees may designate additional funds to provide for investment in particular areas of strategic importance. In reviewing the required level of reserves the Trustees took account of the ongoing impact of the coronavirus pandemic and designated £565k in 2021-22 towards re-opening the building and resuming normal activities over the following two years. As outlined above, £365k of these funds were expended during 2021-22, with the remaining £200k to be used to support our continued recovery in 2022-23.

For more detailed analysis of our reserves see Notes 15-17 of the Financial Statements.

## RISK MANAGEMENT

The company has a risk management strategy which including a Risk Register and a Crisis Management and Disaster Recovery Plan. The Register assesses the major risks faced by the company, and an outline of strategies to mitigate each risk and reduce its impact. The Register is reviewed by the Finance & Resources Committee and specific risks brought to the attention of the Board.

The most significant risks that the company currently faces are:

### **Risks around economic instability and generation of earned income**

The potential for economic instability and recession following Brexit, the coronavirus pandemic and the increased costs of energy have resulted in an increasingly challenging funding climate and a reduction in audiences' and businesses' spending power. We aim to mitigate this risk by maintaining strategic reserves which can be used to support ongoing work or new initiatives which we believe will be of benefit to our beneficiaries but which would not be viable without additional funding.

### **Risk of the impact of the coronavirus pandemic on our operations**

Although all businesses were significantly affected by the coronavirus pandemic, theatres are particularly at risk due to the nature of the live performance experience and the necessity of those involved being physically present and in close proximity. We aim to mitigate this risk by having a range of options in place to minimise the number of performances which might need to be cancelled in the event of sickness amongst the company.

# Lyric Theatre Hammersmith Limited (The) Trustees' Report For the year ended 31 March 2022

## Risks around income targets

As a publicly-funded theatre committed to the production and presentation of new and innovative work we face an inherent risk in the potential failure to reach box office targets. To manage this risk, we set realistic targets and reforecast annual budgets to take account of shows which under- or over-perform against these targets. We aim for a balanced programme and seek opportunities to maximise revenue wherever possible when a show is successful.

Prior to the pandemic we raised an increasingly significant amount of our total income from trusts, companies and individual donations, and from our commercial activity. We set realistic targets which are regularly monitored against confirmed income and we reforecast according to our performance in this area.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The group consists of the Lyric Theatre Hammersmith charity and two wholly-owned subsidiaries: Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited.

The charity is a Company Limited by Guarantee, the Trustees of the charity being the Directors of the Company, governed by its Memorandum and Articles of Association.

### Board of Trustees

The Articles of Association require that the Board comprise between ten and sixteen members as follows:

- up to four persons nominated by the London Borough of Hammersmith and Fulham who hold current office as Councillors of the Borough
- up to eight persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular expertise or experience in the promotion or encouragement of the lively arts and or theatre management, of which up to four persons the Directors will endeavour to nominate from the local community; and
- up to four persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular involvement engagement or employment in or with the community or voluntary sectors or other local organisation or group within the Borough.

Board Members are required to retire at the first Annual General Meeting after the third anniversary of their appointment. Board Members may be re-appointed unless they have served for more than six consecutive years (except by Special Resolution).

The Trustees who have served since 1 April 2021 are:

Lisa Burger (Chair) *(to 20 January 2022)*  
Lorraine Heggeseey (Chair) *(from 10 February 2022)*  
David Sharkey (Deputy Chair)  
Rondette Amoy Smith *(from 6 September 2021)*  
Councillor Emma Apthorp *(from 25 May 2022)*  
Councillor Jonathan Caleb-Landy *(to 6 May 2022)*  
Lameya Chaudhury *(from 6 September 2021)*  
Liz Elston Mayhew  
Councillor Sue Fennimore *(to 6 May 2022)*

**Lyric Theatre Hammersmith Limited (The)  
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David Grieg  
Farah Karim-Cooper (*from 6 September 2021*)  
Councillor Bora Kwon  
Kamran Mallick  
Julie Molloy  
Councillor Patricia Quigley (*to 25 May 2022*)  
Derek Richards (*from 25 October 2021*)  
Councillor Nikos Souslous (*from 25 May 2022*)  
Councillor Nicole Trehy (*from 25 May 2022*)

Observers may also attend Board meetings, subject to the approval of the Board, as representatives of the London Borough of Hammersmith & Fulham, Arts Council England, and the company's employees.

The Board met six times during the year in order to oversee the direction of the company, the day to day management of which is delegated to the Executive Team (comprising the Artistic Director and Executive Director) within terms agreed by the Board.

The Trustees are exceptionally grateful to Lisa Burger, whose term as Chair of the Board came to an end in January 2022.

#### **Recruitment, induction and training of Trustees**

The Nominations Committee (see below) oversees the recruitment, induction and training of Trustees.

In 2021 the Committee worked with BAME Recruitment to identify four new Trustees through a process of open advertisements and interviews in order to maintain a broad range of skills reflecting the various different aspects of the charity's work and business needs and to ensure that appointments reflected contemporary society and the theatre's local community.

The Committee also worked with Green Park to identify a new Chair through a similar process of open advertisements and interviews, and were delighted to recommend the appointment in February 2022 of Lorraine Heggeseey.

All new Trustees are provided with an induction pack and ongoing training is provided by inviting Trustees to attend relevant courses.

#### **Committees**

A Finance & Resources Committee, comprising the Chair of the Board and at least two other Board members, reports to the Board. It meets prior to Board meetings in order to oversee the company's finances, building and HR matters. The members of the Committee during 2021-22 were:

David Sharkey (Chair)  
Lisa Burger  
Lorraine Heggeseey  
Julie Molloy

A Nominations Committee, comprising at least three Board members, makes recommendations to the Board regarding the structure, size and composition of the Board, and to plan for the

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2022**

recruitment, appointment, induction and succession of Board members. The members of the Committee during 2021-22 were:

David Sharkey (Chair)  
Lisa Burger  
Lameya Chaudhury  
Liz Elston Mayhew  
Julie Molloy  
Councillor Bora Kwon

**Related parties**

The Lyric Theatre Hammersmith's core funders are Arts Council England and the London Borough of Hammersmith and Fulham, who provide funding to enable the company to carry out its charitable activities.

The London Borough of Hammersmith and Fulham is also the theatre's landlord. The freehold of the Lyric is owned by Ingka, who lease it to the Borough on a 999 year term. A new 125 year lease was signed in November 2018, which was drawn up as part of the Agreement to develop the site with the freeholder and the theatre's landlord.

The Lyric Theatre Hammersmith has two wholly-owned subsidiaries:

- Lyric Hammersmith Enterprises Limited, which was established to operate the events, bar and catering facilities of the theatre. The profits of the subsidiary are donated to the Lyric.
- Lyric Hammersmith Worldwide Limited, which was originally established for the transfer of Lyric productions to the West End and any commercial exploitation of work and is now used as the vehicle to produce all Lyric productions and co-productions, maximising the benefit of theatre production tax relief. Any profits of the subsidiary are donated to the Lyric.

**Remuneration Policy**

The Board of Trustees do not receive any remuneration.

Remuneration for the Executive Team is considered by the Chair and Deputy Chair, and for other key management personnel is set with reference to benchmarking of pay and benefits for similar subsidised organisations. Annual pay increments are considered by the Finance & Resources Committee as part of its regular monitoring of budgets and approved by the Board.

**Lyric Theatre Hammersmith Limited (The)  
Trustees' Report  
For the year ended 31 March 2022**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

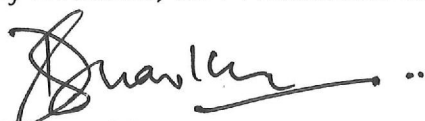
**AUDIT INFORMATION**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**APPROVAL**

The Trustees' Annual Report was approved by the Board of Trustees (in their capacity as Company Directors) on 14 December 2022.



David Sharkey, Director

# Lyric Theatre Hammersmith Limited (The) Independent Auditor's Report to the Members For the year ended 31 March 2022

## Opinion

We have audited the financial statements of Lyric Theatre Hammersmith Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information

**Lyric Theatre Hammersmith Limited (The)**  
**Independent Auditor's Report to the Members**  
**For the year ended 31 March 2022**

and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

#### **Other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the

**Lyric Theatre Hammersmith Limited (The)**  
**Independent Auditor's Report to the Members**  
**For the year ended 31 March 2022**

trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

**Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and

**Lyric Theatre Hammersmith Limited (The)**  
**Independent Auditor's Report to the Members**  
**For the year ended 31 March 2022**

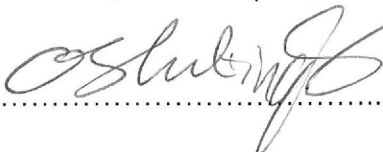
regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Cara Turtington (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP

Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: 16 December 2022

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

**Lyric Theatre Hammersmith Limited (The)**  
**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For the year ended 31 March 2022**

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Income from:</b>						
Donations	3(a)	115,774	-	-	115,774	206,298
Charitable activities						
Theatre & Young						
People's Activity	2	1,278,159	-	-	1,278,159	118,059
Grants	3(b)	1,405,419	-	662,657	2,068,076	3,193,011
Other trading activities	4	495,475	-	-	495,475	118,133
Interest received		2,247	-	-	2,247	2,135
<b>Total income</b>		<b>3,297,074</b>	<b>-</b>	<b>662,657</b>	<b>3,959,731</b>	<b>3,637,636</b>
<b>Expenditure on:</b>						
Raising funds	6	747,867	-	-	747,867	478,329
Charitable activities	7	2,388,900	544,595	1,209,878	4,143,373	2,421,496
<b>Total expenditure</b>		<b>3,136,767</b>	<b>544,595</b>	<b>1,209,878</b>	<b>4,891,240</b>	<b>2,899,825</b>
<b>Net income/(expenditure)</b>						
before taxation		160,307	(544,595)	(547,221)	(931,509)	737,811
Taxation	9	253,714	-	-	253,714	6,145
Transfers between funds	15,16	(225,164)	225,164	-	-	-
<b>Net movement in funds</b>		<b>188,857</b>	<b>(319,431)</b>	<b>(547,221)</b>	<b>(677,795)</b>	<b>743,956</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		548,435	2,169,747	8,229,693	10,947,875	10,203,919
<b>Total funds carried forward</b>		<b>737,292</b>	<b>1,850,316</b>	<b>7,682,472</b>	<b>10,270,080</b>	<b>10,947,875</b>

These results derive from continuing activities and all gains and losses recognised in the year are included in the above statement.

The notes on pages 20 to 32 form part of the financial statements.

