# DONMAR WAREHOUSE PROJECTS LIMITED

England & Wales · Charity number 284262

## Details

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|---|---|
| **Other names** | OMEGA PROJECTS LIMITED |
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 01611861 |
| **Registered** | 1982-05-06 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | 3<br>Dryden Street<br>London<br>WC2E 9NA |
| **Phone** | 020 7240 4882 |
| **Email** | creeves@donmarwarehouse.com |
| **Website** | www.donmarwarehouse.com |

## Activities

**Objects:** TO PROMOTE, MAINTAIN, IMPROVE AND ADVANCE EDUCATION PARTICULARLY BY THE ENCOURAGEMENT OF THE ARTS INCLUDING THE ARTS OF DRAMA, BALLET, MUSIC, SINGING, LITERATURE, SCULPTURE AND PAINTING.

**Activities:** The objects of the charity are to promote, maintain, improve and advance education particularly by theencouragement of the Arts including the arts of drama, ballet, music, singing, literature, sculpture and painting. Thecompany meets these through continuing to produce and present theatrical productions at the Donmar WarehouseTheatre.

## Classification

- **How:** Other Charitable Activities
- **What:** Arts/culture/heritage/science
- **Who:** The General Public/mankind

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## Geography

- United States
- Camden
- City Of Westminster
- Islington

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-03-31 | £10,098,834 | £9,706,743 | £14,938,435 | 58 |
| 2024-03-31 | £9,423,226 | £8,955,216 | £14,546,344 | 61 |
| 2023-03-31 | £8,619,062 | £8,304,064 | £14,078,334 | 64 |
| 2022-03-31 | £5,994,682 | £5,784,307 | £13,763,336 | 52 |
| 2021-03-31 | £5,979,225 | £3,292,786 | £13,552,961 | 38 |

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## Trustees

| Name | Role | Appointed |
|---|---|---|
| Anne Wade | | 2025-01-15 |
| Henrietta Lucy Anne Finch | | 2024-03-01 |
| Jonathan Mark Jebarajan Kanagasooriam | | 2022-06-23 |
| Jonathan Paul French Smith | | 2018-06-11 |
| Lucian Msamati | | 2021-07-20 |
| Mark Goodey | | 2023-03-01 |
| Neil Lyndon Marc Blair | | 2022-06-23 |
| Professor Hannah Jane Thompson | | 2022-06-23 |
| Roger Parry | | 2024-07-01 |
| Sarah Kate Carson | | 2022-06-23 |
| Susan Christina Butcher | | 2024-03-27 |
| Tessa Scantlebury | | 2020-04-07 |
| Tiina Le-Seong Lee | | 2020-04-07 |
| Timothy Neil Allan | | 2024-03-27 |
| Timothy Sheader | | 2024-03-01 |

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**DONMAR WAREHOUSE PROJECTS LIMITED**

England & Wales - Charity number 284262

# Accounts

# Donmar Warehouse Projects Limited

Trustees' Report and Financial Statements

Year Ended

31 March 2025

Company Number 01611861

Charity Number 284262

# Donmar Warehouse Projects Limited

**Contents and company information**
**for the year ended 31 March 2025**

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**Trustees**
A Kenwright (Chair – resigned 5 December 2024)
A Wade (Chair – appointed 15 January 2025)
T Allan
N Blair
S Butcher
S Carson
H Finch
M Goodey
J Kanagasooriam
T Lee
L Msamati
R Parry (appointed 1 July 2024)
A Romeo
T Ross (Scantlebury)
J Smith
T Sheader
H Thompson

Honorary Life President: R Wingate
Company secretary: R Tyson

**Registered office**
3 Dryden Street, London, WC2E 9NA

**Company number**
01611861

**Charity number**
284262

**Bankers**
Coutts & Co., 440 Strand, London, WC2R OQS

**Auditor**
Sayer Vincent LLP, 110 Golden Lane, London, EC1Y OTG

**Senior Management**
Timothy Sheader, Artistic Director
Henny Finch, Executive Director

# Donmar Warehouse Projects Limited

**Trustees' report**
**for the year ended 31 March 2025**

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The Directors (who are also the Trustees of the charity) present their report and financial statements for the year ended 31 March 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The company is a registered charity, (registered number 284262) and company limited by guarantee (registered number 01611861). The company is incorporated under the Companies Act 2006 and is governed by its Articles and Memorandum of Association dated 05 February 1982 as amended on 06 Jul 2023.

**Principal activities**
The objects of the charity are to promote, maintain, improve and advance education particularly by the encouragement of the Arts including the arts of drama, ballet, music, singing, literature, sculpture and painting. The company meets these through continuing to produce and present theatrical productions at the Donmar Warehouse Theatre.

Donmar Warehouse Projects Limited has two wholly owned subsidiaries and one joint venture (further details are given in Note 15 of the financial statements). The results of Donmar Productions Limited and Donmar Theatre Catering are consolidated into these financial statements. The results of Birnam Wood Films Limited have been accounted for as a joint venture investment. Donmar Productions Limited receives income from commercial trading contracts and its taxable surplus is paid by gift aid to Donmar Warehouse Projects Limited. Donmar Warehouse Projects Limited is the rights holder for the productions but commissions its theatrical pieces to Donmar Productions Limited, which acts as a production company. Donmar Theatre Catering receives income from the bar operations and its taxable surplus is also paid by gift aid to Donmar Warehouse Projects Limited. Birnam Wood Films Limited receives income from Film ticket sales and distribution profits are paid across to the Donmar Warehouse Limited and its partners per contractual agreement.

**Strategic report**
The sections below constitute the Strategic report for the purposes of the Companies Act 2006.

**2024/25 at the Donmar**
- Our Mission
- Our Strategic Objectives
- Financial Review and Viability
- Reserves policy and Risk management
- Public Benefit

2024/25 saw the creation of a new organisational strategy for the Donmar that prioritises the creation of exceptional work on stage, together with a commitment to growing audiences (especially younger audiences) and supporting local young people to access the arts as well as building skills for the wider sector.

We have clearly articulated our role as an unfunded not-for-profit theatre; our innovative business model and high reliance on fundraising leads the way in our sector (especially at our scale), and our strategy reflects the necessity of maintaining and growing contributed revenues alongside strong and consistent box office sales to maximise public benefit.

2024 was a year of change and transition, with a handover between Artistic Directors and of Chairs during the year, and a two month planned closure to the theatre for building works. In June 2024, Tim Sheader took over from Michael Longhurst as Artistic Director and Joint CEO and in December 2024, Anne Wade succeeded Adam Kenwright as Chair. The transitional year was ably managed by joint CEO Henny Finch and a skilled senior team, and the Donmar maintained a strong financial position while remaining a pre-eminent producer of theatre in the UK.

The year saw a significant amount of work taking place offsite, including a version of *Macbeth* touring into local schools; the West End transfers of *Next to Normal* and *Macbeth*, the transfer to New York of *The Cherry Orchard*, and the cinema release of *Macbeth*. This allowed us to grow new audiences and build the brand locally and internationally, and has contributed revenue towards our core operation and our work with children and young people.

**2024/25 at the Donmar** *(continued)*
Despite the summer closure in 2024, meaning we delivered 5 rather than 6 new projects this year, box office and development revenue remained strong, and including income from our activities offsite, we end the year in a positive position. However it should be noted that forward targets for both box office and development are very high - especially for a venue of our size - and we are vulnerable to the effects of rising costs, competition in the market and financial pressure felt by our donors and audiences. We are in the early planning stages of capital works to complete theatre improvements started in 2020/21, which will entail a period of closure and have been building reserves in anticipation of a significant draw down for this.

**Our Mission**
The Donmar is a place where anyone with a passion or curiosity for seriously good theatre belongs. In our powerfully intimate space, we make vivid theatre that transports. Our audience doesn't sit in the dark; they lean into the light. You'll want to be in the room and in the moment. Led by Artistic Director Tim Sheader and Executive Director Henny Finch, the Donmar is an independent non-profit theatre in London's Covent Garden. We're intent on making sure theatre thrives for the next generation by inviting in new younger audiences, inspiring fresh voices and building the workforce of the future. We're grateful for the loyalty and generosity of our many donors and supporters who share our commitment to making this happen.

**Our Strategic Objectives**
Our four strategic objectives for the period were to:

1. **Present unmissable, event theatre.**
   We'll attract the finest acting talent alongside future stars and pair them with stunning plays and musicals, celebrate our intimate space where people experience great performances up close, programme inclusively and nurture under-represented artists over the long term.

2. **Build new, and maintain existing, audiences at the Donmar and further afield.**
   We'll attract the most passionate theatre audiences, both loyal and new, building younger audiences, and growing our brand away from the Donmar in the UK, USA and beyond, through transfers and tours, and on screen.

3. **Inspire young people's love of theatre through our work in local schools.**
   In the context of fast declining arts provision in state schools, we'll continue to work with local schools to offer young people high quality engagements with the theatre at zero cost.

4. **Every year, train a diverse cohort of artists and administrators to develop their careers in theatre.**
   We'll build pathways for people historically under-represented in the theatre sector to access training opportunities alongside industry leading creatives and our skilled staff, empowering them with the skills and capabilities to excel in their chosen discipline.

In order to deliver these strategic objectives, we also set out to:

5. **Create an equitable workspace where people's differences are valued, skills are developed and learning is continuous.**
   We'll ensure we remain future-facing and sector-leading by fostering a positive working culture for staff and freelancers.

6. **Build our work on sustainability, recognising and seeking to reduce the impact our theatre has on the environment**
   We'll put forward-looking sustainable best practice at the heart of our work across our buildings, facilities, operations and productions.

7. **Grow the business to deliver a wider impact in line with our charitable objectives**
   We'll invest our resources to future-proof the theatre's physical and financial health, including building our commercial producing capacity.

**Our Strategic Objectives** *(continued)*
This year, we have delivered against these objectives in the following ways:

**1. Present unmissable, event theatre**
Our work on stage in 2024/25 comprised the final season of programming by the outgoing Artistic Director Michael Longhurst, and the first season of work programmed by the incoming, Tim Sheader. We saw a bold new version of a classic text, an acclaimed US drama, two pieces of new writing, and the UK premiere of a groundbreaking American musical. We produced 5 productions at base rather than the usual six, due to an extended maintenance period in which backstage areas at the Earlham Street theatre building were improved, key infrastructure was refreshed, and improvements were made to front of house security.

Onstage we continued a commitment to a diversity of voices onstage in both creative and production roles. Across the work there was an international flavour, with leading international artists Benedict Andrews, Lindsey Ferrentino, Dave Molloy and Dominique Morrisseau making work at the Donmar. *Skeleton Crew* centred global-majority voices, exploring themes around class and community. *Backstroke* centred an older, female experience, exploring themes around care and dementia, and *The Cherry Orchard*, *The Fear of 13*, and *Natasha, Pierre and the Great Comet of 1812* featured international, diverse casts with several making their stage debuts.

**The Cherry Orchard**
Acclaimed Director Benedict Andrews brought his own adaptation of Chekhov's masterpiece to the Donmar in Spring 2024, with Nina Hoss and Adeel Akhtar leading a strong ensemble. Staged in the round, and with a dramatic final scene change which ripped up the scenic carpet at each performance to expose the Donmar's bare bones, the production breathed new life into Chekhov's text and characters and emphasised themes of community, changing society and loss. Actor Éanna Hardwicke's performance as Epikhodov has seen him nominated for this year's Ian Charleson award.

**Skeleton Crew**
The UK premiere of Dominique Morrisseau's Detroit-based play was directed by Matthew Xia, and transported Donmar audiences to the break room of a car plant in decline. A cast of four - Pamela Nomvete, Tobi Bamtefa, Racheal Ofori and Branden Cook - told the story of Faye and her attempts to keep her life, and those of her colleagues, afloat in the face of de-industrialisation. Designer ULTZ, Lighting Designer Ciaran Cunningham and Sound Designer Nicola T Chang created a real sense of the factory's machinery. The play was the final show programmed in Michael Longhurst's tenure, closing in August 2024.

**The Fear of 13**
Lindsey Ferrentino's play, based on the documentary of the same name, was the first play produced under Tim Sheader's artistic directorship. Directed by Justin Martin and starring double-Oscar-winning actor Adrien Brody, it told the true story of Nick Yarris, a Philadelphian man wrongfully convicted for murder and imprisoned on Death Row for 22 years. The production received two Olivier nominations, for Best New Play and Best Actor in a Play.

**Natasha, Pierre & the Great Comet of 1812**
Dave Malloy's musical, based on a slice of Tolstoy's War and Peace, was Tim Sheader's directorial debut at the Donmar. This UK premiere saw a cast of 16 and a band of 10 musicians take over the Donmar stage. Called 'one of the best new musicals for years' by Whatsonstage, and 'theatrical lightning in a bottle' by the Telegraph, it garnered multiple five-star reviews and was nominated for 6 Olivier awards, with Maimuna Memon winning Best Supporting Actress in a Musical.

**Backstroke**
Telling the story of a mother and daughter's relationship over the course of 50 years, *Backstroke* was both written and directed by Anna Mackmin. The production used projection of filmed extracts to create a poetic sense of memory as the character of Beth succumbed to dementia and her daughter Bo sought to care both for her and her own child. Celia Imrie as Beth, and Tamsin Greig as Bo, led an all-female cast in a sensitive and raw performance. The production was supported by charity Arts For Dementia, who provided front of house staff as well as office-based teams with training to help navigate the issues Mackmin's play discussed, and an accompanying foyer presentation celebrating motherhood of all kinds touched audiences alongside the play.

**Our Strategic Objectives** *(continued)*

**Donmar Beyond**
Outside our walls, we co-produced a transfer of Max Webster's *Macbeth* to the Harold Pinter theatre with its full original cast led by David Tennant and Cush Jumbo. The production had been captured for screen during the run at the Donmar and was released into cinemas worldwide in partnership with Trafalgar Releasing after the closure of the show in the West End, playing in 25 countries.

Michael Longhurst's production of *Next to Normal* transferred to the Wyndham's Theatre produced by Stone Productions Ltd and has also received a cinema release. The London cast album was released in 2025.

Benedict Andrews's *The Cherry Orchard* had a successful run at St Ann's Warehouse in Brooklyn, New York, in March/April 2025. This was the Donmar's first foray to New York since *The Tempest* in 2017, and played to great acclaim and sell-out audiences, receiving the New York Times's Critics Pick.

**2. Build new, and maintain existing, audiences at the Donmar and further afield.**
Ticket sales were strong across productions this year, with all but one achieving above our target of 85% financial capacity in our 251 seat theatre, with a number selling out ahead of previews.

On average productions attracted around 36% new bookers, exceeding our typical 30% benchmark.

*The Fear of 13*, *Natasha, Pierre and the Great Comet of 1812* and *Backstroke* were announced together as part of Tim Sheader's first season, and sold out very quickly by the end of the on-sale period.

Lead produced by Playful Productions in the West End, *Macbeth* closed with over £5m gross ticket sales, and with 54,512 total attendances. The production was very popular with audiences, breaking box office records at the Harold Pinter theatre. As part of our partnership with Playful, the Donmar was able to ringfence 37% of all tickets to be sold at £35 and under, including over 1100 front row day seats. Hundreds of tickets were also distributed to schools for free as part of the Donmar's LOCAL programme.

The cinema release of *Macbeth* grossed over £2m globally in its first week and was No. 1 at the box office in the UK on 5 February, the day of release. The production has been screened in more than 1,000 cinemas globally, and is now available on demand via Marquee TV and Veep.

We remain committed to reaching the widest possible audiences for our work and ensuring ticket prices are not a barrier to attendance: as part of Tim Sheader's first season announcement we launched our 35 and under ticket scheme - 35 tickets per performance are sold at £20 to audiences aged 35 and under. So far we've built a subscriber list of over 8000 people for this scheme, and sold 7616 tickets.

We have consistently achieved national media coverage with actors appearing across high profile broadcast and print media. Productions regularly received 4 and 5 star reviews from broadsheet and online critics.

This year we saw an increased uptake of 144% in our access bookings across all performances. Every production offers an audio description and captioned performance. We offer touch tours pre show and visual storyboards when appropriate. We have a permanent hearing loop system and headsets at each performance and have a dedicated access champion and access ticketing support.

**Our Strategic Objectives** *(continued)*

**3. Inspire young people's love of theatre through our work in local schools.**
The Donmar is an essential cultural provider for local schools in Camden and Westminster, creating partnerships to ensure the development of future audiences, artists and sector workforce.

The Donmar's work in its home boroughs continues to expand, with an increased offer of participatory programmes for key stage 3. The expansion of our schools provision is in direct response to the reduction in visibility of arts subjects in mainline secondary schools, with a 47% decrease in GCSE entries since the introduction of the EBacc in 2010. A significant number of secondary schools in Camden and Westminster no longer offer drama as a key stage four pathway.

43% of all children in Camden and 42% of all children in Westminster live in poverty, and we prioritise engaging schools with higher than London average free school meal ratio. All of the Donmar's work with our local schools and communities is offered for free, with thanks to the generous support of our funders across individual giving, trusts and foundations, local authorities and corporate sponsorship.

In 2024-25, the Donmar worked with 4,780 young people and delivered the following:

- *Macbeth: Something Wicked*: A touring adaption of *Macbeth*, written by Eleanor Tindall and directed by Milli Bhatia. The tour engaged 3287 students, with a high proportion of these having their first experience of seeing live theatre.
- 8 performances for young people through the Local Performance Programme, with in school workshops, free tickets and post show talks with cast and creative teams.
- A second iteration of My Future, a devising programme for key stage 3 students exploring climate justice, centering youth voice, confidence and collaboration. The project worked with four schools, two of which were new to devising programmes.
- Take the Stage: Our flagship devising programme for 14+ students, with young artists working in collaboration with teachers and theatre makers to create new work in response to the themes of *The Fear of 13.*
- To accompany the final production in Michael Longhurst's season, we ran *Donmar Open House,* a weekend festival inviting young people from schools and community groups to attend *Skeleton Crew*, with an accompanying programme of workshops and talks for emerging artists, supported by alumni from our CATALYST programme and delivered in collaboration with Open Door.

**4. Every year, train a diverse cohort of artists and administrators to develop their careers in theatre.**
Our CATALYST skills development programme ran for a fourth year, with nine short-term creative roles offered as well as two year-long administrative traineeships based in our offices. These roles have supported people from historically under-represented backgrounds at the Donmar, and in the wider sector, access paid training opportunities with support from industry-leading mentors.

Alongside the CATALYST programme, our Resident Assistant Director (RAD) finished in January before moving directly into an Associate Director role. We successfully placed another Resident Assistant Director who joined in February 2025, starting her tenure on *Dealer's Choice*. These roles continue to work closely with our directors as assistant directors on Donmar productions, and support the Literary, Participation and Development teams.

We established a deeper connection with our CATALYST/RAD alumni community, now offering a quarterly newsletter with Donmar news, job openings within the sector, and professional development opportunities including some hosted by our corporate sponsors. We began hosting an alumni evening where past trainees, along with current trainees and staff, are invited for a networking mixer in advance of a show, which will now continue for each production.

Through Donmar LOCAL, we ran our youth skills programme, *Pathways*. The week-long intensive was offered to 16-18 year olds from Camden and Westminster, with 22 young people completing the programme. The young people worked with 12 freelance theatre-makers and 30 Donmar staff across the week, being truly immersed in a producing theatre.

**Our Strategic Objectives** *(continued)*

**5. Create an equitable workspace where people's differences are valued, skills are developed and learning is continuous.**

Thanks to the generosity of our supporters, during the summer closure of the theatre we were able to run a creative training programme for our front-of-house team - CSA LAB - as part of which our talented team were able to develop creative work and build other skills alongside core staff. The 4 week project culminated in a showcase performance in the theatre, attended by the wider staff, friends and industry colleagues.

Other activities this year included:

- We worked in partnership with sector leads TONIC to deliver Unconscious Bias and Allyship training.
- We hired a Head of Inclusion and Skills who now oversees the EDI working group, the CATALYST trainee programme, the delivery of future staff training on EDI themes, and overall inclusion efforts across both Earlham and Dryden Street buildings.
- Our organisational EDI strategy has been embedded into the 3-year company strategic plan and its progress will be tracked within the overall KPI tracker.

We continue to make steps to diversify our workforce:

- In permanent roles, 28% are Global Majority and 8% Disabled.
- In flexible roles 29% are Global Majority and 25% Disabled.

We ran 2 positive action traineeships for administrative roles, which provided new routes into the workforce for Global Majority candidates.

To support well-being we have an Employee Assistance Programme, offering counselling, management, relationship and financial support service to all staff, 24 hours per day. We have positive feedback from staff who have used the service. We continue to work with a HR consultant who can arrange 1- 1 sessions for staff who need additional support in their professional lives. We have worked with external occupational health and mental health specialists where needed.

We ran our staff survey in February/March with a 60% completion rate; key findings and trends were then integrated into our HR strategy and training plan. We were pleased that a number of entry level positions attracted interest from our front of house workforce, proving that we are providing a valuable pathway into the industry.

In 2024/25 staff training programmes included Unconscious Bias and Allyship, mental health first aid, first aid, attendance at industry conferences, dementia awareness training, 1-1 coaching for managers and formal HR, marketing and finance qualifications.

All attendees for interviews and new starters (as well as all freelance staff) are specifically asked about access requirements as part of the application and onboarding processes, and we make reasonable adjustments where required. Both our sites are fully accessible for patrons and staff.

**Our Strategic Objectives** *(continued)*

**6. Build our work on sustainability, recognising and seeking to reduce the impact our theatre has on the environment**

This year we continued to work towards becoming more sustainable in our practices across our buildings, operations and productions. The Donmar is using the Green Book 2.0 as an industry standard and guide towards better sustainability practices. A utilities tracker has been created to track utility use over the two buildings - this is updated monthly by the operations team.

The Production team embedded a tracking system on all productions, to record decisions and planning processes from a sustainability point of view, helping to establish a sense of considered prioritisation and decision making at all points on a production's journey to the stage.

A Sustainability Working Group meets regularly to report on challenges, achievements and discuss potential solutions, with each meeting focussing on a different department within the Donmar. Two examples of sustainability success stories during this period were:

- The use of more sustainable products for Wigs, Hair and Make Up on theatre shows where appropriate - e.g. swapping disposable products for reusable ones.
- Introducing more types of recycling across both buildings and pooling resources, with an increase in staff awareness and participation in those resources - e.g.: Soft plastic & coffee cups.

**7. Grow the business to deliver a wider impact in line with our charitable objectives**

This year alongside the 5 main stage productions we looked to expand our Donmar Beyond programme with *Macbeth* West End, *Next to Normal* West End, *The Cherry Orchard* New York and *Macbeth* on film.

All these productions brought our work to a much wider audience, while diversifying our income streams. We expect further income from the *Macbeth* Film, and we continue to look for further opportunities to expand our Beyond programme. We have also invested our reserves to support the build out of the Donmar Beyond programme as well as a reserve to focus on the acquisition and development of intellectual property.

In order to future-proof our physical building, we continue our review of plans for the refurbishment of the back of house including a new rooftop dormer structure (consented in 2018) which is critical to open up accessibility above the main stage wall which will improve lighting and stage facilities but also safety for Donmar and freelance technical staff.

**Financial Review**

The Donmar's £10.1m revenue (2023/24: £9.4m) was principally drawn from production income £5.0m (2023/24: £5.1m), fundraising, £3.7m (2023/24: £3.3m), trading income, £1.4m (2023/24: £0.6m). We received no support from the Arts Council (2023/24: £0.3m),

Total income has increased year on year due to the expansion of the Donmar Beyond programme, particularly *Macbeth* West End and *Macbeth* Film. Production income was down (3%) due to the season only having 5 productions, instead of the usual 6. Theatre Tax Relief remained at 45% of qualifying expenditure, which allowed us to further support our productions. Fundraising was up 11% due to an increase across all areas but mainly due to Memberships, Individual donations, Production Support and Trust and Foundations. Donmar Beyond programme delivered £0.8m (2023/24: £0.05m) an increase of 94%.

The Donmar remains committed to investing as much of its income as possible in the work it produces on the stage whilst offering accessibility and value for its supporters. Direct production expenditure was £5.6m (2023/24: £5.1m), accounting for 58% of total expenditure, this exceeded Box Office income by £2.4m (2023/24:£1.5m).

**Financial Review** *(continued)*
The other key expenditure area is staff and personnel (permanent staff headcount: 58, 2023/24: 61) which is £3.1m (2023/24: £3.0m), equating to 32% of our total general expenditure (2023/24: 33%).

Our successful programme of work and careful cost management has led to a profit of £0.4m (2023/24: £0.5m) in the current year. This surplus will help bolster our current reserve position (pages 9 and 10), and enable us to continue to operate a sustainable model in the face of global uncertainty and rising costs over the medium-term. In the long term we anticipate major capital expenditure which will call on reserves. Our Reserve position remains positive ending the year with £15.0m Total Funds split between Restricted £0.1m, General £3.1m, Designated £2.0m and Fixed Assets £9.7m.

**Fundraising**
Total fundraising income was £3.7m (36% of total income) (2023/24: £3.3m), which was principally income from individuals at £2.2m (2023/24: £2.0m), commercial trading operations (corporate sponsorship), £0.8m (2022/24: £0.8m) and £0.7m in revenue from Trusts and Foundations (2023/24: £0.4m).

The success of *The Fear of 13* and the transfer and cinema screenings of *Macbeth* helped create an increase in revenue across individual (both for membership and philanthropy) and corporate giving, with a good number of new members joining and additional donations for production support and corporate packages. The transfer of *The Cherry Orchard* to Brooklyn allowed us to make useful connections in New York and raise funds for the American Friends. We secured renewals with several corporate partners and continue to grow our corporate training programme.

**Fundraising disclosures**
The Donmar fundraising team raises funds primarily through offering a range of membership packages which are supported by benefits and specialist events, securing donations which are typically linked to a specific activity (e.g. production support), grants from trust and foundations, and through corporate sponsorship agreements. The Donmar does not engage any professional third-party fundraisers to make approaches to individuals on our behalf or involve commercial participators.

All direct marketing is undertaken by the fundraising department to ensure that it is not unreasonably intrusive or persistent. Aside from current members who receive regular updates via post and email to ensure that they can make the most of membership benefits, contact is made through direct marketing at the time of our programming announcements, usually twice per year. All marketing material contains clear instructions on how a person can be removed from mailing lists.

The Donmar is GDPR compliant and our fundraising team and senior staff adhere to the Fundraising Codes of Conduct and Standards of Research as laid out by the Fundraising Regulator, and abide by guidelines set out by the Charity Commission. We have a Gifts Acceptance Policy in place. This covers fundraising practice and processes. It is endorsed by our board, and overseen by the Reputation & Risk Committee. There have been no complaints about our fundraising activity this year.

**Financial Viability**
The financial viability of the Donmar is overseen by the Audit, Finance and Risk (AF&R) Committee. The committee oversees and evaluates the quarterly financial figures for the organisation, led by the Executive Director (ED) and the Head of Finance (HoF). The AF&R reports to the Board and the Board has final sign off on the annual budget. The Board appoints external auditors, and commissions and considers reports as necessary, analysing risks raised through these processes.

The key financial risks to the Donmar include:
- The change in Artistic Director leading to loss of production or fundraising income and a potential increase to staff turnover,
- The change in company strategy to a more commercial strategy post the loss of Arts Council England funding, resulting in changes to income profile,
- On-going global instability resulting in increased costs for the company and individuals, impacting our cost base, the availability of funding, ticket sales and other income streams.

**Financial viability** *(continued)*
The management team and the AF&R committee continue to review, adapt and respond to these risks, in order to mitigate the necessity to make changes to our operating model and the resulting impact on the quality of the work we produce and our public benefit. To help mitigate this risk the Donmar has diversified its income streams by renting out surplus space in Dryden Street and by engaging with commercial partners. This helps to lessen the Donmar's dependence on fundraising, and where possible the Donmar continues to look for structural ways to reduce the in-year risk associated with fundraising income, and implements careful performance and cost management to build resilience for future years. We have set a reserves policy to hold a sufficient amount in the risk reserve to support the organisation to transition to a new operating model in the event these income streams are affected.

The management team continues to tightly manage the costs base and expenditure is managed across the organisation through structured meetings between budget holders and the Finance department on a monthly basis. The reviewed figures are then considered by the Head of Finance (HoF) and reported monthly to the Executive Director and the Artistic Director. Budgets have built-in contingencies and there is an overall organisational contingency each financial year, managed by the Executive Director. Organisationally, the budgets are overseen by the Executive Director and managed by the HoF and senior management team with the Director of Development leading on the majority of income generation and the Senior Producer leading on the majority of expenditure on the productions.

**Reserves Policy**
Reserves are held in the following funds:

Tangible Fixed Asset Funds
Designated Funds
General Funds - Operational Risk Reserve
Restricted Funds

The **tangible fixed asset fund** represents the value of the Donmar's fixed assets: the lease of the Donmar Theatre at Earlham Street, the lease and capitalised costs of the office at Dryden Street, the capitalised costs of the redevelopment project, and the book value of fixtures and fittings.

The Donmar holds four designated reserves:

- **Building Maintenance Fund:** The Donmar retains a reasonable sum within the theatre maintenance fund to cover unbudgeted and/or uninsured repairs and maintenance. This fund has been built in recent years to reflect the age of some of the theatre infrastructure. We expect this will be spent partially each year and refilled from surpluses as is possible.

- **IP Acquisition & Development Fund:** This fund is for the acquisition and or development of intellectual property relating to work on the Donmar stage.

- **Donmar Beyond Fund:** This fund is to support the commercialisation of the Donmar’s work and to support productions to have a future life after the Donmar.

- **Website and Branding Fund:** This fund is to support the re-development of the Donmar website as well as a review of the Donmar branding and any related costs.

The **operational risk reserve** reflects the risk profile and risk register of the Donmar. It is set at a level that should allow the Donmar to continue to operate in the event of a short fall in fundraising, trading income or box office income. The policy is to hold at least 25% of forecast income for the forthcoming year or a minimum of £1.25m, whichever is higher and any excess above this is used as determined appropriate by the Board for any specific risks or objectives the Donmar has in the year ahead. As at the 31st March 2025 the operational risk reserve was £3.1m (2024 - £4.3m) which is above the targeted 25%. Much of the Reserve above the targeted 25% is likely to be designated to a Capital Works Fund in 2025/26 to support the refurbishment of the back of house including a new rooftop dormer structure (consented in 2018) which is critical to open up accessibility above the main stage wall which will improve lighting and stage facilities but also safety for Donmar and freelance technical staff. It is anticipated that this project will not take place before 27/28 at the earliest.

**Reserves Policy** *(continued)*
The Donmar holds a number of **restricted funds** which are detailed at page 41-46. The total value of restricted funds at 31 March 2025 was £100,000 (2024: £147,236).

The Trustees are satisfied that sufficient reserves are currently being held by the Donmar and we intend to sustain our risk reserve at a minimum of 25% of our annual revenue.

**Going concern**
The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12-month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 10, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

The Trustees continue to give particular consideration to the change in company strategy post NPO, the change in Artistic Director, the impact of global events on rising costs and availability of funding and reputational risk of specific funders as well as changes in legislation which impact the Donmar, reviewing the impact of these risks on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable.

When reviewed in June 2025, it was noted that the change in strategy post NPO and the change in Artistic Director had had minimal impact to the Donmar’s finances and that any short term impact of rising costs and reduced funding could be managed within the current reserves. Development income has continued to increase, and while there is risk that this upward trajectory may not continue, a Development strategy was approved by the Board in May 2025 to mitigate this risk. The management team continue to review and where appropriate implement cost saving initiatives in order to achieve further sustainability.

At the end of June 2025, the Donmar Warehouse had cash of £3.8m, fixed assets of £9.8m, net assets of £0.2m and cash reserves of £4.1m (£0.1m restricted and £1.2m designated). Cashflow forecasts show cash dropping down to its lowest point of £3.9m (including restricted reserves of £0.2m) over the next 12 months. Given the Donmar's reserves position and track record, the Board remain satisfied that Donmar Warehouse will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

**Risk Management**
The Trustees consider the risks to the charity at each quarterly Board meeting and ensure that systems and procedures are established to mitigate the risks identified. At each meeting the Board also reviews the latest Risk Register prepared by the Executive which outlines the production related risks including health and safety as well as financial, reputational and strategic risks. The principal risks and uncertainties managed during the year were:

- **Change in Artistic Director** – this risk was mitigated through a clear timeline for handovers and programming cycles as well as partner and stakeholder relationship management.

- **Change in strategy after exiting ACE’s National Portfolio** – this risk was mitigated by the implementation of the new business model and strategy approved by the Board. The increase in Theatre Tax Relief, additional fundraising and the expansion of the Donmar Beyond programme were primary levers.

- **Development funding targets** – this risk was mitigated through strong management of key relationships through regular monitoring and reporting. A new Development strategy was approved by the Board to ensure a robust model to support fundraising targets and there are contingencies within Development budget to mitigate any under-performance.

- **Cyber Security** – during the year we obtained our Cyber Essentials Accreditation which further supports our Cyber security protocols.

- **Reputational and legal risks** – during the ordinary course of business the Donmar faces potential reputational and legal risks, which may or may not have a financial impact. These risks are mitigated through legal advice, consultation with industry peers and discussion with any other relevant expert depending on the nature of the risk. These risks are considered by the Reputation Risk committee and the Board, within the context of the relevant company policy where applicable. These risks are reflected in the investment in the Operational Risk Reserve.

**Public benefit**
This year the Donmar has continued to inspire audiences, grow skills and nurture young people by:

- Making inclusive, relevant, world-class work that thrills audiences in our 251 seat theatre and beyond, through transferring and broadcasting our work,
- Employing talented and diverse creative teams and acting companies,
- Investing in skills development and training to grow a diverse and highly skilled workforce for the theatre sector,
- Maintaining access through captioned, audio described and touch tour performances,
- Broadening and diversifying our audiences and workforce, specifically through the launch of a £20 ticket scheme for Under-35 audience members,
- Playing an active role in our community, working with schools and local young people from disadvantaged backgrounds,
- Continually assessing the impact of our business, with the aim of achieving a greener understanding of how a sustainable, efficient theatre can operate,
- Maintaining financial stability and value for money for our funders, whilst keeping ticket prices accessible.

In planning the activities of the charity the Trustees have given due regard to the Charity Commission's guidance on public benefit and, in particular, the specific guidance for fee charging charities. As mentioned above the Trustees believe that the activities of the charity in the year confirm its ability to provide current and on-going benefit to the public.

**Future Plans**
At the time of writing, the first and second production in 25/26 financial year are complete, with *Juniper Blood* on stage and *The Maids* in rehearsal.

- *Dealer's Choice* by Patrick Marber (18 April - 7 June 2025) is directed by Matthew Dunster and sees the 30th anniversary of Marber's debut play.

- *Intimate Apparel* by Lynn Nottage (20 June - 9 August 2025) is the third of Nottage's plays to be staged at the Donmar by Director Lynette Linton, following the successes of *Sweat* in 2018 and *Clyde's* in 2023. Telling the story of Esther, a seamstress in 1900s New York, who dreams of building a successful business and finding love. One of Nottage's most acclaimed plays, our production stars Samira Wiley (*Orange is the New Black, The Handmaid's Tale*) as Esther.

- *Juniper Blood* by Mike Bartlett (16 August - 4 October 2025) - a brand new play by one of the UK's foremost playwrights, focusing on the impact of a changing climate on British traditions and generational response to environmental crisis. Sam Troughton and Hattie Morahan will lead a cast directed by James Macdonald.

Following these current productions, we are looking forward to continuing our work towards delivering our strategic goal of excellence and ambition through the following upcoming productions:

- *The Maids* by Jean Genet, in a new translation written and directed by Kip Williams (13 October - 29 November 2025). A modern European classic in a bold new version which will utilise state of the art technology to explore the role-playing of sisters Claire and Solange, following Williams's success with *The Picture of Dorian Gray* in the West End and on Broadway.

- *When We Are Married*, JB Priestley's classic farce, to be directed by Tim Sheader (6 December 2025 - 7 February 2026). Three couples in the West Riding of Yorkshire discover on their 25th wedding anniversary that they may not be married at all.

**The Executive and staff**
The Executive comprises the Artistic Director and Executive Director, who are Joint Chief Executives. The Executive is supported by a team of 54 full time and 36 part time employees including a Senior Management Team of 11. The Executive and SMT meet fortnightly to plan the delivery of activity, report on progress against organisational KPIs and discuss staff welfare and culture.

The Donmar is committed to paying its employees a fair salary that is competitive within its industry and dependent on the complexity of the role. In determining the right level of pay the Donmar has a remuneration and bonus policy, detailed appraisal process and regularly reviews and benchmarks the pay, benefits and total compensation. We benchmark against other arts organisations.

The Governance & Nominating committee is responsible for reviewing and benchmarking the pay of the Executive team and the Executive is responsible for reviewing and benchmarking the pay of the Senior Management team.

**Board of Directors**
The Board of Directors met four times in 2024/25 for scheduled meetings and once for an extraordinary meeting. The Directors of the company are also Trustees for the purpose of charity law. The board supervises the activities of the charity with day to day activity delegated to the Executive and Senior Management.

Donmar Warehouse Projects Limited is a company limited by guarantee and not having share capital.

In addition to the Board, there is a structure of Committees focusing on key areas of the organisation, which feed directly into the Board in an advisory capacity:
- Audit, Finance & Risk
- Development
- Reputation Risk
- Governance & Nominating

The membership of these Groups is a mix of Board members, Executive, SMT, and external members who provide expert knowledge on the Group's remit. The Groups and Board are administered by the General Manager, supporting both the Executive and the Trustees.

**Qualifying third party indemnity provisions**
The company has provided an indemnity for its directors, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006.

**Recruitment and Appointment of Trustees**
Adam Kenwright resigned as Chair of the Board on 5 December 2024 and Anne Wade was appointed as Chair on 15 January 2025, after a thorough search led by external agency Nurole. Roger Parry was appointed as a Trustee on 4 July 2024.

The Board is 50% male/ 50% female and 21% Global Majority.

**Trustee induction and training**
New Trustees receive all necessary documentation so as to understand their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the workings of the Board of Management and the decision-making process.

New trustees are provided with an induction document, trustee policies, scheme of delegation and role descriptions. All were briefed by the General Manager and/ or Executive. They meet relevant members of the Senior Management Team to gain an in-depth knowledge of the organisation.

**Subsidiaries and Joint Venture**
Donmar Productions Limited is a wholly owned trading subsidiary responsible for producing the Donmar's productions as well as other commercial activities. Donmar Theatre Catering is a wholly owned trading subsidiary responsible for running the bar and catering operations at the Donmar. The Donmar's board appoint the directors of Donmar Productions Limited and Donmar Theatre Catering which comprise board members and one non-board member. The results are consolidated within these accounts as per note 15.

Birnam Wood Films Limited is a wholly owned subsidiary, incorporated op the 10 December 2023, for the purpose of entering into a joint partnership with Trafalgar Releasing in order to produce the Macbeth screen capture. It has been accounted for as a joint venture on the basis of the underlying agreements and documents between the entity and the Co Producer. Directors are appointed by the Donmar as well as the Co-Producer. Results are accounted for as a joint venture investment (see note 15).

**Auditor**
The auditor, Sayer Vincent LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Related parties**
Details of related parties are included in note 24.

**Trustees' responsibilities**
The Trustees are responsible for preparing the Strategic report, the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

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

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

**Trustees' responsibilities** *(continued)*

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.
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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This Trustees' report, which incorporates the Strategic report on pages 1 to 14, was approved on behalf of the board by

**A Wade**

25 September 2025

## Independent auditor's report to the members of Donmar Warehouse Projects Limited

### Opinion

We have audited the financial statements of Donmar Warehouse Projects 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 parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group 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 Donmar Warehouse Projects Limited'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group 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 group 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.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including 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' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires 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 set out in the trustees' annual report, 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

**Auditor's responsibilities for the audit of the financial statements (continued)**

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

**Use of our report**

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Judith Miller** (Senior Statutory Auditor)
For and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

3 October 2025

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

# Donmar Warehouse Projects Limited

**Consolidated statement of financial activities**
**(Incorporating an income and expenditure account)**
**for the year ended 31 March 2025**

| | Note | Unrestricted funds £ | Restricted funds £ | 2025 Total £ | 2024 Total £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| **Donations:** | | | | | |
| Development income | 4 | **2,173,735** | **371,950** | **2,545,685** | 1,958,772 |
| Other grants and donations | 5 | **333,901** | **-** | **333,901** | 795,506 |
| **Charitable activities:** | | | | | |
| Production income | 6 | **3,369,536** | **565,103** | **3,934,639** | 4,281,184 |
| **Trading activities** | 7 | **2,968,868** | **212,587** | **3,181,455** | 2,299,437 |
| **Investments** | 8 | **103,154** | **-** | **103,154** | 88,327 |
| **Total income** | | **8,949,194** | **1,149,640** | **10,098,834** | 9,423,226 |
| **Expenditure on:** | | | | | |
| **Raising funds** | 10 | **1,037,484** | **-** | **1,037,484** | 941,203 |
| **Charitable activities** | | | | | |
| Production expenses | 10 | **7,454,382** | **1,196,876** | **8,651,258** | 8,014,013 |
| **Share of loss of joint venture** | 15 | **18,001** | **-** | **18,001** | - |
| **Total expenditure** | | **8,509,867** | **1,196,876** | **9,706,743** | 8,955,216 |
| **Net income/(expense) in the year before transfers and tax** | 9 | **439,327** | **(47,236)** | **392,091** | 468,010 |
| Transfers between funds | 19 | **-** | **-** | **-** | - |
| **Net income/(expense) in the year before tax** | | **439,327** | **(47,236)** | **392,091** | 468,010 |
| Tax payable | | **-** | **-** | **-** | - |
| **Net movement in funds** | | **439,327** | **(47,236)** | **392,091** | 468,010 |
| **Reconciliation of group funds:** | | | | | |
| Opening fund balances at 1 April 2024 | 19 | **14,399,108** | **147,236** | **14,546,344** | 14,078,334 |
| Closing fund balances at 31 March 2025 | 19 | **14,838,435** | **100,000** | **14,938,435** | 14,546,344 |

All amounts results are derived from continuing activities.
The company has no other recognised gains and losses other than those stated above.

The notes on pages 22 to 49 form part of these financial statements.

# Donmar Warehouse Projects Limited

## Consolidated and charity balance sheet
## at 31 March 2025

*Company number 1611861 (England and Wales)*

| | Note | Group 2025 £ | Group 2024 £ | Charity 2025 £ | Charity 2024 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | **-** | - | **-** | - |
| Tangible assets | 14 | **9,712,365** | 9,712,741 | **9,706,343** | 9,702,203 |
| Investments | 15 | **-** | 150,001 | **18,003** | 150,003 |
| | | **9,712,365** | 9,862,742 | **9,724,346** | 9,852,206 |
| **Current assets** | | | | | |
| Stocks | | **5,141** | 6,815 | **-** | - |
| Debtors | 16 | **3,206,210** | 1,879,130 | **4,119,249** | 2,792,883 |
| Cash at bank and in hand | 21 | **3,900,804** | 4,626,836 | **2,954,335** | 3,417,118 |
| | | **7,112,155** | 6,512,781 | **7,073,584** | 6,210,001 |
| **Creditors: amounts falling due within one year** | 17 | **(1,886,085)** | (1,829,179) | **(1,444,064)** | (1,301,943) |
| **Net current assets** | | **5,226,070** | 4,683,602 | **5,629,520** | 4,908,058 |
| **Total assets less current liabilities** | | **14,938,435** | 14,546,344 | **15,353,866** | 14,760,264 |
| **Net assets** | 20 | **14,938,435** | 14,546,344 | **15,353,866** | 14,760,264 |
| **Restricted funds** | 19 | **100,000** | 147,236 | **100,000** | 92,633 |
| General unrestricted funds | | **3,107,046** | 4,286,367 | **3,528,499** | 4,565,428 |
| Designated funds | | **2,019,024** | 400,000 | **2,019,024** | 400,000 |
| Fixed asset funds | | **9,712,365** | 9,712,741 | **9,706,343** | 9,702,203 |
| **Total unrestricted funds** | 19 | **14,838,435** | 14,399,108 | **15,253,866** | 14,667,631 |
| **Total** | 19 | **14,938,435** | 14,546,344 | **15,353,866** | 14,760,264 |

As permitted by S408 Companies Act 2006, the charity has not presented its own statement of financial activities and related notes. The charity's surplus for the year was £593,602 (2024 – £637,871).

The financial statements were approved by the Board of Trustees and authorised for issue on 25 September 2025

**A Wade**
Director

The notes on pages 22 to 49 form part of these financial statements.

# Donmar Warehouse Projects Limited

**Consolidated statement of cash flows**
**for the year ended 31 March 2025**

| | Note | 2025 £ | 2024 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net income for the reporting period | | **392,091** | 468,010 |
| Depreciation | 14 | **321,911** | 317,021 |
| Amortisation | 13 | **-** | 4,864 |
| Loss on disposal of Intangible fixed asset | | **-** | 26,816 |
| Loss on disposal of Tangible fixed asset | | **2,869** | 4,874 |
| Share of loss of joint venture | 15 | **18,001** | - |
| Write-off of subsidiaries | | **-** | 3 |
| Investment income | 8 | **(103,154)** | (88,327) |
| Foreign exchange gains | | **-** | - |
| Decrease/(increase) in stocks | | **1,674** | (1,288) |
| (Increase)/decrease in debtors | 16 | **(1,324,073)** | 384,172 |
| Increase/(decrease) in creditors | 17 | **56,906** | (714,694) |
| **Net cash (used in)/provided by operating activities** | | **(633,775)** | 401,451 |
| **Cash flows from investing activities** | | | |
| Investment income received | 8 | **103,154** | 88,327 |
| Investment in joint venture | 15 | **-** | (150,001) |
| Return on investment | 15 | **132,000** | - |
| Purchase of fixed assets | 14 | **(324,404)** | (186,994) |
| **Net cash (used in) investing activities** | | **(89,250)** | (248,668) |
| **Change in cash and cash equivalents in the reporting year** | | **(723,025)** | 152,783 |
| **Cash and cash equivalents at the beginning of the year** | 21 | **4,626,836** | 4,477,454 |
| **Foreign exchange/(losses)** | | **(3,007)** | (3,401) |
| **Cash and cash equivalents at the end of the year** | 21, 22 | **3,900,804** | 4,626,836 |

The analysis of net debt is given in note 22.

