

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

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| 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

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.

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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 adaption 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

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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

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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.

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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**.

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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.

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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.

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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 Heggessey (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.

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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 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 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.

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Trustees' Report
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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 11 December 2024.


Lorraine Heggessey, 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

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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.

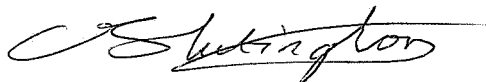
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement 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. 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 £ |
|---|-------------|--------------------------------|-----------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| 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 |
| Total income | | 5,944,928 | - | 408,637 | 6,353,565 | 4,904,577 |
| Expenditure on: | | | | | | |
| 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 |
| Total expenditure | | 6,359,963 | 109,670 | 969,421 | 7,439,054 | 6,410,178 |
| Net gains/(losses) on investments | 12 | (3,000) | - | - | (3,000) | - |
| Net income/(expenditure) before taxation | | (418,035) | (109,670) | (560,784) | (1,088,489) | (1,505,601) |
| Taxation | 9 | 583,497 | - | - | 583,497 | 526,939 |
| Transfers between funds | 15,16 | (160,002) | 160,002 | | - | - |
| Net movement in funds | | 5,460 | 50,332 | (560,784) | (504,992) | (978,662) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 8,335 | 2,039,120 | 7,243,963 | 9,291,418 | 10,270,080 |
| Total funds carried forward | | 13,795 | 2,089,452 | 6,683,179 | 8,786,426 | 9,291,418 |

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.

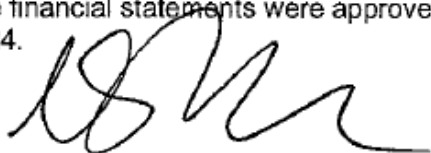
Lyric Theatre Hammersmith Limited (The)
Registered Company No.1443809
Balance Sheet
For the year ended 31 March 2024

| | Note | 2024 £ | Group 2023 £ | 2024 £ | Company 2023 £ |
|--|------|------------------|--------------------|------------------|----------------------|
| Fixed assets: | | | | | |
| Tangible fixed assets | 11 | 6,980,060 | 7,434,907 | 6,980,060 | 7,434,907 |
| Investments | 12 | - | - | 3 | 3 |
| Total fixed assets | | <u>6,980,060</u> | <u>7,434,907</u> | <u>6,980,063</u> | <u>7,434,910</u> |
| Current assets: | | | | | |
| 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 |
| Total current assets | | <u>3,192,029</u> | <u>3,072,238</u> | <u>3,063,440</u> | <u>2,928,267</u> |
| Liabilities: | | | | | |
| Creditors: Amounts falling due within one year | 14 | (1,385,663) | (1,215,727) | (1,257,077) | (1,071,759) |
| Net current assets | | <u>1,806,366</u> | <u>1,856,511</u> | <u>1,806,363</u> | <u>1,856,508</u> |
| Total net assets | | <u>8,786,426</u> | <u>9,291,418</u> | <u>8,786,426</u> | <u>9,291,418</u> |
| The funds of the charity: | | | | | |
| 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> |
| Total funds | | <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 Heggessy, Director

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

Consolidated statement of cash flows

| | 2024 £ | 2024 £ | 2023 £ | 2023 £ |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Net cash provided by/(used in) operating activities | | 108,035 | | (977,095) |
| Cash flows from investing activities: | | | | |
| 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 | | - | |
| Net cash provided by/(used in) investment activities | | (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 |
| Closing cash balance at 31 March | | 1,819,660 | | 1,803,613 |

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

| | 2024 £ | 2023 £ |
|--|-------------------------|-------------------------|
| Net income/(expenditure) | (504,992) | (978,662) |
| Adjustments for: | | |
| 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 |
| Net cash provided by/(used in) operating activities | 108,035 | (977,095) |

Analysis of changes in cash and changes in net debt

| | At 1 April 2023 £ | Cash flow £ | At 31 March 2024 £ |
|--------------------------|--|------------------------------|---|
| 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

| | 2024 £ | 2023 £ |
|-----------------------|------------------|------------------|
| 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 |
| | <u>3,428,949</u> | <u>2,248,116</u> |

3. (a) Income from donations

| | 2024 £ | 2023 £ |
|-----------------------------|------------------|------------------|
| Total income from donations | <u>242,340</u> | <u>178,962</u> |

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

(b) Income from charitable activities: grants

| | 2024 £ | 2023 £ |
|---|------------------|------------------|
| Public funding: | | |
| <i>Core funding:</i> | | |
| Arts Council England: | | |
| National Portfolio Organisation funding | 1,120,240 | 1,120,240 |
| London Borough of Hammersmith & Fulham: | | |
| 3 rd 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 | - |
| Trusts & Foundations | | |
| <i>Restricted grants:</i> | | |
| Young People's Programme activities | 164,692 | 198,387 |
| Theatre productions activities | 84,396 | 23,300 |
| Unrestricted grants | <u>150</u> | <u>24,500</u> |
| Total income from charitable activities: grants | <u>1,642,770</u> | <u>1,596,427</u> |