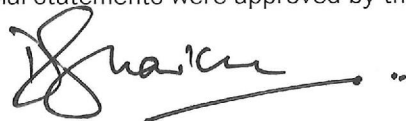
**Lyric Theatre Hammersmith Limited (The)**  
**Registered Company No.1443809**  
**Balance Sheet**  
**For the year ended 31 March 2022**

	Note	2022 £	Group 2021 £	2022 £	Company 2021 £
<b>Fixed assets:</b>					
Tangible fixed assets	11	7,879,435	8,317,552	7,879,435	8,317,552
Investments	12	-	-	3	3
<b>Total fixed assets</b>		<u>7,879,435</u>	<u>8,317,552</u>	<u>7,879,438</u>	<u>8,317,555</u>
<b>Current assets:</b>					
Stock and work in progress		224,385	66,536	211,603	61,876
Debtors	13	491,027	240,977	567,658	517,663
Cash at bank and in hand		2,836,508	2,947,588	2,697,058	2,641,870
<b>Total current assets</b>		<u>3,551,920</u>	<u>3,255,101</u>	<u>3,476,319</u>	<u>3,221,409</u>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	14	(1,161,274)	(624,778)	(1,085,676)	(591,089)
<b>Net current assets</b>		<u>2,390,646</u>	<u>2,630,323</u>	<u>2,390,643</u>	<u>2,630,320</u>
<b>Total net assets</b>		<u>10,270,081</u>	<u>10,947,875</u>	<u>10,270,081</u>	<u>10,947,875</u>
<b>The funds of the charity:</b>					
Restricted funds	15	7,682,472	8,229,693	7,682,472	8,229,693
<b>Unrestricted funds:</b>					
Designated funds	16	1,850,316	2,169,747	1,850,316	2,169,747
General funds	16	737,292	548,435	737,292	548,435
<b>Total unrestricted funds</b>		<u>2,587,608</u>	<u>2,718,182</u>	<u>2,587,608</u>	<u>2,718,182</u>
<b>Total funds</b>		<u>10,270,080</u>	<u>10,947,875</u>	<u>10,270,080</u>	<u>10,947,875</u>

No separate company Statement of Financial Activities (SoFA) has been prepared by the company, as permitted by Section 408 of the Companies Act 2006. The Charity's net surplus/deficit for the year, excluding restricted funds, was a deficit of £130,574 (2021: surplus of £906,106).

The notes on pages 20 to 32 form part of the financial statements.

The financial statements were approved by the board and authorised for issue and signed on 14 December 2022.



David Sharkey, Director

**Lyric Theatre Hammersmith Limited (The)**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 March 2022**

Consolidated statement of cash flows

	2022 £	2022 £	2021 £	2021 £
Net cash provided by/(used in) operating activities		(25,745)		1,219,030
Cash flows from investing activities:				
Interest received	2,247		2,135	
Purchase of tangible fixed assets	(87,582)		-	
Net cash provided by/(used in) investment activities		(85,335)		2,135
Increase/(decrease) in cash		(111,080)		1,221,165
Opening cash balance at 1 April		2,947,588		1,726,423
Closing cash balance at 31 March		<u>2,836,508</u>		<u>2,947,588</u>

Reconciliation of net income/expenditure to net cash flow from operating activities

	2022 £	2021 £
Net income/(expenditure)	(677,795)	743,956
Adjustments for:		
Depreciation charges	525,699	525,155
Interest received	(2,247)	(2,135)
Increase in stock and work in progress	(157,849)	(22,454)
(Increase)/decrease in debtors	(250,050)	275,360
Increase/(decrease) in creditors	536,497	(300,852)
Net cash provided by/(used in) operating activities	<u>(25,745)</u>	<u>1,219,030</u>

Analysis of changes in cash and changes in net debt

	At 1 April 2021 £	Cash flow £	At 31 March 2022 £
Cash at bank and in hand	2,947,588	(111,080)	2,836,508
	<u>2,947,588</u>	<u>(111,080)</u>	<u>2,836,508</u>

The notes on pages 20 to 32 form part of the financial statements.

# Lyric Theatre Hammersmith Limited (The)

## Notes to the Financial Statements

### For the year ended 31 March 2022

#### 1. Accounting policies

##### Company status

The charity is a company limited by guarantee, registered in England and Wales. The registered office is Lyric Theatre, King Street, Hammersmith, London, W6 0QL. The members of the company have served as directors or are currently serving as directors as named on page 10. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### Basis of accounting

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1st January 2019.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

##### Consolidation

The SOFA and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

##### Going concern

At the time of approving the financial statements the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which are not designated for other purposes.

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

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

Transfers between funds are made at the discretion of the Board.

##### Income

Income from theatre admission fees is included in incoming resources in the period in which the relevant performance takes place. Where a series of productions straddles the end of the accounting period the income is recognised in the period in which the majority of the performances take place. Income related to productions or lettings in a subsequent period is treated as deferred income.

Income from commercial activities is included in the period in which the activity takes place.

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, reasonable certainty of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-

# Lyric Theatre Hammersmith Limited (The)

## Notes to the Financial Statements

### For the year ended 31 March 2022

conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Income from the Coronavirus Job Retention Scheme (CJRS) has been included in incoming resources as a restricted fund, matched against the staff costs it has offset.

Gifts in kind have been realised at cost.

#### Expenditure

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting donations and those incurred in the operation of trading activities that raise funds.
- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as touring and educational programmes. Cost of charitable activities include both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is on the basis of the relative proportion of direct costs incurred.
- Governance costs are the costs incurred in the governance of the charity and associated constitutional and statutory requirements. These costs are allocated between the charitable activities.

Where performances of a production straddle the balance sheet date, production costs are allocated to the period in which the greater number of performances fall, this matches the allocation of income related to productions.

#### Tangible fixed assets

Individual fixed assets consisting of amounts greater than £2,500 for IT purchases and £5,000 for fixtures, fittings and equipment with a useful life in excess of one year are capitalised at cost. Tangible fixed assets are depreciated over their anticipated useful lives in equal instalments. The periods used are:

Leasehold improvements	28-30 years
Reuben Foundation Wing improvements	20 years
Auditorium, Studio and FOH improvements	15-20 years
Roof Garden	12 years
Fixtures and fittings	5-8 years
Technical and computer equipment	3-8 years

#### Investments

The Statement of Recommended Practice requires investments to be stated at market value. The investments of the Lyric Theatre Hammersmith consist of two subsidiaries, Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited. Both companies are not quoted and the directors consider it appropriate to include the investments at cost.

#### Financial Instruments

Financial assets are recognised in the Charity's statement of financial position when the Charity becomes party to the contractual provisions of the instrument. The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

# Lyric Theatre Hammersmith Limited (The)

## Notes to the Financial Statements

### For the year ended 31 March 2022

#### Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

#### Other financial assets

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

#### De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

#### Classification of financial liabilities

##### Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

##### Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

##### De-recognition of financial liabilities

Financial liabilities are de-recognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

2. Income from charitable activities

	2022	2021
	£	£
Ticket sales	937,675	16,512
Touring income	-	21,500
Co-production income	145,508	17,144
Royalties income	-	6,589
Front of House sales	42,747	(20)
Income from partners	59,923	29,173
Young People's income	29,660	20,146
Other income	62,646	7,015
	<u>1,278,159</u>	<u>118,059</u>

3. (a) Income from donations

	2022	2021
	£	£
Total income from donations	<u>115,774</u>	<u>206,298</u>

No income from donations was restricted (2021: none).

(b) Income from charitable activities: grants

	2022	2021
	£	£
<b>Public funding:</b>		
<i>Core funding:</i>		
Arts Council England – National Portfolio Organisation funding	1,120,240	1,120,240
London Borough of Hammersmith & Fulham – 3 <sup>rd</sup> Sector Investment Funding	230,000	230,000
<i>Coronavirus-related funding:</i>		
Culture Recovery Fund (restricted)	188,680	377,361
Coronavirus Job Retention Scheme (restricted)	98,513	820,840
Restart Grant	18,000	-
Additional Restrictions Grant	20,000	-
Omicron Hospitality and Leisure Grant	6,000	-
Local Restrictions Support Grants	1,179	15,524
Closed Business Lockdown Payment	-	9,000
<i>Project funding:</i>		
Arts Council England – National Lottery Project Grant	49,000	-
British Council – Cultural Exchange Programme	29,890	-
Department for Work and Pensions – Kickstart Scheme	29,840	-
<b>Trusts &amp; Foundations</b>		
<i>Restricted grants:</i>		
Young People's Programme activities	257,434	286,056
Theatre productions activities	9,300	193,990
Unrestricted grants	10,000	140,000
Total income from charitable activities: grants	<u>2,068,076</u>	<u>3,193,011</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

Included in note 3 above are government grants of £230,000 from the London Borough of Hammersmith & Fulham (2021: £230,000), £98,513 from the Coronavirus Job Retention Scheme (2021: £820,840), £18,000 from the Restart Grant (2021: nil), £20,000 from the Additional Restrictions Grant (2021: nil), £6,000 from the Omicron Hospitality and Leisure Grant (2021: nil) and Local Restrictions Support Grants of £1,179 (2021: £15,524).

**4. Income from other trading activities**

	2022	2021
	£	£
Fundraising events	29,135	3,752
Corporate fundraising	65,663	38,057
Commercial trading operations (note 5)	400,677	76,324
	<u>495,475</u>	<u>118,133</u>

**5. Commercial trading operations**

**Lyric Hammersmith Enterprises Limited**

The wholly owned trading subsidiary Lyric Hammersmith Enterprises Limited, incorporated in England and Wales, pays all its profits to the charitable company by Gift Aid. Lyric Hammersmith Enterprises Limited manages catering, hires and events at the Lyric Hammersmith Theatre.

The company owns the entire issued share capital of 2 ordinary shares of £1 each. A Summary of the trading results is shown below.

*Summary profit and loss account:*

	2022	2021
	£	£
Turnover	400,677	76,324
Other operating income	-	88,661
Interest received	74	60
Cost of sales	(69,938)	(8,371)
Administration expenses	(185,961)	(103,109)
Management fees	(144,852)	(53,565)
	<u>-</u>	<u>-</u>
Net profit	-	-
Amount gifted to charity	-	-
	<u>-</u>	<u>-</u>
Profit retained in the subsidiary	<u>-</u>	<u>-</u>

*The assets and liabilities of the subsidiary at 31 March 2022 were:*

Current assets	187,468	347,205
Creditors: amounts falling due within one year	(187,466)	(347,203)
	<u>2</u>	<u>2</u>
Total net assets	<u>2</u>	<u>2</u>
Profit and loss account	-	-
Aggregate share capital and reserves	2	2
	<u>2</u>	<u>2</u>
Total funds	<u>2</u>	<u>2</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Lyric Hammersmith Worldwide Limited**

The wholly owned trading subsidiary Lyric Hammersmith Worldwide Limited, incorporated in England and Wales provides production services to Lyric Theatre Hammersmith Limited.

The company owns the entire issued share capital of 1 ordinary share of £1. A Summary of the trading results is shown below.

*Summary profit and loss account:*

	2022 £	2021 £
Turnover	1,338,563	32,327
Cost of sales	(1,592,277)	(38,472)
Net profit/(loss)	(253,714)	(6,145)
Taxation	253,714	6,145
Profit retained in the subsidiary	-	-

*The assets and liabilities of the subsidiary at 31 March 2022 were:*

Current assets	259,859	6,145
Creditors: amounts falling due within one year	(259,858)	(6,144)
Total net assets	1	1
Profit and loss account	-	-
Aggregate share capital and reserves	1	1
Total funds	1	1

**6. Expenditure on activities for raising funds**

	2022 £	2021 £
Trading companies staff costs	136,788	93,844
Trading companies other costs	115,561	16,531
Fundraising staff costs	209,687	162,629
Other direct fundraising costs	35,747	3,554
Support costs (note 8)	250,084	201,771
	747,867	478,329

**7. Charitable activities**

	Activities undertaken directly £	Support costs £	Total 2022 £
Theatre productions	2,417,853	1,214,723	3,632,576
Young People's programme	339,988	170,809	510,797
	2,757,841	1,385,532	4,143,373

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

			<i>Total</i> 2021 £
<i>Theatre productions</i>	1,166,207	850,833	2,017,040
<i>Young People's programme</i>	233,847	170,609	404,456
	<u>1,400,054</u>	<u>1,021,442</u>	<u>2,421,496</u>

**8. Support costs**

	Charitable activities £	Cost of raising funds £	Total 2022 £
Staff costs	216,513	39,080	255,593
Building costs	379,388	68,478	447,866
Administration costs	259,747	46,884	306,631
Depreciation	445,321	80,379	525,700
Irrecoverable VAT on overheads	59,721	10,779	70,500
Governance costs:			
Audit fees	21,741	3,924	25,665
Legal fees	3,101	560	3,661
	<u>1,385,532</u>	<u>250,084</u>	<u>1,635,616</u>

			<i>Total</i> 2021 £
<i>Staff costs</i>	187,784	37,094	224,878
<i>Building costs</i>	164,663	32,527	197,190
<i>Administration costs</i>	205,990	40,690	246,680
<i>Depreciation</i>	438,530	86,625	525,155
<i>Irrecoverable VAT on overheads</i>	8,636	1,706	10,342
Governance costs:			
Audit fees	15,004	2,964	17,968
Legal fees	835	165	1,000
	<u>1,021,442</u>	<u>201,771</u>	<u>1,223,213</u>

Support costs are allocated on the basis of the relative proportion of direct costs incurred.