The notes on pages 22 to 49 form part of these financial statements.

## 1 Status of company

The company is a charitable company, limited by guarantee and incorporated and registered in England and Wales under the Companies Act 2006 and the Charities Act 2011. The registered office is given on the Contents and Company Information page and the principle activities are given in the Trustee's report.

The company has fifteen members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1, as such the number of guarantors was 17 for the year ending 31 March 2025 (2024 - 18).

## 2 Accounting policies

### *Basis of preparation*

The financial statements have been prepared on a going concern basis under the historical cost convention. The accounts (financial statements) have been prepared in accordance with 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" (The Charities SORP 2nd Edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

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

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 £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied consistently:

### *Exemptions for qualifying entities under FRS 102*

The Company has taken advantage of the following reduced disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

### *Consolidation*

The consolidated financial statements present information about the company and its wholly owned subsidiaries Donmar Productions Limited and Donmar Theatre Catering Limited, as well as the joint venture of Birnam Wood Films Limited.

**2 Accounting policies** *(continued)*

***Going concern***

The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12- month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 10, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

The Trustees continue to give particular consideration to the change in company strategy post NPO, the change in Artistic Director, the impact of global events on rising costs and availability of funding and reputational risk of specific funders as well as changes in legislature which impact the Donmar, reviewing the impact of these risks on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable.

When reviewed in June 2025, it was noted that the change in strategy post NPO and the change in Artistic Director had had minimal impact to the Donmar's finances and that any short term impact of rising costs and reduced funding could be managed within the current reserves. Development income has continued to increase, and while there is risk that this upward trajectory may not continue, a Development strategy was approved by the Board in May 2025 to mitigate this risk. The management team continue to review and where appropriate implement cost saving initiatives in order to achieve further sustainability.

At the end of June 2025, the Donmar Warehouse had cash of £3.8m, fixed assets of £9.8m, net assets of £0.2m and cash reserves of £4.1m (£0.1m restricted and £1.2m designated). Cashflow forecasts show cash dropping down to its lowest point of £3.9m (including restricted reserves of £0.2m) over the next 12 months. Given the Donmar's reserves position and track record, The Board remain satisfied that Donmar Warehouse will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

***Income***

Income from donations and government grants, including capital and furlough grants, is included in income when there is entitlement, probability 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 income as restricted funds.

Membership income is recognised across the period of membership.

Productions income is included in income in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

Goods and services received in kind, where material, are included within 'Donations' and under the appropriate income heading, depending on the nature of goods and services provided. These are recognised at an estimated value to the charity at the time of receipt.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

**2 Accounting policies** *(continued)*

***Expenditure***

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.
- Charitable activities includes expenditure associated with the operation of the theatre and such directly associated activities as educational programmes and the Directors programme. Cost of charitable activities includes 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 frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Trading expenditure forms part of the Group's trading activities and commercial exploitations are separately disclosed as trading activities.

***Donated Services, facilities, or goods***

Donated goods, facilities, and services are recognised as income when the criteria of entitlement, probability and measurement are met. Donated goods are recognised at fair value, while donated facilities and services are measured and included on the basis of the value of the gift to the charity, meaning the amount that the charity would pay int he open market for an alternative item that would provide a benefit to the charity equivalent to the donated item. Value to the charity may be lower than, but cannot exceed, the price the charity would pay in the open market for the item.

Donated facilities and services are recognised as income, with an equivalent amount recognised as an expense under the appropriate heading in the statement of financial activities.

***Costs of productions not yet opened***

The costs and materials for new productions and associated creative team fees are carried forward on the balance sheet until they are expensed on the date of the performance. Internal labour and rehearsal costs are expensed as incurred.

***Fund accounting***

The Group and Charity hold designated funds, including designated fixed asset funds, restricted funds, and the operational risk reserve, representing general unrestricted funds. Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 19).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report. In addition, the Trustees consider the value of the long lease to be a designated fund as it is not a readily realisable asset.

**2 Accounting policies** *(continued)*

***Intangible fixed assets***

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Intangible assets of website and box office are amortised over 5 and 10 years and amortisation is included in support costs.

***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost less depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

| | | |
|---|---|---|
| Leasehold land and buildings | - | Over the length of the lease |
| Leasehold improvements (Dryden Street and Earlham Street) | - | Between 5 and 50 years on a straight line basis |
| IT equipment | - | Between 3 and 5 years on a straight line basis |
| Fixtures, fittings and equipment | - | Between 4 and 15 years on a straight line basis |

Assets under construction are not depreciated until they are brought into use.

Individual fixed assets consisting of more than £4,000 are capitalised at cost.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

***Investments***

The investments held by the charity relate to investments in subsidiary company and these are held at cost. The investments of Donmar Warehouse Projects consist of two subsidiaries, Donmar Productions Limited, Donmar Catering Limited, and the joint venture Birnam Wood Films Limited. All three companies are not quoted and the directors consider it appropriate to include the investments at cost less impairment.

***Stocks***

Stocks held by the group relate to food and drink. Stocks are valued at the lower of costs and estimated selling price less costs to sell. Cost is based on the latest purchase price.

***Cash***

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

***Financial instruments***

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. 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.

**2 Accounting policies** *(continued)*

***Financial instruments*** *(continued)*

- ***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.

- ***Derecognition of financial assets***

  Financial assets are derecognised 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.

- ***Derecognition of financial liabilities***

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

***Operating leases***

Rent payable is recognised on a straight line basis over the lease term.

***Pensions***

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

***Foreign currency translation***

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

***Gift Aid***

The charity owns the whole of the issued ordinary share capital of Donmar Productions Limited and Donmar Theatre Catering Limited.

Donmar Productions Limited and Donmar Theatre Catering Limited ordinarily pay each year to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the Company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

**2 Accounting policies** *(continued)*

***Taxation***

Donmar Warehouse Projects Limited and its subsidiaries Donmar Productions and Donmar Theatre Catering, are registered for Group VAT. Birnam Wood Films is registered separately for VAT. Irrecoverable VAT is charged against the cost of charitable activities, where it is incurred. Irrecoverable VAT on capital expenditure has been capitalised and will be written off over the life of the assets.

As a registered charity, Donmar Warehouse Projects Limited is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

Donmar Productions Limited, Donmar Theatre Catering and Birnam Wood Films are liable for corporation tax.

Tax is recognised in the Statement of Financial Activities, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

**3 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following critical accounting judgement has been identified below:

Cost allocation: The cost allocation methodology requires judgement as to what are the most appropriate basis to use to apportion support costs. Support costs are allocated between activities on the base of staff numbers employed on those activities during the year.

The Directors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

## 4 Development income

| | Unrestricted £ | Restricted £ | 2025 £ |
|---|---|---|---|
| Membership | **1,403,870** | **-** | **1,403,870** |
| Gift aid | **213,455** | **-** | **213,455** |
| Other individuals | **69,450** | **130,000** | **199,450** |
| Corporate | **41,410** | **-** | **41,410** |
| Trusts & Foundations | **445,550** | **241,950** | **687,500** |
| Capital | **-** | **-** | **-** |
| **Total 2025** | **2,173,735** | **371,950** | **2,545,685** |

| | Unrestricted £ | Restricted £ | 2024 £ |
|---|---|---|---|
| Membership | 1,220,482 | - | 1,220,482 |
| Gift aid | 214,357 | - | 214,357 |
| Other individuals | - | 101,703 | 101,703 |
| Corporate | - | - | - |
| Trusts & Foundations | 330,000 | 87,230 | 417,230 |
| Capital | 5,000 | - | 5,000 |
| Total 2024 | 1,769,839 | 188,933 | 1,958,772 |

The following support, in the form of gifts in kind and donated services, was received by the charity during the year: provision of alcohol and catering at events, legal advice, venue hire, refreshments for meetings. The value of this support is estimated to be £38,000 (2024 - £32,392). In line with the accounting policy, this invaluable support has not been recorded within the Statement of Financial Activities as the donations are not considered to be material.

## 5 Other grants and donations

| | Unrestricted £ | Restricted £ | 2025 £ |
|---|---|---|---|
| ***Government grants*** | | | |
| UK Arts council income | **-** | **-** | **-** |
| ***Donations*** | | | |
| Other donations | **333,901** | **-** | **333,901** |
| **Total 2025** | **333,901** | **-** | **333,901** |

| | Unrestricted £ | Restricted £ | 2024 £ |
|---|---|---|---|
| ***Government grants*** | | | |
| UK Arts council income | 299,782 | - | 299,782 |
| ***Donations*** | | | |
| Other donations | 465,724 | 30,000 | 495,724 |
| **Total 2024** | 765,506 | 30,000 | 795,506 |

## 6 Production income

| | Unrestricted £ | Restricted £ | 2025 £ |
|---|---|---|---|
| Ticket revenue | **3,244,536** | **-** | **3,244,536** |
| Production support | **-** | **565,103** | **565,103** |
| Income from partnerships | **125,000** | **-** | **125,000** |
| **Total 2025** | **3,369,536** | **565,103** | **3,934,639** |

| | Unrestricted £ | Restricted £ | 2024 £ |
|---|---|---|---|
| Ticket revenue | 3,531,013 | - | 3,531,013 |
| Production support | - | 385,171 | 385,171 |
| Income from partnerships | 365,000 | - | 365,000 |
| **Total 2024** | 3,896,013 | 385,171 | 4,281,184 |

## 7 Income from trading activities

| | Unrestricted £ | Restricted £ | 2025 £ | 2024 £ |
|---|---|---|---|---|
| Donmar Beyond | **796,638** | **-** | **796,638** | 50,342 |
| Royalties and sundry income | | | | - |
| Rental income | **162,807** | **-** | **162,807** | 156,812 |
| ***Income from subsidiary:*** | | | | |
| Corporate sponsorship and membership | **628,550** | **212,587** | **841,137** | 849,441 |
| Theatre Tax Relief | **981,371** | **-** | **981,371** | 845,466 |
| Catering income | **375,507** | **-** | **375,507** | 394,392 |
| Other trading income | **23,995** | **-** | **23,995** | 2,984 |
| **Total 2025** | **2,968,868** | **212,587** | **3,181,455** | 2,299,437 |
| Total 2024 | 2,168,291 | 131,146 | 2,299,437 | |

Included in the above income from the subsidiary is theatre tax relief. This amount is receivable by the company as a result of Theatre Tax Relief recognised for the year.

## 8 Investment income

| | 2025 £ | 2024 £ |
|---|---|---|
| Interest receivable | **103,154** | 88,327 |

All income from investments for the current and preceding year was unrestricted.

## 9 Net income during the year is stated after charging:

| | 2025 £ | 2024 £ |
|---|---|---|
| Depreciation of tangible assets | **321,911** | 317,021 |
| Amortisation of intangible assets | **-** | 4,864 |
| Loss on disposals – intangible fixed assets | **-** | 26,816 |
| Loss on disposal – tangible fixed assets | **2,869** | 4,874 |
| Foreign exchange losses recognised | **1,877** | 10,613 |
| Operating lease rentals | **98,946** | 98,946 |
| Auditor's remuneration: | | |
| - Audit fees for current year audit | **39,500** | 39,500 |
| - Tax fees | **7,850** | 7,850 |
| Other Accounting services | **5,950** | 5,950 |

## 10 Expenditure

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2025 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | 467,896 | 412,455 | 157,133 | 1,037,484 |
| ***Charitable activities:*** | | | | |
| Theatrical productions | 2,678,512 | 5,231,773 | 740,973 | 8,651,258 |
| **Total 2025** | **3,146,408** | **5,644,228** | **898,106** | **9,688,742** |

| **Support costs** | Cost of raising funds £ | Charitable activities £ | Total 2025 £ |
|---|---|---|---|
| Office overheads | 157,133 | 699,685 | 856,818 |
| Governance costs | - | 41,288 | 41,288 |
| **Total 2025** | **157,133** | **740,973** | **898,106** |

Office overheads comprise overheads including building insurance, board expenses, and consulting.

Governance costs comprise audit and accounts costs.

Expenditure for the year prior to the share of loss of joint venture was £9,688,742 (2024 - £8,955,216), of which £1,196,876 was restricted (2024 - £703,511) and £8,491,866 was unrestricted (2024 - £8,251,705).

The staff costs that relate to staff working on productions are included within other direct costs.

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2024 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | 394,631 | 413,470 | 133,102 | 941,203 |
| ***Charitable activities:*** | | | | |
| Theatrical productions | 2,599,427 | 4,695,464 | 719,122 | 8,014,013 |
| **Total 2024** | 2,994,058 | 5,108,934 | 852,224 | 8,955,216 |

| **Support costs** | Cost of raising funds £ | Charitable activities £ | Total 2024 £ |
|---|---|---|---|
| Office overheads | 133,102 | 678,822 | 811,924 |
| Governance costs | - | 40,300 | 40,300 |
| **Total 2024** | 133,102 | 719,122 | 852,224 |

## 11 Directors' emoluments

Appointing the Executive Director and Artistic Director to the Board of Trustees is specifically permitted by the Company's articles.

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Donmar. The Executive Director and Artistic Director only receive remuneration in respect of services they provide undertaking the roles of Executive Director and Artistic Director respectively under their contracts of employment, and not in respect of their role as Board Directors.

The value of Trustees' remuneration and other benefits was as follows:

| | **2025** | As restated 2024 |
|---|---|---|
| | **£** | £ |
| **Michael Longhurst, Outgoing Artistic Director** | | |
| Remuneration | **-** | 124,794 |
| Pension | **-** | 7,488 |
| **Henrietta Finch, Current Executive Director** | | |
| Remuneration | **115,500** | 101,767 |
| Pension | **13,470** | 6,106 |
| **Timothy Sheader, Incumbent Artistic Director** | | |
| Remuneration | **115,500** | 37,667 |
| Pension | **8,470** | 2,260 |
| Total | **252,940** | 280,082 |

During the year, Directors received benefits in kind to the value of £Nil (2024 - £Nil).

Prior year comparatives have been restated to match current year workings, with the total being reduced by £33,639 from £313,721 to £280,082. There is no change to the overall employment costs of the group or charity, and no effect on net movement in funds.

Expenses are reimbursed to the Executive Director and Artistic Director specifically in relation to their roles within the charity and not in relation to their position as trustees. All staff expenses are governed by a clear reimbursement policy which applies equally to Henny Finch and Michael Longhurst, and Timonthy Sheader. The amounts reimbursed during the year of 2024/25 for travel and additional meeting and event costs relating solely to activities for the company were:

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Michael Longhurst, Outgoing Artistic Director | **-** | 481 |
| Henrietta Finch, Current Executive Director | **827** | 361 |
| Timothy Sheader, Incumbent Artistic Director | **1,914** | 559 |

No other trustees were reimbursed for expenses (2024 – none).

Trustees and Officers of the Company are covered by indemnity insurance.

## 12 Employees

The average monthly number of employees during the year was:

| | **2025** | 2024 |
|---|---|---|
| Group and company: | | |
| Permanent staff | **58** | 61 |
| In addition total staff working on productions | **138** | 124 |

The nature of staff working on productions means that it is not possible to give a meaningful full time equivalent or average headcount as each production has bespoke requirements. The number shown is therefore the total number of production staff and performers that have been involved during the year.

All employees are employed by Donmar Warehouse Projects Limited, but the cost of relevant staff is recharged to Donmar Productions Limited as part of an overall management fee.

| **Employment cost:** | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Wages and salaries | **2,730,020** | 2,635,419 |
| Social security costs | **267,706** | 228,734 |
| Other pension costs | **148,682** | 129,905 |
| **Permanent staff total, representing company only staff costs** | **3,146,408** | 2,994,058 |
| ***Staff working on productions*** | | |
| Wages and salaries | **1,114,476** | 941,727 |
| Social security costs | **6,295** | 7,962 |
| Other pension costs | **24,738** | 25,760 |
| **Productions staff total** | **1,145,509** | 975,449 |
| **Total group staff costs** | **4,291,917** | 3,969,507 |

The number of employees who have received remuneration amounting to more than £60,000 in either year was:

| | **2025** | As restated 2024 |
|---|---|---|
| | **Number** | Number |
| £60,000 - £70,000 | **2** | 1 |
| £70,001 - £80,000 | **-** | - |
| £80,001 - £90,000 | **1** | 1 |
| £90,001 - £100,000 | **-** | - |
| £100,001 - £110,000 | **-** | 1 |
| £110,001 - £120,000 | **2** | - |
| £120,001 - £130,000 | **-** | 1 |

## 12 Employees *(continued)*

| | 2025 £ | As restated 2024 £ |
|---|---|---|
| Total remuneration of key management personnel including employers' pension in the period was as follows: | **252,940** | 380,082 |

Prior year figures for total key management personnel remuneration were incorrect and have been restated, with the total being reduced by £33,639 from £313,721 to £280,082. There is no change to the overall employment costs of the group or charity, and no effect on net movement in funds.

During the year, redundancy benefits totalling £41,183 (2024 - £Nil) were paid to 4 (2024 - Nil) individuals, of which £35,751 (2024 - £Nil) represented pay in lieu of notice and £5,431 (2024 - £Nil) represented statutory redundancy.

## 13 Intangible fixed assets

**Group and charity**

| | **Website and box office £** |
|---|---|
| *Cost* | |
| At 1 April 2024 | 166,813 |
| Disposals | - |
| **At 31 March 2025** | **166,813** |
| *Amortisation* | |
| At 1 April 2024 | 166,813 |
| Charge for the year | - |
| **At 31 March 2025** | **166,813** |
| **Net book value** | |
| At 31 March 2025 | **-** |
| At 31 March 2024 | - |

## 14 Tangible fixed assets

| Group | Leasehold and buildings £ | Dryden Street £ | IT equipment £ | Fixtures, fittings and equipment £ | Earlham Street £ | Asset under construction £ | Total £ |
|---|---|---|---|---|---|---|---|
| *Cost* | | | | | | | |
| At 1 April 2024 | 2,850,000 | 3,996,178 | 232,311 | 950,989 | 3,944,608 | 54,209 | 12,028,295 |
| Transfer | - | - | - | 54,209 | - | (54,209) | - |
| Additions | - | 10,541 | 22,732 | 291,131 | - | - | 324,404 |
| Disposals | - | - | - | (2,869) | - | - | (2,869) |
| **At 31 March 2025** | **2,850,000** | **4,006,719** | **255,043** | **1,293,460** | **3,944,608** | **-** | **12,349,830** |
| *Depreciation* | | | | | | | |
| At 1 April 2024 | 338,241 | 764,762 | 178,018 | 713,995 | 320,538 | - | 2,315,554 |
| Charge for the year | 24,000 | 83,283 | 25,089 | 64,511 | 125,028 | - | 321,911 |
| **At 31 March 2025** | **362,241** | **848,045** | **203,107** | **778,506** | **445,566** | **-** | **2,637,465** |
| *Net book value* | | | | | | | |
| At 31 March 2025 | **2,487,759** | **3,158,674** | **51,936** | **514,954** | **3,499,042** | **-** | **9,712,365** |
| At 31 March 2024 | 2,511,759 | 3,231,416 | 54,293 | 236,994 | 3,624,070 | 54,209 | 9,712,741 |

**14 Tangible fixed assets** *(continued)*

| Charity | Leasehold and buildings £ | Dryden Street £ | IT equipment £ | Fixtures, fittings and equipment £ | Earlham Street £ | Asset under construction £ | Total £ |
|---|---|---|---|---|---|---|---|
| *Cost* | | | | | | | |
| At 1 April 2024 | 2,850,000 | 3,996,178 | 232,311 | 937,440 | 3,944,608 | 54,209 | 12,014,746 |
| Transfer | - | - | - | 54,209 | - | (54,209) | - |
| Additions | - | 10,541 | 22,732 | 291,131 | - | - | 324,404 |
| Disposals | - | - | - | (2,869) | - | - | (2,869) |
| **At 31 March 2025** | **2,850,000** | **4,006,719** | **255,043** | **1,279,911** | **3,944,608** | **-** | **12,336,281** |
| *Depreciation* | | | | | | | |
| At 1 April 2024 | 338,241 | 764,762 | 178,018 | 710,984 | 320,538 | - | 2,312,543 |
| Charge for the year | 24,000 | 83,283 | 25,089 | 59,995 | 125,028 | - | 317,395 |
| **At 31 March 2025** | **362,241** | **848,045** | **203,107** | **770,979** | **445,566** | **-** | **2,629,938** |
| *Net book value* | | | | | | | |
| At 31 March 2025 | **2,487,759** | **3,158,674** | **51,936** | **508,932** | **3,499,042** | **-** | **9,706,343** |
| At 31 March 2024 | 2,511,759 | 3,231,416 | 54,293 | 226,456 | 3,624,070 | 54,209 | 9,702,203 |

All fixed assets are used for charitable purposes.

## 15 Fixed asset investments

| | Shares in joint venture undertakings £ | Shares in subsidiary undertakings £ |
|---|---|---|
| **Group** | | |
| *Cost* | | |
| At 1 April 2024 | 150,001 | - |
| Return on investment | (132,000) | - |
| At 31 March 2025 | **18,001** | **-** |
| *Share of retained losses* | | |
| At 1 April 2024 | **-** | **-** |
| Loss for the year | **(37,868)** | **-** |
| Loss for prior year to be recognised in the current year | **(90,835)** | |
| Share of losses not recognised | **110,702** | |
| At 31 March 2025 | **(18,001)** | **-** |
| *Net book value* | | |
| At 31 March 2025 | **-** | **-** |
| At 31 March 2024 | 18,001 | - |
| **Charity** | | |
| *Cost and net book value* | | |
| At 1 April 2024 | 150,001 | 2 |
| Return on investment | (132,000) | - |
| At 31 March 2025 | **18,001** | **2** |

The following are subsidiaries of the charity:

| Company | Country of incorporation | Class of shares | Holding | Principal activity |
|---|---|---|---|---|
| Donmar Productions Limited (Company number: 06730810) | England and Wales | Ordinary | 100% | Theatre production |
| Donmar Theatre Catering (Company number: 13722375) | England and Wales | Ordinary | 100% | Catering |

The following is a joint venture of the charity:

| Company | Country of incorporation | Class of shares | Holding | Principal activity |
|---|---|---|---|---|
| Birnam Wood Films Limited (Company number: 15322678) | England and Wales | Ordinary | 100% | Film production |

**15 Fixed asset investments** *(continued)*

Birnam Wood Films Limited was incorporated on 1 December 2023. Birnam Wood Films Limited is considered to be a joint venture on the basis of the underlying agreements and documents between the Charity and the Co-Producer.

Birnam Wood Films Limited's costs are funded through investments by the partners in the venture. Income received is distributed as per contractual agreement, including return on the original investment.

The aggregate amount of capital and reserves and the results of these undertakings for year were as follows:

| | | Capital and Reserves 2025 £ | Profit/(Loss) for the year 2025 £ |
|---|---|---|---|
| Birnam Wood Films Limited | Film production | 1 | (63,114) |
| Donmar Productions Limited | Theatre promotion | 1 | 16,868 |
| Donmar Theatre Catering | Catering | 1 | 58,182 |

The results of the two subsidiaries which traded in the current and prior financial year, and which have been consolidated into the results of the Group, were as follows:

| | Donmar Theatre Catering Limited | | Donmar Productions Limited | |
|---|---|---|---|---|
| | 2025 £ | 2024 £ | 2025 £ | 2024 £ |
| Turnover (including other operating and interest income) | **374,247** | 394,392 | **3,631,236** | 3,306,706 |
| Cost of sales | **(286,923)** | (307,561) | **(3,988,253)** | (3,617,460) |
| Administrative expenses | **(29,142)** | (20,062) | **(615,440)** | (670,448) |
| Theatre tax relief | **-** | - | **989,325** | 998,003 |
| Corporation tax | **-** | - | **-** | - |
| Profit for the financial year | **58,182** | 66,769 | **16,868** | 16,801 |
| Amounted gifted to the charity | **58,182** | 66,769 | **16,868** | 16,801 |

For Donmar Productions Limited, the above amounts include commission income from the parent charity of £2,823,728 (2024 - £2,493,153). Management charges from the parent charity of £1,085,835 (2024 - £645,407) and sundry expenses recharges from the parent charity of £280,347 (2024 - £768,017). Net assets as at year end were £1 (2024 - £1).

For Donmar Theatre Catering Limited, transactions with parent charity relate to Management charges of £127,723 (2024 - £138,483). Net assets as at year end were £Nil (2024 - £Nil).

## 15 Fixed asset investments *(continued)*

The results of the joint venture which traded in the current and prior financial year, and which have not been consolidated into the results of the Group, were as follows:

| | Birnam Wood Films Limited | | Donmar Warehouse Projects Limited share of Joint Venture | |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| | **£** | **£** | **£** | **£** |
| Turnover | **133** | **-** | **80** | - |
| Cost of sales | **(62,334)** | **(151,175)** | **(37,400)** | (90,705) |
| Administrative expenses | **(913)** | **(216)** | **(548)** | (129) |
| Loss for the financial year | **(63,114)** | **(151,391)** | **(37,868)** | (90,834) |
| Net liabilities | **(214,504)** | (151,390) | **(128,702)** | (90,834) |
| made up of: | | | | |
| Investment funds | **(30,000)** | (250,000) | **(18,000)** | (150,000) |
| Cash at bank and in hand | **35,170** | 75,338 | **21,102** | 45,203 |
| Accrued Expenditure | **(220,000)** | - | **(132,000)** | - |
| Other Assets | **326** | 23,272 | **196** | 13,963 |

## 16 Debtors

| | Group | Group | Charity | Charity |
|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** |
| | **£** | **£** | **£** | **£** |
| Trade debtors | **89,839** | 272,619 | **63,635** | 70,139 |
| Other debtors | **484,455** | 596,006 | **711,369** | 690,854 |
| Amounts owed by subsidiary undertakings | **-** | - | **2,560,618** | 1,936,261 |
| Prepayments and accrued income | **2,631,916** | 1,010,505 | **783,627** | 95,629 |
| | **3,206,210** | 1,879,130 | **4,119,249** | 2,792,883 |

Amounts owed by subsidiary undertakings are interest free and repayable on demand.

## 17 Creditors: amounts falling due within one year

| | Group 2025 £ | Group 2024 £ | Charity 2025 £ | Charity 2024 £ |
|---|---|---|---|---|
| Trade creditors | **365,603** | 259,210 | **315,740** | 196,944 |
| Taxation and social security | **78,349** | 63,667 | **70,734** | 61,448 |
| Other creditors | **160,733** | 169,743 | **160,733** | 169,743 |
| Accruals and deferred income | **1,281,400** | 1,336,559 | **896,857** | 873,808 |
| | **1,886,085** | 1,829,179 | **1,444,064** | 1,301,943 |

## 18 Deferred income

| | Group 2025 £ | Group 2024 £ | Charity 2025 £ | Charity 2024 £ |
|---|---|---|---|---|
| Deferred income brought forward | **828,372** | 1,334,498 | **828,372** | 1,016,103 |
| Released in the period | **(828,372)** | (1,334,498) | **(828,372)** | (1,016,103) |
| Additional income deferred | **1,175,200** | 828,372 | **819,234** | 828,372 |
| | **1,175,200** | 828,372 | **819,234** | 828,372 |

Deferred income is to be recognised within following periods:

| | | | | |
|---|---|---|---|---|
| Less than one year | **1,175,200** | 828,372 | **819,234** | 828,372 |

Deferred income for both the Group and Charity relates to fundraising income for events as well as ticket income that relates to the next financial year.

## 19 General and restricted funds

| Group | Balance 1 April 2024 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2025 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,231,416 | - | (83,283) | 10,541 | **3,158,674** |
| Theatre lease fund | 2,511,759 | - | (24,000) | - | **2,487,759** |
| Earlham Street | 3,678,279 | - | (125,028) | (54,209) | **3,499,042** |
| Fixed asset fund | 291,287 | - | (89,600) | 365,203 | **566,890** |
| **Total fixed assets funds** | 9,712,741 | - | (321,911) | 321,535 | **9,712,365** |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Birnam Wood Investment | 150,000 | - | - | (150,000) | **-** |
| IP Acquisition & Development Fund | - | - | - | 250,000 | **250,000** |
| Donmar Beyond Fund | - | 774,024 | - | 500,000 | **1,274,024** |
| Website and Branding Fund | - | - | - | 245,000 | **245,000** |
| **Total designated funds** | 400,000 | 774,024 | - | 845,000 | **2,019,024** |
| **Operational risk reserve** | 4,286,367 | 8,175,170 | (8,187,956) | (1,166,535) | **3,107,046** |
| **Total unrestricted funds** | 14,399,108 | 8,949,194 | (8,509,867) | - | **14,838,435** |
| **Restricted funds:** | | | | | |
| Associate Artistic Director | 22,041 | 30,000 | (52,041) | - | **-** |
| Catalyst | - | 104,000 | (104,000) | - | **-** |
| Production support | - | 597,171 | (597,171) | - | **-** |
| Pay it forward funds | 87,259 | 23,333 | (22,000) | (88,592) | **-** |
| Donmar Refurbishment | - | 5,000 | (5,000) | - | **-** |
| Donmar Local | - | 290,136 | (290,136) | - | **-** |
| Commissioning | - | 100,000 | - | - | **100,000** |
| U35 Scheme | - | - | (112,228) | 112,228 | **-** |
| Barclays £10 tickets | 37,936 | - | (14,300) | (23,636) | **-** |
| **Total restricted funds** | 147,236 | 1,149,640 | (1,196,876) | - | **100,000** |
| **Total funds** | 14,546,344 | 10,098,834 | (9,706,743) | - | **14,938,435** |

**19 General and restricted funds** *(continued)*

| Charity | Balance 1 April 2024 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2025 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,231,416 | - | (83,283) | 10,541 | **3,158,674** |
| Theatre lease fund | 2,511,759 | - | (24,000) | - | **2,487,759** |
| Earlham Street | 3,678,279 | - | (125,028) | (54,209) | **3,499,042** |
| Fixed asset fund | 280,749 | - | (85,084) | 365,203 | **560,868** |
| **Total fixed assets funds** | 9,702,203 | - | (317,395) | 321,535 | **9,706,343** |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Birnam Wood Investment | 150,000 | - | - | (150,000) | **-** |
| IP Acquisition & Development Fund | - | - | - | 250,000 | **250,000** |
| Donmar Beyond Fund | - | 774,024 | - | 500,000 | **1,274,024** |
| Website and Branding Fund | - | - | - | 245,000 | **245,000** |
| **Total designated funds** | 400,000 | 774,024 | - | 845,000 | **2,019,024** |
| **Operational risk reserve** | 4,565,428 | 7,822,173 | (7,692,567) | (1,166,535) | **3,528,499** |
| **Total unrestricted funds** | 14,667,631 | 8,596,197 | (8,009,962) | - | **15,253,866** |
| **Restricted funds:** | | | | | |
| Associate Artistic Director | 22,041 | 30,000 | (52,041) | - | **-** |
| Catalyst | - | 21,500 | (21,500) | - | **-** |
| Production support | - | 597,171 | (597,171) | - | **-** |
| Pay it forward funds | 70,592 | - | (22,000) | (48,592) | **-** |
| Commissioning | - | 100,000 | - | - | **100,000** |
| Donmar Refurbishment | - | 5,000 | (5,000) | - | **-** |
| Donmar Local | - | 195,450 | (195,450) | - | **-** |
| U35 Scheme | - | - | (48,592) | 48,592 | **-** |
| **Total restricted funds** | 92,633 | 949,121 | (941,754) | - | **100,000** |
| **Total funds** | 14,760,264 | 9,545,318 | (8,951,716) | - | **15,353,866** |

Where funds are restricted to capital development and expenditure has been capitalised a transfer is made from restricted to designated funds at the point the expense is incurred.

**19 General and restricted funds** *(continued)*

**Tangible fixed asset funds**

The Dryden Street fund, Theatre Lease fund, Earlham Street Fund, and Fixed Asset fund are together equal to the value of the group's fixed assets.

- **Dryden Street fund, £3.2m**: The net book value of the long lease of 3 Dryden Street, the charity's offices, and the capitalised net book value of the conversion of the building to make it fit for purpose.
- **Theatre Lease fund, £2.5m**: The net book value of the theatre lease.
- **Earlham Street fund, £3.5m**: The value of capital works carried out in the Theatre to the essential mechanical and electrical systems, Accessibility areas, WC provision and refurbishment of the Front of House.
- **Fixed Asset fund, £0.5m:** The net book value of IT equipment and fixtures, fittings and equipment.

**Designated funds**

The Trustees have designated funds as follows:

- **Building Maintenance fund**: This fund covers costs in relation to the maintenance of the theatre and the rehearsal, office and education spaces in Dryden Street. It is for emergency repairs and for dealing with unforeseen developments. Parts of the theatre infrastructure are over 25 years old and, ahead of redevelopment, this fund has been built to cover the increasing occurrence of required works.
- **Birnam Wood Investment Fund:** Birnam Wood Investment funds are those directed toward the joint venture with Trafalgar Releasing for the filming of *Macbeth*. This fund was fully utilised in the year.
- **IP Acquisition & Development Fund:** This fund is for the acquisition and or development of intellectual property relating to work on the Donmar stage.
- **Donmar Beyond Fund:** This fund is to support the commercialisation of the Donmar's work and to support productions to have a future life after the Donmar.
- **Website and Branding Fund:** This fund is to support the re-development of the Donmar website as well as a review of the Donmar branding and any related costs.

**Operational Risk Reserve**

The charity operates a policy of requiring 25% of next year's budgeted income to be held in the general fund, with a minimum of £1.25m. This value is set to reflect the potential volatility in charity's key income streams: fundraising, box office and Theatre Tax Relief.

**19 General and restricted funds** *(continued)*

**Restricted funds**

**The Associate Artistic Director fund** represents donations received toward supporting the Associate Artistic Director position at the Donmar.

**Catalyst fund** is the programme to support up to 12 people from underrepresented backgrounds to enter the arts workforce via paid training and secondments. The restricted income is received in both the charity and in the trading subsidiary, Donmar Productions Limited.

**Production Support funds** are sponsorships received which may only be used in connection with costs on productions specified in the terms of the funding.

**Pay It Forward funds** are donations received to be used for the Pay It Forward scheme where donations are used to cover ticket costs for Donmar Productions for anyone up to the age of 25. The Pay It Forward scheme was ended during the year to be replaced by the U35 scheme.

**Donmar refurbishment** is a restricted fund representing a donation towards capital repairs.

**Other education and access funds** (including Support for Pathways (Discover), Donmar local and Donmar Discover Programme) are donations received in relation to specific educational elements of productions and may only be used in connection with costs arising on these.

The **commissioning funds** are directed toward commission of new work.

**U35 Scheme** is a restricted fund representing funds raised to support the provision of £20 tickets to under 35's to Donmar Productions.

**Barclays £10 tickets** is a restricted fund in the trading subsidiary, Donmar Productions Limited, representing funds raised towards providing under 30's tickets to Donmar Productions. This fund was closed during the year with any remaining funds directed toward the U35 scheme.

All restricted funds are expected to be used next year.

## 19 General and restricted funds *(continued)*

| Group | Balance 1 April 2023 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2024 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,306,388 | - | (82,172) | 7,200 | 3,231,416 |
| Theatre lease fund | 2,535,759 | - | (24,000) | - | 2,511,759 |
| Earlham Street | 3,680,133 | - | (124,913) | 123,059 | 3,678,279 |
| Fixed asset fund | 357,042 | - | (85,936) | 20,181 | 291,287 |
| **Total fixed assets funds** | 9,879,322 | - | (317,021) | 150,440 | 9,712,741 |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | 250,000 |
| Birnam Wood Investment | - | - | - | 150,000 | 150,000 |
| **Total designated funds** | 250,000 | - | - | 150,000 | 400,000 |
| **Operational risk reserve** | 3,833,515 | 8,687,976 | (7,934,684) | (300,440) | 4,286,367 |
| **Total unrestricted funds** | 13,962,837 | 8,687,976 | (8,251,705) | - | 14,399,108 |
| **Restricted funds:** | | | | | |
| Associate Artistic Director | - | 30,000 | (7,959) | - | 22,041 |
| Catalyst | - | 45,395 | (45,395) | - | - |
| Production support | - | 412,422 | (412,422) | - | - |
| Pay it forward funds | 91,470 | 16,667 | (20,878) | - | 87,259 |
| Donmar Local | - | 58,000 | (58,000) | - | - |
| Donmar Discover Programme | - | 152,766 | (152,766) | - | - |
| Donmar Refurbishment | - | 5,000 | (5,000) | - | - |
| Barclays £10 tickets | 24,027 | 15,000 | (1,091) | - | 37,936 |
| **Total restricted funds** | 115,497 | 735,250 | (703,511) | - | 147,236 |
| **Total funds** | 14,078,334 | 9,423,226 | (8,955,216) | - | 14,546,344 |

**19 General and restricted funds** *(continued)*

| Charity | Balance 1 April 2023 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2024 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,306,388 | - | (82,172) | 7,200 | 3,231,416 |
| Theatre lease fund | 2,535,759 | - | (24,000) | - | 2,511,759 |
| Earlham Street | 3,680,133 | - | (124,913) | 123,059 | 3,678,279 |
| Fixed asset fund | 357,042 | - | (87,789) | 11,496 | 280,749 |
| **Total fixed assets funds** | 9,879,322 | - | (318,874) | 141,755 | 9,702,203 |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | 250,000 |
| Birnam Wood Investment | - | - | - | 150,000 | 150,000 |
| **Total designated funds** | 250,000 | - | - | 150,000 | 400,000 |
| **Operational risk reserve** | 3,901,320 | 8,390,373 | (7,434,510) | (291,755) | 4,565,428 |
| **Total unrestricted funds** | 14,030,642 | 8,390,373 | (7,753,384) | - | 14,667,631 |
| **Restricted funds:** | | | | | |
| Associate Artistic Director | - | 30,000 | (7,959) | - | 22,041 |
| Catalyst | 281 | 5,500 | (5,781) | - | - |
| Production support | - | 385,171 | (385,171) | - | - |
| Pay it forward funds | 91,470 | - | (20,878) | - | 70,592 |
| Donmar Refurbishment | - | 5,000 | (5,000) | - | - |
| Donmar Local | - | 58,000 | (58,000) | - | - |
| Donmar Discover Programme | - | 120,433 | (120,433) | - | - |
| **Total restricted funds** | 91,751 | 604,104 | (603,222) | - | 92,633 |
| **Total funds** | 14,122,393 | 8,994,477 | (8,356,606) | - | 14,760,264 |

## 20 Analysis of net assets between funds

| **Group** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2025 £** |
|---|---|---|---|---|
| Fixed assets | **-** | **9,712,365** | **-** | **9,712,365** |
| Current assets | **4,993,131** | **2,019,024** | **100,000** | **7,112,155** |
| Current liabilities | **(1,886,085)** | **-** | **-** | **(1,886,085)** |
| | **3,107,046** | **11,731,389** | **100,000** | **14,938,435** |

| **Charity** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2025 £** |
|---|---|---|---|---|
| Fixed assets | **18,003** | **9,706,343** | **-** | **9,724,346** |
| Current assets | **4,954,560** | **2,019,024** | **100,000** | **7,073,584** |
| Current liabilities | **(1,444,064)** | **-** | **-** | **(1,444,064)** |
| | **3,528,499** | **11,725,367** | **100,000** | **15,353,866** |

| **Group** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2024 £** |
|---|---|---|---|---|
| Fixed assets | 150,001 | 9,712,741 | - | 9,862,742 |
| Current assets | 5,965,545 | 400,000 | 147,236 | 6,512,781 |
| Current liabilities | (1,829,179) | - | - | (1,829,179) |
| | 4,286,367 | 10,112,741 | 147,236 | 14,546,344 |

| **Charity** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2024 £** |
|---|---|---|---|---|
| Fixed assets | 150,003 | 9,702,203 | - | 9,852,206 |
| Current assets | 5,717,368 | 400,000 | 92,633 | 6,210,001 |
| Current liabilities | (1,301,943) | - | - | (1,301,943) |
| | 4,565,428 | 10,102,203 | 92,633 | 14,760,264 |

## 21 Analysis of cash and cash equivalents

| | Group 2025 £ | As restated Group 2024 £ | Charity 2025 £ | As restated Charity 2024 £ |
|---|---|---|---|---|
| Short-term deposits held | **1,750,000** | 1,500,000 | **1,750,000** | 1,500,000 |
| Cash balances | **2,150,804** | 3,126,836 | **1,204,335** | 1,917,118 |
| | **3,900,804** | 4,626,836 | **2,954,335** | 3,417,118 |

All cash at bank is held in deposit accounts, the majority of funds are immediately liquid, with £1.25m held in 1 - 4 month fixed deposit accounts. The Charity holds no investments other than the shareholding of its subsidiaries and joint venture.

The split between Cash balances and Short-term deposits held in the prior year was incorrect and has been restated. Cash balances in the Charity have increased by £1,917,122 and in the Group by £3,126,830. Short-term deposits held have decreased by the same values. There is no movement in the overall total of cash and cash equivalents, and no impact on the Group or Charity balance sheets.

## 22 Analysis of net debt

| | As restated At 1 April 2024 £ | Cash flows £ | Foreign exchange £ | At 31 March 2025 £ |
|---|---|---|---|---|
| Short-term deposits held | 1,500,000 | 250,000 | - | **1,750,000** |
| Cash balances | 3,126,836 | (973,025) | (3,007) | **2,150,804** |
| | 4,626,836 | (723,025) | (3,007) | **3,900,804** |

The split between Cash balances and Short-term deposits held in the prior year was incorrect and has been restated. Cash balances in the Group have increased by £3,126,830. Short-term deposits held have decreased by the same value. There is no movement in the overall total of cash and cash equivalents, and no impact on the Group or Charity balance sheets.

## 23 Pension and other post-retirement benefit commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund held by Aviva. The pension cost charge represents contributions payable by the group to the fund.

| | 2025 £ | 2024 £ |
|---|---|---|
| Contributions payable for permanent staff | **148,682** | 129,905 |
| Contributions payable for staff working on productions | **24,738** | 25,760 |
| Total contributions payable by the group for the year | **173,420** | 155,665 |

At the year end there were £837 outstanding pension contributions due (2024 - £3,928).

## 24 Related party disclosures

During the year the company recharged costs of £1,366,182 (2024 - £1,413,424) to Donmar Productions Limited (”DPL”) and paid DPL £2,823,728 (2024 - £2,493,143) to produce certain shows. DPL also gift aided profits of £16,678 (2024 - £16,801) to the company. At the end of the year the company was owed £2,314,963 by its wholly owned subsidiary Donmar Productions Limited (2024 - £1,777,308).

During the year the company recharged costs of £127,723 (2024 - £138,483) to Donmar Theatre Catering Limited ("DTCL"). DTCL also gift aided profits of £58,182 (2024 - £66,769) to the company. At the end of the year the company was owed £250,458 by its wholly owned subsidiary Donmar Theatre Catering Limited (2024 - £158,953).

DTCL also owed DPL £502 (2024 - £502) at the end of the year.

During the year the company invoiced £1,325 (2024 - £87,345) to Birnam Wood Films Limited for invoices incurred on their behalf. There were no other transactions during the year and no outstanding intercompany balances at year end.

All of the above transactions were conducted at arm's length and permission is granted for them in the company’s memorandum and articles.

The charity received an aggregate amount of £22,300 in donations from trustees during the year (2024 - £110,000). Included in this amount are restricted donations of £10,000 (2024 - £45,000), £10,000 towards Productions (2024 - £45,000) and £12,300 (2024 - £Nil) towards General Support.

One of the Trustee's has underwritten £25,000 of the Birnam Wood Investment, due if the Donmar is not able to sufficiently recover its investment. This will not be required as the Donmar has recovered it’s investment in full.

There were no other related party transactions.

## 25 Operating lease commitments

At 31 March 2025 the Company had annual commitments under non-cancellable operating leases as follows:

| | **2025** | **2024** |
|---|---|---|
| | **£** | **£** |
| **Land and buildings** | | |
| Expiry date: | | |
| Within one year | **53,329** | 53,329 |
| Between one and five years | **111,875** | 140,204 |
| Due after five years | **6,968,562** | 6,993,562 |
| | **7,133,766** | 7,187,095 |
| **Equipment** | | |
| Expiry date: | | |
| Within one year | **44,172** | 42,255 |
| Between one and five years | **125,349** | 164,420 |
| | **169,521** | 206,675 |
| | **7,303,287** | 7,393,770 |

**DONMAR WAREHOUSE PROJECTS LIMITED**

England & Wales - Charity number 284262

# Accounts

# Donmar Warehouse Projects Limited

Trustees' Report and Financial Statements

Year Ended

31 March 2024

Company Number 01611861

Charity Number 284262

# Donmar Warehouse Projects Limited

**Contents and company information**
**for the year ended 31 March 2024**

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**Trustees**
A Kenwright (Chair)
T Allan (appointed 27 March 2024)
N Blair
S Butcher (appointed 27 March 2024)
S Carson
H Finch (appointed 1 March 2024)
M Goodey
J Kanagasooriam
T Lee
M Longhurst (resigned 01 March 2024)
L Msamati
R Parry (appointed 4 July 2024)
A Romeo
T Ross [Scantlebury]
J Smith
J Sarpong (resigned 11 July 2023)
T Sheader (appointed 1 March 2024)
H Thompson

Honorary Life President: R Wingate
Company secretary: R Tyson

**Registered office**
3 Dryden Street, London, WC2E 9NA

**Company number**
01611861

**Charity number**
284262

**Bankers**
Coutts & Co., 440 Strand, London, WC2R OQS

**Auditor**
Sayer Vincent LLP, 110 Golden Lane, London, EC1Y OTG

**Senior Management**
Michael Longhurst, Artistic Director (until Feb 28th 2024)
Timothy Sheader, Artistic Director
Henny Finch, Executive Director

# Donmar Warehouse Projects Limited

**Trustees' report**
**for the year ended 31 March 2024**

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The Directors (who are also the Trustees of the charity) present their report and financial statements for the year ended 31 March 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The company is a registered charity, (registered number 284262) and company limited by guarantee (registered number 01611861). The company is incorporated under the Companies Act 2006 and is governed by its Articles and Memorandum of Association dated 05 February 1982 as amended on 06 Jul 2023.