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

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

| | 2024 | 2023 |
|-----------------------------------|-------------|-------------|
| | £ | £ |
| 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) | - |
| Net profit | 148,986 | - |
| Amount gifted to charity | (148,986) | - |
| Profit retained in the subsidiary | <u>-</u> | <u>-</u> |

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) |
| Total net assets | <u>2</u> | <u>2</u> |
| Profit and loss account | - | - |
| Aggregate share capital and reserves | <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 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:

| | 2024 £ | 2023 £ |
|-----------------------------------|-------------------------|-------------------------|
| 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

| | 2024 £ | 2023 £ |
|--|-------------------------|-------------------------|
| 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> |
| | | | Total 2023 £ |
| <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> |
| | | | Total 2023 £ |
| <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.

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9. Taxation

| | 2024 £ | 2023 £ |
|----------------------------------|------------------|------------------|
| Domestic current year tax | | |
| 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

| | 2024 £ | 2023 £ |
|---|------------------|------------------|
| 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:

| | 2024 | 2023 |
|----------------------|-------------|-------------|
| 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).

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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 £ |
|-----------------------|--------------------------------|---------------------------------|------------|
| Cost | | | |
| 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 | 12,784,040 | 2,333,621 | 15,117,661 |
| Depreciation | | | |
| 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 | 5,891,336 | 2,246,265 | 8,137,601 |
| Net book value | | | |
| At 31 March 2024 | 6,892,704 | 87,356 | 6,980,060 |
| At 31 March 2023 | 7,363,420 | 71,487 | 7,434,907 |

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 | - | - | 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

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

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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 | Incoming | Outgoing | 31 March |
|--------------------------|-----|------------------|-----------------|------------------|------------------|
| | | 2023 | | | 2024 |
| | | £ | £ | £ | £ |
| 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 |
| | | <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.

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| | | 31 March 2022 | Incoming | Outgoing | 31 March 2023 |
|--------------------------|-----|----------------------|-----------------|------------------|----------------------|
| | | £ | £ | £ | £ |
| 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 |
| | | 7,682,472 | 226,687 | (665,196) | 7,243,963 |

16. Unrestricted funds

| | | 31 March 2023 | Incoming | Outgoing | Transfers | 31 March 2024 |
|---------------------------------|-----|----------------------|------------------|--------------------|------------------|----------------------|
| | | £ | £ | £ | £ | £ |
| Designated funds | | | | | | |
| 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 |
| Other unrestricted funds | | | | | | |
| 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).

| | 31 March 2022 | Incoming | Outgoing | Transfers | 31 March 2023 |
|---------------------------------|----------------------|------------------|--------------------|------------------|----------------------|
| | £ | £ | £ | £ | £ |
| Designated funds | | | | | |
| 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 |
| Other unrestricted funds | | | | | |
| 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 |

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17. Analysis of group net assets between funds

| | Unrestricted funds | | Restricted funds | Total 2024 |
|------------------------------|---------------------------|-------------------------|-------------------------|-------------------|
| | General funds | Designated funds | | |
| | £ | £ | £ | £ |
| 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> |

| | Unrestricted funds | | Restricted funds | Total 2023 |
|-------------------------------------|---------------------------|-------------------------|-------------------------|-------------------|
| | General funds | Designated funds | | |
| | £ | £ | £ | £ |
| <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:

| | Group | | Charity | |
|---------------------------|------------------|-------------------|------------------|-------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | (restated) | £ | (restated) |
| | | £ | | £ |
| Land and buildings | | | | |
| 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.

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

| | Note | General Funds £ | Designated Funds £ | Restricted Funds £ | Total 2023 £ |
|---|-------------|--------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| Income from: | | | | | |
| Donations | 3(a) | 173,962 | - | 5,000 | 178,962 |
| Charitable activities | | | | | |
| 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 |
| Total income | | 4,677,890 | - | 226,687 | 4,904,577 |
| Expenditure on: | | | | | |
| Raising funds | 6 | 1,240,579 | - | - | 1,240,579 |
| Charitable activities | 7 | 4,128,208 | 376,195 | 665,196 | 5,169,599 |
| Total expenditure | | 5,368,787 | 376,195 | 665,196 | 6,410,178 |
| Net income/(expenditure) before taxation | | (690,897) | (376,195) | (438,509) | (1,505,601) |
| Taxation | 9 | 526,939 | - | - | 526,939 |
| Transfers between funds | 15, 16 | (564,999) | 564,999 | - | - |
| Net movement in funds | | (728,957) | 188,804 | (438,509) | (978,662) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 737,292 | 1,850,316 | 7,682,472 | 10,270,080 |
| Total funds carried forward | | 8,335 | 2,039,120 | 7,243,963 | 9,291,418 |