**9. Taxation**

	2022 £	2021 £
Domestic current year tax		
UK Corporation Tax	(253,714)	(6,145)
	<u>(253,714)</u>	<u>(6,145)</u>

Income from UK Corporation Tax relates to a credit for Theatre Tax Relief.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

10. Staff costs and directors' remuneration

	2022	2021
	£	£
Salaries and wages	1,658,571	1,557,683
Employers' National Insurance contributions	146,017	131,657
Employers' pension contributions	38,080	37,385
	<u>1,842,668</u>	<u>1,726,725</u>

These costs are included as follows:

Activities for raising funds	346,475	256,473
Theatre productions	1,049,861	1,044,985
Young People's programme	190,739	200,389
Support costs	255,593	224,878
	<u>1,842,668</u>	<u>1,726,725</u>

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

	2022	2021
Full time	33	39
Part time and casual	51	43
	<u>84</u>	<u>82</u>

The number of full time equivalent employees was 65 (2021: 53) in the following categories:

Activities for raising funds	9	10
Theatre productions	41	31
Young People's programme	9	6
Support activities	6	6
	<u>65</u>	<u>53</u>

Two employees' total employee benefits fell within the range of £60,001-£70,000 and one within the range of £80,001-£90,000 (2021: one in the range of £70,001-£80,000 and one in the range of £90,001-£100,000).

Key management personnel comprise the Senior Management Team: Artistic Director, Executive Director, Senior Producer, Director of Young Lyric, Director of Communications and Culture, Commercial Director, Director of Development, Director of Finance and Resources and Head of Production. The total employee benefits of the key management personnel were £492,722 (2021: £466,021).

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**11. Tangible fixed assets**

All assets relate to the charitable company and are used for charitable purposes.

	Leasehold improvements £	Equipment and furniture £	Total £
<b>Cost</b>			
At 1 April 2021	12,808,851	2,170,784	14,979,635
Additions	-	87,582	87,582
At 31 March 2022	12,808,851	2,258,366	15,067,217
<b>Depreciation</b>			
At 1 April 2021	4,609,810	2,052,273	6,662,083
Charge for the year	446,776	78,923	525,699
At 31 March 2022	5,056,586	2,131,196	7,187,782
<b>Net book value</b>			
At 31 March 2022	7,752,265	127,170	7,879,435
At 31 March 2021	8,199,041	118,511	8,317,552

Legal charges exist over the long-term leasehold properties to secure the interests of Arts Council England, which contributed grant funding towards their redevelopment.

**12. Investments**

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Investment in subsidiary undertakings	-	-	3	3

Investments are included at cost and are unlisted. In the opinion of the directors the market value of the investment is not materially different from the cost.

	Number of shares	% of issued share capital	Cost of shares
Lyric Hammersmith Enterprises Limited (note 5)	2	100%	2
Lyric Hammersmith Worldwide Limited (note 5)	1	100%	1

**13. Debtors**

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	120,971	52,315	88,058	16,973
Subsidiary undertakings	-	-	371,727	319,659
Other debtors	269,575	24,797	9,715	17,166
Prepayments	47,410	35,318	45,087	35,318
Accrued income	53,071	128,547	53,071	128,547
	<u>491,027</u>	<u>240,977</u>	<u>567,658</u>	<u>517,663</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**14. Creditors: amounts falling due within one year**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	399,547	114,377	387,028	113,890
Taxation and social security	25,022	11,038	5,844	11,038
Other creditors	156,446	37,898	127,755	16,298
Accruals	336,624	286,508	321,414	283,507
Deferred income	243,635	174,957	243,635	166,356
	<u>1,161,274</u>	<u>624,778</u>	<u>1,085,676</u>	<u>591,089</u>

**15. Restricted funds**

		31 March	Net incoming	Transfers	31 March
		2021	/(outgoing)		2022
		£	£	£	£
Capital grants – extension 2004	(1)	1,008,062	(91,622)	-	916,440
Young People's fund	(2)	77,366	105,556	-	182,922
Capital project 2015	(3)	6,385,790	(286,351)	-	6,099,439
Capital project 2018	(4)	539,385	(55,714)	-	483,671
Restricted activity fund	(5)	219,090	(219,090)	-	-
		<u>8,229,693</u>	<u>(547,221)</u>	<u>-</u>	<u>7,682,472</u>

- (1) The Capital grants – extension 2004 fund relates to the extension built in 2004 and represents fixed assets. The movement on the fund represents depreciation charges.
- (2) The Young People's fund represents income received to support young people's activity and the related expenditure. The balance at 31 March 2021 represents income received toward activities to be undertaken in 2021-22.
- (3) The Capital project 2015 fund represents amounts received for the building of the Reuben Foundation Wing. This fund represents fixed assets and funds allocated to supporting our work with young people. The movement on the fund represents depreciation charges.
- (4) The Capital project 2018 fund relates to the refurbishment of the auditorium and Studio in 2018 and represents fixed assets. The movement on the fund represents depreciation charges.
- (5) The Restricted activity fund represents income received to support specific charitable activities and the related expenditure.

		31 March	Net incoming	Transfers	31 March
		2020	/(outgoing)		2021
		£	£	£	£
Capital grants – extension 2004	(1)	1,099,684	(91,622)	-	1,008,062
Young People's fund	(2)	-	77,366	-	77,366
Capital project 2015	(3)	6,672,141	(286,351)	-	6,385,790
Capital project 2018	(4)	620,018	(58,158)	(22,475)	539,385
Restricted activity fund	(5)	-	219,090	-	219,090
		<u>8,391,843</u>	<u>(139,675)</u>	<u>(22,475)</u>	<u>8,229,693</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**16. Unrestricted funds**

		31 March 2021 £	Net incoming /(outgoing) £	Transfers £	31 March 2022 £
<b>Designated funds</b>					
Building emergency reserve	(1)	100,000	-	-	100,000
Building capital reserve	(2)	660,000	(87,582)	137,582	710,000
New building 2015	(3)	474,563	(62,403)	-	412,160
Fixed asset fund	(4)	19,886	(29,610)	87,582	77,858
Programme development fund	(5)	200,000	-	-	200,000
Organisational development fund	(6)	25,001	-	-	25,001
Green fund	(7)	25,000	-	-	25,000
Next generation fund	(8)	100,297	-	-	100,297
Re-opening fund 2021	(9)	565,000	(365,000)	-	200,000
<b>Total designated funds</b>		<b>2,169,747</b>	<b>(544,595)</b>	<b>225,164</b>	<b>1,850,316</b>
<b>Other unrestricted funds</b>					
General funds	(10)	548,435	414,021	(225,164)	737,292
<b>Total unrestricted funds</b>		<b>2,718,182</b>	<b>(103,574)</b>	<b>-</b>	<b>2,587,608</b>

- (1) The Building emergency reserve fund provides funds for emergency repair and replacement of essential plant and equipment.
- (2) The Building capital reserve fund provides funds for the necessary replacement and renewal of equipment, fixtures and fittings and match funding for larger capital investment in the building in the next one to five years. During the year a transfer of £225,164 was made from General funds towards the costs of planned capital investment, and a transfer of £87,582 was made to the Fixed asset fund representing the cost of additions to the charity's fixed assets (see note 11).
- (3) The New building 2015 fund represents the net book value of fixed assets funded from the Building capital reserve fund during the building of the Reuben Foundation Wing. The movement on the fund represents depreciation charges.
- (4) The fixed asset fund represents the net book value of other tangible fixed assets. The movement on the fund represents depreciation charges. During the year a transfer of £87,582 was made from the Building capital reserve fund as detailed above.
- (5) The Programme development fund represents an amount designated by the Trustees to support the future development of the artistic programme. There was no expenditure from the fund during the year due to reduced activity levels in response to the impact of the coronavirus pandemic. The Trustees expect this fund will be fully spent within the three years after the theatre returns to a full programme.
- (6) The Organisational development fund represents an amount that the Trustees have designated to invest in planned organisational development work to support the future growth of the Lyric over the next one to three years. As with the Programme development fund, there was no expenditure during the year due to reduced activity levels.
- (7) The Green fund represents an amount that the Trustees have designated, from savings on utilities, for future investment in projects that support the Lyric's environmental sustainability and work towards carbon net zero. Expenditure from this fund was postponed due to the impact of the coronavirus pandemic, but the Trustees expect to spend this fund within the next two years.
- (8) The Next generation fund represents an individual donation, which has been designated by the Trustees to support our work with young people over the next four years. As with the Programme development fund, there was no expenditure during the year due to reduced activity levels.
- (9) The Re-opening fund 2021 was designated by the Trustees in 2021 to recognise the significant amount of income received toward re-opening the building and resuming normal activities after the coronavirus pandemic. A total of £365,000 was expended from the fund and the balance of £200,000 is expected to be fully spent on charitable activities in 2022-23.
- (10) General funds represent the Charity's free reserves; a total of £225,164 was transferred to designated funds during the year as detailed above.

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

		31 March 2020 £	Net incoming /(outgoing) £	Transfers £	31 March 2021 £
<i>Designated funds</i>					
Building emergency reserve	(1)	100,000	-	-	100,000
Building capital reserve	(2)	398,802	-	261,198	660,000
New building 2015	(3)	536,967	(62,404)	-	474,563
Roof garden reserve		19,249	(19,249)	-	-
Fixed asset fund	(4)	27,258	(7,372)	-	19,886
Programme development fund	(5)	151,020	-	48,980	200,000
Organisational development fund	(6)	25,001	-	-	25,001
Green fund	(7)	25,000	-	-	25,000
Next generation fund	(8)	100,297	-	-	100,297
Re-opening fund 2021	(9)	-	-	565,000	565,000
<b>Total designated funds</b>		<b>1,383,594</b>	<b>(89,025)</b>	<b>875,178</b>	<b>2,169,747</b>
<i>Other unrestricted funds</i>					
General funds	(10)	428,482	972,656	(852,703)	548,435
<b>Total unrestricted funds</b>		<b>1,812,076</b>	<b>883,631</b>	<b>22,475</b>	<b>2,718,182</b>

**17. Analysis of group net assets between funds**

	Unrestricted funds			Restricted funds £	Total 2022 £
	General funds £	Designated funds £	£		
Fixed assets and investments	-	490,018	7,389,417	7,879,435	
Current assets	1,898,566	1,360,298	293,055	3,551,919	
Creditors	(1,161,274)	-	-	(1,161,274)	
	<u>737,292</u>	<u>1,850,316</u>	<u>7,682,472</u>	<u>10,270,080</u>	
	Unrestricted funds			Restricted funds £	Total 2021 £
	General funds £	Designated funds £	£		
Fixed assets and investments	-	494,449	7,823,103	8,317,552	
Current assets	1,173,213	1,675,298	406,590	3,255,101	
Creditors	(624,778)	-	-	(624,778)	
	<u>548,435</u>	<u>2,169,747</u>	<u>8,229,693</u>	<u>10,947,875</u>	

**18. Contingent lease obligations – charity and group**

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
<b>Land and buildings</b>				
One year	40,000	40,000	40,000	40,000
Two to five years	160,000	160,000	160,000	160,000
More than five years	4,600,000	4,640,000	4,600,000	4,640,000
	<u>4,800,000</u>	<u>4,840,000</u>	<u>4,800,000</u>	<u>4,840,000</u>

**Lyric Theatre Hammersmith Limited (The)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**19. Related party transactions**

During the year ended 31 March 2022 trustees and persons connected with them received no remuneration (2021: nil) and expenses of £366 (2021: nil).