**Principal activities**
The objects of the charity are to promote, maintain, improve and advance education particularly by the encouragement of the Arts including the arts of drama, ballet, music, singing, literature, sculpture and painting. The company meets these through continuing to produce and present theatrical productions at the Donmar Warehouse Theatre.

Donmar Warehouse Projects Limited (The Donmar) has two wholly owned subsidiaries and one joint venture (further details are given in Note 15 of the financial statements). The results of Donmar Productions Limited and Donmar Theatre Catering are consolidated into these financial statements. The results of Birnam Wood Films Limited have not been consolidated on the grounds that the intention of the entity is that of a joint venture and their results are not material to the group. Donmar Productions Limited receives income from commercial trading contracts and its taxable surplus is paid by gift aid to Donmar Warehouse Projects Limited. Donmar Warehouse Projects Limited is the rights holder for the productions but commissions its theatrical pieces to Donmar Productions Limited, which acts as a production company. Donmar Theatre Catering receives income from the bar operations and its taxable surplus is also paid by gift aid to Donmar Warehouse Projects Limited. Birnam Wood Films Limited will receive income from Film ticket sales and distribution, profits are paid across to the Donmar Warehouse Limited and its partners per contractual agreement.

**Strategic report**
The sections below constitute the Strategic Report for the purposes of the Companies Act 2006.

**2023/24 at the Donmar**
Our Mission
Our Strategic Objectives
Financial Viability
Reserves policy and
Risk management
Public Benefit

**2023/24 at the Donmar**
During 2023/24 the Donmar formally exited as an Art's Council England's (ACE) National Portfolio Organisation (NPO), receiving a final transition payment in October 23 and embedding our new, sustainable business strategy as an independent non profit theatre. Although this has brought challenges, not least the absence of steady grant income having an impact on planning, we have also been able to see the opportunity of a more nimble strategic approach and have been able to grow a committed pool of philanthropists who care deeply about our mission. We wholeheartedly welcomed the government’s commitment to a permanent higher rate of Theatre Tax Relief made in March 2024, which has helped support our broad slate of projects, given us confidence to take creative risks, build larger productions employing more freelancers, and attract investment for commercial transfers which in turn supports us in the delivery of our wider mission.

In our artistic and strategic planning we redoubled our efforts to consolidate audiences with an exceptional and varied programme of work, which was rewarded with strong audience numbers and an excellent performance in fundraising. Two of the projects created this year have gone on to future life in the West End and the season gained the Donmar a record of 11 Olivier nominations across the year.

**2023/24 at the Donmar** *(continued)*
Michael Longhurst stood down as Artistic Director in February 2024 with his outstanding farewell season continuing until August. His successor Tim Sheader joined a strong and skilled Donmar team full-time in March, ready to deliver an exciting programme of work.

Our work with children and communities went from strength to strength this year, led by a tour of Henry V into local secondary schools, consolidating our commitment to our local area, and we also continued to invest in talent and skills development for ourselves and the sector.

At the time of writing we are in the process of developing a 5 year business and creative strategy for the Donmar's new era, for delivery at the end of 2024.

**Our Mission**
The Donmar Warehouse makes unmissable, exceptional productions of classic plays, new works by leading writers, and intimate musicals to thrill and inspire our audiences. In our converted Covent Garden warehouse space, in the heart of London's West End, audiences experience the power of live performance up close, sitting no more than four rows away from the action. The Donmar has blazed a trail for thirty years creating legendary performances by some of the world's greatest artists, reaching global audiences through transfers across the West End, Broadway and beyond, and that legacy is the foundation of our approach today. We enable exceptional emerging talent to find new routes into the industry, and we create extraordinary opportunities for local young people. Core to our work is the belief that embracing a diverse range of voices enriches us all, fostering a more empathetic society. The Donmar's audiences are passionate about theatre, and we are passionate about them. We want to make them think, make them feel, and inspire them to return.

**Our 23-24 objectives were:**

- **Make unmissable, exceptional productions of classic plays, new works by leading writers, and intimate musicals to thrill and inspire our audiences**. We will create a balanced season of outstanding work in which established artists will create their best work and artists we believe are talented and ready to work on the Donmar stage will be supported and developed.

- **Invest in talent and skills** among under-represented groups, for ourselves and the sector. Routes to employment in the cultural industries will be clearer, more accessible and more inclusive.

- **For our LOCAL work to** facilitate partnerships with schools and local authorities to make the Donmar an essential cultural provider in our home boroughs, building lasting connections with young audiences.

- **Welcome a broad range of people through our doors**, prioritising developing younger and more diverse audiences alongside our core groups

- **To have a high-functioning, inclusive and motivated workforce**, which remains nimble and open to new opportunities and ideas.

- **We are committed to sustainability** in our productions, premises and operations

- **All our work is underpinned by a deep commitment to equality, diversity and inclusion**.

This year, we have delivered against these objectives in the following ways:

### 1. Our work on stage

Our work this year included a mix of classic revivals, new plays by world-class leading writers, and longed for UK premieres that excited and delighted audiences. The season gave a platform to a range of thrilling artists, played to predominantly capacity audiences, and gave rise to two West End transfers.

**Private Lives**

Artistic Director Michael Longhurst directed a fiercely intimate revival of Noël Coward's dark comedy that asks whether you can love someone too much, or too many times. Starring Stephen Mangan, Rachael Stirling, Laura Carmichael and Sargon Yelda, the production boasted superlative performances and delivered a fresh take on the beloved classic to sold-out, delighted audiences. The New European said "*This stylish, thought-provoking production is the Donmar at its very best*".

**When Winston Went to War with the Wireless**

The world premiere of Jack Thorne's play, directed by Katy Rudd, unpacked the people and forces behind the 1926 General Strike. Adrian Scarborough and Stephen Campbell Moore led the ensemble as Winston Churchill and John Reith, the company using foley sound techniques in a production that examined perceptions of truth in the stories we are told. The late Haydn Gwynne received an Olivier Award for Best Supporting Actress for her performance as Stanley Baldwin.

**Next to Normal**

The long-awaited UK premiere of the Pulitzer prize winning musical received a rapturous reception from audiences at the Donmar. An intimate exploration of family and loss, Michael Longhurst's production earned four Olivier Award nominations, including Best New Musical, and deserved recognition for the powerful performances at its heart. The New York Times proclaimed "*It feels as if there's no more vital theatrical place to be*" - and the production is currently enjoying a West End transfer at the Wyndham's Theatre until 21 September.

**Clyde's**

Lynette Linton returned to the Donmar to direct the European premiere of Lynn Nottage's acclaimed play, reuniting much of the creative team behind the Donmar's production of the play's precursor, Sweat, which played at the Donmar in 2018 before transferring to the West End. Set in the bustling kitchen of a run-down Pennsylvania truck stop, the company consisting of Gbemisola Ikumelo, Giles Terera, Sebastian Orozco, Ronkẹ Adékoluẹjo and Patrick Gibson gave witty and heartfelt performances, with the Evening Standard concluding "*This might be the best thing since sliced bread. It's uproarious fun*"'.

**Macbeth**

Donmar Associate Director Max Webster directed David Tennant and Cush Jumbo in a bracingly fresh production of the Scottish play, using binaural sound technology to place the audience inside the minds of the Macbeths. A full Scottish ensemble was assembled, complete with a Gaelic band. The production broke box office records at the Donmar, gained five-star reviews, and was nominated for three Olivier Awards, including Best Revival. The full company will take the production to the West End's Harold Pinter theatre this autumn.

**The Human Body**

Artistic Director Michael Longhurst co-directed the world premiere of Lucy Kirkwood's new play alongside Ann Yee, after their previous collaborations on *Next to Normal* and *Caroline, or Change*. The play starred Keeley Hawes and Jack Davenport in their long-awaited returns to the London stage, and explored political and private passions in 1948 Shropshire, against the backdrop of the establishment of the NHS. The production garnered particular praise for its lead performances, and for Lucy Kirkwood's politically astute writing.

## 2. Skills development

Our CATALYST skills development programme ran successfully for a third year, with eleven short-term creative roles offered as well as two year-long administrative traineeships based in our offices. These roles have supported people from historically under-represented backgrounds at the Donmar, and in the wider sector, access paid training opportunities with support from industry-leading mentors.

Alongside the CATALYST programme, we delivered two 12-month Resident Assistant Director positions and one further placement began in January 2024. All roles worked closely with our directors as assistant directors on Donmar productions, and supported the Literary, Participation and Development teams.

Our LOCAL team ran our annual work experience programme, Pathways: Work Experience - a week long intensive supporting 16-19 year olds gain an insight into careers in theatre. Following a successful pilot alongside our production of The Trials, we once more delivered a Junior Creative Assistants training programme in partnership with Royal Central School of Speech and Drama, offering paid placements for young people in five disciplines on our production of Next to Normal.

## 3. Donmar LOCAL

In response to local needs, we have continued to work with local schools and communities, ensuring a wealth of creative opportunities are available to under 25s in our home boroughs. Our Donmar LOCAL programme supports the creation of theatre that centres the voices of our local community, develops future audiences, and supports pathways to careers in the creative industries.

- Westminster and Camden have highly diverse populations and wealth inequality with areas of affluence alongside significant deprivation. 43% of all children in Camden and 42% of all children in Westminster live in poverty once housing costs are accounted for. (Camden/Westminster Councils 2023). We prioritise working with schools with a higher than London average free school meal ratio and students with English as an additional language.
- There has been a significant decline in engagement with arts subjects at secondary school level and a historic lack of engagement with the cultural offerings in the home boroughs. We develop partnerships with local schools to ensure young people have free access to theatre.
- We work with Camden Council's Local Cultural Education Partnership to support young people who experience physical, social and economic barriers to taking part. Participation in our projects supports personal development and wellbeing, develops confidence, develops skills and embeds interest in careers in the sector.

This year we introduced a new strand of work, once more working with young people in key stage three to engage with theatre in their schools. The new strand of activity takes new productions into schools and works across subjects with young people to support them develop their practice as young artists. As part of this new strand, we delivered:

- A touring production of *Henry V,* with Dadiow Lin directing a radical adaptation of the mainstage production. This production toured for 4 weeks and reached 3504 young people, with over 60% of the young people having this as as their first engagement with theatre
- A new youth voice and activism theatre making project, *My Future,* delivered in partnership with four local schools and PwC. The project supported young people in devising new pieces of theatre exploring the climate crisis, with their work presented on the Donmar stage.

## 3. Donmar LOCAL *(continued)*

Through Donmar LOCAL, the Participation department has continued to deliver programmes that have been both innovative and essential. Projects in 2023-24 included:

- 8 performances for young people through the Local Performance Programme, with in school workshops, free tickets and post show talks with cast and creative teams
- 1 Take the Stage project, with four school groups creating new work in response to our mainstage production, *The Human Body*
- 2 Local Residencies, working with young people from community partners, Holborn Community Association and alumni from local schools projects. The final sharing was presented within our local community.

## 4. Audiences

Ticket sales were strong across all productions this year, all achieving above our target of 85% financial capacity in our 251 seat theatre, with a number selling out ahead of previews. On average productions attracted around 37% new bookers, exceeding our usual 30% benchmark.

*Private Lives* had a strong initial on sale and ultimately achieved 94% financial capacity with 34% of the audience new to the Donmar.

*When Winston went to War with the Wireless* also benefited from a very strong on sale, and momentum built post opening, reaching 94% financial capacity.

*Next to Normal* sold out very quickly with high demand from musical theatre audiences who were new to the Donmar - 50% of bookers had not booked a show with us before.16% of survey respondents were from the Global Majority, (compared to our previous season average of 12%) and 42% of survey respondents were under 35. Secondary spend was also high for *Next to Normal* with unusually high demand for programmes and librettos.

We worked with specialist audience development consultants to welcome new audiences to *Clyde's* through targeted ticket offers. Of the post-show survey respondents 15% of audiences were from the Global Majority and 32% were new bookers. The production ultimately achieved 88% financial capacity.

*Macbeth* broke Donmar Box Office records - with very high sales to members, and then selling out within 20 minutes of the public on sale opening. Demand continued to be extremely high for daily releases of standing tickets and returns. 45% of bookers for Macbeth were new to the Donmar and 27% of survey respondents were under 35.

*The Human Body* achieved 86% financial capacity, even though there were some cancelled performances due to illness/ technical issues. New bookers for this production were 30%.

Our social media accounts have continued to grow in followers, with 110.1k on Twitter and 58.9k followers on instagram, and we have maintained 32k followers on Facebook.

We remain committed to reaching the widest possible audiences for our work and ensuring ticket prices are not a barrier to attendance: during this period our Young+Free ticket scheme gave over 4000 free tickets a year to audiences aged 26 and under, and to mark our 30th birthday we were also able to offer £10 tickets for audiences aged under 30, thanks to support from Associate Sponsor Barclays.

We have consistently achieved national media coverage with actors appearing across high profile broadcast and print media. Productions regularly received 4 and 5 star reviews from broadsheet and online critics.

## 5. Access

This year we saw an increased uptake of 144% in our access bookings across all performances. Every production offers a BSL, audio description and captioned performance. We offer touch tours pre show and visual storyboards when appropriate. We have a permanent hearing loop system and headsets at each performance and have a dedicated access champion and access ticketing support.

All attendees for interviews and new starters are specifically asked about access requirements as part of the application and onboarding processes. We successfully completed 2 government access to work grants for freelance and workforce. Both our sites are fully accessible for patrons and staff.

We have reviewed our access rider system as part of actor contracting and onboarding and have made reasonable adjustments where appropriate and necessary.

## 6. Workforce

To support well-being we have an Employee Assistance Programme, offering counselling, management, relationship and financial support service to all staff, 24 hours per day. We have positive feedback from staff who have used the service. We continue to work with an HR consultant who offers 1- 1 drop in sessions each month for staff to book and attend confidentially. Themes of these sessions are reported to the General Manager and Executive Team. We have worked with external occupational health and mental health specialists where needed.

We ran our staff survey in January with a 74% completion rate with key findings and trends then integrated into our staff planning.

In 2023/24 staff training programmes have included management, race and allyship, mental health first aid, first aid, attendance at industry conferences, 1-1 coaching for managers and formal HR, marketing and finance qualifications.

We ran a successful workforce development programme with partners Clean Break, offering 5 women who had experience of the criminal justice system, work placements to gain employability skills that ran in conjunction with our production of *Clyde's*.

## 7. Sustainability

This year we continued to work towards becoming more sustainable in our practices across our buildings, operations and productions. The Technical and Production teams embedded a tracking system on all productions, to record decisions and planning processes from a sustainability point of view, helping to establish a sense of considered prioritisation and decision making at all points on a production's journey to the stage. A Sustainability Working Group met regularly to report on challenges, achievements and discuss potential solutions.

Two examples of sustainability success stories during this period were:

- **Clyde's** required an inherently wasteful running prop, namely the sandwiches that were made live by the cast during the show. Stage management brokered a partnership with London's Compost Club in order to dispose of all real food used sustainably.

- **Macbeth** - sustainable production principles were embedded from the start, with sustainability one of the key parameters that all decisions were based upon and measured against. The creative team and production manager bought into following Theatre Green Book principles and factored in reclaim and reuse wherever possible.

## 8. Equality, diversity & inclusion

Over the period 2023/24 we continued to programme work on stage in line with our inclusivity principles, increasing representation among artists to address historic under-representation at the Donmar. During the year, 66% of writers and directors characterised as historically underrepresented at the Donmar: 25% were from the Global Majority, 42% were female and 25% were LGBTQI+.

Our workforce EDI areas of progress are as follows:

- We worked in partnership with sector leads TONIC to deliver and develop our Anti Racism and Inclusion work across the organisation.
- Our consultant led our EDI working group, held Global Majority staff drop ins and group sessions
- We committed to delivering annual staff training on EDI themes
- We have begun work on an organisational EDI strategy working with sector expert Sandeep Mahal.

We continue to make steps to diversify our workforce:
In Full Time roles, 26% are Global Majority and 16.3% Disabled.
In Part Time roles 39% are Global Majority and 14.2% Disabled.

We recruited our first positive action Senior Management Team (SMT) post, demonstrating our commitment to diversify the SMT. We ran 2 positive action traineeships for administrative roles, which provided new routes into the workforce for Global Majority candidates.

**Financial Review**
The Donmar's £9.4m revenue (2022/23 : £8.6m) is principally drawn from production income (including Theatre Tax Relief) £5.1m (2022/23: £4.5m), fundraising, £3.3m (2022/23: £3.0m), support of the Arts Council, £0.3m (2022/23: £0.5m), and trading income, £0.6m (2022/23: £0.6m).

Total income has increased year on year due to the popularity of the season's productions, which resulted in increased ticket sales and membership income. Production income was up 14% due to the increased ticket sales and pricing and Theatre Tax Relief remained at 45% of qualifying expenditure, which allowed us to further support our productions. Fundraising was up 10% due an increase across all areas but mainly due to Individual donations, Production Support and Corporate gifts . The Donmar also received Government support in the year through a final transition payment of Arts Council Funding of £0.3m (2022/23: £0.5m).

The Donmar remains committed to investing as much of its income as possible in the work it produces on the stage whilst offering accessibility and value for its supporters and for the public money we receive. Direct production expenditure was £5.1m (2022/23 : £5.1m), accounting for 57% of total expenditure and exceeded box office revenue by over £1.6m. Our public subsidy accounted for 3% of total income, and was our final payment for exiting the Arts Council Programme.

The other key expenditure area is staff and personnel (permanent staff headcount: 61, 2022/23: 64) which is £3.0m (2022/23: £2.5m), equating to 33% of our total general expenditure (2022/23: 30%).

Our successful programme of work and careful cost management has led to a profit of £0.5m (2022/23 : £0.3m) in the current year. This surplus will help bolster our current reserve position (page 10 and 11), and enable the management team to mitigate the loss of the Arts Council Income and to continue to operate a sustainable model in the face of rising costs over the medium-term. Our Reserve position remains positive ending the year with £14.5m Total Funds split between Restricted £0.1m, General £4.4m, Designated £0.3m and Fixed Assets £9.7m.

**Fundraising**
Total fundraising income was £3.3m (35% of total income) (2022/23: £3.0m), which was principally income from individuals at £2.1m (2022/23: £1.8m), commercial trading operations (corporate sponsorship), £0.9m (2022/23:£0.6m) and £0.4m in revenue from Trusts and Foundations (2022/23: £0.5m).

Strong programming this year (especially *Macbeth*) helped create an increase in revenue across individual and corporate giving, with a good number of new members joining and additional donations for production support and corporate packages.

Ticket usage/event attendance was strong for all shows, sometimes creating issues around capacity for the supporters' evenings.

We introduced a legacy programme, with advertisements running in the programme for *The Cherry Orchard*.

We secured a new major corporate partner (Mastercard) and continued to grow the corporate training programme. We added resources to the corporate team via a new role: Senior Corporate Manager.

**Fundraising disclosures**
The Donmar fundraising team raises funds primarily through offering a range of membership packages which are supported by benefits and specialist events, securing donations which are typically linked to a specific activity (e.g. production support), grants from trust and foundations, and through corporate sponsorship agreements. The Donmar does not engage any professional third-party fundraisers to make approaches to individuals on our behalf or involve commercial participators.

All direct marketing is undertaken by the fundraising department to ensure that it is not unreasonably intrusive or persistent. Aside from current members who receive regular updates via post and email to ensure that they can make the most of membership benefits, contact is made through direct marketing at the time of our programming announcements, usually twice per year. All marketing material contains clear instructions on how a person can be removed from mailing lists.

The Donmar is GDPR compliant and our fundraising team and senior staff adhere to the Fundraising Codes of Conduct and Standards of Research as laid out by the Fundraising Regulator. We have an Ethics Policy in place. This covers ethical fundraising practice and process. It is endorsed by our board, and overseen by the Ethics and Reputation Committee. There have been no complaints about our fundraising activity this year.

**Financial Viability**
The financial viability of the Donmar is overseen by the Audit, Finance and Risk (AF&R) Committee. The committee oversees and evaluates the quarterly financial figures for the organisation, led by the Executive Director (ED) and the Head of Finance (HoF). The AF&R reports to the Board and the Board has final sign off on the annual budget. The Board appoints external auditors, and commissions and considers reports as necessary, analysing risks raised through these processes.

The key financial risks to the Donmar include

- The change in company strategy to a more commercial strategy post NPO resulting in changes to our income profile,
- The on-going impact of inflation and cost of living increases to both the Donmar's cost base as well as ticket sales and staff retention, and
- The increasingly challenging fundraising environment.

**Financial viability** *(continued)*
The management team and the AF&R committee continue to review, adapt and respond to these risks, in order to mitigate the necessity to change to our operating model and the resulting impact on the quality of the work we produce and our public benefit. To help mitigate this risk the Donmar has diversified its income streams by renting out office space and by engaging with Commercial partners. This helps to lessen the Donmar's dependence on fundraising, and where possible the Donmar continues to look for structural ways to reduce the in-year risk associated with fundraising income, and implements careful performance and cost management to build resilience for future years. We have set a reserves policy to hold a sufficient amount in the risk reserve to support the organisation to transition to a new operating model in the event these income streams are affected.

The management team continues to tightly manage its reduced costs base and expenditure is managed across the organisation through structured meetings between budget holders and the Finance department on a monthly basis. The reviewed figures are then considered by the Head of Finance (HoF) and reported monthly to the Executive Director and the Artistic Director. Budgets have built-in contingencies and there is an overall organisational contingency each financial year, managed by the Executive Director. Organisationally, the budgets are overseen by the Executive Director and managed by the HoF and senior management team with the Director of Development leading on the majority of income generation and the Senior Producer leading on the majority of expenditure on the productions.

**Going concern**
The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12-month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 12, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

The Trustees continue to give particular consideration to the change in company strategy post NPO, and the cost of living crisis, reviewing the impact of these risks on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable.

When reviewed in September 2024, it was noted that the change in strategy post NPO could be supported through reserves. Covid -19 production cancellations have significantly decreased, however we continue to review this risk as well as the impact of the cost of living on the Donmar's Finances. Development income has increased and continues to deliver good value for the organisation and the management team continue to review and where appropriate implement cost saving initiatives in order to achieve further sustainability.

At the end of June 2024, the Donmar had cash of £4.5m, fixed assets of £9.8m, net assets of £0.7m and cash reserves of £5.1m (£0.1m restricted and £0.3m designated). Cashflow forecasts show cash dropping down to its lowest point of £3.1m (including restricted reserves of £0.1m) over the next 12 months. Given the Donmar's reserves position and track record, The Board remain satisfied that Donmar will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

**Reserves Policy and Risk Management**
The Trustees consider the risks to the charity at each quarterly Board meeting and ensure that systems and procedures are established to mitigate the risks identified. At each meeting the Board also reviews the latest Risk Register prepared by the Executive which outlines the production related risks including health and safety as well as financial, reputational and strategic risks.

The Trustees consider the change in strategy due to the loss of NPO funding, the impact of inflation and cost of living on Production costs, and the reliance on fundraising as the major short to medium term risks to the charity. The change in strategy to a more commercial approach could require use of reserves to support the Donmar while the new strategy is embedded in the organisation. The on-going impact of inflation and cost of living increases continue to impact Production and Overhead costs. The Donmar's reliance on fundraising income remains an on-going risk due to a more challenging fundraising sector. These risks are reflected in the investment in the Operational Risk Reserve which is discussed below.

Tangible Fixed Asset Funds
Building Maintenance Fund
Operational Risk Reserve

The **tangible fixed asset fund** represents the value of the Donmar's fixed assets: the lease of the Donmar Theatre at Earlham Street, the lease and capitalised costs of the office at Dryden Street, the capitalised costs of the redevelopment project, and the book value of fixtures and fittings.

The Donmar holds two designated reserves:

**Building Maintenance Fund:** The Donmar retains a reasonable sum within the theatre maintenance fund to cover unbudgeted and/or uninsured repairs and maintenance. This fund has been built in recent years to reflect the age of some of the theatre infrastructure. We expect this will be spent partially each year and refilled from surpluses when possible.

**Birnam Wood Investment Fund:** Birnam Wood Investment funds are those directed toward the joint venture with Trafalgar Releasing for the filming of Macbeth.

The **operational risk reserve** reflects the risk profile and risk register of the Donmar. It is set at a level that should allow the Donmar to continue to operate in the event of a short fall in fundraising, trading income or box office income. The policy is to hold at least 25% of forecast income for the forthcoming year or a minimum of £1.25m, whichever is higher and any excess above this is used as determined appropriate by the Board for any specific risks or objectives the Donmar has in the year ahead. As at the 31st March 2024 the operational risk reserve was £4.5m (2023 - £3.9m) which is above the targeted 25%. Much of the Reserve above the targeted 25% is likely to be designated to a Capital Works Fund in 2024/25 to support the refurbishment of the back of house including a new rooftop dormer structure (consented in 2018). This work is critical to open up accessibility above the main stage wall which will improve lighting and stage facilities but also safety for Donmar and freelance technical staff. It is anticipated that this project will not take place before 26-27 at the earliest.

**Restricted funds**
The Donmar holds a number of restricted funds which are detailed at page 40-45. The total value of restricted funds at 31 March 2024 was £147,236 (2023: £115,497).

The Trustees are satisfied that sufficient reserves are currently being held by the Donmar and we intend to sustain our risk reserve at a minimum of 25% of our annual revenue.

**Public benefit**
This year the Donmar has continued to inspire audiences, grow skills and nurture young people by:

- Making inclusive, relevant, world-class work that thrills audiences in our 251 seat theatre
- Employing talented and diverse creative teams and acting companies
- Investing in skills development and training to grow a diverse and highly skilled workforce for the theatre sector
- Maintaining access through captioned, audio described and touch tour performances
- Broadening and diversifying our audiences and workforce
- Playing an active role in our community, working with schools and local young people from disadvantaged backgrounds.
- Continually assessing the impact of our business, with the aim of achieving a greener understanding of how a sustainable, efficient theatre can operate
- Maintaining financial stability and value for money for our funders, whilst keeping ticket prices accessible

In planning the activities of the charity the Trustees have given due regard to the Charity Commission's guidance on public benefit and, in particular, the specific guidance for fee charging charities. As mentioned above the Trustees believe that the activities of the charity in the year confirm its ability to provide current and on-going benefit to the public.

**Future Plans**
Already in the 2024/25 period we have delivered two critically acclaimed productions, the final two of Michael Longhurst's Artistic Directorship. These were:

- **The Cherry Orchard** - in a new version adapted and directed by internationally renowned artist Benedict Andrews (26 April - 22 June 2024). This bold retelling of Chekhov's classic examination of the aristocracy's inability to adapt to the rise of the bourgeoisie saw the Donmar reconfigured into the round, with actors immersed in the audience and the adaptation drawing parallels with contemporary society's paralysis in the face of climate crisis. A world-class company of actors was assembled, led by Nina Hoss and Adeel Akhtar as Ranevskaya and Lopakhin. The production played to packed houses and was declared to be 'revelatory' and 'utterly captivating' by the Evening Standard.

- **Skeleton Crew** by Detroit native Dominique Morisseau (28 June - 24 August 2024) was a late addition to Mike's final season, but a triumphant end to his tenure, garnering a slew of 5- and 4-star reviews. Directed by Matthew Xia and designed by ULTZ, it is a subtle yet highly affecting story of workers on a car manufacturing line dealing with the potential fallout of the factory's closure on their lives. It centres outstanding performances from its four-strong cast, reaffirming the Donmar's strength in giving intimate access to excellent acting.

We have also recently launched Tim Sheader's first season to great acclaim. We are looking forward to continuing our work towards delivering our strategic and artistic ambitions through the following upcoming productions:

- **The Fear of 13** by Lindsey Ferrentino (04 October - 30 November 2024) will see the stage debut of Oscar-winning actor Adrien Brody, directed by Justin Martin. Brody plays Nick Yarris, the real-life victim of wrongful conviction for murder, who was on Death Row in the US for 22 years. Based on the documentary of the same name by David Sington.

- **Natasha, Pierre & the Great Comet of 1812** will be Tim Sheader's directorial debut at the Donmar. Written by Tony-nominated composer Dave Malloy, this slice of Tolstoy's War and Peace told as an 'electropop opera' has been long-awaited by the UK musical theatre audience. (07 December 2024 - 08 February 2025).

**Future Plans** *(continued)*

- **Backstroke**, written and directed by Anna Mackmin, is the personal yet universal story of a woman (to be played by Tamsin Greig) caring for two generations of her family, her mother (played by Celia Imrie) and her child. The play intertwines stage performance and film in a bold way never seen before on the Donmar stage. (14 February - 12 April 2025).

- **Intimate Apparel** reunites acclaimed American playwright Lynn Nottage with director Lynette Linton, following their hugely successful collaborations at the Donmar under two previous Artistic Directors - *Sweat* and *Clyde's*. Intimate Apparel is a very different animal to those plays, telling the story of a young Black seamstress in New York in the early 1900s, and her quest to find love and a viable livelihood. Samira Wiley takes the lead. (20 June - 09 August 2025).

**The Executive and staff**
The Executive comprises the Artistic Director and Executive Director, who are Joint Chief Executives. The Executive is supported by a team of 49 full time and 22 part time employees including a Senior Management Team of 8. The Executive and SMT meet weekly to plan the delivery of activity, report on progress against organisational KPIs and discuss staff welfare and culture.

The Donmar is committed to paying its employees a fair salary that is competitive within its industry and dependent on the complexity of the role. In determining the right level of pay the Donmar has a remuneration and bonus policy, detailed appraisal process and regularly reviews and benchmarks the pay, benefits and total compensation. We benchmark against other arts organisations.

The Governance, Nominations and Remuneration committee is responsible for reviewing and benchmarking the pay of the Executive team and the Executive is responsible for reviewing and benchmarking the pay of the Senior Management team.

**Board of Directors**
The Board of Directors met four times in 2023/24 for scheduled meetings and once for an extraordinary meeting. The Directors of the company are also Trustees for the purpose of charity law. The board supervises the activities of the charity with day to day activity delegated to the Executive and Senior Management.

Donmar Warehouse Projects Limited is a company limited by guarantee and not having share capital.

In addition to the Board, there is a structure of Committees focusing on key areas of the organisation, which feed directly into the Board in an advisory capacity:

- Audit, Finance & Risk
- Development
- Ethics & Reputation
- Governance, Nominations & Remuneration

The membership of these Groups is a mix of Board members, Executive, SMT, and external members who provide expert knowledge on the Group's remit. The Groups and Board are administered by the General Manager, supporting both the Executive and the Trustees.

**Qualifying third party indemnity provisions**
The company has provided an indemnity for its directors, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006.

**Recruitment and Appointment of Trustees**
In 23/24 we ran a board recruitment process with recruitment experts Nurole and welcomed new trustees Tim Allan and Sue Butcher in March 2024. Board member June Sarpong retired on 11 July 2023. Former Artistic Director Michael Longhurst retired on March 1st 2024. Joint CEOs Henny Finch and Timothy Sheader were appointed to the Board on March 1st 2024.

The Board is 57% male/ 43% female and 28% Global Majority.

**Trustee induction and training**
New Trustees receive all necessary documentation so as to understand their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the workings of the Board of Management and the decision-making process.

New trustees are provided with an induction document, trustee policies, scheme of delegation and role descriptions. All were briefed by the General Manager and/ or Executive. They meet relevant members of the Senior Management Team to gain an in-depth knowledge of the organisation.

**Subsidiaries**
Donmar Productions Limited is a wholly owned trading subsidiary responsible for producing the Donmar's productions as well as other commercial activities. Donmar Theatre Catering is a wholly owned trading subsidiary responsible for running the bar and catering operations at the Donmar. The Donmar's board appoint the directors of Donmar Productions Limited and Donmar Theatre Catering which comprise board members. The results are consolidated within these accounts as per note 15.

Donmar In The West End Limited and Donmar Films Limited are wholly owned subsidiaries that did not trade and were struck off in April 2023.

Birnam Wood Films Limited is a wholly owned subsidiary, incorporated on the 10th December 2023, for the purpose of entering into a joint partnership with Trafalgar Releasing in order to produce the Macbeth screen capture. It has been accounted for as a joint venture on the basis of the underlying agreements and documents between the entity and the Co-Producer. Directors are appointed by the Donmar as well as the Co-Producer. The results are not consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group (see note 15).

**Auditor**
The auditor, Sayer Vincent LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Related parties**
Details of related parties are included in note 25.

**Trustees' responsibilities**
The Trustees are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

**Trustees' responsibilities** *(continued)*
In preparing these financial statements, the Trustees are required to:

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

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

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.
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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This Trustees' Report, which incorporates the Strategic Report on pages 1 to 13, was approved on behalf of the board by

**A Kenwright**

…….. 2024

# Donmar Warehouse Projects Limited

**Independent auditor's report to the members of Donmar Warehouse Projects Limited**

## Opinion

We have audited the financial statements of Donmar Warehouse Projects 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 parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group 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 Donmar Warehouse Projects Limited'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group 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 group 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.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including 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' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires 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 set out in the trustees' annual report, 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

**Auditor's responsibilities for the audit of the financial statements (continued)**

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

**Use of our report**

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Judith Miller** (Senior Statutory Auditor)
For and on behalf of Sayer Vincent LLP, statutory auditor
Invicta House, 110 Golden Lane, LONDON, EC1Y 0TG

Date

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

# Donmar Warehouse Projects Limited

**Consolidated statement of financial activities**
**(Incorporating an income and expenditure account)**
**for the year ended 31 March 2024**

| | Note | Unrestricted funds £ | Restricted funds £ | 2024 Total £ | 2023 Total £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| **Donations:** | | | | | |
| Development income | 4 | **1,769,839** | **188,933** | **1,958,772** | 1,443,070 |
| Other grants and donations | 5 | **765,506** | **30,000** | **795,506** | 1,415,110 |
| **Charitable activities:** | | | | | |
| Production income | 6 | **3,896,013** | **385,171** | **4,281,184** | 3,336,701 |
| **Trading activities** | 7 | **2,168,291** | **131,146** | **2,299,437** | 2,411,327 |
| **Investments** | 8 | **88,327** | **-** | **88,327** | 12,854 |
| **Total income** | | **8,687,976** | **735,250** | **9,423,226** | 8,619,062 |
| **Expenditure on:** | | | | | |
| **Raising funds** | | **941,203** | **-** | **941,203** | 838,475 |
| **Charitable activities** | | | | | |
| Production expenses | | **7,310,502** | **703,511** | **8,014,013** | 7,465,589 |
| **Total expenditure** | 10 | **8,251,705** | **703,511** | **8,955,216** | 8,304,064 |
| **Net income in the year before transfers and tax** | 9 | **436,271** | **31,739** | **468,010** | 314,998 |
| Transfers between funds | 20 | **-** | **-** | **-** | - |
| **Net income in the year before tax** | | **436,271** | **31,739** | **468,010** | 314,998 |
| Tax payable | | **-** | **-** | **-** | - |
| **Net movement in funds** | | **436,271** | **31,739** | **468,010** | 314,998 |
| **Reconciliation of group funds:** | | | | | |
| Opening fund balances at 1 April 2023 | 20 | **13,962,837** | **115,497** | **14,078,334** | 13,763,336 |
| Closing fund balances at 31 March 2024 | 20 | **14,399,108** | **147,236** | **14,546,344** | 14,078,334 |

All amounts results are derived from continuing activities.
The company has no other recognised gains and losses other than those stated above.

The notes on pages 22 to 48 form part of these financial statements.

# Donmar Warehouse Projects Limited

## Consolidated and charity balance sheet
## at 31 March 2024

*Company number 1611861 (England and Wales)*

| | Note | Group 2024 £ | Group 2023 £ | Charity 2024 £ | Restated Charity 2023 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | **-** | 31,680 | **-** | 31,680 |
| Tangible assets | 14 | **9,712,741** | 9,847,642 | **9,702,203** | 9,847,642 |
| Investments | 15 | **150,001** | 3 | **150,003** | 4 |
| | | **9,862,742** | 9,879,325 | **9,852,206** | 9,879,326 |
| **Current assets** | | | | | |
| Stocks | | **6,815** | 5,527 | **-** | - |
| Debtors | 16 | **1,879,130** | 2,259,901 | **2,792,883** | 2,576,598 |
| Cash at bank and in hand | 21 | **4,626,836** | 4,477,454 | **3,417,118** | 3,788,364 |
| | | **6,512,781** | 6,742,882 | **6,210,001** | 6,364,962 |
| **Creditors: amounts falling due within one year** | 17 | **(1,829,179)** | (2,543,873) | **(1,301,943)** | (2,121,895) |
| **Net current assets** | | **4,683,602** | 4,199,009 | **4,908,058** | 4,243,067 |
| **Total assets less current liabilities** | | **14,546,344** | 14,078,334 | **14,760,264** | 14,122,393 |
| **Net assets** | 20 | **14,546,344** | 14,078,334 | **14,760,264** | 14,122,393 |
| **Restricted funds** | | **147,236** | 115,497 | **92,633** | 91,751 |
| General unrestricted funds | | **4,286,367** | 3,853,804 | **4,565,428** | 3,901,320 |
| Designated funds | | **400,000** | 250,000 | **400,000** | 250,000 |
| Fixed asset funds | | **9,712,741** | 9,859,033 | **9,702,203** | 9,879,322 |
| **Total unrestricted funds** | 19 | **14,399,108** | 13,962,837 | **14,667,631** | 14,030,642 |
| **Total** | 19 | **14,546,344** | 14,078,334 | **14,760,264** | 14,122,393 |

As permitted by S408 Companies Act 2006, the charity has not presented its own statement of financial activities and related notes. The charity's surplus for the year was £637,871 (2023 – surplus of £440,238).

For details of restatement see note 16.

The financial statements were approved by the Board of Directors and authorised for issue on

**A Kenwright**
Director

The notes on pages 22 to 48 form part of these financial statements.

# Donmar Warehouse Projects Limited

**Consolidated statement of cash flows**
**for the year ended 31 March 2024**

| | Note | 2024 £ | 2023 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net income for the reporting period | | **468,010** | 314,998 |
| Depreciation | 14 | **317,021** | 305,869 |
| Amortisation | 13 | **4,864** | 8,351 |
| Loss on disposal of Intangible fixed asset | | **26,816** | - |
| Loss on disposal of Tangible fixed asset | | **4,874** | - |
| Write-off of subsidiaries | | **3** | - |
| Investment income | 8 | **(88,327)** | (12,854) |
| Foreign exchange gains | | **-** | (69,573) |
| (Decrease)/increase in stocks | | **(1,288)** | 1,052 |
| Decrease/(increase) in debtors | 16 | **384,172** | (783,789) |
| (Decrease)/increase in creditors | 17 | **(714,694)** | 376,266 |
| **Net cash provided by operating activities** | | **401,451** | 140,320 |
| **Cash flows from investing activities** | | | |
| Investment income received | 8 | **88,327** | 12,854 |
| Investment in joint venture | | **(150,001)** | - |
| Purchase of fixed assets | 14 | **(186,994)** | (30,520) |
| **Net cash (used in) investing activities** | | **(248,668)** | (17,666) |
| **Change in cash and cash equivalents in the reporting year** | | **152,783** | 122,654 |
| **Cash and cash equivalents at the beginning of the year** | 21 | **4,477,454** | 4,305,610 |
| **Foreign exchange (losses)/gains** | | **(3,401)** | 49,190 |
| **Cash and cash equivalents at the end of the year** | 21, 22 | **4,626,836** | 4,477,454 |

The analysis of net debt is given in note 22.

The notes on pages 22 to 48 form part of these financial statements.

## 1 Status of company

The company is a charitable company, limited by guarantee and incorporated and registered in England and Wales under the Companies Act 2006 and the Charities Act 2011. The registered office is given on the Contents and Company Information page and the principle activities are given in the Trustee's report.

The company has fifteen members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

## 2 Accounting policies

### *Basis of preparation*

The financial statements have been prepared on a going concern basis under the historical cost convention. The accounts (financial statements) have been prepared in accordance with 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" (The Charities SORP 2nd Edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

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

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 £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied consistently:

### *Exemptions for qualifying entities under FRS 102*

The Company has taken advantage of the following reduced disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

### *Consolidation*

The consolidated financial statements present information about the company and its wholly owned subsidiaries Donmar Productions Limited and Donmar Theatre Catering Limited.

The results of the joint venture, Birnam Wood Films Limited, have not been consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group (see note 15).

**2 Accounting policies** *(continued)*

***Going concern***

The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12- month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 12, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

The Trustees continue to give particular consideration to the change in company strategy post NPO, and the cost of living crisis, reviewing the impact of these risks on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable.

When reviewed in September 2024, it was noted that the change in strategy post NPO could be supported through reserves. Covid -19 production cancellations have significantly decreased, however we continue to review this risk as well as the impact of the cost of living on the Donmar's Finances. Development income has increased and continues to deliver good value for the organisation and the management team continue to review and where appropriate implement cost saving initiatives in order to achieve further sustainability.

At the end of June 2024, the Donmar had cash of £4.5m, fixed assets of £9.8m, net assets of £0.7m and cash reserves of £5.1m (£0.1m restricted and £0.3m designated). Cashflow forecasts show cash dropping down to its lowest point of £3.1m (including restricted reserves of £0.1m) over the next 12 months. Given the Donmar's reserves position and track record, The Board remain satisfied that Donmar will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

***Income***

Income from donations and government grants, including capital and furlough grants, is included in income when there is entitlement, probability 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 income as restricted funds.

Membership income is recognised across the period of membership.

Productions income is included in income in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

Goods and services received in kind, where material, are included within 'Donations' and under the appropriate income heading, depending on the nature of goods and services provided. These are recognised at an estimated value to the charity at the time of receipt.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

**2 Accounting policies** *(continued)*

***Expenditure***

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.
- Charitable activities includes expenditure associated with the operation of the theatre and such directly associated activities as educational programmes and the Directors programme. Cost of charitable activities includes 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 frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Trading expenditure forms part of the Group's trading activities and commercial exploitations are separately disclosed as trading activities.

***Donated Services, facilities, or goods***

Donated goods, facilities, and services are recognised as income when the criteria of entitlement, probability and measurement are met. Donated goods are recognised at fair value, while donated facilities and services are measured and included on the basis of the value of the gift to the charity, meaning the amount that the charity would pay int he open market for an alternative item that would provide a benefit to the charity equivalent to the donated item. Value to the charity may be lower than, but cannot exceed, the price the charity would pay in the open market for the item.

Donated facilities and services are recognised as income, with an equivalent amount recognised as an expense under the appropriate heading in the statement of financial activities.

***Costs of productions not yet opened***

The costs and materials for new productions and associated creative team fees are carried forward on the balance sheet until they are expensed on the date of the performance. Internal labour and rehearsal costs are expensed as incurred.

***Fund accounting***

The Group and Charity hold designated funds, including designated fixed asset funds, restricted funds, and the operational risk reserve, representing general unrestricted funds. Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 19).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report. In addition, the Trustees consider the value of the long lease to be a designated fund as it is not a readily realisable asset.

**2 Accounting policies** *(continued)*

***Intangible fixed assets***

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Intangible assets of website and box office are amortised over 5 and 10 years and amortisation is included in support costs.

***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost less depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

| | | |
|---|---|---|
| Leasehold land and buildings | - | Over the length of the lease |
| Leasehold improvements (Dryden Street and Earlham Street) | - | Between 5 and 50 years on a straight line basis |
| IT equipment | - | Over 4 years on a straight line basis |
| Fixtures, fittings and equipment | - | Between 4 and 15 years on a straight line basis |

Assets under construction are not depreciated until they are brought into use.

Individual fixed assets consisting of more than £4,000 are capitalised at cost.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

***Investments***

The investments held by the charity relate to investments in subsidiary company and these are held at cost. The investments of Donmar Warehouse Projects consist of two subsidiaries, Donmar Productions Limited, Donmar Catering Limited, and the joint venture Birnam Wood Films Limited. All three companies are not quoted and the directors consider it appropriate to include the investments at cost less impairment.

***Stocks***

Stocks held by the group relate to food and drink. Stocks are valued at the lower of costs and estimated selling price less costs to sell. Cost is based on the latest purchase price.

***Cash***

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

***Financial instruments***

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. 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.

**2 Accounting policies** *(continued)*

***Financial instruments*** *(continued)*

- ***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.

- ***Derecognition of financial assets***

  Financial assets are derecognised 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.

- ***Derecognition of financial liabilities***

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

***Operating leases***

Rent payable is recognised on a straight line basis over the lease term.

***Pensions***

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

***Foreign currency translation***

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

***Gift Aid***

The charity owns the whole of the issued ordinary share capital of Donmar Productions Limited and Donmar Theatre Catering Limited.

Donmar Productions Limited and Donmar Theatre Catering Limited ordinarily pay each year to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the Company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

**2 Accounting policies** *(continued)*

***Taxation***

Donmar Warehouse Projects Limited and its subsidiaries Donmar Productions and Donmar Theatre Catering, are registered for Group VAT. Birnam Wood Films is registered separately for VAT. Irrecoverable VAT is charged against the cost of charitable activities, where it is incurred. Irrecoverable VAT on capital expenditure has been capitalised and will be written off over the life of the assets.

As a registered charity, Donmar Warehouse Projects Limited is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

Donmar Productions Limited, Donmar Theatre Catering and Birnam Wood Films are liable for corporation tax.

Tax is recognised in the Statement of Financial Activities, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

**3 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following critical accounting judgement has been identified below:

Cost allocation: The cost allocation methodology requires judgement as to what are the most appropriate basis to use to apportion support costs. Support costs are allocated between activities on the base of staff numbers employed on those activities during the year.