During the year ended 31 March 2022 trustees and persons connected with them made donations to the Charity totalling £6,799 (2021: £16,483).

At 31 March 2022 the following amounts were owed to the Charity by its subsidiary companies:

- Lyric Hammersmith Enterprises Limited: £111,868 comprising management fees.
- Lyric Hammersmith Worldwide Limited: £259,858 comprising payments for production services.

Transactions between Lyric Theatre Hammersmith and its subsidiaries are detailed in note 5.

**20. Comparative consolidated statement of financial activities for the year ended 31 March 2021**

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
<b>Income from:</b>					
Donations	3(a)	206,298	-	-	206,298
<b>Charitable activities</b>					
Theatre & Young People's Activity	2	118,059	-	-	118,059
Grants	3(b)	1,514,764	-	1,678,247	3,193,011
Other trading activities	4	118,133	-	-	118,133
Interest received		2,135	-	-	2,135
<b>Total income</b>		<b>1,959,389</b>	<b>-</b>	<b>1,678,247</b>	<b>3,637,636</b>
<b>Expenditure on:</b>					
Raising funds	6	478,329	-	-	478,329
Charitable activities	7	514,549	89,025	1,817,922	2,421,496
<b>Total expenditure</b>		<b>992,878</b>	<b>89,025</b>	<b>1,817,922</b>	<b>2,899,825</b>
<b>Net income/(expenditure) before taxation</b>					
		966,511	(89,025)	(139,675)	737,811
Taxation	9	6,145	-	-	6,145
Transfers between funds	15,16	(852,703)	875,178	(22,475)	-
<b>Net movement in funds</b>		<b>119,953</b>	<b>786,153</b>	<b>(162,150)</b>	<b>743,956</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		428,482	1,383,594	8,391,843	10,203,919
<b>Total funds carried forward</b>		<b>548,435</b>	<b>2,169,747</b>	<b>8,229,693</b>	<b>10,947,875</b>

**Lyric Theatre Hammersmith Limited (The)**  
**Charity Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For the year ended 31 March 2022**

For Trustees' information only

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<b>Income from:</b>				
Donations		115,774	-	115,774
Charitable activities				
Theatre & Young				
People's Activity		1,531,873	-	1,531,873
Grants		1,405,419	662,657	2,068,076
Other trading activities		239,650	-	239,650
Interest received		2,173	-	2,173
<b>Total income</b>		<b>3,288,255</b>	<b>662,657</b>	<b>3,950,912</b>
<b>Expenditure on:</b>				
Raising funds		491,968	-	491,968
Charitable activities		2,933,495	1,209,878	4,143,373
<b>Total expenditure</b>		<b>3,425,463</b>	<b>1,209,878</b>	<b>4,635,341</b>
<b>Net income/(expenditure) before transfers</b>		<b>(130,574)</b>	<b>(547,221)</b>	<b>(677,795)</b>
Transfers between funds		-	-	-
<b>Net movement in funds</b>		<b>(130,574)</b>	<b>(547,221)</b>	<b>(677,795)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		2,718,182	8,229,693	10,947,875
<b>Total funds carried forward</b>		<b>2,587,608</b>	<b>7,682,472</b>	<b>10,270,080</b>

This page is provided for management use only and does not form part of the statutory financial statements.

**LYRIC THEATRE HAMMERSMITH LIMITED**

England & Wales - Charity number 278518

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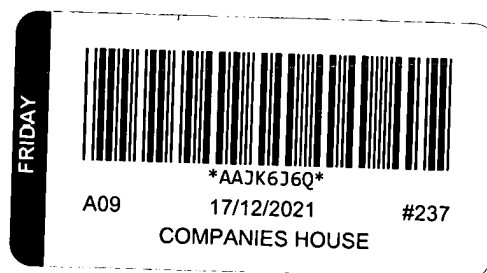
# Accounts

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LYRIC THEATRE HAMMERSMITH LIMITED  
(A Company Limited by Guarantee)

Registered Company No.1443809  
Registered Charity No.278518

CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2021



Lyric Theatre Hammersmith Limited  
Trustees' Report  
For the year ended 31 March 2021

The Trustees of the Lyric Theatre Hammersmith are pleased to present their report together with the financial statements for the year ended 31 March 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Details

Registered Name: Lyric Theatre Hammersmith Limited

Registered Charity No.: 278518

Registered Company No.: 1443809

Registered Address: Lyric Hammersmith Theatre  
Lyric Square  
King Street  
London W6 0QL

Chief Executive: Rachel O'Riordan

Advisers

Auditors: Saffery Champness LLP  
71 Queen Victoria Street  
London EC4V 4BE

Bankers: Barclays Bank  
Knightsbridge Business Centre  
PO Box 32014  
London NW1 2ZG

Solicitors: Harbottle and Lewis  
14 Hanover Square  
London W1R 0BE

Farrer and Co LLP  
66 Lincoln's Inn Fields  
London WC2A 3LH

Constitution

The Lyric Theatre Hammersmith is a registered charity and a company limited by guarantee, governed by its Memorandum and Articles of Association dated 14 August 1979 and last updated in 2004.

Lyric Theatre Hammersmith Limited  
Trustees' Report  
For the year ended 31 March 2021

STRATEGIC REPORT

## Objectives

The objectives of the charity as set out in the Lyric's Memorandum and Articles of Association are:

- The advancement of the education of the public, and in particular of people living or working in the London Borough of Hammersmith and Fulham and in West London, in the arts
- The provision of facilities for recreation and other leisure time occupations for the public and in particular persons living and working in the London Borough of Hammersmith and Fulham.

## Activities

### ARTISTIC PROGRAMME 2020-21

After a successful launch of our new Artistic Director, Rachel O'Riordan's, first season starting with the critical & financial success of *A Doll's House* we were forced to close *Love, Love, Love* following strong reviews on March 2020 by the government lockdown announcement. We quickly introduced streamlining measures; our building closed (minimising overheads) and a skeleton staff remained working. Difficult decisions were made to cancel *Antigone*, our large-scale musical *Sammy*, pantomime, the Little Lyric programme of shows and all in-person Young Lyric activity.

Our artistic programme moved onto our digital platform and in May we digitally streamed *A Doll's House*, offered online masterclasses in directing and celebrated the 5<sup>th</sup> anniversary of our Rueben Foundation Wing via zoom.

Participating in BBC Radio's *Lockdown Theatre Festival* with *Love, Love, Love* in May was another opportunity to continue our digital artistic delivery. July 2020 was our 125<sup>th</sup> birthday and we were disappointed not to have been able to celebrate with a planned year programme of events and shows. However, thanks to the support of people from the Lyric's history we produced digital content used across our channels to celebrate the people, shows and achievements from our 125 years.

In November we filmed a bespoke version of our co-production with Pins & Needles Productions of *Raymond Briggs' Father Christmas* engaging successfully with family audiences nationwide in a digital partnership with Darwen Theatre, Oxford Playhouse, Tobacco Factory Theatres Bristol, and Wales Millennium Centre. This was the ninth year of this popular classic which we filmed in the main house and were delighted to distribute free tickets to local residents in Hammersmith.

Despite the November lockdown, the team continued to prepare for socially-distanced productions of *Iphigenia In Splott* by Gary Owen and *Sancho: An Act of Remembrance* by Paterson Joseph, announced in October, planned for January 2021. These shows were programmed for their low origination costs in order to minimise financial risk. This cautious approach mitigated the impact of the January 2021 lockdown which sadly forced their cancellation.

In December, we held an open Zoom call to seek participants aged 18-25 and living in West London to help create and perform in our first community production, *Heart of Hammersmith*.

## Lyric Theatre Hammersmith Limited Trustees' Report For the year ended 31 March 2021

From January 2021 we began working with the participants in our community through *Heart of Hammersmith* rehearsals and we were delighted to be able to help participants in the post-pandemic healing process, and bring people of all ages together out of isolation.

While we began 2021 in lockdown with further enforced cancellations we were able to commission and begin our production of *Out West*, a trilogy of new monologues by Tanika Gupta, Simon Stephens and Roy Williams (which opened in June 2021). We also programmed family events in preparation for reopening with *Lyric Fest* (which took place in July 2021) and *The Very Hungry Caterpillar* to restart our Little Lyric programme for families.

### YOUNG LYRIC 2020-21

Our commitment to support and nurture young people in our West London catchment area (the ten surrounding boroughs to Hammersmith & Fulham) continued throughout lockdown in 2020 via:

- Young Lyric facilitators remaining in pupil referral units to support particularly vulnerable young people during lockdown.
- *Stories from the Future* digital project, a series of plays written by primary school students and funded by the Greater London Authority as part of our continued support of local schools
- 'Acting Up' classes resumed again in January (online) for more than 500 participants per week.
- Our Young Lyric team ran the 'Lyric Line' regularly calling our members and targeted groups to check in on them and offer them support.
- Continuing our work with the Local Authority and local schools on the Local Cultural Education partnership (LCEP) via zoom.
- We waived the fee of our Young Lyric membership making it more accessible for young people in West London.
- Our *Letters from Lockdown* digital project engaged key workers' children to respond to the pandemic through creative writing, which was shown online and on the screen in Lyric Square through summer 2020.
- We led online classes in Theatre making and Directing during the autumn and four weeks of summer projects based on filmmaking.

We marked our 125<sup>th</sup> Birthday by launching 'Born in the Borough' – a commitment to provide 25 years of free arts opportunities to babies born in the theatre's home borough of Hammersmith & Fulham during the theatre's birthday year.

### COMMUNITY & PARTNERSHIPS

The Young Lyric partnership is a vital element in our ability to engage and interact with our local community. In 2020-21 we continued to work with eight like-minded organisations to the benefit of people from all parts of our community.

The partners are: Action on Disability, Amici Dance Theatre, Dance West, Musiko Musika, New English Ballet Theatre, Tri-borough Music Hub, Turtle Key Arts and Zoo Nation.

As restrictions eased in September 2020 we reopened our building for partners, commercial tenants and higher education theatre students.

# Lyric Theatre Hammersmith Limited

## Trustees' Report

### For the year ended 31 March 2021

More than ever, during the Covid crisis we have aimed to be a resource and support for our West London community. We were able to offer this as a Hammersmith Food Bank host, donating catering supplies and collecting clothing for local charities.

#### DIVERSITY AND INCLUSION

In August 2020 we announced our 'Commitment to Change' to be an actively anti-racist organisation. Led by our CEO and Trustees, in consultation with current and past alumni and staff and supported by expert consultants, we have been overhauling our commitment to access and diversity organisation-wide with our 'Action Plan for Change' which is reviewed monthly at staff and Board level.

Progress includes:-

- recruitment of four new Board members (August 2021) to ensure our Board make up is truly representative of our audience, community and artists.
- appointment of new Associate Director and Literary Associate positions;
- a new Nominations Committee to lead trustee recruitment;
- ally partnership with Inc Arts;
- all staff participation in an Anti-Racism programme and unconscious bias training which will be offered to all future staff and freelancers;
- formation of a staff-led Diversity Development Group;
- current offer of Studio Residencies offering free space, bespoke Lyric staff support and resources for West London theatre companies led by ethnically diverse artists and theatre makers;
- formation of Young Lyric Associates;
- updating our Equality Policy (including diversifying our recruitment platforms) to support a target of 40% of people of colour (from 31%) & 9% disabled (from 5%) team representation. We are creating a career development programme for underrepresented groups which aims for management representation of people of colour to reach 20%, and creating pathways into technical roles.
- Our Young People's work prioritises 0-25 year olds with protected characteristics & disadvantaged backgrounds (20% of participants are from 10% of the most deprived wards and 75% from the most deprived 50%). 100% of classes offered cost £10 or less, with 20% bursary places for most classes. We will work with our disability-led partners to ensure intersectionality. 50%+ of our 'Next Generation' participants age 18-25 are people of colour.
- We are increasing access to our programmes through our updated accessible website, and audience diversity through relevant programming, data-informed marketing, accessible tickets and performances (caption/AD/BSL). 25% of all tickets will be £15 or less.
- Building on, and learning from, the demographic audience shift generated by Tanika Gupta's *A Doll's House* which increased audience membership of people of colour from 15% to 30%, we will programme a Black Lives Festival (*For the Culture: Celebrations of Blackness*) in 2022 celebrating Black success & amplifying Black History.

#### ENVIRONMENTAL SUSTAINABILITY

Our commitment to environmental sustainability has continued as we have navigated the lockdowns. In December 2020 we were delighted to be awarded Julie's Bicycle 5 Star Creative Green certification from arts and environment agency Julie's Bicycle for 2019/20, improving our score on the previous year.

Lyric Theatre Hammersmith Limited  
Trustees' Report  
For the year ended 31 March 2021

Once again, we achieved maximum scores for our environmental commitment and understanding and our total carbon footprint in 2019/2020 was 316 Tonnes CO<sub>2</sub>e.

## FUNDRAISING

The Trustees take their responsibilities under the Charities Act (Protection and Social Investment) Act 2016 seriously and have considered the implications of their activities.

Our Development Director leads a dedicated, permanent fundraising team who are supported by a (volunteer) Development Committee and overseen by our Board. No commercial fundraisers were contracted in 2020-21.

We have Fundraising, Ethics and Whistleblowing and Anti-Bribery policies in place outlining the standards and practices for all Lyric representatives to adhere to. We are a member of the Fundraising regulator and follow the Code of Fundraising Practice. In February 2021 we updated our Terms of Reference for our Development Committee members.

Our Board of Trustees are regularly updated on fundraising progress and the Fundraising Policy outlines the process for accepting and soliciting donations to ensure maximising fundraised income in accordance with our policies and the Code of Fundraising Practice. The Development Director and Executive Director have reviewed and monitored all fundraising activity in the financial year 2020-21 against these policies and can report that there has been no negligence. There have been no complaints to date about fundraising at the Lyric.

The Lyric has created Guidelines for Fundraising involving Vulnerable People to advise all Lyric representative involved in fundraising. The Lyric seeks to ensure that a supporter is equipped with the appropriate information in order to make an informed decision about donations, and where the Lyric has reason to believe that a donor may be experiencing vulnerable circumstances, we will not accept those donations at that time. The Lyric is fully compliant with GDPR legislation in how we use data and communicate with our database. Our Privacy Policy states how we use data in fundraising in order to ensure we are only soliciting gifts from those who are willing and able to support us.

Our ability to deliver our reopening plans has been underpinned by continued successful fundraising through emergency trusts and foundation grants and the Arts Council England Covid Recovery Fund.

### Future plans

We have put in place a cautious return to all operations in line with government guidelines from spring 2021, with the plan to return to full audiences in the Main House from Autumn 2021.

We successfully reopened the theatre in June 2021 to a socially distanced audience with our production of *Out West*; this was followed by Little Lyric show *The Very Hungry Caterpillar* and our first large-scale community production *Heart of Hammersmith*. Our co-production with Chichester Festival Theatre, *The Beauty Queen of Leenane*, will be the first full run production in the Main House presented at full capacity, this will be followed by the postponed 2020 pantomime *Aladdin*.

**Lyric Theatre Hammersmith Limited**  
**Trustees' Report**  
**For the year ended 31 March 2021**

Following the success of our summer Little Lyric show we plan to return to a programme of regular shows for under 8s from October Half Term in the Studio Theatre, including the 10<sup>th</sup> year of *Raymond Briggs' Father Christmas*.

Our plans are to open our 2022 season with a *For the Culture: Celebrations of Blackness* and new play *Running with Lions* written by Sian Carter in a co-production with Talawa Theatre Company. For the new 2022 season our commitment is to serve our community of West London with big stories that matter bringing exceptional talent to the Lyric.

From Autumn 2021 we returned to Young Lyric activity in the building including our classes, we plan to build and develop further our work for young people in West London through 2021-22 to build on the essential work from 2020-21 with a particular focus on pathways into the industry for under-represented groups across the theatre industry.

**FINANCIAL REVIEW**

**FINANCIAL REVIEW**

The group's total expenditure in 2020-21 was £2.9m. This was £4m less than our 2019-20 expenditure of £6.9m, due to the impact of the coronavirus pandemic on our charitable activities and the actions we took to reduce overheads while maintaining both the level of activity outlined above and the building itself. These actions included restructuring the staff team, sadly including a small number of redundancies, furloughing staff, and all staff working part-time and at reduced salaries for periods during the year, for which the Trustees are extremely grateful.

Total income for 2020-21 was £3.6m. Earned income from charitable activities was £3m less than in 2019-20 (£0.1m compared to £3.1m), and income from other trading activities was £1.1m less (£0.1m compared to £1.2m), both as a result of closing the theatre's operations during the pandemic.

Income from donations and grants towards charitable activities, however, was £1.6m higher than in 2019-20 (£3.2m compared to £1.6m) as a result of receiving £1.2m in coronavirus-related public funding, £0.3m from Trusts & Foundations towards aiding our recovery from the pandemic, and £0.1m of donations towards the Lyric Recovery Fund and the 'Save the Lyric' appeal. Public funding including £821k of restricted grants from the Coronavirus Job Retention Scheme towards furloughed staff and £377k from the government's Culture Recovery Fund towards supporting the theatre during closure.

The resulting net movement in funds for the year was an increase of £744k. However, this includes an increase of £786k in funds designated by the Trustees towards our Building Capital Reserve, Programme Development Fund and Re-opening Fund 2021, the latter a result of designating £565k unrestricted income received since March 2020 toward the costs of re-opening the theatre and to offset the low levels of charitable trading income expected during the recovery from the pandemic over the next two years.

**Lyric Theatre Hammersmith Limited**  
**Trustees' Report**  
**For the year ended 31 March 2021**

## RESERVES

At 31 March 2021 the group held total funds of £10,947,875, of which £8,229,693 are restricted funds comprising: £7,933,237 from capital projects represented by £7,823,103 net book value of the associated fixed assets and £110,134 cash; and £296,456 restricted grant income towards activities in 2021-22.

A total of £2,718,182 unrestricted funds includes £2,169,747 held as designated funds, comprising: £565,000 income received towards re-opening the building and resuming normal activities after the pandemic; £494,449 representing the net book value of fixed assets; and £1,110,298 held towards specific purposes as detailed in our reserves policy (below). The remaining unrestricted funds of £548,435 are general funds held as a contingency against unexpected income shortfalls, as per our reserves policy.

The Trustees Reserves Policy is to hold reserves as follows:

- A Building Capital Reserve to provide funds for essential replacement and renewal of equipment, fixtures and fittings and match funding for larger capital investment in the building in the next one to five years. The Trustees' initial assessment is that this fund should maintain a balance between £500,000 and £1,000,000, and it currently holds £660,000.
- A Building Emergency Reserve of at least £100,000 to provide funds for emergency repair and replacement of essential plant and equipment, against which we hold £100,000.
- Strategic Reserves of c.£350,000 to support the development over one to four years of the organisation's artistic programme (£200,000), work with young people (£100,000), business model (£25,000) and environmental sustainability (£25,000), against which we hold £350,298.
- At least three months of average staff and overhead expenses (in normal operating conditions), currently c.£700,000, against which we hold £548,435 general funds.

Our total reserves requirements are therefore £1,650,000 - £2,150,000, against which we held reserves of £1,658,733 (including general funds) at 31 March 2021.

From time to time the Trustees may designate additional funds to provide for investment in particular areas of strategic importance. In reviewing the required level of reserves the Trustees have taken account of the ongoing impact of the coronavirus pandemic and designated £565,000 towards re-opening the building and resuming normal activities across 2021 and 2022.

For more detailed analysis of our reserves see Notes 15-17 of the Financial Statements.

## RISK MANAGEMENT

The company has a risk management strategy which including a Risk Register and a Crisis Management and Disaster Recovery Plan. The Register assesses the major risks faced by the company, and an outline of strategies to mitigate each risk and reduce its impact. The Register is regularly reviewed by the Finance & Resources Committee and specific risks brought to the attention of the Board.

The most significant risks that the company currently faces are:

# Lyric Theatre Hammersmith Limited

## Trustees' Report

### For the year ended 31 March 2021

#### Risk of the impact of the coronavirus pandemic on our operations

Although all businesses have been significantly affected by the coronavirus pandemic, theatres are particularly at risk due to the nature of the live performance experience, both for audiences and those involved in making work, which has a significant impact on all of our earned income streams. The Trustees considered a programme for 2021-22 that reduces this risk by not returning to full audiences in the Main House until Autumn 2022, and continuing to implement operational and staffing savings which reflect the reductions in activity.

#### Risks around income targets

As a publicly-funded theatre committed to the production and presentation of new and innovative work we face an inherent risk in the potential failure to reach box office targets. To manage this risk, we set realistic targets and reforecast annual budgets to take account of shows which under- or over-perform against these targets. We aim for a balanced programme and seek opportunities to maximise revenue wherever possible when a show is successful.

Prior to the pandemic we raised an increasingly significant amount of our total income from trusts, companies and individual donations, and from our commercial activity. We set realistic targets which are regularly monitored against confirmed income and we reforecast according to our performance in this area.

#### Risks around economic instability and generation of earned income

The potential for economic instability and recession following Brexit and the coronavirus pandemic may result in an increasingly challenging funding climate and a reduction in audiences' and businesses' spending power. We aim to mitigate this risk by maintaining strategic reserves which can be used to support ongoing work or new initiatives which we believe will be of benefit to our beneficiaries but which would not be viable without additional funding.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The group consists of the Lyric Theatre Hammersmith charity and two wholly-owned subsidiaries: Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited.

The charity is a Company Limited by Guarantee, the Trustees of the charity being the Directors of the Company, governed by its Memorandum and Articles of Association.

#### Board of Trustees

The Articles of Association require that the Board comprise between ten and sixteen members as follows:

- up to four persons nominated by the London Borough of Hammersmith and Fulham who hold current office as Councillors of the Borough
- up to eight persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular expertise or experience in the promotion or encouragement of the lively arts and or theatre management, of which up to four persons the Directors will endeavour to nominate from the local community; and
- up to four persons who in the opinion of the Directors are specially qualified for such office by virtue of their particular involvement engagement or employment in or with the community or voluntary sectors or other local organisation or group within the Borough.