The Directors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

## 4 Development income

| | Unrestricted £ | Restricted £ | 2024 £ |
|---|---|---|---|
| Membership | **1,220,482** | **-** | **1,220,482** |
| Gift aid | **214,357** | **-** | **214,357** |
| Other individuals | **-** | **101,703** | **101,703** |
| Corporate | **-** | **-** | **-** |
| Trusts & Foundations | **330,000** | **87,230** | **417,230** |
| Capital | **5,000** | **-** | **5,000** |
| **Total 2024** | **1,769,839** | **188,933** | **1,958,772** |

| | Unrestricted £ | Restricted £ | 2023 £ |
|---|---|---|---|
| Membership | 724,158 | - | 724,158 |
| Gift aid | 159,897 | - | 159,897 |
| Other individuals | - | 33,515 | 33,515 |
| Corporate | 5,000 | - | 5,000 |
| Trusts & Foundations | 160,000 | 360,500 | 520,500 |
| Capital | - | - | - |
| Total 2023 | 1,049,055 | 394,015 | 1,443,070 |

The following support, in the form of gifts in kind and donated services, was received by the charity during the year: provision of alcohol and catering at events, legal advice, venue hire, refreshments for meetings. The value of this support is estimated to be £32,392 (2023 - £46,108). In line with the accounting policy, this invaluable support has not been recorded within the Statement of Financial Activities as the donations are not considered to be material.

## 5 Other grants and donations

| | Unrestricted £ | Restricted £ | 2024 £ |
|---|---|---|---|
| ***Government grants*** | | | |
| UK Arts council income | **299,782** | **-** | **299,782** |
| ***Donations*** | | | |
| Other donations | **465,724** | **30,000** | **495,724** |
| **Total 2024** | **765,506** | **30,000** | **795,506** |

| | Unrestricted £ | Restricted £ | 2023 £ |
|---|---|---|---|
| ***Government grants*** | | | |
| UK Arts council income | 513,904 | - | 513,904 |
| ***Donations*** | | | |
| Other donations | 895,206 | 6,000 | 901,206 |
| **Total 2023** | 1,409,110 | 6,000 | 1,415,110 |

## 6 Production income

| | Unrestricted £ | Restricted £ | 2024 £ |
|---|---|---|---|
| Ticket revenue | **3,531,013** | **-** | **3,531,013** |
| Production support | **-** | **385,171** | **385,171** |
| Income from partnerships | **365,000** | **-** | **365,000** |
| **Total 2024** | **3,896,013** | **385,171** | **4,281,184** |

| | Unrestricted £ | Restricted £ | 2023 £ |
|---|---|---|---|
| Ticket revenue | 2,643,860 | - | 2,643,860 |
| Production support | - | 263,250 | 263,250 |
| Income from partnerships | 429,591 | - | 429,591 |
| **Total 2023** | 3,073,451 | 263,250 | 3,336,701 |

## 7 Income from trading activities

| | Unrestricted | Restricted | 2024 | 2023 |
|---|---|---|---|---|
| | **£** | | **£** | £ |
| Donmar Beyond | **50,342** | **-** | **50,342** | 86,086 |
| Royalties and sundry income | **-** | **-** | **-** | - |
| Rental income | **156,812** | **-** | **156,812** | 224,104 |
| ***Income from subsidiary:*** | | | | |
| Corporate sponsorship and membership | **718,295** | **131,146** | **849,441** | 672,475 |
| Theatre Tax Relief | **845,466** | **-** | **845,466** | 1,147,298 |
| Catering income | **394,392** | **-** | **394,392** | 275,956 |
| Other trading income | **2,984** | **-** | **2,984** | 5,408 |
| **Total 2024** | **2,168,291** | **131,146** | **2,299,437** | 2,411,327 |
| Total 2023 | 2,356,328 | 54,999 | 2,411,327 | |

Included in the above income from the subsidiary is theatre tax relief. This amount is receivable by the company as a result of Theatre Tax Relief recognised for the year.

## 8 Investment income

| | 2024 | 2023 |
|---|---|---|
| | **£** | £ |
| Interest receivable | **88,327** | 12,854 |

All income from investments for the current and preceding year was unrestricted.

## 9 Net income during the year is stated after charging:

| | 2024 | 2023 |
|---|---|---|
| | **£** | £ |
| Depreciation of tangible assets | **317,021** | 305,869 |
| Amortisation of intangible assets | **4,864** | 8,351 |
| Loss on disposals – intangible fixed assets | **26,816** | - |
| Loss on disposal – tangible fixed assets | **4,874** | - |
| Foreign exchange losses/(gains) recognised | **10,613** | (69,573) |
| Operating lease rentals | **98,946** | 12,063 |
| Auditor's remuneration: | | |
| - Audit fees for current year audit | **39,500** | 37,000 |
| - Tax fees | **7,850** | 7,375 |
| Other Accounting services | **5,950** | 5,400 |

## 10 Total expenditure

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2024 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | 394,631 | 413,470 | 133,102 | 941,203 |
| ***Charitable activities:*** | | | | |
| Theatrical productions | 2,599,427 | 4,695,464 | 719,122 | 8,014,013 |
| **Total 2024** | **2,994,058** | **5,108,934** | **852,224** | **8,955,216** |

| **Support costs** | Cost of raising funds £ | Charitable activities £ | Total 2024 £ |
|---|---|---|---|
| Office overheads | 133,102 | 678,822 | 811,924 |
| Governance costs | - | 40,300 | 40,300 |
| **Total 2024** | **133,102** | **719,122** | **852,224** |

Office overheads comprise overheads including building insurance, board expenses, and consulting.

Governance costs comprise audit and accounts costs.

Total expenditure for the year was £8,955,216 (2023 - £8,304,064), of which £703,511 was restricted (2023 - £758,427) and £8,251,705 was unrestricted (2023 - £7,545,637).

The staff costs that relate to staff working on productions is included within other direct costs.

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2023 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | 332,322 | 393,845 | 112,308 | 838,475 |
| ***Charitable activities:*** | | | | |
| Theatrical productions | 2,143,638 | 4,655,272 | 666,679 | 7,465,589 |
| **Total 2023** | **2,475,960** | **5,049,117** | **778,987** | **8,304,064** |

| **Support costs** | Cost of raising funds £ | Charitable activities £ | Total 2023 £ |
|---|---|---|---|
| Office overheads | 112,308 | 617,434 | 729,742 |
| Governance costs | - | 49,245 | 49,245 |
| **Total 2023** | 112,308 | 666,679 | 778,987 |

## 11 Directors' emoluments

Appointing the Executive Director and Artistic Director to the Board of Trustees is specifically permitted by the Company's articles.

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Donmar. The Executive Director and Artistic Director only receive remuneration in respect of services they provide undertaking the roles of Executive Director and Artistic Director respectively under their contracts of employment, and not in respect of their role as Board Directors.

The value of Trustees' remuneration and other benefits was as follows:

| | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| **Michael Longhurst, Outgoing Artistic Director** | | |
| Remuneration | **140,865** | 91,244 |
| Pension | **7,488** | 5,475 |
| **Henrietta Finch, Current Executive Director** | | |
| Remuneration | **114,556** | 89,602 |
| Pension | **6,106** | 5,376 |
| **Timothy Sheader, Incumbent Artistic Director** | | |
| Remuneration | **42,446** | - |
| Pension | **2,260** | - |
| Total | **313,721** | 191,697 |

During the year, the Artistic and Executive Director both received benefits in kind to the value of £Nil (2023 - £Nil).

Expenses are reimbursed to the Executive Director and Artistic Director specifically in relation to their roles within the charity and not in relation to their position as trustees. All staff expenses are governed by a clear reimbursement policy which applies equally to Henny Finch and Michael Longhurst, and Timonthy Sheader. The amounts reimbursed during the year of 2023/24 for travel and additional meeting and event costs relating solely to activities for the company were:

| | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| Michael Longhurst, Outgoing Artistic Director | **481** | 90 |
| Henrietta Finch, Current Executive Director | **361** | 88 |
| Timothy Sheader, Incumbent Artistic Director | **559** | - |

No other trustees were reimbursed for expenses (2023 – none).

Trustees and Officers of the Company are covered by indemnity insurance.

## 12 Employees

The average monthly number of employees during the year was:

| Group and company: | **2024** | 2023 |
|---|---|---|
| Permanent staff | **61** | 64 |
| In addition total staff working on productions | **124** | 154 |

The nature of staff working on productions means that it is not possible to give a meaningful full time equivalent or average headcount as each production has bespoke requirements. The number shown is therefore the total number of production staff and performers that have been involved during the year.

All employees are employed by Donmar Warehouse Projects Limited, but the cost of relevant staff is recharged to Donmar Productions Limited as part of an overall management fee.

| **Employment cost:** | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| Wages and salaries | **2,635,419** | 2,163,528 |
| Social security costs | **228,734** | 209,046 |
| Other pension costs | **129,905** | 103,386 |
| **Permanent staff total, representing company only staff costs** | **2,994,058** | 2,475,960 |
| ***Staff working on productions*** | | |
| Wages and salaries | **941,727** | 1,094,194 |
| Social security costs | **7,962** | 4,000 |
| Other pension costs | **25,760** | 26,410 |
| **Productions staff total** | **975,449** | 1,124,604 |
| **Total group staff costs** | **3,969,507** | 3,600,564 |

The number of employees who have received remuneration amounting to more than £60,000 in either year was:

| | **2024** | 2023 |
|---|---|---|
| | **Number** | **Number** |
| £60,000 - £70,000 | **3** | - |
| £70,000 - £80,000 | **1** | 1 |
| £80,000 - £90,000 | **-** | 2 |
| £90,000 - £100,000 | **1** | - |
| £140,000 - £150,000 | **2** | - |
| Total remuneration of key management personnel including employers' pension in the period was as follows: | **£** | **£** |
| | **313,721** | 191,697 |

## 13 Intangible fixed assets

**Group and charity**

| | Website and box office £ |
|---|---|
| *Cost* | |
| At 1 April 2023 | 193,629 |
| Disposals | (26,816) |
| **At 31 March 2024** | **166,813** |
| *Amortisation* | |
| At 1 April 2023 | 161,949 |
| Charge for the year | 4,864 |
| **At 31 March 2024** | **166,813** |
| **Net book value** | |
| At 31 March 2024 | **-** |
| At 31 March 2023 | 31,680 |

**14 Tangible fixed assets**

| Group | Leasehold and buildings £ | Dryden Street £ | IT equipment £ | Fixtures, fittings and equipment £ | Earlham Street £ | Asset under construction £ | Total £ |
|---|---|---|---|---|---|---|---|
| *Cost* | | | | | | | |
| At 1 April 2023 | 2,850,000 | 3,988,978 | 220,401 | 911,038 | 3,875,758 | - | 11,846,175 |
| Additions | - | 7,200 | 12,916 | 43,819 | 68,850 | 54,209 | 186,994 |
| Disposals | - | - | (1,006) | (3,868) | - | - | (4,874) |
| **At 31 March 2024** | **2,850,000** | **3,996,178** | **232,311** | **950,989** | **3,944,608** | **54,209** | **12,028,295** |
| *Depreciation* | | | | | | | |
| At 1 April 2023 | 314,241 | 682,590 | 155,993 | 650,084 | 195,625 | - | 1,998,533 |
| Charge for the year | 24,000 | 82,172 | 22,025 | 63,911 | 124,913 | - | 317,021 |
| **At 31 March 2024** | **338,241** | **764,762** | **178,018** | **713,995** | **320,538** | **-** | **2,315,554** |
| *Net book value* | | | | | | | |
| At 31 March 2024 | **2,511,759** | **3,231,416** | **54,293** | **236,994** | **3,624,070** | **54,209** | **9,712,741** |
| At 31 March 2023 | 2,535,759 | 3,306,388 | 64,408 | 260,954 | 3,680,133 | - | 9,847,642 |

**14 Tangible fixed assets** *(continued)*

| Charity | Leasehold and buildings £ | Dryden Street £ | IT equipment £ | Fixtures, fittings and equipment £ | Earlham Street £ | Asset under construction £ | Total £ |
|---|---|---|---|---|---|---|---|
| *Cost* | | | | | | | |
| At 1 April 2023 | 2,850,000 | 3,988,978 | 220,401 | 911,038 | 3,875,758 | - | 11,846,175 |
| Additions | - | 7,200 | 12,916 | 30,270 | 68,850 | 54,209 | 173,445 |
| Disposals | - | - | (1,006) | (3,868) | - | - | (4,874) |
| **At 31 March 2024** | **2,850,000** | **3,996,178** | **232,311** | **937,440** | **3,944,608** | **54,209** | **12,014,746** |
| *Depreciation* | | | | | | | |
| At 1 April 2023 | 314,241 | 682,590 | 155,993 | 650,084 | 195,625 | - | 1,998,533 |
| Charge for the year | 24,000 | 82,172 | 22,025 | 60,900 | 124,913 | - | 314,010 |
| **At 31 March 2024** | **338,241** | **764,762** | **178,018** | **710,984** | **320,538** | - | 2,312,543 |
| *Net book value* | | | | | | | |
| At 31 March 2024 | **2,511,759** | **3,231,416** | **54,293** | **226,456** | **3,624,070** | **54,209** | **9,702,203** |
| At 31 March 2023 | 2,535,759 | 3,306,388 | 64,408 | 260,954 | 3,680,133 | - | 9,847,642 |

All fixed assets are used for charitable purposes.

## 15 Fixed asset investments

| | Shares in joint venture undertakings | Shares in subsidiary undertakings |
|---|---|---|
| **Group** | **£** | **£** |
| *Cost and net book value* | | |
| At 1 April 2023 | - | 3 |
| Addition | 150,001 | - |
| Disposals | | (3) |
| At 31 March 2024 | **150,001** | **-** |
| **Charity** | | |
| *Cost and net book value* | | |
| At 1 April 2023 | - | 4 |
| Addition | 150,001 | - |
| Disposals | - | (2) |
| At 31 March 2024 | **150,001** | **2** |

The following are subsidiaries of the company:

| Company | Country of incorporation | Class of shares | Holding | Principal activity |
|---|---|---|---|---|
| Donmar Productions Limited (Company number: 06730810) | England and Wales | Ordinary | 100% | Theatre production |
| Donmar Theatre Catering (Company number: 13722375) | England and Wales | Ordinary | 100% | Catering |

The following is a joint venture of the company:

| Company | Country of incorporation | Class of shares | Holding | Principal activity |
|---|---|---|---|---|
| Birnam Wood Films Limited (Company number: 15322678) | England and Wales | Ordinary | 100%* | Film production |

*Birnam Wood Films Limited was incorporated on 1 December 2023. The results of Birnam Wood Films Limited are not consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group. Birnam Wood Films Limited is considered to be a joint venture on the basis of the underlying agreements and documents between the Charity and the Co-Producer.

Two subsidiaries, Donmar in the West End Limited and Donmar Films Limited, were dissolved during the year.

The aggregate amount of capital and reserves and the results of these undertakings for year were as follows:

| | | Capital and Reserves 2024 £ | Profit for the year 2024 £ |
|---|---|---|---|
| Birnam Wood Films company | Film production | 1 | - |
| Donmar Productions Limited | Theatre promotion | 1 | 16,801 |
| Donmar Theatre Catering | Catering | 1 | 66,769 |

## 15 Fixed asset investments (continued)

The results of the two subsidiaries which traded in the current and/or prior financial year, and which have been consolidated into the results of the Group, were as follows:

| | Donmar Theatre Catering Limited | | Donmar Productions Limited | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **£** | **£** | **£** | **£** |
| Turnover (including other operating and interest income) | **394,392** | 469 | **3,306,706** | 3,362,769 |
| Cost of sales | **(307,561)** | (2,756) | **(3,617,460)** | (3,672,291) |
| Administrative expenses | **(20,062)** | (8,529) | **(670,448)** | (557,305) |
| Theatre tax relief | **-** | - | **998,003** | 1,028,573 |
| Corporation tax | **-** | - | **-** | - |
| Profit/(loss) for the financial year | **66,769** | (10,816) | **16,801** | 161,746 |
| Amounted gifted to the charity | **66,769** | (10,816) | **16,801** | 161,746 |

For Donmar Productions Limited, the above amounts include commission income from the parent charity of £2,493,153 (2023 - £2,688,386). Management charges from the parent charity of £645,407 (2023 - £564,392) and sundry expenses recharges from the parent charity of £768,017 (2023 - £654,848).

For Donmar Theatre Catering Limited, transactions with parent charity relate to Management charges of £138,483 (2023 - £Nil).

## 16 Debtors

| | **Group 2024 £** | **Group 2023 £** | **Charity 2024 £** | **Restated Charity 2023 £** |
|---|---|---|---|---|
| Trade debtors | **272,619** | 172,393 | **70,139** | 95,420 |
| Other debtors | **596,006** | 500,513 | **690,854** | 564,385 |
| Amounts owed by group | **-** | - | **1,936,261** | 1,876,607 |
| Prepayments and accrued income | **1,010,505** | 1,586,995 | **95,629** | 40,186 |
| | **1,879,130** | 2,259,901 | **2,792,883** | 2,576,598 |

Amounts owed by subsidiary undertakings are interest free and repayable on demand.

Amounts owed by group to the Charity in prior year have been restated from a debtor of £5,089,759 to £1,876,607, by £3,213,152. Amounts owed to group have been restated from £3,213,152 to £Nil. These amounts have been netted off in order to be comparative with the current year's presentation.

## 17 Creditors: amounts falling due within one year

| | Group 2024 £ | Group 2023 £ | Charity 2024 £ | Restated Charity 2023 £ |
|---|---|---|---|---|
| Trade creditors | **259,210** | 207,980 | **196,944** | 168,729 |
| Taxation and social security | **63,667** | 261,991 | **61,448** | 261,194 |
| Other creditors | **169,743** | 132,268 | **169,743** | 132,265 |
| Accruals and deferred income | **1,336,559** | 1,941,634 | **873,808** | 1,559,707 |
| | **1,829,179** | 2,543,873 | **1,301,943** | 2,121,895 |

Amounts owed to subsidiary undertakings are unsecured, interest free and repayable on demand.

For details of the prior year restatements see note 16.

## 18 Deferred income

| | Group 2024 £ | Group 2023 £ | Charity 2024 £ | Charity 2023 £ |
|---|---|---|---|---|
| Deferred income brought forward | **1,334,498** | 1,283,393 | **1,016,103** | 689,505 |
| Released in the period | **(1,334,498)** | (1,283,393) | **(1,016,103)** | (689,505) |
| Additional income deferred | **828,372** | 1,334,498 | **828,372** | 1,016,103 |
| | **828,372** | 1,334,498 | **828,372** | 1,016,103 |

Deferred income is to be recognised within following periods:

| | | | | |
|---|---|---|---|---|
| Less than one year | **828,372** | 1,334,498 | **828,372** | 1,016,103 |

Deferred income for both the Group and Charity relates to fundraising income for events as well as ticket income that relates to the next financial year.

## 19 General and restricted funds

| Group | Balance 1 April 2023 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2024 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,306,388 | - | (82,172) | 7,200 | **3,231,416** |
| Theatre lease fund | 2,535,759 | - | (24,000) | - | **2,511,759** |
| Earlham Street | 3,680,133 | - | (124,913) | 123,059 | **3,678,279** |
| Fixed asset fund | 357,042 | - | (85,936) | 20,181 | **291,287** |
| **Total fixed assets funds** | 9,879,322 | - | (317,021) | 150,440 | **9,712,741** |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Birnam Wood Investment | - | - | - | 150,000 | **150,000** |
| **Total designated funds** | 250,000 | - | - | 150,000 | **400,000** |
| **Operational risk reserve** | 3,833,515 | 8,687,976 | (7,934,684) | (300,440) | **4,286,367** |
| **Total unrestricted funds** | 13,962,837 | 8,687,976 | (8,251,705) | - | **14,399,108** |
| **Restricted funds:** | | | | | |
| Associate Artistic Director | - | 30,000 | (7,959) | - | **22,041** |
| Catalyst | - | 45,395 | (45,395) | - | **-** |
| Production support | - | 412,422 | (412,422) | - | **-** |
| Pay it forward funds | 91,470 | 16,667 | (20,878) | - | **87,259** |
| Donmar Local | - | 58,000 | (58,000) | - | **-** |
| Donmar Discover Programme | - | 152,766 | (152,766) | - | **-** |
| Donmar Refurbishment | - | 5,000 | (5,000) | - | **-** |
| Barclays £10 tickets | 24,027 | 15,000 | (1,091) | **-** | **37,936** |
| **Total restricted funds** | 115,497 | 735,250 | (703,511) | - | **147,236** |
| **Total funds** | 14,078,334 | 9,423,226 | (8,955,216) | - | **14,546,344** |

**19 General and restricted funds** *(continued)*

| Charity | Balance 1 April 2023 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2024 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,306,388 | - | (82,172) | 7,200 | **3,231,416** |
| Theatre lease fund | 2,535,759 | - | (24,000) | - | **2,511,759** |
| Earlham Street | 3,680,133 | - | (124,913) | 123,059 | **3,678,279** |
| Fixed asset fund | 357,042 | - | (87,789) | 11,496 | **280,749** |
| **Total fixed assets funds** | 9,879,322 | - | (318,874) | 141,755 | **9,702,203** |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Birnam Wood Investment | - | - | - | 150,000 | **150,000** |
| **Total designated funds** | 250,000 | - | - | 150,000 | **400,000** |
| **Operational risk reserve** | 3,901,320 | 8,390,373 | (7,434,510) | (291,755) | **4,565,428** |
| **Total unrestricted funds** | 14,030,642 | 8,390,373 | (7,753,384) | - | **14,667,631** |
| **Restricted funds:** | | | | | |
| Associate Artistic Director | - | 30,000 | (7,959) | - | **22,041** |
| Catalyst | 281 | 5,500 | (5,781) | - | **-** |
| Production support | - | 385,171 | (385,171) | - | **-** |
| Pay it forward funds | 91,470 | - | (20,878) | - | **70,592** |
| Donmar Refurbishment | - | 5,000 | (5,000) | - | **-** |
| Donmar Local | - | 58,000 | (58,000) | - | **-** |
| Donmar Discover Programme | - | 120,433 | (120,433) | - | **-** |
| **Total restricted funds** | 91,751 | 604,104 | (603,222) | - | **92,633** |
| **Total funds** | 14,122,393 | 8,994,477 | (8,356,606) | - | **14,760,264** |

Where funds are restricted to capital development and expenditure has been capitalised a transfer is made from restricted to designated funds at the point the expense is incurred.

**19 General and restricted funds** *(continued)*

**Tangible fixed asset funds**

The Dryden Street fund, Theatre Lease fund, Earlham Street Fund, and Fixed Asset fund are together equal to the value of the group's fixed assets.

- **Dryden Street fund, £3.2m**: The net book value of the long lease of 3 Dryden Street, the charity's offices, and the capitalised net book value of the conversion of the building to make it fit for purpose.
- **Theatre Lease fund, £2.5m**: The net book value of the theatre lease.
- **Earlham Street fund, £3.7m**: The value of capital works carried out in the Theatre to the essential mechanical and electrical systems, Accessibility areas, WC provision and refurbishment of the Front of House.
- **Fixed Asset fund, £0.3m:** The net book value of IT equipment and fixtures, fittings and equipment.

**Designated funds**

The Trustees have designated funds as follows:

- **Building Maintenance fund**: This fund covers costs in relation to the maintenance of the theatre and the rehearsal, office and education spaces in Dryden Street. It is for emergency repairs and for dealing with unforeseen developments. Parts of the theatre infrastructure are over 25 years old and, ahead of redevelopment, this fund has been built to cover the increasing occurrence of required works.
- **Birnam Wood Investment Fund:** Birnam Wood Investment funds are those directed toward the joint venture with Trafalgar Releasing for the filming of Macbeth.

**Operational Risk Reserve**

The charity operates a policy of requiring 25% of next year's budgeted income to be held in the general fund, with a minimum of £1.25m. This value is set to reflect the potential volatility in charity's key income streams: fundraising, box office and public sector funding (Arts Council NPO grant and Theatre Tax Relief).

**19 General and restricted funds** *(continued)*

**Restricted funds**

The Associate Artistic Director fund represents donations received toward supporting the Associate Artistic Director position at the Donmar.

Catalyst fund is the programme to support up to 12 people from underrepresented backgrounds to enter the arts workforce via paid training and secondments. The restricted income is received in both the charity and in the trading subsidiary, Donmar Productions Limited.

Production Support funds are sponsorships received which may only be used in connection with costs on productions specified in the terms of the funding.

Pay It Forward funds are donations received to be used for the Pay It Forward scheme where donations are used to cover ticket costs for Donmar Productions for anyone up to the age of 25.

Other education and access funds (including Support for Pathways (Discover), Donmar local and Donmar Discover Programme) are donations received in relation to specific educational elements of productions and may only be used in connection with costs arising on these.

Donmar refurbishment is a restricted fund in the trading subsidiary, Donmar Productions Limited, representing a donation towards capital repairs.

Barclays £10 tickets is a restricted fund in the trading subsidiary, Donmar Productions Limited, representing funds raised towards providing under 30's tickets to Donmar Productions.

All restricted funds are expected to be used next year.

## 19 General and restricted funds *(continued)*

| Group – prior year | Balance 1 April 2022 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2023 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,377,167 | - | (81,010) | 10,231 | 3,306,388 |
| Theatre lease fund | 2,559,734 | - | (23,975) | - | 2,535,759 |
| Earlham Street | 3,803,756 | - | (123,623) | - | 3,680,133 |
| Fixed asset fund | 422,365 | - | (85,612) | 20,289 | 357,042 |
| **Total fixed assets funds** | 10,163,022 | - | (314,220) | 30,520 | 9,879,322 |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | 250,000 |
| Creative investment fund | 200,000 | - | - | (200,000) | - |
| **Total designated funds** | 450,000 | - | - | (200,000) | 250,000 |
| **Operational risk reserve** | 2,994,654 | 7,900,798 | (7,231,417) | 169,480 | 3,833,515 |
| **Total unrestricted funds** | 13,607,676 | 7,900,798 | (7,545,637) | - | 13,962,837 |
| **Restricted funds:** | | | | | |
| Resident Assistant Director | 9,157 | - | (9,157) | - | - |
| Catalyst | - | 28,333 | (42,583) | 14,250 | - |
| Production support | - | 263,250 | (263,250) | - | - |
| Resident Design Assistant | 14,250 | - | - | (14,250) | - |
| Pay it forward funds | 123,085 | - | (31,615) | - | 91,470 |
| Pathways (Discover) | - | 10,333 | (10,333) | - | - |
| Donmar Local | - | 52,000 | (52,000) | - | - |
| Donmar Discover Programme | - | 208,348 | (208,348) | - | - |
| Donmar refurbishment | - | 6,000 | (6,000) | - | - |
| Warehouse understudies | - | 120,000 | (120,000) | - | - |
| NHS tickets | 9,168 | - | (9,168) | - | - |
| Barclays £10 tickets | - | 30,000 | (5,973) | - | 24,027 |
| **Total restricted funds** | 155,660 | 718,264 | (758,427) | - | 115,497 |
| **Total funds** | 13,763,336 | 8,619,062 | (8,304,064) | - | 14,078,334 |

**19 General and restricted funds** *(continued)*

| Charity – prior year | Balance 1 April 2022 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2023 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,377,167 | - | (81,010) | 10,231 | 3,306,388 |
| Theatre lease fund | 2,559,734 | - | (23,975) | - | 2,535,759 |
| Earlham Street | 3,803,756 | - | (123,623) | - | 3,680,133 |
| Fixed asset fund | 422,365 | - | (85,612) | 20,289 | 357,042 |
| **Total fixed assets funds** | 10,163,022 | - | (314,220) | 30,520 | 9,879,322 |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | 250,000 |
| Creative investment fund | 200,000 | - | - | (200,000) | - |
| **Total designated funds** | 450,000 | - | - | (200,000) | 250,000 |
| **Operational risk reserve** | 3,803,117 | 6,849,122 | (6,920,399) | 169,480 | 3,901,320 |
| **Total unrestricted funds** | 14,416,139 | 6,849,122 | (7,234,619) | - | 14,030,642 |
| **Restricted funds:** | | | | | |
| Resident Assistant Director | 9,157 | - | (9,157) | - | - |
| Catalyst | - | 20,000 | (33,969) | 14,250 | 281 |
| Production support | - | 263,250 | (263,250) | - | - |
| Resident Design Assistant | 14,250 | - | - | (14,250) | - |
| Pay it forward funds | 123,085 | - | (31,615) | - | 91,470 |
| Pathways (Discover) | - | 10,333 | (10,333) | - | - |
| Donmar Local | - | 52,000 | (52,000) | - | - |
| Donmar Discover Programme | - | 208,348 | (208,348) | - | - |
| Warehouse understudies | - | 120,000 | (120,000) | - | - |
| **Total restricted funds** | 146,492 | 673,931 | (728,672) | - | 91,751 |
| **Total funds** | 14,562,631 | 7,523,053 | (7,963,291) | - | 14,122,393 |

## 20 Analysis of net assets between funds

| **Group** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2024 £** |
|---|---|---|---|---|
| Fixed assets | **150,001** | **9,712,741** | **-** | **9,862,742** |
| Current assets | **5,965,545** | **400,000** | **147,236** | **6,512,781** |
| Current liabilities | **(1,829,179)** | **-** | **-** | **(1,829,179)** |
| | **4,286,367** | **10,112,741** | **147,236** | **14,546,344** |

| **Charity** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2024 £** |
|---|---|---|---|---|
| Fixed assets | **150,003** | **9,702,203** | **-** | **9,852,206** |
| Current assets | **5,717,368** | **400,000** | **92,633** | **6,210,001** |
| Current liabilities | **(1,301,943)** | **-** | **-** | **(1,301,943)** |
| | **4,565,428** | **10,102,203** | **92,633** | **14,760,264** |

| **Group** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2023 £** |
|---|---|---|---|---|
| Fixed assets | 3 | 9,879,322 | - | 9,879,325 |
| Current assets | 8,010,310 | 250,000 | 115,497 | 8,375,807 |
| Current liabilities | (4,176,798) | - | - | (4,176,798) |
| | 3,833,515 | 10,129,322 | 115,497 | 14,078,334 |

| **Charity** | **Restated General funds £** | **Restated Designated incl fixed asset funds £** | **Restated Restricted funds £** | **Restated 2023 £** |
|---|---|---|---|---|
| Fixed assets | 4 | 9,879,322 | - | 9,879,326 |
| Current assets | 6,023,211 | 250,000 | 91,751 | 6,364,962 |
| Current liabilities | (2,121,895) | - | - | (2,121,895) |
| | 3,901,320 | 10,129,322 | 91,751 | 14,122,393 |

For details of the prior year restatements see note 16.

## 21 Analysis of cash and cash equivalents

| | Group 2024 £ | Group 2023 £ | Company 2024 £ | Company 2023 £ |
|---|---|---|---|---|
| Short-term deposits held | **4,626,830** | 4,467,160 | **3,417,112** | 3,778,070 |
| Cash balances | **6** | 10,294 | **6** | 10,294 |
| | **4,626,836** | 4,477,454 | **3,417,118** | 3,788,364 |

All cash at bank is held in deposit accounts, the majority of funds are immediately liquid, with £500k held in a 1, 2 and 3 month fixed deposit accounts. The Charity holds no investments other than the shareholding of its subsidiaries and joint venture.

## 22 Analysis of net debt

| | At 1 April 2023 £ | Cash flows £ | Foreign exchange £ | At 31 March 2024 £ |
|---|---|---|---|---|
| Short-term deposits held | 4,467,160 | 163,071 | **(3,401)** | **4,626,830** |
| Cash balances | 10,294 | (10,288) | **-** | **6** |
| | 4,477,454 | 152,783 | (3,401) | **4,626,836** |

## 23 Pension and other post-retirement benefit commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund held by Aviva. The pension cost charge represents contributions payable by the group to the fund.

| | 2024 £ | 2023 £ |
|---|---|---|
| Contributions payable for permanent staff | **129,905** | 103,386 |
| Contributions payable for staff working on productions | **25,760** | 26,410 |
| Total contributions payable by the group for the year | **155,665** | 129,796 |

At the year end there were £3,928 outstanding pension contributions due (2023 - £4,738).

## 24 Related party disclosures

During the year the company recharged costs of £1,413,424 (2023 - £1,219,240) to Donmar Productions Limited (”DPL”) and paid DPL £2,493,143 (2023 - £2,688,386) to produce certain shows. DPL also gift aided profits of £16,801 (2023 - £161,746) to the company. At the end of the year the company was owed £1,777,308 by its wholly owned subsidiary Donmar Productions Limited (2023 - £1,860,538).

During the year the company recharged costs of £138,483 (2023 - £Nil) to Donmar Theatre Catering Limited ("DTCL"). DTCL also gift aided profits of £66,769 (2023 - £Nil) to the company. At the end of the year the company was owed £158,953 by its wholly owned subsidiary Donmar Theatre Catering Limited (2023 - £16,067). Donmar Theatre Catering also owed Donmar Productions £502 (2023 - £Nil) at the end of the year.

During the year the company invoiced £87,345 (2023 - £Nil) to Birnam Wood Films Limited for invoices incurred on their behalf. There were no other transactions during the year and no outstanding intercompany balances at year end.

All of the above transactions were conducted at arm's length and permission is granted for them in the company’s memorandum and articles.

The charity received an aggregate amount of £110,000 in donations from trustees during the year (2023 - £69,640). Included in this amount are restricted donations of £45,000 (2023 - £16,000), £45,000 towards Productions (2023 - £10,000) and £Nil (2023 - £6,000) towards the Capital works.

One of the Trustee's has underwritten £25,000 of the Birnam Wood Investment, due if the Donmar is not able to sufficiently recover its investment.

There were no other related party transactions.

## 25 Operating lease commitments

At 31 March 2024 the Company had annual commitments under non-cancellable operating leases as follows:

| | **2024** | **2023** |
|---|---|---|
| | **£** | **£** |
| **Land and buildings** | | |
| Expiry date: | | |
| Within one year | **53,329** | 51,535 |
| Between one and five years | **140,204** | 168,462 |
| Due after five years | **6,993,562** | 7,018,630 |
| | **7,187,095** | 7,238,627 |
| **Equipment** | | |
| Expiry date: | | |
| Within one year | **42,255** | 39,239 |
| Between one and five years | **164,420** | 102,254 |
| | **206,675** | 141,493 |
| | **7,393,770** | 7,380,120 |

**DONMAR WAREHOUSE PROJECTS LIMITED**

England & Wales - Charity number 284262

# Accounts

# Donmar Warehouse Projects Limited

Trustees' Report and Financial Statements

Year Ended

31 March 2023

Company Number 01611861

Charity Number 284262

# Donmar Warehouse Projects Limited

**Contents and company information**
**for the year ended 31 March 2023**

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| 22 | Consolidated and charity balance sheet |
| 23 | Consolidated statement of cash flows and net debt |
| 24 | Notes to the accounts |


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**Trustees**
A Kenwright (Chair)
T Lee
M Longhurst
T Ross [Scantlebury]
A Romeo
J Smith
L Msamati
N Blair
S Carson
J Kanagasooriam
H Thompson
M Goodey (appointed 9 March 2023)

Honorary Life President: R Wingate
Company secretary: R Tyson

**Registered office**
3 Dryden Street, London, WC2E 9NA

**Company number**
01611861

**Charity number**
284262

**Bankers**
Coutts & Co., 440 Strand, London, WC2R 0QS

**Auditor**
Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

**Senior Management**
Michael Longhurst, Artistic Director
Henrietta Finch, Executive Director

# Donmar Warehouse Projects Limited

## Trustees' report
## for the year ended 31 March 2023

The Directors (who are also the Trustees of the charity) present their report and financial statements for the year ended 31 March 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The company is a registered charity, (registered number 284262) and company limited by guarantee (registered number 01611861). The company is incorporated under the Companies Act 2006 and is governed by its Articles and Memorandum of Association dated 05 February 1982 as amended 4 July 2016.

**Principal activities**
The objects of the charity are to promote, maintain, improve and advance education particularly by the encouragement of the Arts including the arts of drama, ballet, music, singing, literature, sculpture and painting. The company meets these through continuing to produce and present theatrical productions at the Donmar Warehouse Theatre.

Donmar Warehouse Projects Limited has four wholly owned subsidiaries (further details are given in Note 15 of the financial statements). The results of Donmar Productions Limited and Donmar Theatre Catering are consolidated into these financial statements. The results of Donmar in the West End Limited and Donmar Films Limited have not been consolidated on the grounds that their results are not material to the group. Donmar Productions Limited receives income from commercial trading contracts and its taxable surplus is paid by gift aid to Donmar Warehouse Projects Limited. Donmar Warehouse Projects Limited is the rights holder for the productions but commissions its theatrical pieces to Donmar Productions Limited, which acts as a production company. Donmar Theatre Catering receives income from the bar operations and its taxable surplus is also paid by gift aid to Donmar Warehouse Projects Limited.

**Strategic report**
The sections below constitute the Strategic Report for the purposes of the Companies Act 2006.

2022/23 at the Donmar
Our Mission
Our Strategic Objectives
Financial Viability
Reserves policy and Risk management
Public Benefit

**2022/23 at the Donmar**
2022/23 was our first full year of productions since reopening post Covid, and although we were still affected by Covid leading to the cancellation of some performances, we remained open all year and have felt growing confidence from audiences.

Programming during the year has appealed to a range of audiences and for the first time we ran two shorter projects during the summer on the main stage with specific appeal to younger audiences (*The Trials*) and in *Silence*, co-production with Tara, we worked with British artists of South Asian heritage and brought a new community to the theatre. Our work with children and communities went from strength to strength this year, focussed on the participatory project The Trials, and we also continued to invest in talent and skills development for ourselves and the sector.

In November we celebrated our 30th birthday with a joyous gala evening featuring alumni artists and all three of our former Artistic Directors in attendance alongside current staff and our loyal supporters.

**2022/23 at the Donmar** *(continued)*
Midway through the year, we learned that our application to remain part of Arts Council England (ACE)'s National Portfolio of funded organizations had been unsuccessful. Although only representing 7% of turnover, it was very challenging to lose this regular funding and we remain in a process of business transition (with transitional funding from ACE continuing until October 23) towards a model that will be sustainable in the absence of government subsidy. The Government's decision to retain Theatre Tax Relief at its higher level for two further years has partially mitigated against the loss of NPO funding for the time being and we welcome it wholeheartedly.

Despite the challenges relating to the final stages of the Covid pandemic and the change in our ACE funding status, we have had a successful year both creatively and financially and we remain committed to our mission below and to delivering value to all our stakeholders as we look to the future.

Finally, as Michael Longhurst came to the end of his 5 year contract as Artistic Director, we launched a recruitment process for his successor and were delighted to appoint Tim Sheader to the post, starting as Artistic Director Designate in December 23 and as Artistic Director and Joint CEO in March 24. The new Artistic Director is expected to take up their post in early 2024 to join the strong and highly skilled team for the next stage of the Donmar's journey.

**Our Mission**
The Donmar Warehouse makes unmissable, exceptional productions of classic plays, new works by leading writers, and intimate musicals to thrill and inspire our audiences. In our converted Covent Garden warehouse space, in the heart of London's West End, audiences experience the power of live performance up close, sitting no more than four rows away from the action. The Donmar has blazed a trail for thirty years creating legendary performances by some of the world's greatest artists, reaching global audiences through transfers across the West End, Broadway and beyond, and that legacy is the foundation of our approach today. We enable exceptional emerging talent to find new routes into the industry, and we create extraordinary opportunities for local young people. Core to our work is the belief that embracing a diverse range of voices enriches us all, fostering a more empathetic society. The Donmar's audiences are passionate about theatre, and we are passionate about them. We want to make them think, make them feel, and inspire them to return.

Our objectives are:

- **Make unmissable, exceptional productions of classic plays, new works by leading writers, and intimate musicals to thrill and inspire our audiences.** We will create a balanced season of outstanding work in which established artists will create their best work and artists we believe are talented and ready to work on the Donmar stage will be supported and developed.

- **Invest in talent and skills** among under-represented groups, for ourselves and the sector. Routes to employment in the cultural industries will be clearer, more accessible and more inclusive.

- **Our LOCAL work** facilitates partnerships with schools and local authorities to make the Donmar an essential cultural provider in our home boroughs, building lasting connections with young audiences.

- **We hold ourselves and our artists accountable to high standards of sustainability practice**

- **Welcome a broad range of people through our doors**, prioritising developing younger and more diverse audiences alongside our core groups

- **We have a high-functioning, inclusive and motivated workforce**, which remains nimble and open to new opportunities and ideas.

- **All our work is underpinned by a deep commitment to equality, diversity and inclusion.**

This year, we have delivered against these objectives in the following ways:

## 1. Our work on stage

This year's programme showcased the Donmar at its best - platforming a range of work, including new writing, revivals of classic titles, prestigious UK premieres, acclaimed new musicals and important, timely plays that speak to our communities and the world around us.

The year's projects were:

### Marys Seacole

The UK premiere of Jackie Sibblies Drury's dazzling, kaleidoscopic biopic ran at the Donmar in Spring 2023. The production was directed by Nadia Latif and starred Kayla Meikle as the eponymous pioneering Jamaican nurse. The play represented the Donmar's commitment to staging exciting new writing, and showcasing the finest of contemporary American playwrights to a UK audience.

### A Doll's House, Part 2

Lucas Hnath's audacious follow up to the Ibsen classic was directed by James Macdonald, returning after his 2018 production of Congreve's The Way of the World. Double Olivier Award-winner Noma Dumezweni led a strong ensemble cast also featuring June Watson, Brian F O'Byrne and Patricia Allison. The theatre was reconfigured to present the play in the round, increasing the capacity of the theatre and bringing a blistering intimacy to Hnath's razor-sharp text.

### The Trials

As part of the Donmar's continued work around sustainability and the climate crisis, Dawn King's timely and gripping new play was produced specifically to minimise the environmental impact of the theatre-making process as much as possible. Featuring a mix of next generation talent and leading actors, the production ran for two sellout weeks during the summer season, described by WhatsOnStage as "staggeringly truthful and direct ... urgent viewing".

### Silence

In recognition of the 75th anniversary of the Partition of India, Silence was a co-production with Tara Theatre, adapting Kavita Puri's Partition Voices, a collection of remarkable personal testimonies from people who lived through the last days of the British Raj. Four writers of British and South Asian heritage worked together with Tara Artistic Director Abdul Shayek to create a "moving and immensely powerful piece of theatre" that transferred to Tara's Earlsfield venue following its successful run at the Donmar.

### The Band's Visit

Michael Longhurst directed the UK premiere of this Tony Award-winning musical by David Yazbek and Itamar Moses. Taking place in a quiet desert town in Israel, the show followed a group of lost Egyptian musicians, who spent one night far from home that would stay with them forever. The production was a financial and critical success, receiving five stars from the Telegraph – "a musical made of magic to send the soul soaring". The Band's Visit was nominated for 6 Olivier Awards including Best New Musical.

### Watch on the Rhine

Renowned US playwright and activist Lillian Hellman's 1941 work was revived across Christmas 2022. Directed by Ellen McDougall, the play examined the encroach of fascism into the comfortable homes of upper class Americans at the dawn of the Second World War. Patricia Hodge starred alongside acclaimed German stage star Mark Waschke, in a run that sold out and received five and four star reviews across the board. Despite being a lesser known title, this play supported the Donmar's commitment to reviving classic, timeless texts that resonate with modern audiences as much as they did when they were first produced.

## 1. Our work on stage *(continued)*

**Trouble in Butetown**

The 2022/23 season finished with a world premiere commissioned by the Donmar. George Devine Award-winning playwright Diana Nneka Atuona's play, a "gripping ensemble drama" took a look inside an illegal boarding house in 1940s Cardiff – a port town during the war and home to souls from every corner of the globe. The production starred Sarah Parish and was directed by Tinuke Craig, platforming a range of global majority artists and new writing by one of the country's most exciting voices.

## 2. Skills development

Following a successful pilot, our CATALYST skills development programme ran successfully for a second year, with 11 roles offered across the creative and administrative trainee pathways. These roles have supported people from historically under-represented backgrounds at the Donmar, and in the wider sector, access paid training opportunities with support from industry-leading mentors.

Alongside the CATALYST programme, we have once more offered two 12-month Resident Assistant Director positions, who have worked closely with six directors as assistant directors on Donmar productions, and supported the Literary, Participation and Development teams.

Through our Participation work, we have run a work experience programme, Pathways, delivered an introductory writing course for 16-19 year olds, LOCAL Writers, and introduced a new programme, Junior Creative Assistants (JCA). The JCA programme has supported young people in getting behind the scenes access to the creative process of creating a production at the Donmar, with a series of taster workshops delivered in partnership with Royal Central School of Speech and Drama, resulting in five paid young assistant posts on our mainstage production of The Trials.

## 3. Donmar LOCAL

In response to local need, we have continued to work with local schools and communities, ensuring a wealth of creative opportunities are available to under 25s in our home boroughs. Our Donmar LOCAL programme supports the creation of theatre that centres the voices of our local community, develops future audiences, and supports pathways to careers in the creative industries.

- Westminster & Camden have highly diverse populations and wealth inequality with areas of affluence alongside significant deprivation. 43% of all children in Camden and 42% of all children in Westminster live in poverty once housing costs are accounted for. (Camden/Westminster Councils 2023). We prioritise working with schools with higher than London average free school meal ratio & students with English as an additional language.
- A significant decline in engagement with arts subjects at secondary school level. Children living in poverty are less likely to experience the arts outside school.
- Falling investment in young people: Westminster has reduced youth services budgets by 97% and Camden by 18% since 11/12.
- We work with Camden Council's Cultural Learning Partnership to support young people who experience physical, social and economic barriers to taking part. Participation in our projects supports personal development and wellbeing, develops confidence, develops skills and embeds interest in careers in the sector.

We delivered on our commitment to platform local young people's voices through presenting The Trials, a mainstage production, led by an ensemble of young people with an accompanying paid trainee programme. We also presented our LOCAL Residency performances in partnership with Holborn Community Association and Element, taking the Donmar into community spaces.