**Lyric Theatre Hammersmith Limited**  
**Trustees' Report**  
**For the year ended 31 March 2021**

Board Members are required to retire at the first Annual General Meeting after the third anniversary of their appointment. Board Members may be re-appointed unless they have served for more than six consecutive years (except by Special Resolution).

The Trustees who have served since 1 April 2020 are:

Lisa Burger (Chair)  
David Sharkey (Deputy Chair)  
Rondette Amoy Smith (*from 6 September 2021*)  
Sade Banks (*to 28 September 2020*)  
Councillor Jonathan Caleb-Landy  
Lameya Chaudhury (*from 6 September 2021*)  
Liz Elston Mayhew  
Councillor Sue Fennimore  
David Grieg (*from 10 December 2020*)  
Farah Karim-Cooper (*from 6 September 2021*)  
Councillor Bora Kwon  
Kamran Mallick  
Julie Molloy  
Councillor Patricia Quigley  
Derek Richards (*from 25 October 2021*)

Observers may also attend Board meetings, subject to the approval of the Board, as representatives of the London Borough of Hammersmith & Fulham, Arts Council England, and the company's employees.

The Board met six times during the year in order to oversee the direction of the company, the day to day management of which is delegated to the Executive Team (comprising the Artistic Director and Executive Director) within terms agreed by the Board.

The Trustees are exceptionally grateful to Lisa Burger, whose term as Chair of the Board comes to an end in January 2022. A new Chair is being sought through an open recruitment process led by the Nominations Committee (see below), and with the assistance of external consultants Green Park, between October 2021 and January 2022.

#### **Recruitment, induction and training of Trustees**

The Nominations Committee (see below) oversees the recruitment, induction and training of Trustees.

The Committee worked with BAME Recruitment in 2021 to identify four new Trustees through a process of open advertisements and interviews in order to maintain a broad range of skills reflecting the various different aspects of the charity's work and business needs and to ensure that appointments reflected contemporary society and the theatre's local community.

All new Trustees are provided with an induction pack and paired with an existing Trustee to assist with their induction. Ongoing training is provided by inviting Trustees to attend relevant courses.

**Lyric Theatre Hammersmith Limited**  
**Trustees' Report**  
**For the year ended 31 March 2021**

**Committees**

A Finance & Resources Committee, comprising at least three Board members and reporting to the Board, meets prior to Board meetings in order to oversee the company's finances, building and HR matters. The members of the Committee during 2020-21 were:

David Sharkey (Chair)  
Sade Banks (*to 28 September 2020*)  
Lisa Burger  
Julie Molloy

A Nominations Committee, comprising at least three Board members, was formed in 2020 to make recommendations to the Board regarding the structure, size and composition of the Board, and to plan for the recruitment, appointment, induction and succession of Board members. During 2020-21 the Committee focused on the skills and diversity of the Board, working with consultants BAME Recruitment on an open recruitment process leading to four new Trustees being appointed in Autumn 2021. Alongside this the Committee began planning the succession process for the Chair of the Board (see above). The members of the Committee during 2020-21 were:

Lisa Burger (*Chair to 10 December 2020*)  
David Sharkey (*Chair from 10 December 2020*)  
Liz Elston Mayhew  
Councillor Bora Kwon

**Related parties**

The Lyric Theatre Hammersmith's core funders are Arts Council England and the London Borough of Hammersmith and Fulham, who provide funding to enable the company to carry out its charitable activities.

The London Borough of Hammersmith and Fulham is also the theatre's landlord. The freehold of the Lyric is owned by Ingka, who lease it to the Borough on a 999 year term. A new 125 year lease was signed in November 2018, which was drawn up as part of the Agreement to develop the site with the freeholder and the theatre's landlord.

The Lyric Theatre Hammersmith has two wholly-owned subsidiaries:

- Lyric Hammersmith Enterprises Limited, which was established to operate the events, bar and catering facilities of the theatre. The profits of the subsidiary are donated to the Lyric.
- Lyric Hammersmith Worldwide Limited, which was originally established for the transfer of Lyric productions to the West End and any commercial exploitation of work and is now used as the vehicle to produce all Lyric productions and co-productions, maximising the benefit of theatre production tax relief. Any profits of the subsidiary are donated to the Lyric.

**Remuneration Policy**

The Board of Trustees do not receive any remuneration.

Remuneration for the Executive Team is considered by the Chair and Deputy Chair, and for other key management personnel is set with reference to benchmarking of pay and benefits for similar subsidised organisations. Annual pay increments are considered by the Finance & Resources Committee as part of its regular monitoring of budgets and approved by the Board.

Lyric Theatre Hammersmith Limited  
Trustees' Report  
For the year ended 31 March 2021

**ACKNOWLEDGEMENTS**

This year has been one of the most challenging in our 125 year history. We have been able to survive with the support of our Trustees, our incredible team, our funders, Young Lyric partners and the people of West London. We are very grateful to them all.

**Lyric Theatre Hammersmith Limited  
Trustees' Report  
For the year ended 31 March 2021**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

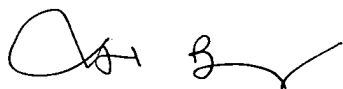
**AUDIT INFORMATION**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**APPROVAL**

The Trustees' Annual Report was approved by the Board of Trustees (in their capacity as Company Directors) on 1 December 2021.



Lisa Burger, Director

**Lyric Theatre Hammersmith Limited**  
**Independent Auditor's Report to the Members**  
**For the year ended 31 March 2021**

## Opinion

We have audited the financial statements of Lyric Theatre Hammersmith Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information

**Lyric Theatre Hammersmith Limited**  
**Independent Auditor's Report to the Members**  
**For the year ended 31 March 2021**

and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

#### Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

#### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the

**Lyric Theatre Hammersmith Limited**  
**Independent Auditor's Report to the Members**  
**For the year ended 31 March 2021**

trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

**Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and

**Lyric Theatre Hammersmith Limited**  
**Independent Auditor's Report to the Members**  
**For the year ended 31 March 2021**

regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Saffery Champness LLP*

Cara Turtington (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP

Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: *16 December 2021*

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

**Lyric Theatre Hammersmith Limited**  
**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For the year ended 31 March 2021**

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Income from:</b>						
Donations	3(a)	206,298	-	-	206,298	148,907
<b>Charitable activities</b>						
Theatre & Young People's Activity	2	118,059	-	-	118,059	3,058,143
Grants	3(b)	1,514,764	-	1,678,247	3,193,011	1,631,193
Other trading activities	4	118,133	-	-	118,133	1,225,075
Interest received		2,135	-	-	2,135	7,601
<b>Total income</b>		<b>1,959,389</b>	<b>-</b>	<b>1,678,247</b>	<b>3,637,636</b>	<b>6,070,919</b>
<b>Expenditure on:</b>						
Raising funds	6	478,329	-	-	478,329	1,478,857
Charitable activities	7	514,549	89,025	1,817,922	2,421,496	5,452,686
<b>Total expenditure</b>		<b>992,878</b>	<b>89,025</b>	<b>1,817,922</b>	<b>2,899,825</b>	<b>6,931,543</b>
<b>Net income/(expenditure)</b>						
before taxation		966,511	(89,025)	(139,675)	737,811	(860,624)
Taxation	9	6,145	-	-	6,145	257,829
Transfers between funds	15,16	(852,703)	875,178	(22,475)	-	-
<b>Net movement in funds</b>		<b>119,953</b>	<b>786,153</b>	<b>(162,150)</b>	<b>743,956</b>	<b>(602,795)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		428,482	1,383,594	8,391,843	10,203,919	10,806,714
<b>Total funds carried forward</b>		<b>548,435</b>	<b>2,169,747</b>	<b>8,229,693</b>	<b>10,947,875</b>	<b>10,203,919</b>

These results derive from continuing activities and all gains and losses recognised in the year are included in the above statement.

The notes on pages 20 to 32 form part of the financial statements.

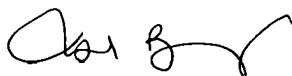
**Lyric Theatre Hammersmith Limited**  
**Registered Company No.1443809**  
**Balance Sheet**  
**For the year ended 31 March 2021**

	Note	2021 £	Group 2020 £	2021 £	Company 2020 £
<b>Fixed assets:</b>					
Tangible fixed assets	11	8,317,552	8,842,707	8,317,552	8,842,707
Investments	12	-	-	3	3
<b>Total fixed assets</b>		<u>8,317,552</u>	<u>8,842,707</u>	<u>8,317,555</u>	<u>8,842,710</u>
<b>Current assets:</b>					
Stock and work in progress		66,536	44,082	61,876	32,993
Debtors	13	240,977	516,337	5170,663	757,794
Cash at bank and in hand		2,947,588	1,726,423	2,641,870	1,405,559
<b>Total current assets</b>		<u>3,255,101</u>	<u>2,286,842</u>	<u>3,221,409</u>	<u>2,196,346</u>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	14	(624,778)	(925,630)	(591,089)	(835,137)
<b>Net current assets</b>		<u>2,630,323</u>	<u>1,361,212</u>	<u>2,630,320</u>	<u>1,361,209</u>
<b>Total net assets</b>		<u>10,947,875</u>	<u>10,203,919</u>	<u>10,947,875</u>	<u>10,203,919</u>
<b>The funds of the charity:</b>					
Restricted funds	15	8,229,693	8,391,843	8,229,693	8,391,843
<b>Unrestricted funds:</b>					
Designated funds	16	2,169,747	1,383,594	2,169,747	1,383,594
General funds	16	548,435	428,482	548,435	428,482
<b>Total unrestricted funds</b>		<u>2,718,182</u>	<u>1,812,076</u>	<u>2,718,182</u>	<u>1,812,076</u>
<b>Total funds</b>		<u>10,947,875</u>	<u>10,203,919</u>	<u>10,947,875</u>	<u>10,203,919</u>

No separate company Statement of Financial Activities (SoFA) has been prepared by the company, as permitted by Section 408 of the Companies Act 2006. The Charity's net surplus/deficit for the year, excluding restricted funds, was a surplus of £957,170 (2020: deficit of £136,933).

The notes on pages 20 to 32 form part of the financial statements.

The financial statements were approved by the board and authorised for issue and signed on 1 December 2021.



Lisa Burger, Director

**Lyric Theatre Hammersmith Limited**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 March 2021**

**Consolidated statement of cash flows**

	2021 £	2021 £	2020 £	2020 £
Net cash provided by operating activities		1,219,030		132,852
Cash flows from investing activities:				
Interest received	2,135		7,601	
Purchase of tangible fixed assets	-		(36,594)	
Net cash provided by investment activities		<u>2,135</u>		<u>(28,993)</u>
Increase in cash		1,221,165		103,859
Opening cash balance at 1 April		<u>1,726,423</u>		<u>1,622,564</u>
Closing cash balance at 31 March		<u><u>2,947,588</u></u>		<u><u>1,726,423</u></u>

**Reconciliation of net income/expenditure to net cash flow from operating activities**

	2021 £	2021 £	2020 £	2020 £
Net income/(expenditure)		743,956		(602,795)
Adjustments for:				
Depreciation charges		525,155		525,341
Interest received		(2,135)		(7,601)
(Increase)/decrease in stock and work in progress		(22,454)		121,596
Decrease in debtors		275,360		370,365
Decrease in creditors		(300,852)		(274,054)
Net cash provided by operating activities		<u><u>1,219,030</u></u>		<u><u>132,852</u></u>

**Analysis of changes in cash and changes in net debt**

	At 1 April 2020 £	Cash flow £	At 31 March 2021 £
Cash at bank and in hand	1,726,423	1,221,165	2,947,588
	<u>1,726,423</u>	<u>1,221,165</u>	<u>2,947,588</u>

The notes on pages 20 to 32 form part of the financial statements.

# Lyric Theatre Hammersmith Limited

## Notes to the Financial Statements

### For the year ended 31 March 2021

#### 1. Accounting policies

##### Company status

The charity is a company limited by guarantee, registered in England and Wales. The registered office is Lyric Theatre, King Street, Hammersmith, London, W6 0QL. The members of the company have served as directors or are currently serving as directors as named on pages 8-9. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### Basis of accounting

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1st January 2019.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

##### Consolidation

The SOFA and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

##### Going concern

At the time of approving the financial statements the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which are not designated for other purposes.

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

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

Transfers between funds are made at the discretion of the Board.

##### Income

Income from theatre admission fees is included in incoming resources in the period in which the relevant performance takes place. Where a series of productions straddles the end of the accounting period the income is recognised in the period in which the majority of the performances take place. Income related to productions or lettings in a subsequent period is treated as deferred income.

Income from commercial activities is included in the period in which the activity takes place.

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, reasonable certainty of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-

# Lyric Theatre Hammersmith Limited

## Notes to the Financial Statements

### For the year ended 31 March 2021

conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Income from the Coronavirus Job Retention Scheme (CJRS) has been included in incoming resources as a restricted fund, matched against the staff costs it has offset.

Gifts in kind have been realised at cost.

#### Expenditure

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting donations and those incurred in the operation of trading activities that raise funds.
- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as touring and educational programmes. Cost of charitable activities include both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is on the basis of the relative proportion of direct costs incurred.
- Governance costs are the costs incurred in the governance of the charity and associated constitutional and statutory requirements. These costs are allocated between the charitable activities.

Where performances of a production straddle the balance sheet date, production costs are allocated to the period in which the greater number of performances fall, this matches the allocation of income related to productions.

#### Tangible fixed assets

Individual fixed assets consisting of amounts greater than £2,500 for IT purchases and £5,000 for fixtures, fittings and equipment with a useful life in excess of one year are capitalised at cost. Tangible fixed assets are depreciated over their anticipated useful lives in equal instalments. The periods used are:

Leasehold improvements	the life of the lease
Reuben Foundation Wing improvements	20 years
Roof Garden	12 years
Efficiency improvements	10 years
Technical equipment	8 years
Computer equipment	3 years
Other	4 years

#### Investments

The Statement of Recommended Practice requires investments to be stated at market value. The investments of the Lyric Theatre Hammersmith consist of two subsidiaries, Lyric Hammersmith Enterprises Limited and Lyric Hammersmith Worldwide Limited. Both companies are not quoted and the directors consider it appropriate to include the investments at cost.

#### Financial Instruments

Financial assets are recognised in the Charity's statement of financial position when the Charity becomes party to the contractual provisions of the instrument. The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

#### Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using

# Lyric Theatre Hammersmith Limited

## Notes to the Financial Statements

### For the year ended 31 March 2021

the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

#### Other financial assets

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

#### De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

#### Classification of financial liabilities

##### Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

##### Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

##### De-recognition of financial liabilities

Financial liabilities are de-recognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

**Lyric Theatre Hammersmith Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2021**

**2. Income from charitable activities**

	2021 £	2020 £
Ticket sales	16,512	2,382,904
Touring income	21,500	93,593
Co-production income	17,144	258,863
Royalties income	6,589	24,260
Front of House sales	(20)	88,069
Income from partners	29,173	94,695
Young People's income	20,146	89,304
Other income	7,015	26,455
	<u>118,059</u>	<u>3,058,143</u>

**3. (a) Income from donations**

	2021 £	2020 £
Total income from donations	<u>206,298</u>	<u>148,907</u>

No income from donations was restricted (2020: £268).

**(b) Income from charitable activities: grants**

	2021 £	2020 £
<b>Public funding:</b>		
<i>Core funding:</i>		
Arts Council England – National Portfolio Organisation funding	1,120,240	1,100,000
London Borough of Hammersmith & Fulham – 3 <sup>rd</sup> Sector Investment Funding	230,000	230,000
<i>Coronavirus-related funding:</i>		
Coronavirus Job Retention Scheme grants (restricted)	820,840	29,965
Culture Recovery Fund grant (restricted)	377,361	-
Local Restrictions Support Grants	15,524	-
Closed Business Lockdown Payment	9,000	-
<b>Trusts &amp; Foundations</b>		
<i>Restricted grants:</i>		
Young People's Programme activities	286,056	241,228
Theatre productions activities	193,990	30,000
Unrestricted grants	140,000	-
Total income from charitable activities: grants	<u>3,193,011</u>	<u>1,631,193</u>

Included in note 3 above are government grants of £230,000 from the London Borough of Hammersmith & Fulham (2020: £230,000), £820,840 from the Coronavirus Job Retention Scheme (2020: £29,965), Local Restrictions Support Grants of £15,524 (2020: nil) and the Closed Business Lockdown Payment of £9,000 (2020: nil).

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4. Income from other trading activities

	2021	2020
	£	£
Fundraising events	3,752	157,045
Corporate fundraising	38,057	109,984
Commercial trading operations (note 5)	76,324	958,046
	118,133	1,225,075

5. Commercial trading operations

**Lyric Hammersmith Enterprises Limited**

The wholly owned trading subsidiary Lyric Hammersmith Enterprises Limited, incorporated in England and Wales, pays all its profits to the charitable company by Gift Aid. Lyric Hammersmith Enterprises Limited manages catering, hires and events at the Lyric Hammersmith Theatre.

The company owns the entire issued share capital of 2 ordinary shares of £1 each. A Summary of the trading results is shown below.

*Summary profit and loss account:*

	2021	2020
	£	£
Turnover	76,324	958,045
Other operating income	88,661	7,619
Interest received	60	850
Cost of sales	(8,371)	(806,397)
Administration expenses	(103,109)	(106,936)
Management fees	(53,565)	(32,286)
	-	20,895
Net profit	-	(20,895)
Amount gifted to charity	-	-
Profit retained in the subsidiary	-	-

*The assets and liabilities of the subsidiary at 31 March 2021 were:*

Current assets	347,205	382,785
Creditors: amounts falling due within one year	(347,203)	(382,783)
	2	2
Total net assets	2	2
Profit and loss account	-	-
Aggregate share capital and reserves	2	2
	2	2
Total funds	2	2

**Lyric Hammersmith Worldwide Limited**

The wholly owned trading subsidiary Lyric Hammersmith Worldwide Limited, incorporated in England and Wales provides production services to Lyric Theatre Hammersmith Limited.

The company owns the entire issued share capital of 1 ordinary share of £1. A Summary of the trading results is shown below.

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*Summary profit and loss account:*

	2021	2020
	£	£
Turnover	32,327	1,935,273
Cost of sales	(38,472)	(2,193,102)
Net profit/(loss)	(6,145)	(257,829)
Taxation	6,145	257,829
Profit retained in the subsidiary	-	-

*The assets and liabilities of the subsidiary at 31 March 2021 were:*

Current assets	6,145	257,829
Creditors: amounts falling due within one year	(6,144)	(257,828)
Total net assets	1	1
Profit and loss account	-	-
Aggregate share capital and reserves	1	1
Total funds	1	1

**6. Expenditure on activities for raising funds**

	2021	2020
	£	£
Trading companies staff costs	93,844	541,864
Trading companies other costs	16,531	411,919
Fundraising staff costs	162,629	89,295
Other direct fundraising costs	3,554	84,328
Support costs (note 8)	201,771	351,451
	478,329	1,478,857

**7. Charitable activities**

	Activities undertaken directly £	Support costs £	Total 2021 £
Theatre productions	1,166,207	850,833	2,017,040
Young People's programme	233,847	170,609	404,456
	1,400,054	1,021,442	2,421,496
			<i>Total</i> 2020 £
Theatre productions	3,692,211	1,188,241	4,880,452
Young People's programme	438,348	133,886	572,234
	4,130,559	1,322,127	5,452,686

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8. Support costs

	Charitable activities £	Cost of raising funds £	Total 2021 £
Staff costs	187,784	37,094	224,878
Building costs	164,663	32,527	197,190
Administration costs	205,990	40,690	246,680
Depreciation	438,530	86,625	525,155
Irrecoverable VAT on overheads	8,636	1,706	10,342
Governance costs:			
Audit fees	15,004	2,964	17,968
Legal fees	835	165	1,000
	<u>1,021,442</u>	<u>201,771</u>	<u>1,223,213</u>
			<i>Total</i> 2020 £
<i>Staff costs</i>	226,431	60,191	286,622
<i>Building costs</i>	353,939	94,085	448,024
<i>Administration costs</i>	242,833	64,550	307,383
<i>Depreciation</i>	415,019	110,322	525,341
<i>Irrecoverable VAT on overheads</i>	69,234	18,403	87,637
Governance costs:			
<i>Audit fees</i>	14,023	3,728	17,751
<i>Legal fees</i>	648	172	820
	<u>1,322,127</u>	<u>351,451</u>	<u>1,673,578</u>

Support costs are allocated on the basis of the relative proportion of direct costs incurred.

9. Taxation

	2021 £	2020 £
Domestic current year tax		
UK Corporation Tax	(6,145)	(257,829)
	<u>(6,145)</u>	<u>(257,829)</u>

Income from UK Corporation Tax relates to a credits for Theatre Tax Relief.

10. Staff costs and directors' remuneration

	2021 £	2020 £
Salaries and wages	1,557,683	2,277,217
Employers' National Insurance contributions	131,657	181,813
Employers' pension contributions	37,385	49,648
	<u>1,726,725</u>	<u>2,508,678</u>

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These costs are included as follows:

Activities for raising funds	256,473	631,159
Theatre productions	1,044,985	1,342,863
Young People's programme	200,389	248,034
Support costs	224,878	286,622
	<u>1,726,725</u>	<u>2,508,678</u>

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

	2021	2020
Full time	39	47
Part time and casual	43	65
	<u>82</u>	<u>112</u>

The number of full time equivalent employees was 53 (2020: 76) in the following categories:

Activities for raising funds	10	23
Theatre productions	31	39
Young People's programme	6	7
Support activities	6	7
	<u>53</u>	<u>76</u>

Redundancy and termination payments totalling £32,787 are included within salaries and wages.

One employee's total employee benefits fell within the range of £70,001-£80,000 and one within the range of £90,001-£100,000 (2020: two within the range of £70,001-£80,000).

Key management personnel comprise the Senior Management Team: Artistic Director, Executive Director, Senior Producer, Director of Young Lyric, Director of Communications and Culture, Commercial Director, Director of Development, Director of Finance and Resources and Head of Production. The total employee benefits of the key management personnel were £466,021 (2020: £480,769).

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**11. Tangible fixed assets**

All assets relate to the charitable company and are used for charitable purposes.

	Leasehold improvements £	Equipment and furniture £	Total £
<b>Cost</b>			
At 1 April 2020	12,808,851	2,170,784	14,979,635
At 31 March 2021	12,808,851	2,170,784	14,979,635
<b>Depreciation</b>			
At 1 April 2020	4,141,339	1,995,589	6,136,928
Charge for the year	468,471	56,684	525,155
At 31 March 2021	4,609,810	2,052,273	6,662,083
<b>Net book value</b>			
At 31 March 2021	8,199,041	118,511	8,317,552
At 31 March 2020	8,667,512	175,195	8,842,707

Legal charges exist over the long-term leasehold properties to secure the interests of Arts Council England, which funded their redevelopment.