## 3. Donmar LOCAL *(continued)*

Through Donmar LOCAL, the Participation department have continued to deliver programmes that have been both innovative and essential. Projects in 2022-23 included:

- The Trials, the first mainstage Donmar LOCAL production, ran for 2.5 weeks. The process engaged 257 young people in the final stage of the process, through auditions and the Junior Creative Assistant programme
- 9 Schools' Performances delivered as part of our mainstage offer, working with 2,165 young people who received in-school workshops, free tickets and post show talks with the cast and creative teams
- Take the Stage, our flagship devising programme for young people, was delivered around two productions, working with 8 schools and 123 young people
- Our LOCAL Residency, Writers and Pathways programmes supported 94 young people to work intensively with artists and the Donmar staff team

## 4. Sustainability

2022-23 saw the conclusion of the Donmar's 'Climate Dramaturgy' project with Dr Zoë Svendsen. Over the past year, the organisation has worked with Dr Svendsen to create a holistic approach to environmental care across every aspect of the productions it creates. This includes, but is not limited to, ensuring that productions are scheduled in as timely a way as is feasible; mutual transparency around planning and collaboration; and practising care in relation to well-being and labour. We have found that vital to the reduction of environmental harm is time to undertake careful decision-making, and therefore we have created a new, longer term approach to creating productions that allows for a more 'climate positive' mindset to make work. The research will culminate in the presentation of Dr Svendsen's research to industry leaders, and the dissemination of resources created in collaboration with the Donmars producing team, shared freely with the sector to ensure that we are working collectively towards the mutual goal of sustainability.

## 5. Audiences

Ticket sales varied across productions in this year, with a notable improvement in advance sales from summer 2022 onwards, which is a trend across the sector as audience confidence returns post-Covid.

For Marys Seacole we worked with external consultants to reach new audiences for the production, and saw an increase in post-show survey respondents from the Global Majority. A Doll's House, Part 2 was staged in-the-round and, due to various factors including a resurgence of Covid in the summer, a new play and the additional seating, made this production a challenging sell.

The Trials had a good advance compared to previous shows in the season, with a short run and high demand on tickets due to the strong casting. We had 58% new bookers, and a significant number of younger audiences, encouraged by the Young+Free performance, and the introduction of under 30s tickets.

Silence also had better than usual advance sales, and attracted 38% new bookers, many of whom defined themselves as from a Global Majority background, according to our survey (30% of respondents). We were pleased to see a lack of price resistance for this production as well.

The Band's Visit had the strongest advance of any show since we reopened post-pandemic, with 68% capacity sold across the run before press night. We ultimately achieved 96% net Box Office sales.

After an initially slow start, advance sales for the latter half of the run of Watch on the Rhine picked up considerably, so much so that we were almost at capacity ahead of the revised press night in January. Due to cast illness and the show cancellations, a number of key press opportunities had to be pushed towards the end of the run, which meant they didn't have the impact on sales we had hoped for pre-Christmas. Ultimately we achieved 91% (with 3 cancellations). Trouble in Butetown achieved 78% net Box Office, after a slower advance sales period than the previous two shows.

Our social media accounts have continued to grow in followers with 32,026 followers on Facebook, 109,500 on Twitter and 46,200 followers on Instagram.

## 5. Audiences *(continued)*

We remain committed to reaching the widest possible audiences for our work and ensuring ticket prices are not a barrier to attend: our Young+Free ticket scheme gives over 4000 free tickets a year to audiences aged 26 and under; our Donmar Daily scheme makes 3500 tickets available to new and younger audiences starting at £10. To mark our 30th birthday we have also been able to offer £10 tickets for audiences aged under 30, thanks to support from Associate Sponsor Barclays.

We have also consistently achieved national media coverage with actors appearing across high profile broadcast and print media.

## 6. Access

This year we have expanded our access offer at theatre, offering our first ever relaxed performance at the venue. Every production offers a BSL, audio description and captioned performance. We offer touch tours pre show and visual storyboards when appropriate. We have a permanent hearing loop system and headsets at each performance and have a dedicated access champion and access ticketing support. We continue to work in partnership with VocalEyes to bring together audiences, artists and industry partners to develop new ways to facilitate audio descriptions, and ensure that audio description reflects the diversity of our work and audiences.

All attendees for interviews and new starters are specifically asked about access requirements as part of the application and onboarding processes. Both sites are fully accessible for patrons and staff.

## 7. Equality, diversity & inclusion

Our work to achieve greater representation in our work on stage, our audiences and out employees remains ongoing. This year, we programmed work by a range of global majority writers and directors, including Jackie Sibblies Drury, Nadia Latif, Sonali Bhattacharyya, Gurpreet Kaur Bhatti, Ishy Din, Abdul Shayek, Diana Nneka Atuona and Tinuke Craig. In addition, our partnership with Theatre Royal Haymarket specifically supports two writers with protected characteristics.

Silence, the co-production with Tara Theatre, platformed South Asian voices and stories in remembrance of the 75th anniversary of the Partition of India. Later in the year, The Band's Visit featured a cast of predominantly Middle Eastern and North African performers, including Israeli star Miri Mesika and leading Egyptian film actor Alon Moni Aboutboul. Michael Longhurst worked with diverse voices to ensure that the representation of these communities in the production was respectful and authentic.

- We recruited an anti-racism and inclusion lead as part of our workforce. They have worked with the General Manager to shape, develop and embed anti racism and inclusion practices and policies which include:
- Developing a transparent reporting process to investigate complaints
- Creating an anti-racism and inclusion policy for all staff and freelancers
- Enacting a confidential reporting email
- Committing to compulsory and regular staff training
- Publishing an outward facing 'welcome statement' to ensure guests understand our beliefs and policies
- Introducing a shadowing scheme, Elevate, to look at routes into Senior Management for underrepresented groups

We continue to make significant steps to diversify our workforce and have achieved our target of 20% Global Majority staff by 2023, reaching 24.4% Global Majority and 18.3% Disabled staff in FT roles and 40% Global Majority, 9.6% Disabled in PT roles. We created 3 positive action traineeships for administrative roles, which provided new routes into the workforce for Global Majority candidates.

We recruited 30 new starters in the year 22/23 into substantive posts; 33.3% of new starters identify as being from the Global Majority. We have added access rider questions onto all interviews and new starter onboarding processes.

### 7. Equality, diversity & inclusion *(continued)*

Our leadership team is currently much less diverse than the wider team, we created a mentoring and shadowing programme which seeks to increase representation at a senior level and a key goal moving forwards is to increase representation in key leadership and programming roles.

We have revised our monitoring processes to be more inclusive and representative of the wider population.

### 8. Operations and culture

To support well-being we have an Employee Assistance Programme, offering counselling, management, relationship and financial support service available to all staff, 24 hours per day. We have positive feedback from staff who have used the service. We continue to work with an HR consultant who offers 1- 1 drop in sessions each month for staff to book and attend confidentially. Themes of these sessions are reported to the General Manager and Executive Team.

We ran our first annual staff survey since Covid; 76% of substantive staff completed the survey. Key findings and trends were:

- The strongest positive feedback area is our Anti- Racism and Inclusion work.
- There is a strong theme of bringing the office and theatre together more, socially and at work.
- Line Managers perform consistently well in feedback.
- Theme to develop more flexible working and taking TOIL culture, use of comms out of hours
- Mental Health is the lowest performing area in the survey.
- Policies are read and understood.

This year we relaunched our working groups, EDI, culture and comms, sustainability and health and safety.

In 2022/23 staff training programmes have included management, networking, mental health first aid, neurodiversity, first aid, attendance at industry conferences and 1-1 coaching for managers.

Our freelance council made up of 7 people from various backgrounds and disciplines, chaired by a board member, continues to meet quarterly. Members are paid for their time to attend sessions.

**Financial Review**
The Donmar's £8.6m revenue (2021/22 : £6.0m) is principally drawn from production income £4.5m (2021/22: £1.5m), fundraising, £3.0m (2021/22 : £2.7m), support of the Arts Council, £0.5m (2021/22: £1.1m – includes Cultural Recovery Grant), and trading income, £0.6m (2021/22: £0.7m).

Total income has increased year on year as we had a full year of productions, an increase in fundraising income and an increase in Theatre Tax Relief. Production income was up with five main Productions and two smaller Productions in the year versus four main Productions in 21/22. Fundraising was up 12% due an increase across all areas but mainly due to Individual donations, increased Trust and Foundation support for Education programmes, and Production Support. The Theatre Tax Relief was increased by the Government to 45% (from 20%) and this has resulted in income of £1.2m (2021/22 : £0.1m). The Donmar also received Government support in the year through Art's Council Funding £0.5m (2021/22 : £1.2m).

The Donmar remains committed to investing as much of its income as possible in the work it produces on the stage whilst offering accessibility and value for its supporters and for the public money we receive. Direct production expenditure was £5.1m (2021/22 : £3.0m), accounting for 61% of total expenditure and exceeded box office revenue by over £0.6m. Our public subsidy accounted for 6% of total income, relatively low amongst peers.

The other key expenditure area is staff and personnel (permanent staff headcount: 64, 2021/22: 52) which is £2.5m (2021/22: £1.9m), equating to 30% of our total general expenditure (2021/22: 33%).

**Financial Review** *(continued)*
Our Reserve position remains positive ending the year with £14.1m Total Funds split between Restricted £0.1m, General £3.9m, Designated £0.3m and Fixed Assets £9.9m.

Post Covid we are now running a full programme and the increase in income and costs has been tightly managed to allow us to show a net profit of £0.3m (2021/22: £0.2m). This profit will help bolster our current reserve position (page 10 and 11), and enable the management team to mitigate the loss of the Arts Council Income and to continue to operate a sustainable model.

**Fundraising**
Total fundraising income was £3.3m (38% of total income) (2021/22: £2.7m), which was principally income from individuals at £1.9m (2021/22: £1.5m), commercial trading operations (corporate sponsorship), £0.9m (2021/22: £0.5m) and £0.5m in revenue from Trusts and Foundations (2021/22: £0.3m).

Overall, membership numbers were slightly higher across all levels. Ticket usage/event attendance was strong for popular shows, such as The Band's Visit and Watch on the Rhine, but less so over the summer for Marys Seacole, A Doll's House Part Two, Silence and The Trials.

We ran a successful appeal (Donmar Tomorrow) focused on the news of our exit from the ACE portfolio which raised a significant level of funds and our communications around this were particularly well received. Additionally, we celebrated the 30th Birthday of the organisation with a special event that attracted some of our most important supporters. Notably, we were successful in new major asks, some with multi-year pledges, meaning we can be in a strong position at the start of 23/24 in terms of committed revenue.

Our main corporate partners renewed their support as per existing contracts, and we were able to successfully recruit new corporate partners thanks to new introductions by the Development Board.

Trust and Foundation performance was very strong, with particularly generous support from the Backstage Trust and increased multi-year support from other existing funders.

**Fundraising disclosures**
The Donmar fundraising team raises funds primarily through offering a range of membership packages which are supported by benefits and specialist events, securing donations which are typically linked to a specific activity (e.g. production support), grants from trust and foundations, and through corporate sponsorship agreements. The Donmar does not engage any professional third-party fundraisers to make approaches to individuals on our behalf or involve commercial participators.

All direct marketing is undertaken by the fundraising department to ensure that it is not unreasonably intrusive or persistent. Aside from current members who receive regular updates via post and email to ensure that they can make the most of membership benefits, contact is made through direct marketing at the time of our programming announcements, usually twice per year. All marketing material contains clear instructions on how a person can be removed from mailing lists.

The Donmar is GDPR compliant and our fundraising team and senior staff adhere to the Fundraising Codes of Conduct and Standards of Research as laid out by the Fundraising Regulator. We have an Ethics Policy in place. This covers ethical fundraising practice and process. It is endorsed by our board, and overseen by the Ethics and Reputation Committee. There have been no complaints about our fundraising activity this year.

**Financial Viability**
The financial viability of the Donmar is overseen by the Audit, Finance and Operations (AF&O) Committee. The committee oversees and evaluates the monthly financial figures for the organisation, led by the Executive Director (ED) and the Head of Finance (HoF). The AF&O reports to the Board and the Board has final sign off on the annual budget. The Board appoints external auditors, and commissions and considers reports as necessary, analysing risks raised through these processes.

**Financial viability** *(continued)*
The key financial risks to the Donmar include

- The change in Artistic Director leading to loss of production or fundraising income and a potential increase to staff turnover,
- The impact on the Donmar due to the loss of the Arts Council England's National Portfolio Organisations (NPO) grant funding,
- The on-going impact of Covid on the production costs including insurance and understudies and the potential impact of any show cancellations,
- High inflation and the current cost of living increases are impacting both the Donmar's cost base as well as ticket sales and staff retention, and,
- Theatre Tax Relief which, when reduced, will impact our revenue.

While the management team and the AF&R committee continue to review, adapt and respond to these risks, should these inflows change materially or stop, this would likely necessitate a change to our operating model and impact the quality of the work we produce and our public benefit. To help mitigate this risk the Donmar has diversified its income streams by renting out office and residential space and by engaging with Commercial partners. This helps to lessen the Donmar's dependence on fundraising, and where possible the Donmar continues to look for structural ways to reduce the in-year risk associated with fundraising income, and implements careful performance and cost management to build resilience for future years. We have set a reserves policy to hold a sufficient amount in the risk reserve to support the organisation to transition to a new operating model in the event these income streams are affected.

The management team continues to tightly manage its reduced costs base and expenditure is managed across the organisation through structured meetings between budget holders and the Finance department on a monthly basis. The reviewed figures are then considered by the Head of Finance (HoF) and reported monthly to the Executive Director and the Artistic Director. Budgets have built-in contingencies and there is an overall organisational contingency each financial year, managed by the Executive Director. Organisationally, the budgets are overseen by the Executive Director and managed by the HoF and senior management team with the Director of Development leading on the majority of income generation and the Senior Producer leading on the majority of expenditure on the productions.

**Going concern**
The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12-month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 12, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

The Trustees continue to give particular consideration to the change in Artistic Director, the loss of the NPO funding, the cost of living crisis and the on-going effect of Covid-19, reviewing the impact of these risks on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable. When reviewed in August 2023, it was noted that the change to the Artistic Director and the loss of the NPO funding could be supported through reserves until the new commercial strategy comes fully into effect. Covid -19 production cancellations have significantly decreased, however we continue to review this risk as well as the impact of the cost of living on the Donmar's Finances. Development income has increased and continues to deliver good value for the organisation and the management team continue to review and where appropriate implement cost saving initiatives in order to achieve further sustainability.

At the end of June 2023, the Donmar Warehouse had cash of £4.8m, fixed asset of £9.9m, net liabilities of £0.3m and cash reserves of £4.5m (£0.1m restricted). Cashflow forecasts show cash dropping down to its lowest point of £3.7m (including restricted reserves of £0.1m) over the next 12 months. Given the Donmar's reserves position and track record, The Board remain satisfied that Donmar Warehouse will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

**Reserves Policy and Risk Management**
The Trustees consider the risks to the charity at each quarterly Board meeting and ensure that systems and procedures are established to mitigate the risks identified. At each meeting the Board also reviews the latest Risk Register prepared by the Executive which outlines the production related risks including health and safety as well as financial, reputational and strategic risks.

The Trustees consider the change in Artistic Director, staff turnover due to the cost of living crisis, the on-going Covid-19 pandemic, the results of the NPO application and the reliance on fundraising as the major short to medium term risks to the charity. A change in Artistic Director has traditionally lead to an increased risk around loss of staff and potentially lower initial box office and fundraising income dependant on programming. The cost of living crisis has meant staff have left to take better paid roles outside the Arts and also created a skills shortage which is impacting the Arts sector employment market. The Covid-19 pandemic continues to be a concern for planned performances as it is not covered by insurance. The Donmar's loss of NPO funding has resulted in a 9% loss in income which has been mitigated by the increased Theatre Tax Relief rate. The Donmar's reliance on fundraising income remains an on-going risk due to change in artistic director and a more challenging fundraising sector. These risks are reflected in the investment in the Operational Risk Reserve which is discussed below.

Tangible Fixed Asset Funds
Building Maintenance Fund
Operational Risk Reserve

The **tangible fixed asset fund** represents the value of the Donmar's fixed assets: the lease of the Donmar Theatre at Earlham Street, the lease and capitalised costs of the office at Dryden Street, the capitalised costs of the redevelopment project, and the book value of fixtures and fittings.

The Donmar holds one designated reserve:

**Building Maintenance Fund:** The Donmar retains a reasonable sum within the theatre maintenance fund to cover unbudgeted and/or uninsured repairs and maintenance. This fund has been built in recent years to reflect the age of some of the theatre infrastructure. We expect this will be spent partially each year and refilled from surpluses as is possible.

The **operational risk reserve** reflects the risk profile and risk register of the Donmar. It is set at a level that should allow the Donmar to continue to operate in the event of a short fall in fundraising, trading income, box office income or Arts Council core grant. The policy is to hold at least 25% of forecast income for the forthcoming year or a minimum of £1.25m, whichever is higher and any excess above this is used as determined appropriate by the Board for any specific risks or objectives the Donmar has in the year ahead. As at the 31 March 2023 the operational risk reserve was £3.5m (2022 - £3.0m) this is 18% above the targeted 25%.

**Restricted funds**
The Donmar holds a number of restricted funds which are detailed at page 40-45. The total value of restricted funds at 31 March 2023 was £115,497 (2022: £155,660).

The Trustees are satisfied that sufficient reserves are currently being held by the Donmar and we intend to sustain our risk reserve at a minimum of 25% of our annual revenue.

**Public Benefit**
This year the Donmar has continued to inspire audiences, grow skills and nurture young people by:

- Making inclusive, relevant, world-class work that thrills audiences in our 251 seat theatre and online
- Employing talented and diverse creative teams and acting companies
- Investing in skills development and training to grow a diverse and highly skilled workforce for the theatre sector
- Maintaining access through captioned, audio described and touch tour performances
- Broadening and diversifying our audiences and workforce
- Playing an active role in our community, working with schools and local young people from disadvantaged backgrounds.

**Public benefit** *(continued)*

- Looking outside our company and considering the impact of our business, with the aim of achieving a greener understanding of how a sustainable, efficient theatre can operate and add value to our community
- Maintain financial stability and value for money for our funders, whilst keeping ticket prices low

In planning the activities of the charity the Trustees have given due regard to the Charity Commission's guidance on public benefit and, in particular, the specific guidance for fee charging charities. As mentioned above the Trustees believe that the activities of the charity in the year confirm its ability to provide current and on-going benefit to the public.

**Future Plans**

The Donmar's future plans are to continue to work towards delivering our objectives and deliver the following productions in 2023/24:

- When Winston Went to War with the Wireless - Jack Thorne's new play explores the tensions between John Reith and Winston Churchill around the use of the BBC as a propaganda tool, set against the background of the General Strike. Directed by Katy Rudd, the play could not be more timely, with topics that speak to the present day. (02 June - 29 July 2023)

- Next to Normal - the Pulitzer Prize-winning musical by Tom Kitt and Brian Yorkey will make its long awaited UK première at the Donmar Warehouse (12 August - 07 October 2023) in a new production directed by Artistic Director Michael Longhurst. The critically acclaimed piece is an intimate exploration of family and loss, and will star Broadway and West End leading lady Caissie Levy.

- Clyde's - writer Lynn Nottage and director Lynette Linton reunite for the European première of this hilarious and hopeful play, the follow up to their five-star Donmar production of Sweat which transferred to the West End in 2019. (13 October - 02 December 2023).

- Macbeth - Donmar Associate Director Max Webster will direct David Tennant and Cush Jumbo in a spellbinding new production of Shakespeare's most extraordinary psychological drama. The run sold out within 20 minutes of going on public sale, and will run from 08 December 2023 - 10 February 2024.

**The Executive and staff**

The Executive comprises the Artistic Director and Executive Director, who are Joint Chief Executives. The Executive is supported by a team of 49 full time and 22 part time employees including a Senior Management Team of 8. The Executive and SMT meet weekly to plan the delivery of activity, report on progress against organisational KPIs and discuss staff welfare and culture. Alongside our core staff we have a team of Artistic Associates and a Freelance Council.

The Donmar is committed to paying its employees a fair salary that is competitive within its industry and dependant on the complexity of the role. In determining the right level of pay the Donmar has a remuneration and bonus policy, detailed appraisal process and regularly reviews and benchmarks the pay, benefits and total compensation. We benchmark against other arts organisations.

The Governance, Nominations and Remuneration committee is responsible for reviewing and benchmarking the pay of the Executive team and the Executive is responsible for reviewing and benchmarking the pay of the Senior Management team.

**Board of Directors**
The Board of Directors met four times in 2022/23 for scheduled meetings and once for an extraordinary meeting. The Directors of the company are also Trustees for the purpose of charity law. The board supervises the activities of the charity with day to day activity delegated to the Executive and Senior Management.

Donmar Warehouse Projects Limited is a company limited by guarantee and not having share capital.

The following Directors have held office since 1 April 2022

Adam Kenwright
Neil Blair (appointed 23 June 2022)
Susan Boster (resigned 1 March 2023)
Sarah Carson (appointed 23 June 2022)
William Eccleshare (resigned 1 March 2023)
Jonathan Kanagasooriam (appointed 23 June 2022)
Tiina Lee
Gerard Lemos CMG (resigned 9 March 2023)
Michael Longhurst
Antonia Romeo
Tessa Ross CBE [Tessa Scantlebury]
June Sarpong OBE (resigned 11 July 2023)
Jonathan Smith
Hannah Thompson (appointed 23 June 2022)
Lucian Msamati
Mark Goodey (appointed 9 March 2023)

Honorary Life President: Roger Wingate

In addition to the Board, there is a structure of Committees focusing on key areas of the organisation, which feed directly into the Board in an advisory capacity:

- Audit, Finance & Risk
- Development
- Ethics & Reputation
- Governance, Nominations & Remuneration

The membership of these Groups is a mix of Board members, Executive, SMT, and external members who provide expert knowledge on the Group's remit. The Groups and Board are administered by the General Manager, supporting both the Executive and the Trustees.

**Recruitment and Appointment of Trustees**
Throughout 2022/2023, the board and executive have been actioning an external governance review. This included a review of the membership.

In October 2022 Susan Boster and William Eccleshare retired. In June 2022 we welcomed 4 new board members, Neil Blair, Sarah Carson, Jonathan Kanagasooriam and Hannah Thompson following an open recruitment process. In March 2023 Gerard Lemos resigned and Mark Goodey was appointed.

The Board is 46% female and 33.3% global majority.

**Trustee induction and training**
New Trustees receive all necessary documentation so as to understand their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the workings of the Board of Management and the decision-making process.

New trustees are provided with an induction document, trustees policies, scheme of delegation and role descriptions. All were briefed by the General Manager and/ or Executive. They connect with members of the Senior Management Team where necessary may understand relevant areas of the organisation.

**Subsidiary**
Donmar Productions Limited is a wholly owned trading subsidiary responsible for producing the Donmar's productions as well as other commercial activities. Donmar Theatre Catering is a wholly owned trading subsidiary responsible for running the bar and catering operations at the Donmar. The Donmar's board appoint the directors of Donmar Productions Limited and Donmar Theatre Catering which comprise board members. The results are consolidated within these accounts as per note 15.

Donmar In The West End Limited and Donmar Films Limited are wholly owned subsidiaries that did not trade during the year (20/21 no trade). The Donmar's board appoints the directors of both entities which compromise board members. The results are not consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group (see note 15). Both these entities were stuck off in April 2023.

**Auditor**
BDO LLP resigned as auditors of the company and Sayer Vincent were appointed as auditors by the Directors. A resolution to appoint Sayer Vincent was passed by the Board.

**Related parties**
Details of related parties are included in note 25.

**Trustees' responsibilities**
The Trustees are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

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

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

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This Trustees' Report, which incorporates the Strategic Report on pages 1 to 15, was approved on behalf of the board by

A Kentwright

.....2023

30/10/23

## Independent auditor's report to the members of Donmar Warehouse Projects Limited

### Opinion

We have audited the financial statements of Donmar Warehouse Projects 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 parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group 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 Donmar Warehouse Projects Limited'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group 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 group 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.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including 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' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires 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; or

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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

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

**Auditor's responsibilities for the audit of the financial statements (continued)**

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

**Use of our report**

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

**Judith Miller** (Senior Statutory Auditor)
For and on behalf of Sayer Vincent LLP, statutory auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Date 29 November 2023

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

# Donmar Warehouse Projects Limited

## Consolidated statement of financial activities (Incorporating an income and expenditure account) for the year ended 31 March 2023

| | Note | Unrestricted funds £ | Restricted funds £ | 2023 Total £ | 2022 Total £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| **Donations:** | | | | | |
| Development income | 4 | **1,049,055** | **394,015** | **1,443,070** | 1,743,399 |
| Other grants and donations | 5 | **1,409,110** | **6,000** | **1,415,110** | 1,619,785 |
| **Charitable activities:** | | | | | |
| Production income | 6 | **3,073,451** | **263,250** | **3,336,701** | 1,355,405 |
| **Trading activities** | 7 | **2,356,328** | **54,999** | **2,411,327** | 1,275,694 |
| **Investments** | 8 | **12,854** | **-** | **12,854** | 399 |
| **Total income** | | **7,900,798** | **718,264** | **8,619,062** | 5,994,682 |
| **Expenditure on:** | | | | | |
| **Raising funds** | | **838,475** | **-** | **838,475** | 543,415 |
| **Charitable activities** | | | | | |
| Production expenses | | **6,707,162** | **758,427** | **7,465,589** | 5,240,892 |
| **Total expenditure** | 10 | **7,545,637** | **758,427** | **8,304,064** | 5,784,307 |
| **Net income in the year before transfers and tax** | 9 | **355,161** | **(40,163)** | **314,998** | 210,375 |
| Transfers between funds | 20 | **-** | **-** | **-** | - |
| **Net income in the year before tax** | | **355,161** | **(40,163)** | **314,998** | 210,375 |
| Tax payable | | **-** | **-** | **-** | - |
| **Net movement in funds** | | **355,161** | **(40,163)** | **314,998** | 210,375 |
| **Reconciliation of group funds:** | | | | | |
| Opening fund balances at 1 April 2022 | 20 | **13,607,676** | **155,660** | **13,763,336** | 13,552,961 |
| Closing fund balances at 31 March 2023 | 20 | **13,962,837** | **115,497** | **14,078,334** | 13,763,336 |

All amounts results are derived from continuing activities.
The company has no other recognised gains and losses other than those stated above.
The notes on pages 24 to 48 form part of these financial statements.

# Donmar Warehouse Projects Limited

## Consolidated and charity balance sheet
## at 31 March 2023

*Company number 1611861 (England and Wales)*

| | Note | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | **31,680** | 40,031 | **31,680** | 40,031 |
| Tangible assets | 14 | **9,847,642** | 10,122,991 | **9,847,642** | 10,122,991 |
| Investments | 15 | **3** | 3 | **4** | 4 |
| | | **9,879,325** | 10,163,025 | **9,879,326** | 10,163,026 |
| **Current assets** | | | | | |
| Stocks | | **5,527** | 6,579 | **-** | 6,579 |
| Debtors | 16 | **2,259,901** | 1,455,729 | **5,789,750** | 6,155,791 |
| Cash at bank and in hand | 22 | **4,477,454** | 4,305,610 | **3,788,364** | 3,846,896 |
| | | **6,742,882** | 5,767,918 | **9,578,114** | 10,009,266 |
| **Creditors: amounts falling due within one year** | 17 | **(2,543,873)** | (2,167,607) | **(5,335,047)** | (5,609,661) |
| **Net current assets** | | **4,199,009** | 3,600,311 | **4,243,067** | 4,399,605 |
| **Total assets less current liabilities** | | **14,078,334** | 13,763,336 | **14,122,393** | 14,562,631 |
| Provision for liabilities | 19 | **-** | - | **-** | - |
| **Net assets** | 21 | **14,078,334** | 13,763,336 | **14,122,393** | 14,562,631 |
| **Restricted funds** | | **115,497** | 155,660 | **91,751** | 146,492 |
| General unrestricted funds | | **3,853,804** | 2,994,654 | **3,901,320** | 3,803,117 |
| Designated funds | | **250,000** | 450,000 | **250,000** | 450,000 |
| Fixed asset funds | | **9,859,033** | 10,163,022 | **9,879,322** | 10,163,022 |
| **Total unrestricted funds** | 20 | **13,962,837** | 13,607,676 | **14,030,642** | 14,416,139 |
| **Total** | 20 | **14,078,334** | 13,763,336 | **14,122,393** | 14,562,631 |

As permitted by S408 Companies Act 2006, the charity has not presented its own statement of financial activities and related notes. The charity's surplus for the year was £440,238 (2022 – surplus of £978,823).

The financial statements were approved by the Board of Directors and authorised for issue on



**A Kenwright**
Director

The notes on pages 24 to 48 form part of these financial statements.

# Donmar Warehouse Projects Limited

## Consolidated statement of cash flows
## for the year ended 31 March 2023

| | Note | 2023 £ | 2022 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net income for the reporting period | | **314,998** | 210,375 |
| Depreciation | 14 | **305,869** | 238,328 |
| Amortisation | 13 | **8,351** | 26,009 |
| Investment income | 8 | **(12,854)** | (399) |
| Foreign exchange gains | | **(69,573)** | (36,726) |
| Decrease/(increase) in stocks | | **1,052** | (6,579) |
| Increase in debtors | 16 | **(783,789)** | (591,891) |
| Increase in creditors | 17 | **376,266** | 804,269 |
| Decrease in provisions | 19 | **-** | (26,400) |
| **Net cash provided by operating activities** | | **140,320** | 616,986 |
| **Cash flows from investing activities** | | | |
| Investment income received | 8 | **12,854** | 399 |
| Purchase of fixed assets | 14 | **(30,520)** | (1,945,158) |
| **Net cash (used in) investing activities** | | **(17,666)** | (1,944,759) |
| **Change in cash and cash equivalents in the reporting year** | | **122,654** | (1,327,773) |
| **Cash and cash equivalents at the beginning of the year** | 22 | **4,305,610** | 5,596,657 |
| **Foreign exchange gains** | | **49,190** | 36,726 |
| **Cash and cash equivalents at the end of the year** | 22, 23 | **4,477,454** | 4,305,610 |

The analysis of net debt is given in note 23.

The notes on pages 24 to 48 form part of these financial statements.

## 1 Status of company

The company is a charitable company, limited by guarantee and incorporated and registered in England and Wales under the Companies Act 2006 and the Charities Act 2011. The registered office is given on the Contents and Company Information page and the principle activities are given in the Trustee's report.

The company has fifteen members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

## 2 Accounting policies

### *Basis of preparation*

The financial statements have been prepared on a going concern basis under the historical cost convention. The accounts (financial statements) have been prepared in accordance with 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" (The Charities SORP 2nd Edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

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

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 £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied consistently:

### *Exemptions for qualifying entities under FRS 102*

The Company has taken advantage of the following reduced disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

### *Consolidation*

The consolidated financial statements present information about the company and its wholly owned subsidiary Donmar Productions Limited and Donmar Theatre Catering Limited.

The results of the wholly owned subsidiaries, Donmar In The West End Limited and Donmar Films Limited have not been consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group (see note 15). These two entities were dormant in the year.

## 2 Accounting policies *(continued)*

***Going concern***

The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12-month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 12, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

The Trustees continue to give particular consideration to the change in Artistic Director, the loss of the NPO funding, the cost of living crisis and the on-going effect of Covid-19, reviewing the impact of these risks on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable. When reviewed in August 2023, it was noted that the change to the Artistic Director and the loss of the NPO funding could be supported through reserves until the new commercial strategy comes fully into effect. Covid -19 production cancellations have significantly decreased, however we continue to review this risk as well as the impact of the cost of living on the Donmar's Finances. Development income has increased and continues to deliver good value for the organisation and the management team continue to review and where appropriate implement cost saving initiatives in order to achieve further sustainability.

At the end of June 2023, the Donmar Warehouse had cash of £4.8m, fixed asset of £9.9m, net liabilities of £0.3m and cash reserves of £4.5m (£0.1m restricted). Cashflow forecasts show cash dropping down to its lowest point of £3.7m (including restricted reserves of £0.1m) over the next 12 months. Given the Donmar's reserves position and track record, The Board remain satisfied that Donmar Warehouse will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

***Income***

Income from donations and government grants, including capital and furlough grants, is included in income when there is entitlement, probability 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 income as restricted funds.

Membership income is recognised across the period of membership.

Productions income is included in income in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

Goods and services received in kind, where material, are included within 'Donations' and under the appropriate income heading, depending on the nature of goods and services provided. These are recognised at an estimated value to the charity at the time of receipt.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

**2 Accounting policies** *(continued)*

***Expenditure***

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.
- Charitable activities includes expenditure associated with the operation of the theatre and such directly associated activities as educational programmes and the Directors programme. Cost of charitable activities includes 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 frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Trading expenditure forms part of the Group's trading activities and commercial exploitations are separately disclosed as trading activities.

***Costs of productions not yet opened***

The costs and materials for new productions and associated creative team fees are carried forward on the balance sheet until they are expensed on the date of the performance. Internal labour and rehearsal costs are expensed as incurred.

***Fund accounting***

The Group and Charity hold designated funds, including designated fixed asset funds, restricted funds, and the operational risk reserve, representing general unrestricted funds. Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 20).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report. In addition, the Trustees consider the value of the long lease to be a designated fund as it is not a readily realisable asset.

***Intangible fixed assets***

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Intangible assets of website and box office are amortised over 5 and 10 years and amortisation is included in support costs.

## 2 Accounting policies *(continued)*

***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost less depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

| | | |
|---|---|---|
| Leasehold land and buildings | - | Over the length of the lease |
| Leasehold improvements (Dryden Street and Earlham Street) | - | Between 5 and 50 years on a straight line basis |
| IT equipment | - | Over 4 years on a straight line basis |
| Fixtures, fittings and equipment | - | Between 4 and 15 years on a straight line basis |

Assets under construction are not depreciated until they are brought into use.

Individual fixed assets consisting of more than £4,000 are capitalised at cost.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

***Investments***

The investments held by the charity relate to investments in subsidiary company and these are held at cost. The investments of Donmar Warehouse Projects consist of four subsidiaries, Donmar in the West End Limited, Donmar Productions Limited, Donmar Films Limited, and Donmar Theatre Catering Limited. All four companies are not quoted and the directors consider it appropriate to include the investments at cost.

***Stocks***

Stocks held by the group relate to food and drink. Stocks are valued at the lower of costs and estimated selling price less costs to sell. Cost is based on the latest purchase price.

***Cash***

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

***Provisions***

Provisions are made when a present obligation exists at the balance sheet date in accordance with the requirements of FRS 102 para 21.4.

***Financial instruments***

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. 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.

**2 Accounting policies** *(continued)*

***Financial instruments*** *(continued)*

- ***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.

- ***Derecognition of financial assets***

  Financial assets are derecognised 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.

- ***Derecognition of financial liabilities***

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

***Operating leases***

Rent payable is recognised on a straight line basis over the lease term.

***Pensions***

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

***Foreign currency translation***

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

***Gift Aid***

The charity owns the whole of the issued ordinary share capital of Donmar Productions Limited and Donmar Theatre Catering Limited.

Donmar Productions Limited and Donmar Theatre Catering Limited ordinarily pay each year to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the Company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

## 2 Accounting policies *(continued)*

***Taxation***

Donmar Warehouse Projects Limited is a culturally exempt organisation under schedule 9 of the VAT Act 1994 and during the year VAT returns have been submitted on a culturally exempt basis. Irrecoverable VAT is charged against the cost of charitable activities, where it is incurred. Irrecoverable VAT on capital expenditure has been capitalised and will be written off over the life of the assets.

As a registered charity, Donmar Warehouse Projects Limited is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

Donmar Productions Limited is liable to corporation tax.

Tax is recognised in the Statement of Financial Activities, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

## 3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following critical accounting judgement has been identified below:

Cost allocation: The cost allocation methodology requires judgement as to what are the most appropriate basis to use to apportion support costs. Support costs are allocated between activities on the base of staff numbers employed on those activities during the year.

The Directors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

## 4 Development income

| | Unrestricted £ | Restricted £ | 2023 £ |
|---|---|---|---|
| Membership | **724,158** | **-** | **724,158** |
| Gift aid | **159,897** | **-** | **159,897** |
| Other individuals | **-** | **33,515** | **33,515** |
| Corporate | **5,000** | **-** | **5,000** |
| Trusts & Foundations | **160,000** | **360,500** | **520,500** |
| Capital | **-** | **-** | **-** |
| **Total 2023** | **1,049,055** | **394,015** | **1,443,070** |

| | Unrestricted £ | Restricted £ | 2022 £ |
|---|---|---|---|
| Membership | 714,607 | - | 714,607 |
| Gift aid | 239,111 | - | 239,111 |
| Other individuals | 27,323 | - | 27,323 |
| Corporate | 88,000 | - | 88,000 |
| Trusts & Foundations | 7,677 | 286,681 | 294,358 |
| Capital | - | 380,000 | 380,000 |
| Total 2022 | 1,076,718 | 666,681 | 1,743,399 |

The following support, in the form of gifts in kind and donated services, was received by the charity during the year: provision of alcohol and catering at events, legal advice, venue hire, refreshments for meetings. The value of this support is estimated to be £46,108 (2022: £28,750). In line with the accounting policy, this invaluable support has not been recorded within the Statement of Financial Activities as the donations are not considered to be material.

## 5 Other grants and donations

| | Unrestricted £ | Restricted £ | 2023 £ |
|---|---|---|---|
| ***Government grants*** | | | |
| UK Arts council income | **513,904** | **-** | **513,904** |
| ***Donations*** | | | |
| Other donations | **895,206** | **6,000** | **901,206** |
| **Total 2023** | **1,409,110** | **6,000** | **1,415,110** |

| | Unrestricted £ | Restricted £ | 2022 £ |
|---|---|---|---|
| ***Government grants*** | | | |
| UK Arts council income | 513,904 | - | 513,904 |
| Cultural recovery grant | 603,934 | - | 603,934 |
| Grants for furloughed employees | 27,534 | - | 27,534 |
| Donations | 474,413 | - | 474,413 |
| **Total 2022** | 1,619,785 | - | 1,619,785 |

## 6 Production income

| | Unrestricted £ | Restricted £ | 2023 £ |
|---|---|---|---|
| Ticket revenue | **2,643,860** | **-** | **2,643,860** |
| Production support | **-** | **263,250** | **263,250** |
| Income from partnerships | **429,591** | **-** | **429,591** |
| **Total 2023** | **3,073,451** | **263,250** | **3,336,701** |

| | Unrestricted £ | Restricted £ | 2022 £ |
|---|---|---|---|
| Ticket revenue | 984,905 | - | 984,905 |
| Production support | 30,000 | 106,500 | 136,500 |
| Income from partnerships | 234,000 | - | 234,000 |
| **Total 2022** | 1,248,905 | 106,500 | 1,355,405 |

## 7 Income from trading activities

| | Unrestricted £ | Restricted | 2023 £ | 2022 £ |
|---|---|---|---|---|
| Donmar Beyond | **86,086** | - | **86,086** | 387,107 |
| Royalties and sundry income | - | - | - | 46,079 |
| Rental income | **224,104** | - | **224,104** | 187,901 |
| ***Income from subsidiary:*** | | | | |
| Corporate sponsorship and membership | **617,476** | **54,999** | **672,475** | 480,067 |
| Theatre Tax Relief | **1,147,298** | - | **1,147,298** | 139,606 |
| Catering income | **275,956** | - | **275,956** | - |
| Other trading income | **5,408** | - | **5,408** | 34,934 |
| **Total 2023** | **2,356,328** | **54,999** | **2,411,327** | 1,275,694 |
| Total 2022 | 1,266,526 | 9,168 | 1,275,694 | |

All income from trading activities in the prior year was unrestricted.

Included in the above income from the subsidiary is theatre tax relief. This amount is receivable by the company as a result of Theatre Tax Relief recognised for the year.

## 8 Investment income

| | 2023 £ | 2022 £ |
|---|---|---|
| Interest receivable | **12,854** | 399 |

All income from investments for the current and preceding year was unrestricted.

## 9 Net income during the year is stated after charging:

| | 2023 £ | 2022 £ |
|---|---|---|
| Depreciation of tangible assets | **305,869** | 238,328 |
| Amortisation of intangible assets | **8,351** | 26,009 |
| Foreign exchange (gains) recognised | **(69,573)** | (36,730) |
| Operating lease rentals | **12,063** | 91,135 |
| Auditor's remuneration: | | |
| - Audit fees for current year audit | **37,000** | 43,565 |
| - Tax fees | **7,375** | 17,105 |
| - Other services | **5,400** | 4,500 |

## 10 Total expenditure

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2023 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | **332,322** | **393,845** | **112,308** | **838,475** |
| ***Charitable activities:*** | | | | |
| Theatrical productions | **2,143,638** | **4,655,272** | **666,679** | **7,465,589** |
| **Total 2023** | **2,475,960** | **5,049,117** | **778,987** | **8,304,064** |

| **Support costs** | Cost of raising funds £ | Charitable activities £ | Total 2023 £ |
|---|---|---|---|
| Office overheads | **112,308** | **617,434** | **729,742** |
| Governance costs | **-** | **49,245** | **49,245** |
| **Total 2023** | **112,308** | **666,679** | **778,987** |

Office overheads comprise overheads including building insurance, board expenses, and consulting.

Governance costs comprise audit and accounts costs.

Total expenditure for the year was £8,304,064 (2022 - £5,784,307), of which £758,427 was restricted (2022 - £637,966) and £7,545,637 was unrestricted (2022 - £5,146,341).

The staff costs that relate to staff working on productions is included within other direct costs.

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2022 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | 295,318 | 92,442 | 155,655 | 543,415 |
| ***Charitable activities:*** | | | | |
| Theatrical productions | 1,632,154 | 2,884,750 | 723,988 | 5,240,892 |
| **Total 2022** | 1,927,472 | 2,977,192 | 879,643 | 5,784,307 |

| **Support costs** | Cost of raising funds £ | Charitable activities £ | Total 2022 £ |
|---|---|---|---|
| Office overheads | 155,655 | 663,880 | 819,535 |
| Governance costs | - | 60,108 | 60,108 |
| **Total 2022** | 155,655 | 723,988 | 879,643 |

## 11 Directors' emoluments

Appointing the Chief Executive and Artistic Director to the Board of Trustees is specifically permitted by the Company's articles.

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Donmar. The Executive Producer and Artistic Director only receive remuneration in respect of services they provide undertaking the roles of Executive Producer and Artistic Director respectively under their contracts of employment, and not in respect of their role as Board Directors.

The value of Trustees' remuneration and other benefits was as follows:

| | **2023** | 2022 |
|---|---|---|
| | **£** | £ |
| **Michael Longhurst, Current Artistic Director** | | |
| Remuneration | **91,244** | 88,000 |
| Pension | **5,475** | 5,280 |
| **Henrietta Finch, Current Executive Director** | | |
| Remuneration | **89,602** | 81,750 |
| Pension | **5,376** | 4,905 |
| Total | **191,697** | 179,935 |

During the year, the Artistic and Executive Director both received benefits in kind to the value of £Nil (2022 - £1,239).

Expenses are reimbursed to the Executive Producer and Artistic Director specifically in relation to their roles within the charity and not in relation to their position as trustees. All staff expenses are governed by a clear reimbursement policy which applies equally to Henny Finch and Michael Longhurst. The amounts reimbursed during the year of 2021/22 for travel and additional meeting and event costs relating solely to activities for the company were:

| | **2023** | 2022 |
|---|---|---|
| | **£** | £ |
| Michael Longhurst, Current Artistic Director | **90** | 212 |
| Henrietta Finch, Current Executive Director | **88** | 56 |

No other trustees were reimbursed for expenses (2022 – none).

Trustees and Officers of the Company are covered by indemnity insurance.

## 12 Employees

The average monthly number of employees during the year was:

| | 2023 | 2022 |
|---|---|---|
| Group and company: | £ | £ |
| Permanent staff | **64** | 52 |
| In addition total staff working on productions | **154** | 68 |

The nature of staff working on productions means that it is not possible to give a meaningful full time equivalent or average headcount as each production has bespoke requirements. The number shown is therefore the total number of production staff and performers that have been involved during the year.

All employees are employed by Donmar Warehouse Projects Limited, but the cost of relevant staff is recharged to Donmar Productions Limited as part of an overall management fee.

| **Employment cost:** | 2023 £ | 2022 £ |
|---|---|---|
| Wages and salaries | **2,163,528** | 1,690,921 |
| Social security costs | **209,046** | 159,299 |
| Other pension costs | **103,386** | 77,252 |
| **Permanent staff total, representing company only staff costs** | **2,475,960** | 1,927,472 |
| ***Staff working on productions*** | | |
| Wages and salaries | **1,094,194** | 510,797 |
| Social security costs | **4,000** | 1,697 |
| Other pension costs | **26,410** | 14,113 |
| **Productions staff total** | **1,124,604** | 526,607 |
| **Total group staff costs** | **3,600,564** | 2,454,079 |

The number of employees who have received remuneration amounting to more than £60,000 in either year was:

| | 2023 Number | 2022 Number |
|---|---|---|
| £60,000 - £70,000 | **0** | 1 |
| £70,000 - £80,000 | **1** | 0 |
| £80,000 - £90,000 | **2** | 2 |
| Total remuneration of key management personnel including employers' pension in the period was as follows: | £ | £ |
| | **191,697** | 179,935 |

## 13 Intangible fixed assets

**Group and charity**

| | Website and box office £ |
|---|---|
| *Cost* | |
| At 1 April 2022 | 193,629 |
| **At 31 March 2023** | **193,629** |
| *Depreciation* | |
| At 1 April 2022 | 153,598 |
| Charge for the year | 8,351 |
| **At 31 March 2023** | **161,949** |
| **Net book value** | |
| At 31 March 2023 | **31,680** |
| At 31 March 2022 | 40,031 |

## 14 Tangible fixed assets

| | Leasehold and buildings £ | Dryden Street £ | IT equipment £ | Fixtures, Fittings and equipment £ | Earlham Street £ | Total £ |
|---|---|---|---|---|---|---|
| **Group and charity** | | | | | | |
| *Cost* | | | | | | |
| At 1 April 2022 | 2,850,000 | 3,978,747 | 200,112 | 911,038 | 3,875,758 | 11,815,655 |
| Additions | - | 10,231 | 20,289 | - | - | 30,520 |
| **At 31 March 2023** | **2,850,000** | **3,988,978** | **220,401** | **911,038** | **3,875,758** | **11,846,175** |
| *Depreciation* | | | | | | |
| At 1 April 2022 | 290,266 | 601,580 | 135,979 | 592,837 | 72,002 | 1,692,664 |
| Charge for the year | 23,975 | 81,010 | 20,014 | 57,247 | 123,623 | 305,869 |
| **At 31 March 2023** | **314,241** | **682,590** | **155,993** | **650,084** | **195,625** | **1,998,533** |
| **Net book value** | | | | | | |
| At 31 March 2023 | **2,535,759** | **3,306,388** | **64,408** | **260,954** | **3,680,133** | **9,847,642** |
| At 31 March 2022 | 2,559,734 | 3,377,167 | 64,133 | 318,201 | 3,803,756 | 10,122,991 |

All fixed assets are used for charitable purposes.