**12. Investments**

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Investment in subsidiary undertakings	-	-	3	3

Investments are included at cost and are unlisted. In the opinion of the directors the market value of the investment is not materially different from the cost.

	Number of shares	% of issued share capital	Cost of shares
Lyric Hammersmith Enterprises Limited (note 5)	2	100%	2
Lyric Hammersmith Worldwide Limited (note 5)	1	100%	1

**13. Debtors**

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	52,315	97,448	16,973	67,751
Subsidiary undertakings	-	-	319,659	541,818
Other debtors	24,797	339,104	17,166	80,889
Prepayments	35,318	17,939	35,318	5,490
Accrued income	128,547	61,846	128,547	61,846
	<u>240,977</u>	<u>516,337</u>	<u>517,663</u>	<u>757,794</u>

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**14. Creditors: amounts falling due within one year**

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	114,377	171,893	113,890	158,392
Subsidiary undertakings	-	-	-	8,687
Taxation and social security	11,038	73,051	11,038	38,560
Other creditors	37,898	64,912	16,298	49,596
Accruals	286,508	258,523	283,507	231,252
Deferred income	174,957	357,251	166,356	348,650
	<u>624,778</u>	<u>925,630</u>	<u>591,089</u>	<u>835,137</u>

**15. Restricted funds**

		31 March	Net incoming	Transfers	31 March
		2020	/(outgoing)		2021
		£	£	£	£
Capital grants – extension 2004	(1)	1,099,684	(91,622)	-	1,008,062
Young People's fund	(2)	-	77,366	-	77,366
Capital project 2015	(3)	6,672,141	(286,351)	-	6,385,790
Capital project 2018	(4)	620,018	(58,158)	(22,475)	539,385
Restricted activity fund	(5)	-	219,090	-	219,090
		<u>8,391,843</u>	<u>(139,675)</u>	<u>(22,475)</u>	<u>8,229,693</u>

- (1) The Capital grants – extension 2004 fund relates to the extension built in 2004 and represents fixed assets. The movement on the fund represents depreciation charges.
- (2) The Young People's fund represents income received to support young people's activity and the related expenditure. The balance at 31 March 2021 represents income received toward activities to be undertaken in 2021-22.
- (3) The Capital project 2015 fund represents amounts received for the building of the Reuben Foundation Wing. This fund represents fixed assets and funds allocated to supporting our work with young people. The movement on the fund represents depreciation charges.
- (4) The Capital project 2018 fund relates to the refurbishment of the auditorium and Studio in 2018 and represents fixed assets. The movement on the fund represents depreciations charges; the transfer of £22,475 represents the return of unspent funds which had been transferred from the Building capital reserve fund in the year ending 31 March 2019.
- (5) The Restricted activity fund represents income received to support specific charitable activities and the related expenditure. The balance at 31 March 2021 represents income received toward activities to be undertaken in 2021-22.

		31 March	Net incoming	Transfers	31 March
		2019	/(outgoing)		2020
		£	£	£	£
Capital grants – extension 2004	(1)	1,191,306	(91,622)	-	1,099,684
Young People's fund	(2)	30,000	-	(30,000)	-
Capital project 2015	(3)	6,958,491	(286,350)	-	6,672,141
Capital project 2018	(4)	677,908	(57,890)	-	620,018
		<u>8,857,705</u>	<u>(435,862)</u>	<u>(30,000)</u>	<u>8,391,843</u>

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**16. Unrestricted funds**

		31 March 2020 £	Net incoming /(outgoing) £	Transfers £	31 March 2021 £
<b>Designated funds</b>					
Building emergency reserve	(1)	100,000	-	-	100,000
Building capital reserve	(2)	398,802	-	261,198	660,000
New building 2015	(3)	536,967	(62,404)	-	474,563
Roof garden reserve	(4)	19,249	(19,249)	-	-
Fixed asset fund	(5)	27,258	(7,372)	-	19,886
Programme development fund	(6)	151,020	-	48,980	200,000
Organisational development fund	(7)	25,001	-	-	25,001
Green fund	(8)	25,000	-	-	25,000
Next generation fund	(9)	100,297	-	-	100,297
Re-opening fund 2021	(10)	-	-	565,000	565,000
<b>Total designated funds</b>		<b>1,383,594</b>	<b>(89,025)</b>	<b>875,178</b>	<b>2,169,747</b>
<b>Other unrestricted funds</b>					
General funds	(11)	428,482	972,656	(852,703)	548,435
<b>Total unrestricted funds</b>		<b>1,812,076</b>	<b>883,631</b>	<b>22,475</b>	<b>2,718,182</b>

- (1) The Building emergency reserve fund provides funds for emergency repair and replacement of essential plant and equipment.
- (2) The Building capital reserve fund provides funds for the necessary replacement and renewal of equipment, fixtures and fittings and match funding for larger capital investment in the building in the next one to five years. During the year a transfer of £238,723 was made from General funds to bring the fund within the range identified by the Trustees in their Reserves policy, and £22,475 was returned from unspent funds previously transferred to the Capital project 2018 fund.
- (3) The New building 2015 fund represents the net book value of fixed assets funded from the Building capital reserve fund during the building of the Reuben Foundation Wing. The movement on the fund represents depreciation charges.
- (4) The Roof garden reserve fund represents the net book value of gifted assets from Hammersmith London in 2009, which was transferred from restricted funds when received. The movement on the fund represents depreciation charges; the useful life of the Roof Garden was 12 years, hence the assets have now been fully depreciated and the fund expended.
- (5) The fixed asset fund represents the net book value of other tangible fixed assets. The movement on the fund represents depreciation charges.
- (6) The Programme development fund represents an amount designated by the Trustees to support the future development of the artistic programme. The Trustees expect this fund will be fully spent within the three years after the theatre re-opens in 2021. A transfer of £48,980 was made from General funds to bring the fund to the level identified by the Trustees in their Reserves policy.
- (7) The Organisational development fund represents an amount that the Trustees have designated to invest in planned organisational development work to support the future growth of the Lyric over the next one to three years.
- (8) The Green fund represents an amount that the Trustees have designated, from savings on utilities, for future investment in projects that support the Lyric's environmental sustainability and work towards carbon net zero. The Trustees expect to spend this fund within the next two years.
- (9) The Next generation fund represents an individual donation, which has been designated by the Trustees to support our work with young people over the next four years.
- (10) The Re-opening fund 2021 was designated by the Trustees during the year to recognise the significant amount of income received toward re-opening the building and resuming normal activities after the coronavirus pandemic. A total of £565,000 was transferred to the fund, which is expected to be fully spent on charitable activities in 2021-22.
- (11) General funds represent the Charity's free reserves; a total of £852,703 was transferred to designated funds during the year as detailed above.

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		31 March 2019 £	Net incoming /(outgoing) £	Transfers £	31 March 2020 £
<i>Designated funds</i>					
Building emergency reserve	(1)	498,802	-	(398,802)	100,000
Building capital reserve	(2)	-	-	398,802	398,802
New building 2015	(3)	599,370	(62,403)	-	536,967
Roof garden reserve	(4)	38,499	(19,250)	-	19,249
Fixed asset fund	(5)	186	-	27,072	27,258
Programme development fund	(6)	151,020	-	-	151,020
Organisational development fund	(7)	37,355	-	(12,354)	25,001
Green fund	(8)	25,000	-	-	25,000
Next generation fund	(9)	100,297	-	-	100,297
<b>Total designated funds</b>		<b>1,450,529</b>	<b>(81,653)</b>	<b>14,718</b>	<b>1,383,594</b>
<i>Other unrestricted funds</i>					
General funds	(11)	498,480	(85,280)	15,282	428,482
<b>Total unrestricted funds</b>		<b>1,949,009</b>	<b>(166,933)</b>	<b>30,000</b>	<b>1,812,076</b>

**17. Analysis of group net assets between funds**

	Unrestricted funds			Total 2021 £
	General funds £	Designated funds £	Restricted funds £	
Fixed assets and investments	-	494,449	7,823,103	8,317,552
Current assets	1,173,213	1,675,298	406,590	3,255,101
Creditors	(624,778)	-	-	(624,778)
	<u>548,435</u>	<u>2,169,747</u>	<u>8,229,693</u>	<u>10,947,875</u>

	Unrestricted funds			Total 2020 £
	General funds £	Designated funds £	Restricted funds £	
Fixed assets and investments	(1)	583,474	8,259,234	8,442,707
Current assets	1,354,113	800,120	132,609	2,286,842
Creditors	(925,630)	-	-	(925,630)
	<u>428,482</u>	<u>1,383,594</u>	<u>8,391,843</u>	<u>10,203,919</u>

**18. Contingent lease obligations – charity and group**

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
<b>Land and buildings</b>				
One year	40,000	40,000	40,000	40,000
Two to five years	160,000	160,000	160,000	160,000
More than five years	4,640,000	4,680,000	4,640,000	4,680,000
	<u>4,840,000</u>	<u>4,880,000</u>	<u>4,840,000</u>	<u>4,880,000</u>

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**19. Related party transactions**

No trustees nor any persons connected with them have received remuneration or expenses (2020: nil).

During 2020-21 trustees made donations to the Charity totalling £16,483 (2020: £15,805).

At 31 March 2021 the following amounts were owed to the Charity by its subsidiary companies:

- Lyric Hammersmith Enterprises Limited: £313,514 comprising management fees for 2018-19 to 2020-21. The subsidiary has agreed to repay the majority of this balance during 2021-22 with any outstanding balance to be converted into a loan or additional share capital to cover the subsidiary's operating cashflow requirements.
- Lyric Hammersmith Worldwide Limited: £6,144 comprising payment for production services.

Transactions between Lyric Theatre Hammersmith and its subsidiaries are detailed in note 5.

**20. Comparative consolidated statement of financial activities for the year ended 31 March 2020**

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
<i>Income from:</i>					
Donations	3(a)	148,639	-	268	148,907
<i>Charitable activities</i>					
Theatre & Young					
People's Activity	2	3,058,143	-	-	3,058,143
Grants	3(b)	1,325,000	-	306,193	1,631,193
Other trading activities	4	1,225,075	-	-	1,225,075
Interest received		7,601	-	-	7,601
<b>Total income</b>		<b>5,764,458</b>	<b>-</b>	<b>306,461</b>	<b>6,070,919</b>
<i>Expenditure on:</i>					
Raising funds	6	1,478,857	-	-	1,478,857
Charitable activities	7	4,628,710	81,653	742,323	5,452,686
<b>Total expenditure</b>		<b>6,107,567</b>	<b>81,653</b>	<b>742,323</b>	<b>6,931,543</b>
<i>Net income/(expenditure)</i>					
before taxation		(343,109)	(81,653)	(435,862)	(860,624)
Taxation	9	257,829	-	-	257,829
Transfers between funds	15,16	15,282	14,718	(30,000)	-
<b>Net movement in funds</b>		<b>(69,998)</b>	<b>(66,935)</b>	<b>(465,862)</b>	<b>(602,795)</b>
<i>Reconciliation of funds:</i>					
Total funds brought forward		498,480	1,450,529	8,857,705	10,806,714
<b>Total funds carried forward</b>		<b>428,482</b>	<b>1,383,594</b>	<b>8,391,843</b>	<b>10,203,919</b>