## 15 Fixed asset investments

| | Shares in subsidiary undertakings £ |
|---|---|
| **Group** | |
| *Cost and net book value* | |
| At 1 April 2022 | 3 |
| Addition | - |
| At 31 March 2023 | 3 |
| **Charity** | |
| *Cost and net book value* | |
| At 1 April 2022 | 4 |
| Addition | - |
| At 31 March 2023 | 4 |

The following are subsidiaries of the company:

| Company | Country of incorporation | Class of shares | Holding | Principal activity |
|---|---|---|---|---|
| Donmar in the West End Limited (Company number: 03976008) | England and Wales | Ordinary | 100% | Theatre production |
| Donmar Productions Limited (Company number: 06730810) | England and Wales | Ordinary | 100% | Theatre production |
| Donmar Films Limited (Company number: 07152156) | England and Wales | Ordinary | 100% | Film production |
| Donmar Theatre Catering (Company number: 13722375) | England and Wales | Ordinary | 100% | Catering |

The results of Donmar in The West End and Donmar Films Limited are not consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group.

The aggregate amount of capital and reserves and the results of these undertakings for year were as follows:

| | | Capital and Reserves 2023 £ | Profit/(loss) for the year 2023 £ |
|---|---|---|---|
| Donmar in the West End Limited | Theatre production | 1 | - |
| Donmar Films Limited | Film production | 1 | - |
| Donmar Productions Limited | Theatre promotion | 1 | 161,746 |
| Donmar Theatre Catering | Catering | (10,815) | (10,816) |

## 15 Fixed asset investments (continued)

The results, and the results of the two subsidiaries which traded in the current and/or prior financial year, and which have been consolidated into the results of the Group, were as follows:

| | Donmar Theatre Catering Limited | | Donmar Productions Limited | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Turnover (including other operating and interest income) | **469** | - | **3,362,769** | 2,331,832 |
| Cost of sales | **(2,756)** | - | **(3,672,291)** | (1,536,673) |
| Administrative expenses | **(8,529)** | - | **(557,305)** | (431,110) |
| Theatre tax relief | - | - | **1,028,573** | 196,851 |
| Corporation tax | - | - | - | - |
| (Loss)/profit for the financial year | **(10,816)** | - | **161,746** | 560,900 |
| Amounted gifted to the charity | **(10,816)** | - | **161,746** | 560,900 |

For Donmar Productions Limited, the above amounts include commission income from the parent charity of £2,688,386 (2022 - £1,931,111). Management charges from the parent charity of £519,704 (2022 - £422,581) and sundry expenses recharges from the parent charity of £135,144 (2022 - £ Nil).

For Donmar Theatre Catering Limited, transactions with parent charity relate to VAT consolidation £7,599 (2022 - £Nil) and cashflow £50,000 (2022 - £Nil), neither of which impact the loss shown above.

## 16 Debtors

| | Group 2023 | Group 2022 | Charity 2023 | Charity 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Trade debtors | **172,393** | 267,553 | **95,420** | 143,705 |
| Other debtors | **500,513** | 591,417 | **564,385** | 1,300,513 |
| Amounts owed by subsidiary undertakings | - | - | - | 4,254,393 |
| Amounts owed by group | - | - | **5,089,759** | - |
| Other taxes and social security | - | - | | - |
| Prepayments and accrued income | **1,586,995** | 596,759 | **40,186** | 457,180 |
| | **2,259,901** | 1,455,729 | **5,789,750** | 6,155,791 |

Amounts owed by subsidiary undertakings are interest free and repayable on demand.

## 17 Creditors: amounts falling due within one year

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|
| Trade creditors | **207,980** | 333,744 | **168,729** | 270,282 |
| Amounts owed to subsidiary undertakings | **-** | - | **3,213,152** | 4,123,236 |
| Taxation and social security | **261,991** | 155,129 | **261,194** | 154,145 |
| Other creditors | **132,268** | 275,460 | **132,265** | 275,460 |
| Accruals and deferred income | **1,941,634** | 1,403,274 | **1,559,707** | 786,538 |
| | **2,543,873** | 2,167,607 | **5,335,047** | 5,609,661 |

Amounts owed to subsidiary undertakings are un-secured, interest free and repayable on demand.

## 18 Deferred income

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|
| Deferred income brought forward | **1,283,393** | 243,677 | **689,505** | 28,360 |
| Released in the period | **(1,283,393)** | (243,677) | **(689,505)** | (28,360) |
| Additional income deferred | **1,334,498** | 1,283,393 | **1,016,103** | 689,505 |
| | **1,334,498** | 1,283,393 | **1,016,103** | 689,505 |

Deferred income is to be recognised within following periods:

| | | | | |
|---|---|---|---|---|
| Less than one year | **1,334,498** | 1,283,393 | **1,016,103** | 689,505 |

Deferred income for both the Group and Charity relates to fundraising income for events in the next financial year and in the prior year included ticket income for productions that happened this year.

## 19 Provision for liabilities

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|
| Provisions brought forward | - | 26,400 | - | 26,400 |
| Provided for in the period | | | | |
| Released to the statement of financial activities | - | (26,400) | - | (26,400) |
| | - | - | - | - |

The provision related to the potential penalty to be incurred by the Charity in relation to the payment of gift aid declarations.

## 20 General and restricted funds

| Group | Balance 1 April 2022 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2023 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,377,167 | - | (81,010) | 10,231 | **3,306,388** |
| Theatre lease fund | 2,559,734 | - | (23,975) | - | **2,535,759** |
| Earlham Street | 3,803,756 | - | (123,623) | - | **3,680,133** |
| Fixed asset fund | 422,365 | - | (85,612) | 20,289 | **357,042** |
| **Total fixed assets funds** | 10,163,022 | - | (314,220) | 30,520 | **9,879,322** |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Creative investment fund | 200,000 | - | - | (200,000) | **-** |
| **Total designated funds** | 450,000 | - | - | (200,000) | **250,000** |
| **Operational risk reserve** | 2,994,654 | 7,900,798 | (7,231,417) | 169,480 | **3,833,515** |
| **Total unrestricted funds** | 13,607,676 | 7,900,798 | (7,545,637) | - | **13,962,837** |
| **Restricted funds:** | | | | | |
| Resident Assistant Director | 9,157 | - | (9,157) | - | **-** |
| Catalyst | - | 28,333 | (42,583) | 14,250 | **-** |
| Production support | - | 263,250 | (263,250) | - | **-** |
| Resident Design Assistant | 14,250 | - | - | (14,250) | **-** |
| Pay it forward funds | 123,085 | - | (31,615) | - | **91,470** |
| Pathways (Discover) | - | 10,333 | (10,333) | - | **-** |
| Donmar Local | - | 52,000 | (52,000) | - | **-** |
| Donmar Discover Programme | - | 208,348 | (208,348) | - | **-** |
| Donmar refurbishment | - | 6,000 | (6,000) | - | **-** |
| Warehouse understudies | - | 120,000 | (120,000) | - | **-** |
| NHS tickets | 9,168 | - | (9,168) | - | **-** |
| Barclays £10 tickets | - | 30,000 | (5,973) | - | **24,027** |
| **Total restricted funds** | 155,660 | 718,264 | (758,427) | - | **115,497** |
| **Total funds** | 13,763,336 | 8,619,062 | (8,304,064) | - | **14,078,334** |

20 **General and restricted funds** *(continued)*

| Charity | Balance 1 April 2022 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2023 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,377,167 | - | (81,010) | 10,231 | **3,306,388** |
| Theatre lease fund | 2,559,734 | - | (23,975) | - | **2,535,759** |
| Earlham Street | 3,803,756 | - | (123,623) | - | **3,680,133** |
| Fixed asset fund | 422,365 | - | (85,612) | 20,289 | **357,042** |
| **Total fixed assets funds** | 10,163,022 | - | (314,220) | 30,520 | **9,879,322** |
| **Designated funds:** | | | | | |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Creative investment fund | 200,000 | - | - | (200,000) | **-** |
| **Total designated funds** | 450,000 | - | - | (200,000) | **250,000** |
| **Operational risk reserve** | 3,803,117 | 6,849,122 | (6,920,399) | 169,480 | **3,901,320** |
| **Total unrestricted funds** | 14,416,139 | 6,849,122 | (7,234,619) | - | **14,030,642** |
| **Restricted funds:** | | | | | |
| Resident Assistant Director | 9,157 | - | (9,157) | - | **-** |
| Catalyst | - | 20,000 | (33,969) | 14,250 | **281** |
| Production support | - | 263,250 | (263,250) | - | **-** |
| Resident Design Assistant | 14,250 | - | - | (14,250) | **-** |
| Pay it forward funds | 123,085 | - | (31,615) | - | **91,470** |
| Pathways (Discover) | - | 10,333 | (10,333) | - | **-** |
| Donmar Local | - | 52,000 | (52,000) | - | **-** |
| Donmar Discover Programme | - | 208,348 | (208,348) | - | **-** |
| Warehouse understudies | - | 120,000 | (120,000) | - | **-** |
| **Total restricted funds** | 146,492 | 673,931 | (728,672) | - | **91,751** |
| **Total funds** | 14,562,631 | 7,523,053 | (7,963,291) | - | **14,122,393** |

Where funds are restricted to capital development and expenditure has been capitalised a transfer is made from restricted to designated funds at the point the expense is incurred.

## 20 General and restricted funds *(continued)*

### Tangible fixed asset funds

The Dryden Street fund, Theatre Lease fund, Earlham Street Fund, and Fixed Asset fund are together equal to the value of the group's fixed assets.

- **Dryden Street fund, £3.3m**: The net book value of the long lease of 3 Dryden Street, the charity's offices, and the capitalised net book value of the conversion of the building to make it fit for purpose.
- **Theatre Lease fund, £2.5m**: The net book value of the theatre lease.
- **Earlham Street fund, £3.7m**: The value of capital works carried out in the Theatre to the essential mechanical and electrical systems, Accessibility areas, WC provision and refurbishment of the Front of House.
- **Fixed Asset fund, £0.4m:** The net book value of IT equipment and fixtures, fittings and equipment.

### Designated funds

The Trustees have designated funds as follows:

- **Building Maintenance fund**: This fund covers costs in relation to the maintenance of the theatre and the rehearsal, office and education spaces in Dryden Street. It is for emergency repairs and for dealing with unforeseen developments. Parts of the theatre infrastructure are over 25 years old and, ahead of redevelopment, this fund has been built to cover the increasing occurrence of required works.
- **Creative Investment fund**: The creative investment fund is designated to enable a quick response to investment opportunities outside of planned activity, aimed at extending the Charity's reach, as well as maintaining its goals for innovation and sustainability.

### Operational Risk Reserve

The charity operates a policy of requiring 25% of next year's budgeted income to be held in the general fund, with a minimum of £1.25m. This value is set to reflect the potential volatility in charity's key income streams: fundraising, box office and public sector funding (Arts Council NPO grant and Theatre Tax Relief).

## 20 General and restricted funds *(continued)*

### Restricted funds

Resident Assistant Direct (RAD) fund represents donations which may only be used in connection with the costs associated with paying the Donmar's Resident Associate Director.

Catalyst fund is the programme to support up to 12 people from underrepresented backgrounds to enter the arts workforce via paid training and secondments. The restricted income is received in both the charity and in the trading subsidiary, Donmar Productions Limited.

Production Support funds are sponsorships received which may only be used in connection with costs on productions specified in the terms of the funding.

Resident Design Assistant (RDA) fund represents donations received which are to be used solely in connection with the RDA position for Donmar productions.

Pay It Forward funds are donations received to be used for the Pay It Forward scheme where donations are used to cover ticket costs for Donmar Productions for anyone up to the age of 25.

Other education and access funds (including Support for Pathways (Discover), Donmar local and Donmar Discover Programme) are donations received in relation to specific educational elements of productions and may only be used in connection with costs arising on these.

Donmar refurbishment is a restricted fund in the trading subsidiary, Donmar Productions Limited, representing a donation towards capital repairs.

Warehouse understudies represents a donation to be used for understudies on 22/23 Productions.

NHS tickets is a restricted fund in the trading subsidiary, Donmar Productions Limited, representing funds raised toward providing NHS staff tickets to Donmar Productions.

Barclays £10 tickets is a restricted fund in the trading subsidiary, Donmar Productions Limited, representing funds raised towards providing under 30's tickets to Donmar Productions.

All restricted funds are expected to be used next year.

## 20 General and restricted funds *(continued)*

| Group – prior year | Balance 1 April 2021 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2022 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,457,836 | - | (80,669) | - | 3,377,167 |
| Theatre lease fund | 2,583,707 | - | (23,973) | - | 2,559,734 |
| Theatre redevelopment assets | 2,303,843 | - | (72,002) | 1,571,915 | 3,803,756 |
| Fixed asset fund | 136,815 | - | (87,693) | 373,243 | 422,365 |
| **Total fixed assets funds** | 8,482,201 | - | (264,337) | 1,945,158 | 10,163,022 |
| **Designated funds:** | | | | | |
| COVID recovery fund | 1,650,000 | - | - | (1,650,000) | - |
| Building maintenance fund | 250,000 | - | - | - | 250,000 |
| Creative investment fund | 200,000 | - | - | - | 200,000 |
| **Total designated funds** | 2,100,000 | - | - | (1,650,000) | 450,000 |
| **Operational risk reserve** | 2,181,552 | 5,212,333 | (4,882,004) | 482,773 | 2,994,654 |
| **Total unrestricted funds** | 12,763,753 | 5,212,333 | (5,146,341) | 777,931 | 13,607,676 |
| **Restricted funds:** | | | | | |
| Resident Associate Director | 17,826 | 30,000 | (38,669) | - | 9,157 |
| Catalyst | | 27,500 | (27,500) | - | - |
| Production support | 135,000 | 106,500 | (241,500) | - | - |
| Resident Design Assistant | 12,500 | 3,500 | (1,750) | - | 14,250 |
| Pay it forward funds | 146,328 | - | (23,243) | - | 123,085 |
| Capital project | 397,931 | 380,000 | - | (777,931) | - |
| Pathways (Discover) | 867 | - | (867) | - | - |
| Donmar Local | 22,120 | 30,000 | (52,120) | - | - |
| Donmar Discover Programme | 35,803 | 195,681 | (231,484) | - | - |
| NHS tickets | 20,833 | 9,168 | (20,833) | - | 9,168 |
| **Total restricted funds** | 789,208 | 782,349 | (637,966) | (777,931) | 155,660 |
| **Total funds** | 13,552,961 | 5,994,682 | (5,784,307) | - | 13,763,336 |

20 **General and restricted funds** *(continued)*

| Charity – prior year | Balance 1 April 2021 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2022 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,457,836 | - | (80,669) | - | 3,377,167 |
| Theatre lease fund | 2,583,707 | - | (23,973) | - | 2,559,734 |
| Earlham Street | 2,303,843 | - | (72,002) | 1,571,915 | 3,803,756 |
| Fixed asset fund | 136,815 | - | (87,693) | 373,243 | 422,365 |
| **Total fixed assets funds** | 8,482,201 | - | (264,337) | 1,945,158 | 10,163,022 |
| **Designated funds:** | | | | | |
| COVID recovery fund | 1,650,000 | - | - | (1,650,000) | - |
| Building maintenance fund | 250,000 | - | - | - | 250,000 |
| Creative investment fund | 200,000 | - | - | - | 200,000 |
| **Total designated funds** | 2,100,000 | - | - | (1,650,000) | 450,000 |
| **Operational risk reserve** | 2,233,232 | 5,664,655 | (4,577,543) | 482,773 | 3,803,117 |
| **Total unrestricted funds** | 12,815,433 | 5,664,655 | (4,841,880) | 777,931 | 14,416,139 |
| **Restricted funds:** | | | | | |
| Resident Associate Director | 7,826 | 30,000 | (38,669) | 10,000 | 9,157 |
| Catalyst | - | 27,500 | (27,500) | - | - |
| Production support | 135,000 | 106,500 | (241,500) | - | - |
| Resident Design Assistant | 12,500 | 3,500 | (1,750) | - | 14,250 |
| Pay it forward funds | 146,328 | - | (23,243) | - | 123,085 |
| Capital project | 397,931 | 380,000 | - | (777,931) | - |
| T&F training | 10,000 | - | - | (10,000) | - |
| Pathways (Discover) | 867 | - | (867) | - | - |
| Donmar Local | 22,120 | 30,000 | (52,120) | - | - |
| Donmar Discover Programme | 35,803 | 195,681 | (231,484) | - | - |
| **Total restricted funds** | 768,375 | 773,181 | (617,133) | (777,931) | 146,492 |
| **Total funds** | 13,583,808 | 6,437,836 | (5,459,013) | - | 14,562,631 |

## 21 Analysis of net assets between funds

| **Group** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2023 £** |
|---|---|---|---|---|
| Fixed assets | **3** | **9,879,322** | **-** | **9,879,325** |
| Current assets | **8,010,310** | **250,000** | **115,497** | **8,375,807** |
| Current liabilities | **(4,176,798)** | **-** | **-** | **(4,176,798)** |
| | **3,833,515** | **10,129,322** | **115,497** | **14,078,334** |

| **Charity** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2023 £** |
|---|---|---|---|---|
| Fixed assets | **4** | **9,879,322** | **-** | **9,879,326** |
| Current assets | **9,236,363** | **250,000** | **91,751** | **9,578,114** |
| Current liabilities | **(5,335,047)** | **-** | **-** | **(5,335,047)** |
| | **3,901,320** | **10,129,322** | **91,751** | **14,122,393** |

| **Group** | **General funds £** | **Designated incl fixed asset funds £** | **Restricted funds £** | **2022 £** |
|---|---|---|---|---|
| Fixed assets | 3 | 10,163,022 | - | 10,163,025 |
| Current assets | 5,172,260 | 450,000 | 155,660 | 5,767,920 |
| Current liabilities | (2,167,609) | - | - | (2,167,609) |
| | 3,004,654 | 10,613,022 | 155,660 | 13,763,336 |

| **Charity** | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2023 £ |
|---|---|---|---|---|
| Fixed assets | 4 | 10,163,022 | - | 10,163,026 |
| Current assets | 9,422,776 | 450,000 | 146,492 | 10,009,268 |
| Current liabilities | (5,609,663) | - | - | (5,609,663) |
| | 3,813,117 | 10,613,022 | 146,492 | 14,562,631 |

## 22 Analysis of cash and cash equivalents

| | Group 2023 £ | Group 2022 £ | Company 2023 £ | Company 2022 £ |
|---|---|---|---|---|
| Short-term deposits held | **4,467,160** | 4,289,745 | **3,778,070** | 3,831,031 |
| Cash balances | **10,294** | 15,865 | **10,294** | 15,865 |
| | **4,477,454** | 4,305,610 | **3,788,364** | 3,846,896 |

All cash at bank is held in deposit accounts and is immediately liquid. The Charity holds no investments other than the shareholding of its subsidiaries.

## 23 Analysis of net debt

| | At 1 April 2022 £ | Cash flows £ | Foreign exchange £ | At 31 March 2023 £ |
|---|---|---|---|---|
| Short-term deposits held | 4,289,745 | 177,415 | - | **4,467,160** |
| Cash balances | 15,865 | (5,571) | - | **10,294** |
| | 4,305,610 | 171,844 | - | **4,477,454** |

## 24 Pension and other post-retirement benefit commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund held by Friends Provident. The pension cost charge represents contributions payable by the group to the fund.

| | 2023 £ | 2022 £ |
|---|---|---|
| Contributions payable for permanent staff | **103,386** | 77,252 |
| Contributions payable for staff working on productions | **26,410** | 14,113 |
| Total contributions payable by the group for the year | **129,796** | 91,365 |

At the year end there were no outstanding pension contributions due (2022 - £Nil).

## 25 Related party disclosures

During the year the company recharged costs of £654,848 (2022 - £131,157) to Donmar Productions Limited ("DPL") and paid DPL £2,688,386 (2022 - £1,931,111) to produce certain shows. DPL also gift aided profits of £161,746 (2022 - £422,581) to the company. At the end of the year the company owed £3,193,120 to its wholly owned subsidiary Donmar Productions Limited (2022 - £4,123,236) and was owed £5,053,658 by its wholly owned subsidiary Donmar Productions Limited (2022- £4,254,393).

During the year the company supported Donmar Theatre Catering Limited ("DTCL") through funding of £50,000 (2022 - £Nil) and was recharge VAT of £7,599 (2022 - £Nil) on consolidation of the group VAT balances. DTCL made a loss and as such no gift aid donation was made. At the year end the company was owed £16,067 (2022 - £Nil) and owed £Nil (2022 - Nil) to DTCL.

All of the above transactions were conducted at arm's length and permission is granted for them in the company's memorandum and articles.

The charity received an aggregate amount of £69,460 in donations from trustees during the year (2022 - £161,000). Included in this amount are restricted donations of £16,000 (2022 - £110,000), £10,000 towards Productions (2022 - £35,000) and £6,000 (2022 - £75,000) towards the Capital works.

There were no other related party transactions.

## 26 Operating lease commitments

At 31 March 2023 the Company had annual commitments under non-cancellable operating leases as follows:

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| **Land and buildings** | | |
| Expiry date: | | |
| Within one year | **51,535** | 48,880 |
| Between one and five years | **168,462** | 110,010 |
| Due after five years | **7,018,630** | 7,043,630 |
| | **7,238,627** | 7,202,520 |
| **Equipment** | | |
| Expiry date: | | |
| Within one year | **39,239** | 42,255 |
| Between one and five years | **102,254** | 140,361 |
| Due after five years | **-** | 1,131 |
| | **141,493** | 183,747 |
| | **7,380,120** | 7,386,267 |

**DONMAR WAREHOUSE PROJECTS LIMITED**

England & Wales - Charity number 284262

# Accounts

# Donmar Warehouse Projects Limited

Trustees' Report and Financial Statements

Year Ended

31 March 2022

Company Number 01611861

Charity Number 284262

# Donmar Warehouse Projects Limited

**Contents and company information**
**for the year ended 31 March 2022**

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| 23 | Notes to the accounts |


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**Trustees**
S Boster
W Eccleshare
A Kenwright (Chair)
T Lee
G Lemos
M Longhurst
T Ross [Scantlebury]
A Romeo
J Sarpong
J Smith
L Msamati
N Blair
S Carson
J Kanagasooriam
H Thompson

Honorary Life President: R Wingate
Company secretary: R Tyson

**Registered office**
3 Dryden Street, London, WC2E 9NA

**Company number**
01611861

**Charity number**
284262

**Bankers**
Coutts & Co., 440 Strand, London, WC2R 0QS

**Auditor**
BDO LLP, 55 Baker Street, London, W1U 7EU

**Senior Management**
Michael Longhurst, Artistic Director
Henrietta Finch, Executive Director

# Donmar Warehouse Projects Limited

**Trustees' report**
**for the year ended 31 March 2022**

The Directors (who are also the Trustees of the charity) present their report and financial statements for the year ended 31 March 2022.

The company is a registered charity, (registered number 284262) and company limited by guarantee (registered number 01611861). The company is incorporated under the Companies Act 2006 and is governed by its Articles and Memorandum of Association dated 05 February 1982 as amended 4 July 2016.

**Principal activities**
The objects of the charity are to promote, maintain, improve and advance education particularly by the encouragement of the Arts including the arts of drama, ballet, music, singing, literature, sculpture and painting. The company meets these through continuing to produce and present theatrical productions at the Donmar Warehouse Theatre.

Donmar Warehouse Projects Limited has four wholly owned subsidiaries (further details are given in Note 15 of the financial statements). The results of Donmar Productions Limited are consolidated into these financial statements. The results of Donmar in the West End Limited, Donmar Films Limited and Donmar Theatre Catering Limited have not been consolidated on the grounds that their results are not material to the group. Donmar Productions Limited receives income from commercial trading contracts and its taxable surplus is paid by gift aid to Donmar Warehouse Projects Limited. Donmar Warehouse Projects Limited is the rights holder for the productions but commissions its theatrical pieces to Donmar Productions Limited, which acts as a production company.

**Strategic report**
The sections below constitute the Strategic Report for the purposes of the Companies Act 2006.

2021/22 at the Donmar
Our mission
Our strategic goals
Financial Viability
Reserves policy and Risk management
Public Benefit
Future Plans

**2021/22 at the Donmar**
2021/22 was a year of recovery and renewal for the Donmar. We reopened the theatre in October after 18 months of closure due to the Coronavirus pandemic, having taken the opportunity to complete our long-overdue theatre refurbishment. This will ensure the theatre remains accessible, functional and sustainable for years to come, and we are delighted that with the help of our many supporters we were able to realise this work while unable to function as normal due to Covid restrictions.

At the same time as delivering the theatre refurbishment, we continued to serve audiences in London and further afield, touring 20/21's *Blindness* to audiences of 40,000 around the UK and internationally, including a run off Broadway at the Daryl Roth Theatre. We moved operations to the West End's Vaudeville Theatre, reviving Michael Longhurst's hit production of *Constellations* with four entirely new and contrasting acting companies and winning two 2022 Olivier Awards including Best Revival. We continued to serve our community through work with community groups, young people, and schools, including touring *Teenage Dick* into local secondary schools.

In October 2021 we reopened the doors to the Donmar with Inua Ellams' *Search Party* and Cordelia Lynn's new play *Love and Other Acts of Violence*, followed by *Force Majeure* and *Henry V*.

Alongside the theatre refurbishment, we restructured our business model, taking front of house and theatre operations into our direct control for the first time, and building a new team to support our continued independence and growth. We systematically exploited our creative and physical assets, growing the income we earn from premises rental exponentially, and working with partners both subsidised and commercial to drive greater reach and income from our productions.

**2021/22 at the Donmar (continued)**

Despite a successful year by any measure, Covid continues to present serious challenges to the Donmar going forward. Our return season was disrupted significantly, with performances cancelled due to illness and a higher than normal rate of audience cancellations for the same reason. Government support via the Culture Recovery Fund, a reduction in VAT on ticket sales, and an increase in Theatre Tax Relief, brought essential stability - but we have no indication these will be extended/ repeated and the outlook ahead remains challenging, due not only to the ongoing effects of the pandemic but also to the cost of living crisis, high inflation and a potential recession on the horizon. Nevertheless we remain committed to our mission below and to delivering value to all our stakeholders - as we demonstrated in 21/22 - as we look to the future.

**Our Mission**

The **Donmar Warehouse** is a 251-seat producing theatre in Covent Garden, and a fundamental part of the UK's theatre ecology. Our shows and artists have worldwide reputations, our sustainability and accessibility work leads the way for the sector, and we're committed to audiences beyond our home. This is enabled by a dynamic business model that uses modest subsidy to leverage private giving, amplifying our work and creating exceptional value and impact.

Artistic Director Michael Longhurst and Executive Director Henny Finch have led the organisation since 2019 bringing a vibrant and inclusive new creative strategy, foregrounding participation, establishing partnerships and touring the UK and internationally.

Our mission is to:

- **Make thrilling, unmissable theatre** that helps us understand how the world is and imagine how it might be. Our work is ambitious, relevant and diverse: a balance of new plays, musicals and reimagined classics, told with theatrical flair and an open heart.
- **Invest in talent and skills** among under-represented groups, for ourselves and the sector. Artists trained by Donmar go on to run major venues and make work around the world.
- **Foster a life-long connection to the arts in our local community**. We've increased investment in community, participatory and schools work by 77% since 18/19, working closely with local authority partners, community groups and schools. Central to our vision are large scale participatory projects in which community members perform alongside professional artists.
- **Drive sector change as an incubator of ideas**, leading the sector's creative approach to environmental sustainability via our Climate Dramaturgy project.
- **Welcome a broad range of people through our doors** and take our work far and wide through accessibility programmes and taking our stage and community work around the UK.
- **All our work is underpinned by a deep commitment to equality, diversity & inclusion**.

This year, we have delivered against these objectives in the following ways:

1. **Make thrilling, unmissable theatre**

Michael's artistic vision is courageous and inclusive, platforming pieces that tackle the concerns of our communities - disability, race, immigration and climate justice, created by diverse artists. This new programme was only just underway when Covid closed the theatre, but highlights include our multi-cast *Constellations* (Olivier Award Best Revival 2022), 'a short, sharp, smart hit of first-class drama*****' (Evening Standard), playing to 60,000 people. Quality is assured by rigorous audience, peer and self-assessment, supported by our Associate Artists, Freelance Council and People's Panel.

The year's projects were:

**Constellations**
In co-production with Eleanor Lloyd Productions and Wessex Grove, we presented a revival of Michael Longhurst's acclaimed production of *Constellations* by Nick Payne, at the Vaudeville Theatre in the West End. This modern classic play is a two-hander about love through the multiverse, and the 2022 production featured four high profile casts across the run: Sheila Atim & Ivanno Jeremiah, Peter Capaldi & Zoë Wanamaker, Omari Douglas & Russell Tovey and Anna Maxwell Martin & Chris O'Dowd. The production was a critical and financial success, and received two Olivier Awards, for Sheila Atim as Best Actress and the award for Best Revival.

**Search Party**
Following closure for building refurbishment, the Donmar theatre reopened reopened with a week long run of Inua Ellams' *Search Party*. Performed by Ellams, this audience-led poetry show changed every night based on prompts provided by those attending. The show was energetic and vibrant, bringing new and diverse audiences into the space and filling the newly refitted bars and front of house spaces.

**Love and Other Acts of Violence**
This play was the first of Michael Longhurst's commissions to be presented at the Donmar. Written by Cordelia Lynn and directed by Elayce Ismail, the piece follows a young couple, a poet and a physicist, whose relationship struggles to survive the rising fascist regime and a cycle of inherited trauma. The play represented the Donmar's ongoing commitment to new writing and platforming bold, challenging work that reflects the world we live in today.

**Force Majeure**
Tim Price's adaptation of Ruben Ostlund's darkly comic screenplay was directed by Michael Longhurst over Christmas 2021. With a cast led by Rory Kinnear and Lyndsey Marshal, the Donmar stage was turned into a functioning ski slope, as audiences were transported to the French Alps. Sales were strong, and despite a production period hindered by breakthrough COVID cases, positive notices and word of mouth meant that *Force Majeure* was a hot festive ticket and a huge hit with audiences.

**Henry V**
Donmar Associate Director Max Webster directed Kit Harington in a timely and audacious new version of Shakespeare's *Henry V*. The production focused on Henry as a populist and charismatic leader, speaking directly to the political climate of modern Europe and our relationship with the continent. The technical rehearsal and preview period was unfortunately beset with further COVID cases, but with strong leadership from Max and Kit, the production came together in spectacular fashion and received critical acclaim, achieving 94% of financial capacity for the run. The show was also broadcast as part of the NT Live programme in April 2022, reaching audiences around the world and fulfilling our ambition to share our work beyond London.

**2. Invest in talent and skills**

We invest in talent and skills development to support the sector to rebuild post Covid. The pilot year of our flagship programme CATALYST supported 12 people from underrepresented backgrounds to enter the arts workforce via paid training and secondments: *'CATALYST gave emerging artists like me access to a world where doors used to be shut. I can't express how grateful I am'* Jamie Lu, Henry V trainee

The CATALYST programme supported 9 creative assistants on *Constellations*, *Force Majeure* and *Henry V*, who were mentored by industry leading creatives and a Talent Development Manager, a new role for the organisation. 3 administrative trainees commenced 12 month contracts working with the Development, Participation and Operations teams, with the programme delivered in partnership with Creative Access.

We've doubled our renowned Resident Assistant Director scheme which trains Artistic Directors: alumni include Roisin McBrinn (AD, Clean Break), Lynette Linton (AD, Bush), Rupert Goold (AD, Almeida).

Our Participation team delivered our work experience programme, Pathways, with 31 young people from across London. As the Donmar commits to commissioning more new writers, our talent development work expands to our programmes with young people, with LOCAL Young Writers being introduced to support 17 young people, aged 16-19, receive training and mentorship from leading writers.

### 3. Foster a lifelong connection to the arts in our local community

In response to local need, we've made work with schools and communities central to our vision:

- Westminster & Camden have highly diverse populations and wealth inequality with areas of affluence alongside significant deprivation. 43% of all children in Camden and 42% of all children in Westminster live in poverty once housing costs are accounted for. (Camden/Westminster councils 2022). We prioritise working with schools with higher than London average free school meal ratio & EAL students.
- A significant decline in engagement with arts subjects at secondary school level. Children living in poverty are less likely to experience the arts outside school.
- Falling investment in young people: Westminster has reduced youth services budgets by 97% and Camden by 18% since 11/12.
- We work with Camden Council's Cultural Learning Partnership to support young people who experience physical, social and economic barriers to taking part. Participation in our projects supports personal development and wellbeing, develops confidence, develops skills and embeds interest in careers in the sector.

During Covid we worked with our local community to platform stories they felt were important, reaching over 20k people with projects about young people's mental health, climate and racial injustice. We opened our site to Holborn Community Association and toured *Teenage Dick* to 1000 young people in local schools. As a result of local authority partnerships deepened during the pandemic, we doubled the proportion of our schools work delivered locally vs in wider London.

With our commitment to platform local young people's voices we have expanded our Donmar LOCAL strand, with the announcement and development of our first large-scale LOCAL production, The Trials, we delivered a programme of workshops in communities and schools to recruit young people to lead the production. We also introduced LOCAL Residencies, working with local community organisations to co-create work with young people in our home boroughs.

Projects this year were:

- *Teenage Dick* Schools Tour toured to 7 schools, engaging 957 young people in schools who had a historical lack of engagement with the Donmar and its participatory programme
- Take the Stage, our flagship devising programme for young people, was delivered with 9 schools and 165 young people participating
- Schools Performance Programme alongside *Love and Other Acts of Violence*, *Force Majeure* and *Henry V*, engaged 1306 young people from 52 schools
- *The Trials* engagement and recruitment phase, engaged 1327 young people from across London, ahead of the production being presented in August 2022.

### 4. Drive sector change as an incubator of ideas

2021/22 saw us begin an 18 month research project designed to lead the sector's creative approach to environmental sustainability: Climate Conversations. Curated by our Associate Artist Zoe Svendsen (director and academic in Drama and Performance at the University of Cambridge), Climate Conversations aims to build on the industry's existing logistics-focussed sustainability resources by asking a new question: how can we change the artistic mindset? We believe this is a key, missing piece of the puzzle. We are researching the most effective changes any theatre can make to support a long-term shift in the creative process and artistic mindsets. Alongside public engagement activity, we have been running 'imagining otherwise' workshops with freelance artists and in-house staff, and trialling new 'Climate Dramaturgy' interventions in our productions, to see what interventions have the most impactful outcomes. This research is continuing into the first half of 2022/23. Thereafter we will evaluate and share our recommendations with LTC peers and the wider industry, offering a case study to be included in the Theatre Green Book.

## 5. Welcome a broad range of people through our doors

Following a successful run of Constellations in the Vaudeville theatre, with audiences of 60,000 in one of the first shows to reopen in the West End, we were delighted to finally open the Donmar's doors again in September 2021.

Ticket sales have been challenging for all theatres post-pandemic, and at the Donmar we have seen a definite change in audience booking behaviour with a reduction in advance bookings at the point of on-sale. Audiences are booking later, which means we have had to adjust our marketing campaigns balancing the need for awareness driving and conversion throughout the run, which historically has not been the pattern for the Donmar.
We have seen an increase in new audiences booking at the Donmar this year however - in particular, 49% of bookers for Henry V were new to the Donmar, which demonstrates the impact of marketing activities and benefits of strong casting/programming. We have also consistently achieved national media coverage with actors appearing across high profile broadcast and print media.

Our social media accounts have grown in followers with 28,000 followers on Facebook, 109,400 on Twitter and 39,700 followers on Instagram. In January we invested in a new in-house Digital Content Producer role to improve the quality and quantity of digital content produced as part of marketing activities, as part of the learning from the impact of increased digital work during the pandemic.

In partnership with ENO, we are reviewing our audience data capture and insight strategies to better understand who is attending our productions and measure the effectiveness and ROI of our marketing campaigns. We have begun to pilot new ways of capturing audience data, considering how to engage both digitally and in person.

We partnered with Inc Arts to review our recruitment policies and launched positive action traineeships with 100% of these roles delivered by global majority people. We recruited a senior inclusion role to embed change, train staff and monitor progress.

**Access**

Since 2019, we've increased access to our work by transferring shows regularly into the West End, touring nationwide, to schools & presenting work digitally.

We're committed to reaching the widest possible audiences for our work and ensuring ticket prices aren't a barrier: our Young+Free ticket scheme gives over 4000 free tickets/year to audiences aged 26 and under; our Donmar Daily scheme makes 3500 tickets available to new and younger audiences starting at £10. Supported by sponsors, we gave 750 free tickets to NHS workers in 21-22. Prior to the pandemic we welcomed 100,000 audiences a year for six productions annually; core audiences are predominantly London based (top postcodes N and SW), but with our reputation and location we're also a key destination for tourists, and our work online and in cinemas has a global presence, via projects including *Constellations*, *Coriolanus*, *Midnight Your Time* and *Assembly*, with 679k views in 20-22.

Our theatre refurbishment and restructuring of operations has allowed us to take full ownership of our building, bringing all roles into our direct employment, significantly improving accessibility for audiences by creating street level access and improving our lift, and opening our space for community use. We installed baby change units and hearing loop systems. We have expanded our access offer on all productions, meaning that every production run now offers a BSL, audio described and captioned performance. We offer touch tours pre show and visual storyboards when appropriate. We have begun preparations to offer relaxed performances in our seasons.

We're sector leaders in inclusive audio description, we continue to work in partnership with VocalEyes & Royal Holloway University since 2019 to bring together audiences, artists and industry partners to develop new ways to facilitate audio descriptions, and ensuring that audio description reflects the diversity of our work and audiences. This pilot has resulted in a new model of best practice disseminated across the sector.

## 5. Equality, diversity & inclusion

We continued to invest in artistic leadership, working with our diverse team of Associate Artists: Joan Iyiola, Zoë Svendsen, Prasanna Puwanarajah, Sacha Wares and Max Webster. They are each leading artists in their fields and have supported our artistic planning, challenged our assumptions, and provoked us to consider new artists, new forms and new models of working.

We commissioned 8 writers to further expand and continue to diversify the commissioning slate: Sonali Bhattacharyya, Gurpreet Kaur Bhatti, Ishy Din, Ella Hickson, Isley Lynn, Bruce Norris and Alexandra Wood. We currently have 15 commissioned writers. Our partnership with Theatre Royal Haymarket specifically supports two writers with protected characteristics.

We entered into an Inc Arts ally partnership and worked closely with them on anti-racism training, recruitment strategies and in developing a renewed Inclusivity and Relevance Plan.

In 2021/22 after a period of furlough and theatre closure we brought our team back to full numbers. We continue to make significant steps to diversify our workforce and have achieved our target of 20% global majority staff by 2022, reaching 27% global majority and 11% disabled staff. We created 3 positive action traineeships for administrative roles and 11 creative traineeships, which provided new routes into the workforce for global majority candidates.

Having taken over the operation of the theatre we now directly employ front of house and production staff. We worked with Inc Arts to develop our anti racism and inclusion work and we are seeking to expand this work and training further by bringing an anti-racism specialist to lead this work in house from 2022.

We are investing in and expanding our staff training programme now the team have returned to the workplace, beginning with all staff strategy away days and all staff anti-racism workshops. This will be expanded further in response to staff needs.

To support well-being we have an Employee Assistance Programme, a counselling support service available to all staff, 24 hrs per day, to provide support and guidance. We recruited a General Manager who sits on the Senior Management Team and is the organisational HR lead. Additionally we have a HR consultant who offers 1- 1 drop in sessions each month for staff to book and attend confidentially. Themes of these sessions are reported to the General Manager and Executive Team.

Having supported an industry wide Freelancer Taskforce in 2020 we launched our own freelance council made up of 7 people from various backgrounds and disciplines, chaired by a board member. The group meets quarterly and feeds in on organisational culture and specific projects. Members are paid for their time to attend sessions.

## 6. Sustainability

We are four months into our Climate Conversations research project, led by Zoe Svendsen and are working to review the membership and mission of our Environmental Action group. We plan to launch a refreshed version of the committee in Summer 2022, to align with our production of THE TRIALS, to ensure all of our learning from the production, inspired by the Theatre Green Book, is captured, evaluated and put into action for future productions - alongside all of our wider organisational work in Climate Dramaturgy and changing the 'artistic mindset'. This is also an important moment as we - for the first time - integrate our theatre operations into all of our sustainability ambitions.

**Financial Review**

The Donmar's £6.0m revenue (2020/21: £6.0m) is principally drawn from fundraising, £2.7m (2020/21: £4.3m), production income £1.5m (2020/21: £0.3m), support of the Arts Council including Cultural Recovery Fund, £1.1m (2020/21: £0.8m), use of the Coronavirus Job Retention Scheme £0.0m (2020/21: £0.4m) and trading income, £0.7m (2020/21: £0.2m).

Total income is flat on the prior year due to an increase in production income offset by the reduction in capital works fundraising. Production income was up post Covid closure with four Production in the year versus one in 2020/21. Fundraising was down 37% however this was mainly due to the completion of the capital works fundraising of £2.4m (without this capital income, Development income would be up 44%). The Donmar received Government support in the year through the Cultural Recovery Fund £0.6m (2020/21 : £0.3m) and the Coronavirus Job Retention Scheme of £0.03m (2020/21 : £0.4m).

The Donmar remains committed to investing as much of its income as possible in the work it produces on the stage whilst offering accessibility and value for its supporters and for the public money we receive, and this year, post Covid closures, we were able to re-open the Theatre for four Productions in the year. Direct production expenditure was £3.0m (2020/21: £1.0m), accounting for 51% of total expenditure and exceeded box office revenue by over £2.0m. Our public subsidy accounted for 9% of total income, relatively low amongst peers.

The other key expenditure area is staff and personnel (permanent staff headcount: 52, 2020/21: 38) which is £1.9m (2020/21: £1.6m), equating to 33% of our total general expenditure (2020/21: 46%).

While we are still feeling the impacts of Covid, with lower than normal ticket sales, the slow increase in costs during the restart, tightly managed production costs and the seat naming campaign allowed us to show a net profit of £0.2m (2020/21: £2.6m with included £2.4m of Capital Donations). This profit will help bolster our current reserve position (page 10 and 11), and help the management team to mitigate the on-going impact of the Covid pandemic and help the Donmar to continue to work towards a sustainable model.

**Fundraising**

Total fundraising income was £2.7m (45% of total income) (2020/21: £4.3m incl £2.4m capital fundraising), which was principally income from individuals at £1.6m (2020/21: £1.2m), commercial trading operations (corporate sponsorship), £0.5m (2020/21: £0.5m) and £0.3m in revenue from Trusts and Foundations (2020/21: £0.2m). It also includes £0.4m in donations toward the Capital Works (2020/21: £2.4m).

Covid continued to present challenges to fundraising, crucially in terms of generating new business as we were not able to host events or cultivate new contacts. In spite of this, a strong season announcement in the summer 2021 led to a surge in membership sales and from Sept 21 onwards we were able to once again deliver hospitality events to corporate partners and insight events to our supporters.

Overall, membership numbers remained stable across all levels, and benefit usage (often an indicator of renewal likelihood), was boosted by the popularity of shows like Force Majeure and Henry V. The latter was also a focus of fundraising efforts in the shape of production support, which delivered in the region of £200k (across Individual Giving and T&F ) and enabled the team to forge new relationships, and strengthen existing ones.

Additionally a seat naming campaign was launched, raising around £220k in unrestricted revenue to support our recovery from the pandemic.

Our main corporate partners continued their support as per existing contracts, and we were able to successfully recruit new corporate partners thanks to new introductions by the Development Board.

T&F performance was strong, with a new funder committing to a multi-year donation at £60k per year.

The Development Board continued to grow and support fundraising efforts with fruitful introductions.

**Fundraising disclosures**

The Donmar fundraising team raises funds primarily through offering a range of membership packages which are supported by benefits and specialist events, securing donations which are typically linked to a specific activity (e.g. production support), grants from trust and foundations, and through corporate sponsorship agreements. The Donmar does not engage any professional third-party fundraisers to make approaches to individuals on our behalf or involve commercial participators.

All direct marketing is undertaken by the fundraising department to ensure that it is not unreasonably intrusive or persistent. Aside from current members who receive regular updates via post and email to ensure that they can make the most of membership benefits, contact is made through direct marketing at the time of our programming announcements, usually twice per year. All marketing material contains clear instructions on how a person can be removed from mailing lists.

The Donmar is GDPR compliant and our fundraising team, senior staff and volunteers adhere to the Fundraising Codes of Conduct and Standards of Research as laid out by the Fundraising Regulator. We have an Ethics Policy in place. This covers ethical fundraising practice and process. It is endorsed by our board, and overseen by the Ethics and Reputation Committee. There have been no complaints about our fundraising activity this year.

**Theatre Redevelopment Project**

The Theatre successfully delivered its reduced refurbishment project achieving Practical Completion on 23 July 2021. The works initially focused on the replacement of essential mechanical and electrical systems past the end of their economic life including wholescale replacement of the rooftop plant; and Accessibility improvements including street level access and ramp and a new evacuation lift with wider door access. With continued success in fundraising, increased certainty over the reopening programme and a willing and constructive builder on site, the Board approved an additional package of works in March 2021 that has had a significant impact on audiences and artists since our reopening in September 2021. This included an enhancement of the existing WC provision including a full cosmetic refit; and a full refurbishment of the front of house including rationalising internal layouts, doorways and sightlines to further improve Access.

During August 2021 we delivered a programme of client direct works including new bars, box office, carpet and painting; works to the stage, technical grid, and back of house to address the lack of maintenance work over the last four years; replacement of the CCTV, the entire IT system including WIFI APS, and all white goods and systems from the front of house bars and box office.

As with the original scope, Mechanical and Electrical works reflects a significant part of the overall project cost of £3.5m but will enable extended lifetime of the building as a whole. The ambition for the building to be more accessible (including broader community engagement) and sustainable has been achieved through this project.

**Financial Viability**

The financial viability of the Donmar is overseen by the Audit, Finance and Risk (AF&R) Committee. The committee versees and evaluates the monthly financial figures for the organisation, led by the Executive Director (ED) and the Director of Finance (DoF). The AF&R reports to the Board and the Board has final sign off on the annual budget. The Board appoints external auditors, and commissions and considers reports as necessary, analysing risks raised through these processes.

The key financial risks to the Donmar include

- Covid - 19 continues to impact the Donmar with actor and staff illness resulting in cancellation of planned performances and lost income of £0.2m,
- The Donmar's application for the Arts Council England's National Portfolio Organisations (NPO) grant funding for financial years starting 2023 to 2026 was submitted in June 2022 and while this grant only makes up 9% of our annual income this would still create a significant loss of income should funding be removed or reduced. The outcome of this funding will be known in October 2022,
- High inflation and the current cost of living increases are impacting both the Donmar's cost base as well as ticket sales by pushing up all costs and reducing the amount of disposable income for customers, and,
- Theatre Tax Relief which, while we are not aware of any current discussions regarding changes to the tax relief, remains a risk .

While the management team and the AF&R continue to review, adapt and respond to these risks, should these inflows change materially or stop, this would likely necessitate a change to our operating model and impact the quality of the work we produce and our public benefit. To help mitigate this risk the Donmar has diversified its income streams by renting out office and residential space at Dryden street and by engaging with Commercial partners. This helps to lessen the Donmar's dependence on fundraising, and where possible the Donmar continues to look for structural ways to reduce the in-year risk associated with fundraising income, and implements careful performance and cost management to build resilience for future years. We have set a reserves policy to hold a sufficient amount in the risk reserve to support the organisation to transition to a new operating model in the event these income streams are affected.

The management team continues to tightly manage its reduced costs base and expenditure is managed across the organisation through structured meetings between budget holders and the Finance department on a monthly basis. The reviewed figures are then considered by the Director of Finance (DoF) and reported monthly to the Executive Director and the Artistic Director. Budgets have built-in contingencies and there is an overall organisational contingency each financial year, managed by the Executive Director. Organisationally, the budgets are overseen by the Executive Director and managed by the HoF and senior management team with the Director of Development leading on the majority of income generation and the Senior Producer leading on the majority of expenditure on the productions.

**Going concern**

The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12-month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 9, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

The Trustees continue to give particular consideration to the effect of Covid-19, reviewing the impact of the pandemic on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable. When reviewed in September 2022, it was noted that Covid -19 production cancellations and lower than normal ticket sales continue to impact the Donmar. While Production income is lower than forecast the increased Theatre Tax Relief and work done by management to diversify the Donmar's revenue streams has negated the full impact of this. Development income has increased and continues to deliver good value for the organisation and the management team continue to review and where appropriate implement cost saving initiatives in order to achieve further sustainability.

In October 2022, the Donmar received notification that it's Arts Council Funding was not to be renewed past 2023/24. This will leave an annual £0.5m gap in income (7% of forecast), however the Donmar expects to receive some transitional funding to fill the gap and this along with reserves will ensure the Donmar remains a going concern while changes are made to the strategy and structure to accommodate this income loss.

At the end of October 2022, the Donmar Warehouse had cash of £3.9m and the balance sheet at the end of August 2022 showed fixed assets of £10.1m and cash reserves of £3.4m (£0.2m restricted). Cashflow forecasts show cash dropping down to its lowest point of £3.2m (including restricted reserves of £0.2m) over the next 12 months. The Board remain satisfied that Donmar Warehouse will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

**Reserves Policy and Risk Management**

The Trustees consider the risks to the charity at each quarterly Board meeting and ensure that systems and procedures are established to mitigate the risks identified. At each meeting the Board also reviews the latest Risk Register prepared by the Executive which outlines the production related risks including health and safety as well as financial, reputational and strategic risks.

The Trustees consider the Covid-19 pandemic, NPO application and the reliance on fundraising as the major short to medium term risks to the charity. The Covid-19 pandemic continues to impact the planned performances, with illness and testing resulting in cancelled performances. Loss of NPO funding would result in a 9% loss in income. The Donmar's reliance on fundraising income remains an on-going risk due to potential donor fatigue and decline in memberships. These risks are reflected in the investment in the Operational Risk Reserve and the Covid Recovery Fund, both of which are discussed below.

Tangible Fixed Asset Funds
Covid Recovery Fund
Building Maintenance Fund
Creative Investment Fund
Operational Risk Reserve

The **tangible fixed asset** fund represents the value of the Donmar's fixed assets: the long lease of the Donmar Theatre at Earlham Street, the long lease and capitalised costs of the office at Dryden Street, the capitalised costs of the theatre redevelopment project, and the book value of fixtures and fittings.

**Reserves policy and risk management (continued)**

The Donmar holds three designated reserves:

1. **Covid Recovery Fund:** The fund was set up to support the Theatre through the Covid pandemic to support any operational losses and to allow for work to continue that may be loss leading but would allow the Donmar to continue to deliver its artistic vision. While this fund was originally closed by the Trustees at the end of March 2022, during the June 2022 Board meeting a further £500k was designated to this fund for the 2022/23 financial year.

2. **Building Maintenance Fund:** The Donmar retains a reasonable sum within the theatre maintenance fund to cover unbudgeted and/or uninsured repairs and maintenance. This fund has been built in recent years to reflect the age of some of the theatre infrastructure. We expect this will be spent partially each year and refilled from surpluses where possible.

3. **Creative Investment Fund:** This fund allows the Donmar to be able to invest and respond quickly to creative opportunities that may arise, outside of planned activity, which would enable us to extend our reach, maintain our goals for innovation and ensure sustainability. We anticipate this will be spent over the next year on a suitable creative initiative.

The operational risk reserve reflects the risk profile and risk register of the Donmar. It is set at a level that should allow the Donmar to continue to operate in the event of a shortfall in fundraising, trading income, box office income or Arts Council core grant. The policy is to hold at least 25% of forecast income for the forthcoming year or a minimum of £1.25m, whichever is higher. As at the 31 March 2022 the operational risk reserve was £3.0m (2021 - £2.1m) this 36% above the targeted 25%.

**Restricted funds**
The Donmar holds a number of restricted funds which are detailed at page 40-45. The total value of restricted funds at 31 March 2022 was £155,660 (2021: £789,208).

While it is expected that the Covid pandemic will continue to draw down on the Donmar's reserves the Trustees are satisfied that sufficient reserves are currently being held to get the Donmar through this period. With steps taken by management to reduce the impact of Covid, the future support of the charity's grant aiding bodies and private donors, we intend to sustain our risk reserve at a minimum of 25% of our annual revenue.

**Public Benefit**
Despite the year's closure, the Donmar has continued to inspire audiences, grow skills and nurture young people by:

- Making inclusive, relevant, world-class work that thrills audiences in our 251 seat theatre and online
- Employing talented and diverse creative teams and acting companies
- Investing in skills development and training to grow a diverse and highly skilled workforce for the theatre sector
- Widening audiences using digital technology
- Maintaining access through captioned, audio described and touch tour performances
- Broadening and diversifying our audiences and workforce
- Playing an active role in our community, working with schools and local young people from disadvantaged backgrounds.
- Looking outside our company and considering the impact of our business, with the aim of achieving a greener understanding of how a sustainable, efficient theatre can operate and add value to our community
- Maintain financial stability and value for money for our funders, whilst keeping ticket prices low

In planning the activities of the charity the Trustees have given due regard to the Charity Commission's guidance on public benefit and, in particular, the specific guidance for fee charging charities. As mentioned above the Trustees believe that the activities of the charity in the year confirm its ability to provide current and on-going benefit to the public.

**Future Plans**

**2022/23**

- *A Doll's House, Part 2* - US playwright Lucas Hnath's Tony Award-nominated sequel to the Ibsen classic, directed by James Macdonald and starring Olivier Award winner Noma Dumezweni (10 June - 06 August 2022) as Nora Helmer
- *The Trials* - a searing new play by Dawn King focusing on the climate crisis, featuring a mixed cast of non-professional young people recruited from around London alongside professional actors (12 - 27 August 2022)
- *Silence* - a co-production with Tara Theatre, this adaptation of Kavita Puri's *Partition Voices: Untold British Stories* commemorates the 75th anniversary of the Partition of India and uses personal testimonials to explore our shared history (01 - 17 September 2022)
- *The Band's Visit* - David Yazbek and Itamar Moses' acclaimed musical, winner of 10 Tony Awards, will make its European première at the Donmar, directed by Michael Longhurst, the first musical of his tenure as Artistic Director (24 September - 03 December 2022)
- *Watch on the Rhine* – Lillian Hellman's masterpiece political thriller is given a timely revival by director Ellen McDougall, with a cast including Patricia Hodge and Caitlin FitzGerald (9 December 2022 – 4 February 2023)
- *Trouble in Butetown* – winner of the Theatre Royal Haymarket Writers Award and the George Devine Award, this world premiere by Diana Nneka Atuona is directed by Tinuke Craig (10 February – 25 March 2023)

**The Executive and staff**

The Executive comprises the Artistic Director and Executive Director, who are both Joint Chief Executives. The Executive is supported by a team of 39 full time and part time employees including a Senior Management Team of 10. The Executive and SMT meet weekly to plan the delivery of activity, report on progress against organisational KPIs and discuss staff welfare and culture. Alongside our core staff we have a team of Artistic Associates and a Freelance Council.

The Donmar is committed to paying its employees a fair salary that is competitive within its industry and for the complexity of the role. In determining the right level of pay the Donmar has a remuneration and bonus policy, detailed appraisal process and regularly reviews and benchmarks the pay, benefits and total compensation.

The Governance, Nominations and Remuneration committee is responsible for reviewing and benchmarking the pay of the Executive team and the Executive is responsible for reviewing and benchmarking the pay of the Senior Management team.

**Board of Directors**

The Board of Directors met four times in 2021/22 for scheduled meetings and once for an extraordinary meeting. The Directors of the company are also Trustees for the purpose of charity law. The board supervises the activities of the charity with day to day activity delegated to the Executive and Senior Management.

Donmar Warehouse Projects Limited is a company limited by guarantee and not having share capital.

The following Directors have held office since 1 April 2021

Adam Kenwright
Sylvie Bressler (resigned 17 March 2022)
Susan Boster
Simon Dingemans (retired 17th March 2022)
William Eccleshare
Tiina Lee
Gerard Lemos CMG
Michael Longhurst
The Lady Lowy Mitchell (retired 17th March 2022)
Antonia Romeo
Tessa Ross CBE (Tessa Scantlebury]
June Sarpong OBE
Jonathan Smith

The following Directors were appointed after the year end:

Lucian Msamati (appointed 21 July 2021)
Neil Lyndon Marc Blair (appointed 23 June 2022)
Sarah Kate Carson (appointed 23 June 2022)
Johnathan Mark Jebarajan Kanagasooriam (appointed 23 June 2022)
Hannah Jane Thompson (appointed 23 June 2022)

Honorary Life President: Roger Wingate

**The Executive and staff (continued)**
In addition to the Board, there is a structure of Groups focusing on key areas of the organisation, which feed directly into the Board in an advisory capacity:

- Audit, Finance & Operations
- Development
- Ethics & Reputation
- Governance, Nominations & Remuneration
- Property

The membership of these Groups is a mix of Board members, Executive, SMT, and external members who provide expert knowledge on the Group's remit. The Groups and Board are administered by the General Manager, supporting both the Executive and the Trustees.

**Recruitment and Appointment of Trustees**
In November 2021, the board undertook an external governance review. An outcome of this was to complete a skills audit and review the makeup of the board of Trustees. In January we undertook a comprehensive trustee recruitment to new trustees to the board by June 2022.

On March 17th 2022 2 members retired, The Lady Lowy Mitchell and Simon Dingemans. The Board is 45% female and 36% global majority.

**Trustee induction and training**
New Trustees receive all necessary documentation so as to understand their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the workings of the Board of Management and the decision-making process.

New trustees are provided with an induction booklet, a policy handbook and are briefed by the General Manager and Executive. They connect with members of the Senior Management Team where necessary so as to understand relevant areas and participate in annual staff and board away days.

**Subsidiary**
Donmar Productions Limited is a wholly owned trading subsidiary responsible for producing the Donmar's productions as well as other commercial activities. The Donmar's board appoint the directors of Donmar Productions Limited which comprise board members. The results are consolidated within these accounts as per note 15.

Donmar Theatre Catering Limited is a new wholly owned trading subsidiary that was set up during 2021/22 and is responsible for running the bar and other catering activities in the Theatre, this company did not trade in the year but is expected to trade in future years. The Donmar's board appoint the directors of Donmar Theatre Catering Limited which compromise board members.

Donmar In The West End Limited and Donmar Films Limited are wholly owned subsidiaries that did not trade during the year (19/20 no trade). The Donmar's board appoint the directors of both entities which compromise board members.

The results of Donmar Theatre Catering Limited, Donmar in The West End and Donmar Films Limited are not consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group (see note 15).

**Related parties**
Details of related parties are included in note 25.

## Trustees' responsibilities statement for the year ended 31 March 2022

**Trustees' responsibilities**

The Trustees are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

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

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

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This Trustees' Report, which incorporates the Strategic Report on pages 1 to 15, was approved on behalf of the board by

A Kenwright

01/12/ 2022

**Opinion on the financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2022 and of the Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Donmar Warehouse Projects Limited ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities (incorporating the income and expenditure account), the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

**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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

**Conclusions related 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 and 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 Trustees' 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Other Companies Act 2006 reporting**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires 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 Directors' 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 Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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

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

- We have made enquiries of management and the board, including:
  - how they have identified evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;
  - their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity. These include, but are not limited to, compliance with the Companies Act 2006, UK GAAP, Charities SORP, fundraising regulations and tax legislation.
- In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law and data protection. In order to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, we made enquiries of management and those charged with Governance about whether the entity is in compliance with such laws and regulations and we inspected any relevant regulatory and legal correspondence.
- We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.
- The Senior Statutory Auditor has assessed and concluded that the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We read minutes of meetings and those charged with governance.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are inappropriate or unusual or; and
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to the allocation of support costs, depreciation, componentisation of the refurbishments, theatre tax relief and going concern.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:
https://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 Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Jill Halford
73D8B18FE9AC4C9...

**Jill Halford** (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

Date 08 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Donmar Warehouse Projects Limited

## Consolidated statement of financial activities (Incorporating an income and expenditure account) for the year ended 31 March 2022

| | Note | Unrestricted funds £ | Restricted funds £ | 2022 Total £ | 2021 Total £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| **Donations:** | | | | | |
| Development income | 4 | **1,076,718** | **666,681** | **1,743,399** | 3,654,355 |
| Other grants and donations | 5 | **1,619,785** | - | **1,619,785** | 1,334,371 |
| **Charitable activities:** | | | | | |
| Production income | 6 | **1,248,905** | **106,500** | **1,355,405** | 321,051 |
| **Trading activities** | 7 | **1,266,526** | **9,168** | **1,275,694** | 668,128 |
| **Investments** | 8 | **399** | - | **399** | 1,320 |
| **Total income** | | **5,212,333** | **782,349** | **5,994,682** | 5,979,225 |
| **Expenditure on:** | | | | | |
| **Raising funds** | | **543,415** | - | **543,415** | 1,267,839 |
| **Charitable activities** | | | | | |
| Production expenses | | **4,602,926** | **637,966** | **5,240,892** | 2,024,947 |
| **Total expenditure** | 10 | **5,146,341** | **637,966** | **5,784,307** | 3,292,786 |
| **Net income in the year before transfers and tax** | 9 | **65,992** | **144,383** | **210,375** | 2,686,439 |
| Transfers between funds | 20 | **777,931** | **(777,931)** | - | - |
| **Net income in the year before tax** | | **843,923** | **(633,548)** | **210,375** | 2,686,439 |
| Tax payable | | - | - | - | - |
| **Net movement in funds** | | **843,923** | **(633,548)** | **210,375** | 2,686,439 |
| **Reconciliation of group funds:** | | | | | |
| Opening fund balances at 1 April 2021 | 20 | **12,763,753** | **789,208** | **13,552,961** | 10,866,522 |
| Closing fund balances at 31 March 2022 | 20 | **13,607,676** | **155,660** | **13,763,336** | 13,552,961 |

All amounts results are derived from continuing activities.
The company has no other recognised gains and losses other than those stated above.
The notes on pages 23 to 48 form part of these financial statements.

# Donmar Warehouse Projects Limited

## Consolidated and charity balance sheet
## at 31 March 2022

*Company number 1611861 (England and Wales)*

| | Note | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | **40,031** | 66,040 | **40,031** | 66,040 |
| Tangible assets | 14 | **10,122,991** | 8,416,161 | **10,122,991** | 8,416,161 |
| Investments | 15 | **3** | 2 | **4** | 3 |
| | | **10,163,025** | 8,482,203 | **10,163,026** | 8,482,204 |
| **Current assets** | | | | | |
| Stocks | | **6,579** | - | **6,579** | - |
| Debtors | 16 | **1,455,729** | 863,839 | **6,155,791** | 4,501,776 |
| Cash at bank and in hand | 22 | **4,305,610** | 5,596,657 | **3,846,896** | 4,510,759 |
| | | **5,767,918** | 6,460,496 | **10,009,266** | 9,012,535 |
| **Creditors: amounts falling due within one year** | 17 | **(2,167,607)** | (1,363,338) | **(5,609,661)** | (3,884,531) |
| **Net current assets** | | **3,600,311** | 5,097,158 | **4,399,605** | 5,128,004 |
| **Total assets less current liabilities** | | **13,763,336** | 13,579,361 | **14,562,631** | 13,610,208 |
| Provision for liabilities | 19 | **-** | (26,400) | **-** | (26,400) |
| **Net assets** | 21 | **13,763,336** | 13,552,961 | **14,562,631** | 13,583,808 |
| **Restricted funds** | | **155,660** | 789,208 | **146,492** | 768,375 |
| General unrestricted funds | | **2,994,654** | 2,181,552 | **3,803,117** | 2,233,232 |
| Designated funds | | **450,000** | 2,100,000 | **450,000** | 2,100,000 |
| Fixed asset funds | | **10,163,022** | 8,482,201 | **10,163,022** | 8,482,201 |
| **Total unrestricted funds** | 20 | **13,607,676** | 12,763,753 | **14,416,139** | 12,815,433 |
| **Total** | 20 | **13,763,336** | 13,552,961 | **14,562,631** | 13,583,808 |

As permitted by S408 Companies Act 2006, the charity has not presented its own statement of financial activities and related notes. The charity's surplus for the year was £978,823 (2021 – surplus of £2,742,401).

The financial statements were approved by the Board of Directors and authorised for issue on 1ST DECEMBER 2022

**A Kenwright**
Director

The notes on pages 23 to 48 form part of these financial statements.

# Donmar Warehouse Projects Limited

## Consolidated statement of cash flows
## for the year ended 31 March 2022

| | Note | 2022<br>£ | 2021<br>£ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net income for the reporting period | | **210,375** | 2,686,439 |
| Depreciation | 14 | **238,328** | 128,014 |
| Amortisation | 13 | **26,009** | 30,337 |
| Investment income | 8 | **(399)** | (1,320) |
| Tax | | **-** | - |
| Foreign exchange gains | | **(36,726)** | - |
| Decrease in stocks | | **(6,579)** | 4,950 |
| (Increase)/decrease in debtors | 16 | **(591,891)** | 203,135 |
| Increase/(decrease) in creditors | 17 | **804,269** | (233,576) |
| Decrease in provisions | 19 | **(26,400)** | - |
| **Net cash provided by operating activities** | | **616,986** | 2,817,979 |
| **Cash flows from investing activities** | | | |
| Investment income received | 8 | **399** | 1,320 |
| Purchase of fixed assets | 14 | **(1,945,158)** | (1,574,975) |
| **Net cash (used in) investing activities** | | **(1,944,759)** | (1,573,655) |
| **Change in cash and cash equivalents in the reporting year** | 22 | **(1,327,773)** | 1,244,324 |
| **Cash and cash equivalents at the beginning of the year** | | **5,596,657** | 4,352,333 |
| **Foreign exchange gains** | | **36,726** | - |
| **Cash and cash equivalents at the end of the year** | 22, 23 | **4,305,610** | 5,596,657 |

The analysis of net debt is given in note 23.

The notes on pages 23 to 48 form part of these financial statements.

## 1 Status of company

The company is a registered charity, limited by guarantee and incorporated in England and Wales.

The company has fifteen members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

## 2 Accounting policies

***Basis of preparation***

The financial statements have been prepared on a going concern basis under the historical cost convention. The accounts (financial statements) have been prepared in accordance with 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" (The Charities SORP 2nd Edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

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

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 £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied consistently:

***Exemptions for qualifying entities under FRS 102***

The Company has taken advantage of the following reduced disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

***Consolidation***

The consolidated financial statements present information about the company and its wholly owned subsidiary Donmar Productions Limited.

The results of the wholly owned subsidiaries, Donmar In The West End Limited, Donmar Films Limited and Donmar Theatre Catering Limited have not been consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group (see note 15). All three were dormant during the year.

**2 Accounting policies** *(continued)*

***Going concern***

The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12-month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 9, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

The Trustees continue to give particular consideration to the effect of Covid-19, reviewing the impact of the pandemic on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable. When reviewed in September 2022, it was noted that Covid -19 production cancellations and lower than normal ticket sales continue to impact the Donmar. While Production income is lower than forecast the increased Theatre Tax Relief and work done by management to diversify the Donmar's revenue streams has negated the full impact of this. Development income has increased and continues to deliver good value for the organisation and the management team continue to review and where appropriate implement cost saving initiatives in order to achieve further sustainability.

In October 2022, the Donmar received notification that it's Arts Council Funding was not to be renewed past 2023/24. This will leave an annual £0.5m gap in income (7% of forecast), however the Donmar expects to receive some transitional funding to fill the gap and this along with reserves will ensure the Donmar remains a going concern while changes are made to the strategy and structure to accommodate this income loss.

At the end of October 2022, the Donmar Warehouse had cash of £3.9m and the balance sheet at the end of August 2022 showed fixed assets of £10.1m and cash reserves of £3.4m (£0.2m restricted). Cashflow forecasts show cash dropping down to its lowest point of £3.2m (including restricted reserves of £0.2m) over the next 12 months. The Board remain satisfied that Donmar Warehouse will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

***Income***

Income from donations and government grants, including capital and furlough grants, is included in income when there is entitlement, probability 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 income as restricted funds.

Productions income is included in income in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

Goods and services received in kind, where material, are included within 'Donations' and under the appropriate income heading, depending on the nature of goods and services provided. These are recognised at an estimated value to the charity at the time of receipt.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

**2 Accounting policies** *(continued)*

***Expenditure***

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.
- Charitable activities includes expenditure associated with the operation of the theatre and such directly associated activities as educational programmes and the Directors programme. Cost of charitable activities includes 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 frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Trading expenditure forms part of the Group's trading activities and commercial exploitations are separately disclosed as trading activities.

***Costs of productions not yet opened***

The costs and materials for new productions and associated creative team fees are carried forward on the balance sheet until they are expensed on the date of the performance. Internal labour and rehearsal costs are expensed as incurred.

***Fund accounting***

Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 20).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report. In addition, the Trustees consider the value of the long lease to be a designated fund as it is not a readily realisable asset.

**2 Accounting policies** *(continued)*

***Intangible fixed assets***

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Intangible assets of website and box office are amortised over 5 and 10 years.

***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

| | | |
|---|---|---|
| Leasehold land and buildings | - | Over the length of the lease |
| Leasehold improvements (Dryden Street and Earlham Street) | - | Between 5 and 50 years on a straight line basis |
| IT equipment | - | Over 4 years on a straight line basis |
| Fixtures, fittings and equipment | - | Between 4 and 15 years on a straight line basis |

Assets under construction are not depreciated until they are brought into use.

Individual fixed assets consisting more than £4,000 are capitalised at cost.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

***Investments***

The investments held by the charity relate to investments in subsidiary company and these are held at cost. The investments of Donmar Warehouse Projects consist of four subsidiaries, Donmar in the West End Limited, Donmar Productions Limited, Donmar Films Limited, and Donmar Theatre Catering Limited. All three companies are not quoted and the directors consider it appropriate to include the investments at cost.

***Stocks***

Stocks held by the group relate to food and drink. Stocks are valued at the lower of costs and estimated selling price less costs to sell. Cost is based on the latest purchase price.

**2 Accounting policies** *(continued)*

***Cash***

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

***Provisions***

Provisions are made when a present obligation exists at the balance sheet date in accordance with the requirements of FRS 102 para 21.4.

***Financial instruments***

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. 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.

- ***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.

- ***Derecognition of financial assets***

  Financial assets are derecognised 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.

- ***Derecognition of financial liabilities***

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

***Operating leases***

Rent payable is recognised on a straight line basis over the lease term.

***Pensions***

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

**2 Accounting policies** *(continued)*

***Foreign currency translation***

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

***Gift Aid***

The charity owns the whole of the issued ordinary share capital of Donmar Productions Limited.

Donmar Productions Limited ordinarily pays each year to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the Company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

***Taxation***

Donmar Warehouse Projects Limited is a culturally exempt organisation under schedule 9 of the VAT Act 1994 and during the year VAT returns have been submitted on a culturally exempt basis. Irrecoverable VAT is charged against the cost of charitable activities, where it is incurred. Irrecoverable VAT on capital expenditure has been capitalised and will be written off over the life of the assets.

As a registered charity, Donmar Warehouse Projects Limited is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

Donmar Productions Limited is liable to corporation tax.

Tax is recognised in the Statement of Financial Activities, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

**3 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following critical accounting judgement has been identified below:
Cost allocation: The cost allocation methodology requires judgement as to what are the most appropriate basis to use to apportion support costs. Support costs are allocated between activities on the base of staff numbers employed on those activities during the year.

The Directors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

## 4 Development income

| | Unrestricted £ | Restricted £ | 2022 £ |
|---|---|---|---|
| Membership | **714,607** | - | **714,607** |
| Gift aid | **239,111** | - | **239,111** |
| Other individuals | **27,323** | - | **27,323** |
| Corporate | **88,000** | - | **88,000** |
| Trusts & Foundations | **7,677** | **286,681** | **294,358** |
| Pay It Forward | - | - | - |
| Capital | - | **380,000** | **380,000** |
| **Total 2022** | **1,076,718** | **666,681** | **1,743,399** |

| | Unrestricted £ | Restricted £ | 2021 £ |
|---|---|---|---|
| Membership | 757,172 | - | 757,172 |
| Gift aid | 229,040 | - | 229,040 |
| Other individuals | 51,395 | - | 51,395 |
| Corporate | 19,167 | 20,833 | 40,000 |
| Trusts & Foundations | 2,000 | 175,500 | 177,500 |
| Pay It Forward | - | 23,581 | 23,581 |
| Capital | 615,000 | 1,760,667 | 2,375,667 |
| Total 2021 | 1,673,774 | 1,980,581 | 3,654,355 |

The following support, in the form of gifts in kind and donated services, was received by the charity during the year: provision of alcohol and catering at events, legal advice, venue hire, refreshments for meetings. The value of this support is estimated to be £28,750 (2021: £31,133). In line with the accounting policy, this invaluable support has not been recorded within the Statement of Financial Activities as the donations are not considered to be material.

## 5 Other grants and donations

| | Unrestricted £ | Restricted £ | 2022 £ |
|---|---|---|---|
| ***Government grants*** | | | |
| UK Arts council income | **513,904** | **-** | **513,904** |
| Cultural recovery grant | **603,934** | **-** | **603,934** |
| Grants for furloughed employees | **27,534** | **-** | **27,534** |
| Other donations | **474,413** | **-** | **474,413** |
| **Total 2022** | **1,619,785** | **-** | **1,619,785** |

| | Unrestricted £ | Restricted £ | 2021 £ |
|---|---|---|---|
| ***Government grants*** | | | |
| UK Arts council income | 513,904 | - | 513,904 |
| Cultural recovery grant | 262,241 | - | 262,241 |
| Grants for furloughed employees | 385,947 | - | 385,947 |
| Other donations | 160,884 | 11,395 | 172,279 |
| **Total 2021** | 1,322,976 | 11,395 | 1,334,371 |

## 6 Production income

| | Unrestricted £ | Restricted £ | 2022 £ |
|---|---|---|---|
| Ticket revenue | **984,905** | **-** | **984,905** |
| Production support | **30,000** | **106,500** | **136,500** |
| Income from partnerships | **234,000** | **-** | **234,000** |
| **Total 2022** | **1,248,905** | **106,500** | **1,355,405** |

| | Unrestricted £ | Restricted £ | 2021 £ |
|---|---|---|---|
| Ticket revenue | 147,559 | - | 147,559 |
| Production support | - | 138,333 | 138,333 |
| Income from partnerships | 35,159 | - | 35,159 |
| **Total 2021** | 182,718 | 138,333 | 321,051 |

## 7 Income from trading activities

| | Unrestricted £ | Restricted | 2022 £ | 2021 £ |
|---|---|---|---|---|
| Donmar Beyond | **387,107** | - | **387,107** | 61,964 |
| Royalties and sundry income | **46,079** | - | **46,079** | 59,298 |
| Rental income | **187,901** | - | **187,901** | 32,430 |
| ***Income from subsidiary:*** | | | | |
| Corporate sponsorship and membership | **470,899** | **9,168** | **480,067** | 456,064 |
| Theatre Tax Relief | **139,606** | - | **139,606** | 30,870 |
| Catering income | - | - | - | (4,950) |
| Other trading income | **34,934** | - | **34,934** | 32,452 |
| **Total 2022** | **1,266,526** | **9,168** | **1,275,694** | 668,128 |
| Total 2021 | 668,128 | - | 668,128 | 1,491,620 |

All income from trading activities in the prior year was unrestricted.

Included in the above income from the subsidiary is theatre tax relief. This amount is receivable by the company as a result of Theatre Tax Relief recognised for the year.

## 8 Investment income

| | 2022 £ | 2021 £ |
|---|---|---|
| Interest receivable | **399** | 1,320 |

All income from investments for the current and preceding year was unrestricted.

## 9 Net income during the year is stated after charging:

| | 2022 £ | 2021 £ |
|---|---|---|
| Depreciation of tangible assets | **238,328** | 128,014 |
| Amortisation of intangible assets | **26,009** | 30,337 |
| Foreign exchange (losses)/gains recognised | **(36,730)** | 80,468 |
| Operating lease rentals | **91,135** | 95,748 |
| Auditor's remuneration: | | |
| - audit fees for current year audit | **43,565** | 43,000 |
| - Tax fees | **17,105** | 13,705 |
| - other services | **4,500** | 4,550 |

10 **Total expenditure**

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2022 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | **295,318** | **92,442** | **155,655** | **543,415** |
| ***Charitable activities:*** | | | | |
| Theatrical productions | **1,632,154** | **2,884,750** | **723,988** | **5,240,892** |
| **Total 2022** | **1,927,472** | **2,977,192** | **879,643** | **5,784,307** |

| **Support costs** | Cost of Raising funds £ | Charitable activities £ | Total 2022 £ |
|---|---|---|---|
| Office overheads | **155,655** | **663,880** | **819,535** |
| Governance costs | **-** | **60,108** | **60,108** |
| **Total 2022** | **155,655** | **723,988** | **879,643** |

Total expenditure for the year was £5,784,307 (2021 - £3,292,786), of which £637,966 was restricted (2021 - £1,786,687) and £5,146,341 was unrestricted (2021 - £1,506,099).

The staff costs that relate to staff working on productions is included within other direct costs.

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2021 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | 305,126 | 703,580 | 259,133 | 1,267,839 |
| ***Charitable activities:*** | | | | |
| Theatrical productions | 1,243,330 | 262,019 | 519,598 | 2,024,947 |
| **Total 2021** | 1,548,456 | 965,599 | 778,731 | 3,292,786 |

| **Support costs** | Cost of Raising funds £ | Charitable activities £ | Total 2021 £ |
|---|---|---|---|
| Office overheads | 259,133 | 466,438 | 725,571 |
| Governance costs | - | 53,160 | 53,160 |
| **Total 2021** | 259,133 | 519,598 | 778,731 |

## 11 Directors' emoluments

Appointing the Chief Executive and Artistic Director to the Board of Trustees is specifically permitted by the Company's articles.

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Donmar. The Executive Producer and Artistic Director only receive remuneration in respect of services they provide undertaking the roles of Executive Producer and Artistic Director respectively under their contracts of employment, and not in respect of their role as Board Directors.

The value of Directors' remuneration and other benefits was as follows:

| | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| **Michael Longhurst, Current Artistic Director** | | |
| Remuneration | **88,000** | 85,334 |
| Pension | **5,280** | 5,120 |
| **Henrietta Finch, Current Executive Director** | | |
| Remuneration | **81,750** | 80,000 |
| Pension | **4,905** | 4,800 |
| Total | **179,935** | 175,254 |

During the year, the Artistic and Executive Director both received benefits in kind to the value of £1,239 (2021: £1,419).

During the year there were no Trustees who were remunerated or reimbursed for expenses.

Indemnity insurance was purchased in the year in respect of all the Trustees and Officers of the Company.

Expenses are reimbursed to the Executive Producer and Artistic Director specifically in relation to their roles within the charity and not in relation to their position as trustees. All staff expenses are governed by a clear reimbursement policy. The amounts reimbursed during the year of 2021/22 for travel and additional meeting and event costs relating solely to activities for the company were:

| | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| Michael Longhurst, Current Artistic Director | **212** | 250 |
| Henrietta Finch, Current Executive Director | **56** | 35 |

## 12 Employees

The average monthly number of employees during the year was:

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Permanent staff | **52** | 38 |
| In addition total staff working on productions | **68** | 19 |

The nature of staff working on productions means that it is not possible to give a meaningful full time equivalent or average headcount as each production has bespoke requirements. The number shown is therefore the total number of production staff and performers that have been involved during the year.

| **Employment cost:** | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Wages and salaries | **1,690,921** | 1,349,949 |
| Social security costs | **159,299** | 129,343 |
| Other pension costs | **77,252** | 69,164 |
| **Permanent staff total** | **1,927,472** | 1,548,456 |
| ***Staff working on productions*** | | |
| Wages and salaries | **510,797** | 45,380 |
| Social security costs | **1,697** | - |
| Other pension costs | **14,113** | 285 |
| **Productions staff total** | **526,607** | 45,665 |
| **Total** | **2,454,079** | 1,594,121 |

The number of employees who have received remuneration amounting to more than £60,000 in either year was:

| | 2022 | 2021 |
|---|---|---|
| | **Number** | **Number** |
| £60,000 - £70,000 | **1** | - |
| £80,000 - £90,000 | **2** | 2 |

| Total remuneration of key management personnel including employers pension in the period was as follows: | £ | £ |
|---|---|---|
| | **179,935** | 175,254 |

In the year there were redundancy benefits of £Nil (2021: £29,021) accrued in the year to no individuals (2021: 6 individuals).

## 13 Intangible fixed assets

**Group and charity**

| | Website and box office £ |
|---|---|
| *Cost* | |
| At 1 April 2021 | 193,629 |
| **At 31 March 2022** | **193,629** |
| *Depreciation* | |
| At 1 April 2021 | 127,589 |
| Charge for the year | 26,009 |
| **At 31 March 2022** | **153,598** |
| **Net book value** | |
| At 31 March 2022 | **40,031** |
| At 31 March 2021 | 66,040 |

## 14 Tangible fixed assets

| | Leasehold and buildings £ | Dryden Street £ | IT equipment £ | Fixtures, Fittings and equipment £ | Earlham Street £ | Asset under construction £ | Total £ |
|---|---|---|---|---|---|---|---|
| **Group and charity** | | | | | | | |
| *Cost* | | | | | | | |
| At 1 April 2021 | 2,850,000 | 3,978,747 | 129,088 | 608,819 | - | 2,303,843 | **9,870,497** |
| Transfer | - | - | - | - | 2,303,843 | (2,303,843) | **-** |
| Additions | - | - | 71,024 | 302,219 | 1,571,915 | - | **1,945,158** |
| **At 31 March 2022** | **2,850,000** | **3,978,747** | **200,112** | **911,038** | **3,875,758** | **-** | **11,815,655** |
| *Depreciation* | | | | | | | |
| At 1 April 2021 | 266,293 | 520,911 | 122,440 | 544,692 | | - | **1,454,336** |
| Charge for the year | 23,973 | 80,669 | 13,539 | 48,145 | 72,002 | - | **238,328** |
| **At 31 March 2022** | **290,266** | **601,580** | **135,979** | **592,837** | **72,002** | **-** | **1,692,664** |
| **Net book value** | | | | | | | |
| At 31 March 2022 | **2,559,734** | **3,377,167** | **64,133** | **318,201** | **3,803,756** | **-** | **10,122,991** |
| At 31 March 2021 | 2,583,707 | 3,457,836 | 6,648 | 64,127 | - | 2,303,843 | 8,416,161 |

All fixed assets are used for charitable purposes.

## 15 Fixed asset investments

| | Shares in subsidiary undertakings £ |
|---|---|
| **Group** | |
| *Cost and net book value* | |
| At 1 April 2021 | 2 |
| Addition | 1 |
| At 31 March 2022 | 3 |
| **Charity** | |
| *Cost and net book value* | |
| At 1 April 2021 | 3 |
| Addition | 1 |
| At 31 March 2022 | 4 |

The following are subsidiaries of the company:

| Company | Country of incorporation | Class of shares | Holding | Principal activity |
|---|---|---|---|---|
| Donmar in the West End Limited (Company number: 03976008) | England and Wales | Ordinary | 100% | Theatre production |
| Donmar Productions Limited (Company number: 06730810) | England and Wales | Ordinary | 100% | Theatre production |
| Donmar Films Limited (Company number: 07152156) | England and Wales | Ordinary | 100% | Film production |
| Donmar Theatre Catering (Company number: 13722375) | England and Wales | Ordinary | 100% | Catering |

Donmar Theatre Catering Company was incorporated on 3 November 2021 and did not trade in the year to 31 March 2022.

The results of Donmar Theatre Catering Limited, Donmar in The West End and Donmar Films Limited are not consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group.

The aggregate amount of capital and reserves and the results of these undertakings for year were as follows:

| | | Capital and Reserves 2022 £ | Profit for the year 2022 £ |
|---|---|---|---|
| Donmar in the West End Limited | Theatre production | 1 | - |
| Donmar Films Limited | Film production | 1 | - |
| Donmar Productions Limited | Theatre promotion | 1 | 561,900 |
| Donmar Theatre Catering | Catering | 1 | - |

## 15 Fixed asset investments (continued)

Donmar Productions Limited was the only subsidiary to trade in the current or prior financial year; the results, which have been consolidated into the results of the Group, were as follows:

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Turnover (including other operating and interest income) | **2,331,832** | 996,676 |
| Cost of sales | **(1,536,673)** | (449,476) |
| Administrative expenses | **(431,110)** | (52,360) |
| Theatre tax relief | **196,851** | 30,870 |
| Corporation tax | **-** | - |
| Profit for the financial year | **560,900** | 525,710 |
| Amounted gifted to the charity | **560,900** | 525,710 |

The above amounts include commission income from the parent charity of £1,931,111 (2021 - £504,379). Management charges from the parent charity of £422,581 (2021 - £131,284) and sundry expenses recharges from the parent charity of £Nil (2021 - £27,087).

## 16 Debtors

| | Group 2022 | As restated Group 2021 | Charity 2022 | As restated Charity 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Trade debtors | **267,553** | 378,519 | **143,705** | 361,583 |
| Other debtors | **591,417** | 8,055 | **1,300,513** | 8,053 |
| Amounts owed by subsidiary undertakings | **-** | - | **4,254,393** | 3,654,849 |
| Other taxes and social security | **-** | 200,711 | **-** | 200,711 |
| Prepayments and accrued income | **596,759** | 276,554 | **457,180** | 276,580 |
| | **1,455,729** | 863,839 | **6,155,791** | 4,501,776 |

Amounts owed by subsidiary undertakings are interest free and repayable on demand.

The 2021 'Amounts owed by subsidiary undertakings' and 'Other taxes and social security' were transposed in the financial statements for the year ended 31 March 2021 and have been restated to correct this error. There is no impact on total debtors or the rest of the financial statements.

## 17 Creditors: amounts falling due within one year

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|---|---|---|---|
| Trade creditors | **333,744** | 162,719 | **270,282** | 162,576 |
| Amounts owed to subsidiary undertakings | **-** | - | **4,123,236** | 2,751,776 |
| Taxation and social security | **155,129** | 60,134 | **154,145** | 60,134 |
| Corporation tax | **-** | - | **-** | - |
| Other creditors | **275,460** | 368,072 | **275,460** | 368,072 |
| Accruals and deferred income | **1,403,274** | 772,413 | **786,538** | 541,973 |
| | **2,167,607** | 1,363,338 | **5,609,661** | 3,884,531 |

Amounts owed to subsidiary undertakings are un-secured, interest free and repayable on demand.

## 18 Deferred income

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|---|---|---|---|
| Deferred income brought forward | **243,677** | 374,117 | **28,360** | 85,442 |
| Released in the period | **(243,677)** | (374,117) | **(28,360)** | (85,442) |
| Additional income deferred | **1,283,393** | 243,677 | **689,505** | 28,360 |
| | **1,283,393** | 243,677 | **689,505** | 28,360 |

Deferred income is to be recognised within following periods:

| | | | | |
|---|---|---|---|---|
| Less than one year | **1,283,393** | 243,677 | **689,505** | 28,360 |

Deferred income for both the Group and Charity relates to fundraising income for events in the next financial year and in the prior year included ticket income for productions that happened this year.

## 19 Provision for liabilities

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|---|---|---|---|
| Provisions brought forward | **26,400** | 26,400 | **26,400** | 26,400 |
| Provided for in the period | | - | | - |
| Released to the statement of financial activities | **(26,400)** | - | **(26,400)** | - |
| | **-** | 26,400 | **-** | 26,400 |

The provision relates to the potential penalty to be incurred by the Charity in relation to the payment of gift aid declarations.

## 20 General and restricted funds

| Group | Balance 1 April 2021 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2022 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,457,836 | - | (80,669) | - | **3,377,167** |
| Theatre lease fund | 2,583,707 | - | (23,973) | - | **2,559,734** |
| Earlham Street | 2,303,843 | - | (72,002) | 1,571,915 | **3,803,756** |
| Fixed asset fund | 136,815 | - | (87,693) | 373,243 | **422,365** |
| **Total fixed assets funds** | 8,482,201 | - | (264,337) | 1,945,158 | **10,163,022** |
| **Designated funds:** | | | | | |
| Theatre redevelopment fund | - | - | - | - | **-** |
| COVID recovery fund | 1,650,000 | - | - | (1,650,000) | **-** |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Creative investment fund | 200,000 | - | - | - | **200,000** |
| **Total designated funds** | 2,100,000 | - | - | (1,650,000) | **450,000** |
| **Operational risk reserve** | 2,181,552 | 5,212,333 | (4,882,004) | 482,773 | **2,994,654** |
| **Total unrestricted funds** | 12,763,753 | 5,212,333 | (5,146,341) | 777,931 | **13,607,676** |
| **Restricted funds:** | | | | | |
| Resident Assistant Director | 17,826 | 30,000 | (38,669) | - | **9,157** |
| Catalyst | - | 27,500 | (27,500) | - | **-** |
| Production support | 135,000 | 106,500 | (241,500) | - | **-** |
| Resident Design Assistant | 12,500 | 3,500 | (1,750) | - | **14,250** |
| Pay it forward funds | 146,328 | - | (23,243) | - | **123,085** |
| Capital project | 397,931 | 380,000 | - | (777,931) | **-** |
| Pathways (Discover) | 867 | - | (867) | - | **-** |
| Donmar Local | 22,120 | 30,000 | (52,120) | - | **-** |
| Donmar Discover Programme | 35,803 | 195,681 | (231,484) | - | **-** |
| NHS tickets | 20,833 | 9,168 | (20,833) | - | **9,168** |
| **Total restricted funds** | 789,208 | 782,349 | (637,966) | (777,931) | **155,660** |
| **Total funds** | 13,552,961 | 5,994,682 | (5,784,307) | - | **13,763,336** |

20 **General and restricted funds** *(continued)*

| Charity | Balance 1 April 2021 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2022 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,457,836 | - | (80,669) | - | **3,377,167** |
| Theatre lease fund | 2,583,707 | - | (23,973) | - | **2,559,734** |
| Earlham Street | 2,303,843 | - | (72,002) | 1,571,915 | **3,803,756** |
| Fixed asset fund | 136,815 | - | (87,693) | 373,243 | **422,365** |
| **Total fixed assets funds** | 8,482,201 | - | (264,337) | 1,945,158 | **10,163,022** |
| **Designated funds:** | | | | | |
| Theatre redevelopment fund | - | | | | |
| COVID recovery fund | 1,650,000 | - | | (1,650,000) | - |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Creative investment fund | 200,000 | - | - | - | **200,000** |
| **Total designated funds** | 2,100,000 | - | - | (1,650,000) | **450,000** |
| **Operational risk reserve** | 2,233,232 | 5,664,655 | (4,577,543) | 482,773 | **3,803,117** |
| **Total unrestricted funds** | 12,815,433 | 5,664,655 | (4,841,880) | 777,931 | **14,416,139** |
| **Restricted funds:** | | | | | |
| Resident Assistant Director | 7,826 | 30,000 | (38,669) | 10,000 | **9,157** |
| Catalyst | - | 27,500 | (27,500) | - | |
| Production support | 135,000 | 106,500 | (241,500) | - | - |
| Resident Design Assistant | 12,500 | 3,500 | (1,750) | - | **14,250** |
| Pay it forward funds | 146,328 | - | (23,243) | - | **123,085** |
| Capital project | 397,931 | 380,000 | - | (777,931) | - |
| T&F training | 10,000 | - | - | (10,000) | - |
| Pathways (Discover) | 867 | - | (867) | | - |
| Donmar Local | 22,120 | 30,000 | (52,120) | - | - |
| Donmar Discover Programme | 35,803 | 195,681 | (231,484) | - | - |
| **Total restricted funds** | 768,375 | 773,181 | (617,133) | (777,931) | **146,492** |
| **Total funds** | 13,583,808 | 6,437,836 | (5,459,013) | - | **14,562,631** |

Where funds are restricted to capital development and expenditure has been capitalised a transfer is made from restricted to designated funds at the point the expense is incurred.

**20 General and restricted funds** *(continued)*

**Tangible fixed asset funds**

The Dryden Street fund, Theatre Lease fund, Earlham Street Fund, and Fixed Asset fund are together equal to the value of the group's fixed assets.

- **Dryden Street fund, £3.4m:** The net book value of the long lease of 3 Dryden Street, the charity's offices, and the capitalised net book value of the conversion of the building to make it fit for purpose.
- **Theatre Lease fund, £2.6m:** The netbook value of the theatre lease.
- **Earlham Street fund (previously called the Theatre Redevelopment Asset fund), £2.8m:** The value of capital works carried out in the Theatre to the essential mechanical and electrical systems, Accessibility areas, WC provision and refurbishment of the Front of House.
- **Fixed Asset fund, £0.1m:** The net book value of IT equipment and fixtures, fittings and equipment.

**Designated funds**

The Trustees have designated funds as follows:

- **Theatre Redevelopment fund:** This was the redevelopment fund that the Donmar has set aside, generated through strong revenue performance and careful cost management, to support the redevelopment of the theatre and the costs of the off-site year during the capital works. The fund has been reduced to zero, it is considered that the current scope of building redevelopment can entirely be funded through fundraising of which £0.8m has already been raised.
- **COVID recovery fund** The fund was set up to support the Theatre through the Covid pandemic to support any operational losses and to allow for work to continue that may be loss leading but would allow the Donmar to continue to deliver its artistic vision.
- **Building Maintenance fund**: This fund covers costs in relation to the maintenance of the theatre and the rehearsal, office and education spaces in Dryden Street. It is for emergency repairs and for dealing with unforeseen developments. Parts of the theatre infrastructure are over 25 years old and, ahead of redevelopment, this fund has been built to cover the increasing occurrence of required works.
- **Creative Investment fund**: The creative investment fund is designated to enable a quick response to investment opportunities outside of planned activity, aimed at extending the Charity's reach, as well as maintaining its goals for innovation and sustainability.

**Operational Risk Reserve**

The charity operates a policy of requiring 25% of next year's budgeted income to be held in the general fund, with a minimum of £1.25m. This value is set to reflect the potential volatility in charity's key income streams: fundraising, box office and public sector funding (Arts Council NPO grant and Theatre Tax Relief).

**20 General and restricted funds** *(continued)*

**Restricted funds**

Resident Assistant Direct (RAD) fund represents donations which may only be used in connection with the costs associated with paying the Donmar's Resident Assistant Director.

Catalyst fund is the programme to support up to 12 people from underrepresented backgrounds to enter the arts workforce via paid training and secondments.

Production Support funds are sponsorships received which may only be used in connection with costs on productions specified in the terms of the funding.

Resident Design Assistant (RDA) fund represents donations received which are to be used solely in connection with the RDA position for Donmar productions.

Pay It Forward funds are donations received to be used for the Pay It Forward scheme where donations are used to cover ticket costs for Donmar Productions for anyone up to the age of 25.

Capital Project fund are donations received to support the theatre redevelopment project.

T&F Training fund is for a donation received towards training for the Development team but was redesignated to the RAD programme.

Other education and access funds (including Support for Pathways (Discover), Donmar local and Donmar Discover Programme) are donations received in relation to specific educational elements of productions and may only be used in connection with costs arising on these.

NHS tickets is a restricted fund in the trading subsidiary, Donmar Productions Limited, representing funds raised toward providing NHS staff tickets to Donmar Productions.

## 20 General and restricted funds *(continued)*

| Group – prior year | Balance 1 April 2020 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2021 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,538,504 | - | (80,668) | - | 3,457,836 |
| Theatre lease fund | 2,607,681 | - | (23,974) | - | 2,583,707 |
| Theatre redevelopment assets | 730,107 | 1,573,736 | - | - | 2,303,843 |
| Fixed asset fund | 189,285 | 1,239 | (53,709) | - | 136,815 |
| **Total fixed assets funds** | 7,065,577 | 1,574,975 | (158,351) | - | 8,482,201 |
| **Designated funds:** | | | | | |
| Theatre redevelopment fund | 2,100,000 | - | - | (2,100,000) | - |
| COVID recovery fund | - | - | - | 1,650,000 | 1,650,000 |
| Building maintenance fund | 250,000 | - | - | - | 250,000 |
| Creative investment fund | 100,000 | - | - | 100,000 | 200,000 |
| **Total designated funds** | 2,450,000 | - | - | (350,000) | 2,100,000 |
| **Operational risk reserve** | 905,359 | 2,273,941 | (1,347,748) | 350,000 | 2,181,552 |
| **Total unrestricted funds** | 10,420,936 | 3,848,916 | (1,506,099) | - | 12,763,753 |
| **Restricted funds:** | | | | | |
| Directors programme | 8,916 | - | - | (8,916) | - |
| Resident Associate Director | - | 20,000 | (21,090) | 18,916 | 17,826 |
| Production support | 72,500 | 138,333 | (75,833) | - | 135,000 |
| Resident Design Assistant | 7,000 | 5,500 | - | - | 12,500 |
| Pay it forward funds | 123,476 | 23,581 | (729) | - | 146,328 |
| Capital project | 215,994 | 1,760,667 | (1,578,730) | - | 397,931 |
| T&F training | 10,000 | - | - | (10,000) | - |
| Pathways (Discover) | 7,700 | - | (6,833) | - | 867 |
| Donmar Local | - | 31,395 | (9,275) | | 22,120 |
| Donmar Discover Programme | - | 125,000 | (89,197) | - | 35,803 |
| Writers Group | - | 5,000 | (5,000) | - | - |
| NHS tickets | - | 20,833 | - | - | 20,833 |
| **Total restricted funds** | 445,586 | 2,130,309 | (1,786,687) | - | 789,208 |
| **Total funds** | 10,866,522 | 5,979,225 | (3,292,786) | - | 13,552,961 |

**20 General and restricted funds** *(continued)*

| Charity – prior year | Balance 1 April 2020 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2021 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,538,504 | - | (80,668) | - | 3,457,836 |
| Theatre lease fund | 2,607,681 | - | (23,974) | - | 2,583,707 |
| Theatre redevelopment assets | 730,107 | 1,573,736 | - | - | 2,303,843 |
| Fixed asset fund | 189,285 | 1,239 | (53,709) | - | 136,815 |
| **Total fixed assets funds** | 7,065,577 | 1,574,975 | (158,351) | - | 8,482,201 |
| **Designated funds:** | | | | | |
| Theatre redevelopment fund | 2,100,000 | - | - | (2,100,000) | - |
| COVID recovery fund | - | - | - | 1,650,000 | 1,650,000 |
| Building maintenance fund | 250,000 | - | - | - | 250,000 |
| Creative investment fund | 100,000 | - | - | 100,000 | 200,000 |
| **Total designated funds** | 2,450,000 | - | - | (350,000) | 2,100,000 |
| **Operational risk reserve** | 880,244 | 2,464,022 | (1,461,034) | 350,000 | 2,233,232 |
| **Total unrestricted funds** | 10,395,821 | 4,038,997 | (1,619,385) | - | 12,815,433 |
| **Restricted funds:** | | | | | |
| Directors programme | 8,916 | - | - | (8,916) | - |
| Resident Associate Director | | 20,000 | (21,090) | 8,916 | 7,826 |
| Production support | 72,500 | 130,000 | (67,500) | - | 135,000 |
| Resident Design Assistant | 7,000 | 5,500 | - | - | 12,500 |
| Pay it forward funds | 123,476 | 23,581 | (729) | - | 146,328 |
| Capital project | 215,994 | 1,760,667 | (1,578,730) | - | 397,931 |
| T&F training | 10,000 | - | - | - | 10,000 |
| Pathways (Discover) | 7,700 | - | (6,833) | - | 867 |
| Donmar Local | - | 31,395 | (9,275) | - | 22,120 |
| Donmar Discover Programme | - | 125,000 | (89,197) | - | 35,803 |
| Writers Group | - | 5,000 | (5,000) | - | - |
| **Total restricted funds** | 445,586 | 2,101,143 | (1,778,354) | - | 768,375 |
| **Total funds** | 10,841,407 | 6,140,140 | (3,397,739) | - | 13,583,808 |

## 21 Analysis of net assets between funds

| Group | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2022 £ |
|---|---|---|---|---|
| Fixed assets | 3 | 10,163,022 | - | 10,163,025 |
| Current assets | 5,172,260 | 450,000 | 155,660 | 5,777,920 |
| Current liabilities | (2,167,609) | - | - | (2,167,609) |
| Provisions | - | - | - | - |
| | 3,004,654 | 10,613,022 | 155,660 | 13,773,336 |

| Charity | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2022 £ |
|---|---|---|---|---|
| Fixed assets | 4 | 10,163,022 | - | 10,163,026 |
| Current assets | 9,422,776 | 450,000 | 146,492 | 10,019,268 |
| Current liabilities | (5,609,663) | - | - | (5,609,663) |
| Provisions | - | - | - | - |
| | 3,813,117 | 10,613,022 | 146,492 | 14,572,631 |

| Group | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2021 £ |
|---|---|---|---|---|
| Fixed assets | 2 | 8,482,201 | - | 8,482,203 |
| Current assets | 3,571,288 | 2,100,000 | 789,208 | 6,460,496 |
| Current liabilities | (1,363,338) | - | - | (1,363,338) |
| Provisions | (26,400) | - | - | (26,400) |
| | 2,181,552 | 10,582,201 | 789,208 | 13,552,961 |

| Charity | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2021 £ |
|---|---|---|---|---|
| Fixed assets | 3 | 8,482,201 | - | 8,482,204 |
| Current assets | 6,144,160 | 2,100,000 | 768,375 | 9,012,535 |
| Current liabilities | (3,884,531) | - | - | (3,884,531) |
| Provisions | (26,400) | - | - | (26,400) |
| | 2,233,232 | 10,582,201 | 768,375 | 13,583,808 |

## 22 Analysis of cash and cash equivalents

| | Group 2022 £ | Group 2021 £ | Company 2022 £ | Company 2021 £ |
|---|---|---|---|---|
| Short-term deposits held | **4,289,745** | 5,596,322 | **3,831,031** | 4,510,424 |
| Cash balances | **15,865** | 335 | **15,865** | 335 |
| | **4,305,610** | 5,596,657 | **3,846,896** | 4,510,759 |

All cash at bank is held in deposit accounts and is immediately liquid. The Charity holds no investments other than the shareholding of its subsidiaries.

## 23 Analysis of net debt

| | At 1 April 2021 £ | Cash flows £ | Foreign exchange £ | At 31 March 2022 £ |
|---|---|---|---|---|
| Short-term deposits held | 5,596,322 | (1,306,577) | - | 4,289,745 |
| Cash balances | 335 | 15,530 | - | 15,865 |
| | 5,596,657 | (1,291,047) | - | 4,305,610 |

## 24 Pension and other post-retirement benefit commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund held by Friends Provident. The pension cost charge represents contributions payable by the group to the fund.

| | 2022 £ | 2021 £ |
|---|---|---|
| Contributions payable for permanent staff | **77,252** | 69,164 |
| Contributions payable for staff working on productions | **14,113** | 285 |
| Total contributions payable by the group for the year | **91,365** | 69,449 |

## 25 Related party disclosures

At the year end, the company was owed £Nil (2021 - £5,298) by Donmar in the West End Limited.

During the year the company recharged costs of £131,157 (2021 - £809,451) to Donmar Productions Limited ("DPL") and paid DPL £1,931,111 (2021 - £501,111) to produce certain shows. The company also charged management charges of £422,581 (2021 - £131,284) and sundry expenses of £Nil (2021 - £27,087) were also recharged. DPL also gift aided profits of £560,900 (2021 - £460,699) to the company. At the end of the year the company owed £4,123,236 to its wholly owned subsidiary Donmar Productions Limited (2021 - £2,656,253) and was owed £4,254,393 by its wholly owned subsidiary Donmar Productions Limited (2021 - £3,606,403).

All of the above transactions were conducted at arm's length and permission is granted for them in the company's memorandum and articles.

The charity received an aggregate amount of £161,000 in donations from trustees during the year (2021 - £310,000). Included in this amount are restricted donations of £110,000 (2021 - £310,000), £35,000 towards Productions (2021 - £50,000) and £75,000 (2021 - £260,000) towards the Capital project.

There were no other related party transactions.

## 26 Operating lease commitments

At 31 March 2022 the Company had annual commitments under non-cancellable operating leases as follows:

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| **Land and buildings** | | |
| Expiry date: | | |
| Within one year | **48,880** | 48,880 |
| Between one and five years | **110,010** | 133,890 |
| Due after five years | **7,043,630** | 7,068,630 |
| | **7,202,520** | 7,251,400 |
| **Equipment** | | |
| Expiry date: | | |
| Within one year | **42,255** | 23,388 |
| Between one and five years | **140,361** | 86,568 |
| Due after five years | **1,131** | - |
| | **183,747** | 109,956 |
| | **7,386,267** | 7,361,356 |

**DONMAR WAREHOUSE PROJECTS LIMITED**

England & Wales - Charity number 284262

# Accounts

# Donmar Warehouse Projects Limited

Trustees' Report and Financial Statements

Year Ended

31 March 2021

Company Number 01611861

Charity Number 284262

# Donmar Warehouse Projects Limited

**Contents and company information**
**for the year ended 31 March 2021**

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| 22 | Consolidated statement of cash flows and net debt |
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**Trustees**
S Boster
S Bressler (appointed 7 April 2020)
S Dingemans
W Eccleshare
A Kenwright (Chair) (appointed 3 December 2020)
T Lee (appointed 7 April 2020)
G Lemos (appointed 7 April 2020)
M Longhurst
The Lady Lowy Mitchell
T Ross [Scantlebury] (appointed 7 April 2020)
A Romeo (appointed 16 April 2020)
J Sarpong (appointed 7 April 2020)
J Smith
L Msamati
The Lord Browne of Madingley (retired 03 December 2020)

Honorary Life President: R Wingate

**Registered office**
3 Dryden Street, London, WC2E 9NA

**Company number**
01611861

**Charity number**
284262

**Bankers**
Coutts & Co., 440 Strand, London, WC2R 0QS

**Auditor**
BDO LLP, 55 Baker Street, London, W1U 7EU

**Senior Management**
Michael Longhurst, Artistic Director
Henrietta Finch, Executive Director

# Donmar Warehouse Projects Limited

**Trustees' report**
**for the year ended 31 March 2021**

The Directors (who are also the Trustees of the charity) present their report and financial statements for the year ended 31 March 2021.

The company is a registered charity, (registered number 284262) and company limited by guarantee (registered number 01611861). The company is incorporated under the Companies Act 2006 and is governed by its Articles and Memorandum of Association dated 05 February 1982 as amended 4 July 2016.

**Principal activities**
The objects of the charity are to promote, maintain, improve and advance education particularly by the encouragement of the Arts including the arts of drama, ballet, music, singing, literature, sculpture and painting. The company meets these through continuing to produce and present theatrical productions at the Donmar Warehouse Theatre.

Donmar Warehouse Projects Limited has three wholly owned subsidiaries (further details are given in Note 15 of the financial statements). The results of Donmar Productions Limited are consolidated into these financial statements. The results of Donmar in the West End Limited and Donmar Films Limited have not been consolidated on the grounds that their results are not material to the group. Donmar Productions Limited receives income from commercial trading contracts and its taxable surplus is paid by gift aid to Donmar Warehouse Projects Limited. Donmar Warehouse Projects Limited is the rights holder for the productions but commissions its theatrical pieces to Donmar Productions Limited, which acts as a production company.

**Strategic report**
The sections below constitute the Strategic Report for the purposes of the Companies Act 2006.

2020/21 at the Donmar
Our mission
Our strategic goals
Financial Viability
Reserves policy and Risk management
Public Benefit
Future Plans

**2020/21 at the Donmar**
2020/21 was a year of profound upheaval for the Donmar. The Coronavirus pandemic kept the theatre closed to the public for the majority of the financial year, aside from 8 weeks during July and August 2020 when we made 'stage history' (New York Times) by becoming the first theatre in London to reopen our doors with our socially distanced sound installation Blindness. This was accompanied by other creative work delivered online, and a renewed commitment to our work with schools and communities at a time when they needed our support more than ever. In September 2020, we began work on a major capital refurbishment of the theatre which is due to be completed in August 2021. Alongside this, we restructured our business model, terminating a longstanding service agreement with Ambassador Theatre Group for the operation of the theatre in September 2020, and refreshed our creative and business strategy for the longer-term. While our results for the 2020/21 year show a net income of £2.7m, £2.4m of this was due to one off capital works fundraising. Due to the impact of Covid, Production income was down 85%, fundraising income (excluding the capital works fundraising) was down 34% and trading income down 41%. This was offset by a reduction in costs of 50% on prior year, mainly due to limited Production costs, a reduction in staff costs due to redundancies and delayed new starters and other cost savings. As we move into 2021/22, there remain significant challenges ahead for ourselves and the arts sector more widely; we anticipate ongoing anxiety among audiences, our sector's freelance workforce have been depleted by the crisis, and we know there will be increased pressure on funders both public and private. Given the ongoing uncertainty, future plans in this report may change during the year.

**Our Mission**
The Donmar is the home of legendary performance, experienced up close.

In our converted Covent Garden warehouse, a site of astonishing artistic accomplishment, never more than four rows away from an actor, we gather to experience world class artists and rising stars, creating thrilling, unmissable theatre.

We rehearse life, imagine the future and exalt in the capacity for stories to effect change. We celebrate the power of live performance and visionary artistry to challenge, entertain, move and inspire us.

We know that theatre enriches our society, through empathy, imagination and community. We share our work far and wide to achieve this and maximise the impact of our artists' ideas.

**At the Donmar:**

1. **We invite leading artists to make work that helps us grapple with big ideas and process big emotions.** We use theatre to understand how the world is, and imagine how it might be. Our work is ambitious, relevant and diverse: a balanced mix of new plays, musicals and reimagined classics, told with theatrical flair and an open heart. We harness the power of star actors and leading directors alongside the best upcoming talent to create work at the forefront of what theatre is, leading the cultural conversation. Unique, inclusive and unforgettable experiences: We make the stuff of legend, today.
2. **We grow diverse talent** and skills for ourselves and the sector, in both creative and practical roles.
3. **We build a younger, more diverse audience** alongside our loyal customer base, and foster a life-long connection to the arts in our local community

**Our strategic goals for 2021-25 are as follows:**

- Make inclusive, relevant, world-class work that thrills audiences
- Create a new skills development programme, based on our belief that talent isn't born, but nurtured and empowered through opportunity, investment and exposure
- Broaden and diversify audiences and workforce
- Play an active role in our community, because engagement with theatre enriches a life and our society
- Commit to sustainable working practices
- Maintain financial stability

In 2020-21, we delivered against these goals in the following ways:

1. **Make inclusive, relevant, world-class work that thrills audiences**

Despite the huge ongoing challenges of the pandemic, we have delivered significant and impactful work for audiences that has also allowed us to continue employing the majority of our team and a pool of freelancers.

**Midnight Your Time**
In immediate response to the closure of theatre in March 2020 we created Midnight Your Time, an online play by Adam Brace starring Diana Quick which used the form of video calling to tell the story of a woman's estranged relationship with her daughter, playing on the huge growth in use of platforms such as Zoom. The piece was created to be directly in response to the experience of many audiences during this time, as well as being simple and cost effective experiment in the creation of online theatre. It received 30,000 views.

**Blindness**
In summer 2020 we produced Blindness, a socially distanced sound installation which used binaural sound technology to present an adaptation of Jose Saramago's dystopian novel about a pandemic of blindness. Adapted by Simon Stephens and performed by Juliet Stevenson, it featured direction by Walter Meierjohann, design by Lizzie Clachan, lighting by Jessica Hung Han Yun and sound design by Ben and Max Ringham. We also worked with Professor Hannah Thompson to create a podcast named Reclaiming Blindness, which discussed and challenged some of the potentially problematic elements of the source material, and created captioned and audio described versions of the play which could be experienced at home for those unable or unwilling to travel into central London, as well as making these features available at every performance. It was an audience and critical success, with its initial sold-out run extended by two weeks and the New York Times stating that the Donmar 'made stage history' as the first theatre to reopen to in person audiences after lockdown. In addition, the Donmar forged new ground in creating protocols to welcome audiences and artists, with many visitors commenting on how safe and controlled they felt the experience to be. Following the initial run there was huge demand in touring the production and during the 2020-21 year productions appeared in Amsterdam, New York and Mexico, with further productions in 2021-22 in Toronto, Washington, Auckland, Hong Kong and Galway, as well as a UK tour visiting 7 venues nationwide.

**Adult Children**
The Donmar used the opportunity of lockdown to extend its digital theatre making capabilities. Working with technologists ScanLab and Associate Sacha Wares, and in co-production with English Touring Theatre, we created a short online piece designed to be viewed on smartphones/tablets and via headsets. The play, by Ella Hickson, examined the psychological impacts of lockdown and isolation on two women. The piece has been accepted as part of the BFI London Film Festival in October 2021.

**Christmas Concert**
In collaboration with St Paul's Church Covent Garden we presented a Christmas Concert, combining traditional and new pieces of work in a festive celebration which was performed live for a select group of supporters and streamed online for free, gaining 26,000 views.

**Assembly**
For our first Donmar Local production, we commissioned playwright Nina Segal and director Joe Hancock to create a piece of work featuring 17 local non-professional actors. Originally intended to be performed on the Donmar stage it was adapted to become a live online production performed around the Donmar's rehearsal and office building, and explored the threat of the climate emergency and the possibility of action from citizens and communities. It received 8500 views.

**Monuments**
An ensemble of ten global majority young people from the Donmar's home boroughs of Camden and Westminster worked with leading directors, writers and filmmakers to produce a short film exploring the legacy of the Empire visible in London and how we reclaim history from centuries of white-washing. It was distributed online for free and watched 7500 times.

**Inclusivity in our work on stage**

We continued to invest in artistic leadership, welcoming Joan Iyiola and Zoë Svendsen to join our team of Associates alongside Prasanna Puwanarajah, Tom Scutt and Sacha Wares (40% global majority, 60% female-identifying), advocating for artistic excellence and signalling powerful role models for aspiring artists.

We commissioned 8 writers to further expand and continue to diversify the commissioning slate: Chris Bush, Ella Hickson, Danny Lee Wynter, Nessah Muthy, Diana Nneka Atuona, Jackie Sibblies Drury, Simon Stephens, Athena Stevens. We currently have 14 commissioned writers (an increase of almost 200% 19/20). Our partnership with Theatre Royal Haymarket specifically supports two writers with protected characteristics.

During the year we created a new Access Rider for disabled artists to ensure that we support people to work with us in line with best practice. We will also host a showcase for disabled actors - followed by a networking event and reception to celebrate the work, co-hosted by Daniel Monks. We will consult with leading Disabled Artists and Disabled-led Arts organisations to listen to the specific needs and ambitions of those artists and how best to use the Donmar platform and resources to serve them.

Open Door: we are committed to two workshop/ Q&A sessions (either online or in person, when guidelines permit) for the Graduate group (those leaving drama school), and the Elevate group (a smaller group of graduates from low-income backgrounds).
Acknowledging there is currently a lack of representation of Trans actors at the Donmar, we consulted with Milk Presents / Gendered Intelligence / The Queer House and Outbox Theatre about specific and meaningful ways to listen to artists and engage with how to best serve the needs of Trans actors within the theatre community and ways to use the Donmar platform to showcase Trans actors' work to the wider industry.

**2. Create a new skills development programme**

We ran our first digital skills development programme, Future Forms, led by Artistic Associate Sacha Wares, a 9-week digital training programme for 16 emerging writers.

In summer 2021 we will launch EMERGE, a new positive action trainee scheme addressing under-representation within the Donmar. We will recruit 3 fixed term traineeships within the office team (in participation, operations and marketing) and 11 trainee placements in creative teams, by matching diverse young emerging creatives with Donmar artists during the pre-production, rehearsal, tech and preview periods. The creative trainees will assist and be mentored by the creatives and office-based trainees will be mentored by appropriate senior colleagues both during their time with us and beyond, to support retention in the industry. We will work with colleagues in other London Theatre Consortium theatres to ensure there are opportunities for our trainees to understand/experience other organisations. We continue to pay all trainees who work at the Donmar a minimum of the London Living Wage, and during this year will undertake benchmarking with LTC theatres to look at industry-wide payscales.

In association with Creative Access we will participate in the government's Kickstart scheme. When the theatre reopens we will recruit at least 4 new Customer Service Assistants through this route, who will be trained in all customer facing roles within the venue.

### 3. Broaden and diversify audiences and workforce

**Audiences**
Due to the closure of the theatre we had to refocus our work to reach audiences predominantly online. With modest marketing budgets available we utilised our existing core channels and developed partnerships with organisations such as the National Theatre and YouTube to broaden our reach beyond our core audiences.

The significant increase in 'digital first' content produced during this period is demonstrated by the high viewing figures achieved, but our website traffic reduced significantly with only a small number of tickets to sell for Blindness.

- Our website traffic reduced (due to reduced activities in this period) from 452,296 users to 124,343 users.
- Our social media accounts stayed steady at 27,121 followers on Facebook, 107,890 on Twitter and 26,935 on Instagram.
- We achieved 193,037 views/listens in 2020/21 on our own channels, with an additional 595,083 views for Coriolanus via National Theatre at Home
- Whilst the Donmar has been closed for much of 2020/21, work around Access and Inclusion has continued. Across the year we have ensured all digital productions and content have had audio descriptions/audio introductions and has been captioned. BLINDNESS had an Access at Home offer, with 253 watching the captioned version and 369 utilising the audio described offer - The Access at Home offer has accompanied the tour, with the offer of the captioned version readily available, and 63 utilising the audio described.

We carried out two research projects in this period (for Midnight Your Time and Blindness) with Morris Hargreaves MacIntyre, to try to understand who was engaging with our work during the pandemic. The results of this research were that audiences felt both projects had the same high quality production values and intimacy of our regular programming, and that our loyal core audiences were willing to take a risk on new models because of the strength of the Donmar brand.

We are working on improving our data capture processes as we return to a regular programme of shows in the theatre, so we can better understand audiences' needs as we reopen and improve our understanding of the demographics of our audiences.

**Workforce**
We entered into an Inc Arts ally partnership and worked closely with them on anti-racism training, recruitment strategies and in developing a renewed Inclusivity and Relevance Plan.

Due to the theatre's closure for the majority of the year, we paused most recruitment, making use of the government's CJRS to retain core staff where possible. During 2021/22, we will bring our team back to full numbers, and will continue to improve our workforce diversity with the aim of having 15% global majority workforce by April 2022. Having taken over the operation of the theatre from ATG, we have the opportunity to recruit 19 new roles. We will work with Inc Arts to rewrite our recruitment policy, with an increased focus on finding new ways to advertise roles, expanding our methods of accepting applications and committing to interviewing more people in order to widen the talent pipelines into the Donmar. In addition in 2021/22 we will create 3 positive action traineeships for admin roles and 11 creative traineeships, which will provide new routes into the workforce for global majority candidates.

We will provide training to staff when we return to in person working and will evaluate which of our former retention strategies (including staff benefits) have the greatest impact on wellbeing and retention. We have developed new internal committees to facilitate the embedding of our workforce's voices in decision making / encouraging greater diversity of voices in decision making.

Having supported an industry wide Freelancer Taskforce in 2020 we have launched our own freelance council made up of 4-5 people from various backgrounds and disciplines. This group will meet quarterly and feed in on organisational culture, programming, and specific projects. Members will be paid a small fee for their time.

**4. Play an active role in our community**

We maintained our commitment to young people, schools and our local community this year by:

- Gathering young people together in the first stage of the pandemic to create ISOLATE ENSEMBLE - a digital devising project. A group of 17 young people worked with Donmar Resident Assistant Directors to create a short film, focussing on the impact of the pandemic on young people and supporting mental wellbeing. The final film has been viewed by over 3,800 people
- Presenting MONUMENTS: A short film which explored how the legacy of the Empire impacts young people of the global majority in our local community. Written by Nessah Muthy and directed by Sara Aniqah Malik, MONUMENTS featured 12 young people and has been watched by over 7,500 people
- Developing the delayed production of ASSEMBLY into leading digital production, presented live from 17 locations. Written by Nina Segal and directed by Joseph Hancock, ASSEMBLY engaged 112 local community members, with 17 being in the final production. Presented live to 4,637 viewers, the digital production was watched by 8,812 viewers over the two weeks it was online.
- Working with 81 young people from 6 schools across 5 boroughs for a digital TAKE THE STAGE responding to our sound installation, BLINDNESS. The young people worked with 10 artists to create new digital works presented on Soundcloud, Youtube and Mozilla Hubs VR platform, with 1179 views across all the work.

**5. Commit to sustainable working practices**

We welcomed Artistic Associate Zoë Svendsen to the team. An academic and creative practitioner working in sustainability, she started her role by holding session with the Senior Management Team looking at climate dramaturgy and will continue these discussions in more depth during 2021/22.

Our Environmental Action internal working group met in May, discussing ways to continue to champion sustainability as we come back to our buildings e.g. PPE recycling, green commitments around utility bills, and details such as biodegradable teabags and make-up facewipes for productions. The team is also looking ahead to how to plan our annual Green Week and what aspects to focus on, and hopes to invite Zoë Svendsen to talk more in depth with the working group in due course.

**6. Maintain financial stability**

**Financial Review**
The Donmar's £6.0m revenue (2019/20: £6.4m) is principally drawn from fundraising, £4.3m (2019/20: £3.1m), production income £0.3m (2019/20: £2.1m), support of the Arts Council, £0.5m (2019/20: £0.5m), use of Cultural Grants £0.3m (2019/20: £Nil), use of the Coronavirus Job Retention Scheme £0.4m (2019/20: £nil) and trading income, £0.2m (2019/20: £0.3m).

Total income is down on the prior year due to the Covid pandemic and its impact to Productions and Development income. Production income was down (85%), with only one Production in the year. Fundraising was up 38% however this was mainly due to one off Capital work donations of £2.4m (without this Capital income, Development income would be down 34%), Membership, Gift Aid and Pay it Forward were all down on the prior year as people put memberships and donations on hold. The Donmar received Government support in the year through the Cultural Recovery Fund (£0.3m) and the Coronavirus Job Retention Scheme (£0.4m).

While the Donmar remains committed to investing as much of its income as possible in the work it produces on the stage whilst offering accessibility and value for its supporters and for the public money we receive, this year this commitment proved more difficult with limited opportunities available for stage productions. While the Donmar branched out into some digital work, this did not drive any new income streams and was supported by the Cultural Recovery Fund.

During the 2020/21 financial year, the main focus on expenditure has also been to reduce costs to try and match our lower income streams. Direct production expenditure was £1.0m (2019/20: £3.9m), accounting for 30% of total expenditure and, exceeded box office revenue by over £0.9m. Our public subsidy accounted for 9% of total income, relatively low amongst peers.

**Financial review (continued)**

The other key expenditure area is staff and personnel (permanent staff headcount: 38, 2019/20: 41) which is £1.6m (2019/20: £2.1m), equating to 46% of our total general expenditure (19/20: 32%).

While the impact of Covid has reduced our income streams, through costs saving and other support we are showing a net profit of £0.3m (£2.6m with Capital Donations) (2019/20: £0.4m loss). This profit will help bolster our current reserve position (page 10 and 11), and help the management team to mitigate the on-going impact of the Covid pandemic and help the Donmar to continue to work towards a sustainable model.

**Fundraising**

Total fundraising income was £4.3m (72% of total income) (2019/20: £3.1m), which was principally income from individuals, £1.2m (2019/20: £1.0m), commercial trading operations (corporate sponsorship), £0.5m (2019/20: £0.8m) and £0.2m in revenue from Trusts and Foundations (2019/20: £0.4m). It also includes £2.4m in donations toward the Capital Works (2019/20: £0.2m).

Covid presented a huge challenge to fundraising, and while some individuals and Trusts and Foundations were able to continue or even increase their support, the majority of corporates and low-level members paused or stopped their support. Additionally, with a relatively new executive team some relationships had not yet become established prior to closure.

However, the Development team focussed on continuing to engage supporters across all levels with personal calls and a strong digital offering, and this resulted in a higher end-of-year result than anticipated.

Overall, retention rates dropped by about 15% and around 20% of those members who did renew, downgraded, either for personal reasons or due to the lack of benefits on offer while the theatre was shut. While the larger and longer-standing corporate partners continued their support as per existing contracts, a few of them requested an extension (which will affect revenue in future FYs) and one dropped out altogether due to suffering very badly from the pandemic. This was mitigated by some successful larger asks including from new or little-known existing supporters who wanted to make sure the Donmar could see the pandemic through.

During this time, the Development Director formed a new Development committee, with the theatre reopening in sight, able to introduce new High Net Worth Individual networks to the Donmar, with a focus on those Corporate and Individuals who will be aligned with Michael Longhurst's new vision for the Donmar.

Finally, in spite of the challenging landscape, we continued to successfully fundraise for the Capital project raising £2.4m

It is likely that Covid-19 will continue to have long-lasting effects on our ability to fundraise from all sources for the foreseeable future and targets have been adjusted accordingly. A new appeal was launched to support recovery and a strategy is in place to continue diversifying sources of income making us more resilient and less vulnerable to external factors.

**Fundraising disclosures**

The Donmar fundraising team raises funds primarily through offering a range of membership packages which are supported by benefits and specialist events, securing donations which are typically linked to a specific activity (e.g. production support), grants from trust and foundations, and through corporate sponsorship agreements. The Donmar does not engage any professional third-party fundraisers to make approaches to individuals on our behalf or involve commercial participators.

All direct marketing is undertaken by the fundraising department to ensure that it is not unreasonably intrusive or persistent. Aside from current members who receive regular updates via post and email to ensure that they can make the most of membership benefits, contact is made through direct marketing at the time of our programming announcements, usually twice per year. All marketing material contains clear instructions on how a person can be removed from mailing lists.

The Donmar is GDPR compliant and our fundraising team, senior staff and volunteers adhere to the Fundraising Codes of Conduct and Standards of Research as laid out by the Fundraising Regulator. We have an Ethics Policy in place. This covers ethical fundraising practice and process. It is endorsed by our board, and overseen by the Ethics and Reputation Committee. There have been no complaints about our fundraising activity this year.

**Theatre Essential Works Project**

The Theatre successfully delivered its essential works project achieving Practical Completion on 23 July 2021. The works initially focused on the renewals of essential mechanical and electrical systems past the end of their economic life including wholesale replacement of the heating and ventilation plant; and Accessibility improvements including a street level access and ramp and a new evacuation lift with wider door access. With continued success in fundraising, increased certainty over the reopening programme and a willing and constructive builder on site, the Board approved an additional package of works in March 2021 that will have a significant impact on audiences and artists for our planned reopening in September 2021. This included rearranging and refitting the existing WC provision; and a full refurbishment of the front of house including rationalising internal layouts, doorways and sightlines to further improve Accessibility.

During August 2021 we delivered a programme of fit out works including new bars, box office, carpet and painting; works to the stage, technical grid, and back of house to address the lack of maintenance work over the last ten years; replacement of ATG assets including CCTV, the entire IT system including WIFI APS, and all white goods and systems from the front of house bars and box office.

As with the original scope, heating, ventilation, electrical and fire risk improvements reflects a significant part of the overall project cost of £3.5m but will enable extended lifetime of the building as a whole.

**Financial Viability**

The financial viability of the Donmar is overseen by the Audit, Finance and Operations (AF&O) Committee. The committee oversees and evaluates the monthly financial figures for the organisation, led by the Executive Director (ED) and the Head Of Finance (HoF). The AF&O reports to the Board and the Board has final sign off on the annual budget. The Board appoints external auditors, and commissions and considers reports as necessary, analysing risks raised through these processes.

The key financial risk within the next two years continues to be the impact of the Covid pandemic on the Donmar's income streams. Covid has had a wide-ranging impact on the Donmar, resulting in the closure of the theatre, cancellation of planned performances and the cessation of all production activities which constitutes, on average, 40% of the overall income for the Donmar (including Theatre Tax Relief). It has also had an impact on Development income with memberships being put on hold and reduced funding from Corporates and Trust and Foundations. Whilst the Donmar is one of Arts Council England's National Portfolio Organisations, meaning it is in receipt of regular annual grants, at circa. 9% of the annual income this is not sufficient to support the Donmar on its own. The Donmar has, during the current year, made use of both the Coronavirus Job Retention Scheme and the Cultural Recovery Fund in order to support work and operational costs.

The management team has worked to reduce costs, access available government funding and has created performances that fall within the Covid guidelines; these performances drive Production Revenue as well as engage Individual and Corporate members and Donors which make up circa. 48% of our overall revenue. The management team and the AF&O continue to review, adapt and respond to the changing Covid guidelines and funding opportunities as they arise.

The planned capital project has been increased from £1.6m to £3.4m, however this was only increased as additional funds have been raised and will materially be funded by these raised restricted funds.

The key risks to the theatre's operating model remain its dependencies on individual, material inflows; notably the NPO grant from the Arts Council England (£0.5m) and the Theatre Tax Relief (£0.03m). The NPO grant is secured until 2023 (though the annual amount received is not guaranteed). We are not aware of any current discussions regarding changes to the tax relief. Should these inflows change materially or stop, this would likely necessitate a change to our operating model and impact the quality of the work we produce and our public benefit. To help mitigate this risk the Donmar has diversified its income streams by renting out office and flat space and by engaging with Commercial partners. This helps to lessen the dependence on fundraising, and where possible the Donmar continues to look for structural ways to reduce the in-year risk associated with fundraising income, and careful performance and cost management to build resilience for future years. We have set a reserves policy to hold a sufficient amount in the risk reserve to support the organisation to transition to a new operating model in the event these income streams are affected.

Expenditure is managed across the organisation through structured meetings between budget holders and the Finance department on a monthly basis. The reviewed figures are then considered by the Head of Finance (HoF) and reported monthly to the Executive Director and the Artistic Director. Budgets have built-in contingencies and there is an overall organisational contingency each financial year, managed by the Executive Director. Organisationally, the budgets are overseen by the Executive Director and managed by the HoF and senior management team with the Director of Development leading on the majority of income generation and the Senior Producer leading on the majority of expenditure on the productions.

**Going concern**

The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12-month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 9, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

**Going concern (continued)**

This year, as last year, the Trustees have also given particular consideration to the effect of Covid-19, reviewing the impact of the pandemic on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable. When reviewed in September 2021, it was noted that social distancing and the threat of future closures of the Theatre and potential cessation of production activities has had a wide-ranging impact across all revenue streams. While Production income and Development income are lower than the prior year, we expect that these will increase again once the Theatres re-open and social distancing measures are reduced, so far there have been encouraging signs of this in our 21/22 Season on-sale. The management team has also continued to encourage member and corporate engagement while reducing costs so as to mitigate any reduction in income over the short to medium term on Fundraising income.

Since March 2020, the management team have implemented a number of cost saving initiatives designed to reduce costs in the short term and long term in order to achieve further sustainability. The Donmar have also taken advantage of the Government, and any other available, schemes or grants in order to reduce costs. We will continue to maximise our use of these schemes where appropriate to support the Donmar while its revenue is impacted.

During the 2020/21 financial year, the Charity's management team has also spent time producing Covid specific work, which, while not being on the scale of full productions, has brought in additional donations (Midnight Your Time, Christmas Concert) and a small London ticket income stream (Blindness) and further encourages Member and Corporate engagement. Blindness continues to tour in the UK and internationally and this income stream will help support the Donmar through this re-opening year.

At the end of August 2021, the Donmar Warehouse had cash of £4.5m, fixed assets of £10.1m and cash reserves of £3.7m (£0.1m restricted). Cashflow forecasts show cash dropping down to its lowest point of £2.3m (including restricted reserves of £0.2m) over the next 12 months. However, even given this use of funds, the level of reserves that remain available to the Donmar, its cost saving initiatives, current level of income and management's drive to continue to deliver quality productions, the Board remain satisfied that Donmar Warehouse will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

**Reserves Policy and Risk Management**

The Trustees consider the risks to the charity at each quarterly Board meeting and ensure that systems and procedures are established to mitigate the risks identified. At each meeting the Board also reviews the latest Risk Register prepared by the Executive which outlines the production related risks including health and safety as well as financial, reputational and strategic risks.

The Trustees consider the Covid-19 pandemic, planned theatre maintenance and the reliance on fundraising as the major short to medium term risks to the charity. The Covid-19 pandemic continues to impact all areas of the business from health and safety of staff, freelancers, actors and visitors to the theatre to revenue targets which are impacted by social distancing and customers mixed views on returning to the Theatre. Planned Theatre maintenance is considered an on-going risk due to potential overruns to the current maintenance programme and any unforeseen maintenance costs. The Donmar's reliance on fundraising income remains an on-going risk due to potential donor fatigue, loss of major corporate sponsors and decline in memberships. These risks are reflected in the investment in the Operational Risk Reserve and the Covid Recovery Fund, both of which are discussed below.

Tangible Fixed Asset Funds
Covid Recovery Fund
Building Maintenance Fund
Creative Investment Fund
Operational Risk Reserve

**Reserves Policy and Risk Management (continued)**
The **tangible fixed asset** fund represents the value of the Donmar's fixed assets: the lease of the Donmar Theatre at Earlham Street, the lease and capitalised costs of the office at Dryden Street, the capitalised costs of the redevelopment project, and the book value of fixtures and fittings.

The Donmar holds three designated reserves:

1. **Covid Recovery Fund**: The fund was set up to support the Theatre through the Covid pandemic to support any operational losses and to allow for work to continue that may be loss leading but would allow the Donmar to continue to deliver its artistic vision.
2. **Building Maintenance Fund:** The Donmar retains a reasonable sum within the theatre maintenance fund to cover unbudgeted and/or uninsured repairs and maintenance. This fund has been built in recent years to reflect the age of some of the theatre infrastructure. We expect this will be spent partially each year and refilled from surpluses as is possible.
3. **Creative Investment Fund:** This fund allows the Donmar to be able to invest and respond quickly to creative opportunities that may arise, outside of planned activity, which would enable us to extend our reach, maintain our goals for innovation and ensure sustainability. We anticipate this will be spent over the next year on a suitable creative initiative.

The operational risk reserve reflects the risk profile and risk register of the Donmar. It is set at a level that should allow the Donmar to continue to operate in the event of a short fall in fundraising, trading income, box office income or Arts Council core grant. The policy is to hold at least 22% of forecast income for the forthcoming year or a minimum of £1.25m, whichever is higher. As at the 31 March 2021 the operational risk reserve was £2.1m (2019 - £0.9m) this 30% above the targeted 22%.

**Restricted funds**
The Donmar holds a number of restricted funds which are detailed at page 40-45. The total value of restricted funds at 31 March 2021 was £789,208 (2020: £445,586).

While it is expected that the Covid pandemic will draw down on the Donmar's reserves the Trustees are satisfied that sufficient reserves are currently being held to get the Donmar through this period. With steps taken by management to reduce the impact of Covid, the future support of the charity's grant aiding bodies and private donors, we intend to sustain our risk reserve at a minimum of 22% of our annual revenue.

**Public Benefit**
Despite the year's closure, the Donmar has continued to inspire audiences, grow skills and nurture young people by:

- Making inclusive, relevant, world-class work that thrills audiences in our 251 seat theatre and online
- Employing talented and diverse creative teams and acting companies
- Investing in skills development and training to grow a diverse and highly skilled workforce for the theatre sector
- Widening audiences using digital technology
- Maintaining access through captioned, audio described and touch tour performances
- Broadening and diversifying our audiences and workforce
- Playing an active role in our community, working with schools and local young people from disadvantaged backgrounds.
- Looking outside our company and considering the impact of our business, with the aim of achieving a greener understanding of how a sustainable, efficient theatre can operate and add value to our community
- Maintain financial stability and value for money for our funders, whilst keeping ticket prices low

In planning the activities of the charity the Trustees have given due regard to the Charity Commission's guidance on public benefit and, in particular, the specific guidance for fee charging charities. As mentioned above the Trustees believe that the activities of the charity in the year confirm its ability to provide current and on-going benefit to the public.

**Future Plans**

**2020/21**

- The huge challenges presented by Covid have made planning for 2021 onwards extremely difficult and we have gone through several iterations of possible programming. We were proud to be one of the first theatre companies back producing to live audiences with *Constellations*, a revival of the hit Royal Court production directed by Michael Longhurst which features 4 couples sharing 12 performances per week - a financial model which supports socially distanced audiences while also providing additional safeguard against actors having to self-isolate. In addition it gives audiences the chance to see the same script performed by 4 very different casts, which mirrors the play's subject matter of string theory and the 'multiverse'. The cast of Sheila Atim, Ivanno Jeremiah, Peter Capaldi, Zoe Wanamaker, Omari Douglas, Russell Tovey, Anna Maxwell Martin and Chris O'Dowd will give theatregoers a wide choice and encourage some to return more than once. We are creating a series of creative assistant positions shadowing members of the creative team to create additional pathways into the industry. In addition we are creating screen captures of each cast which will extend the Donmar's reach geographically, allow the production to be seen in schools for free, bring the experience to those audiences not yet able or willing to travel into central London and develop the Donmar's digital capabilities.

- We will reopen the theatre with a season which celebrates the best of the Donmar and British theatre talent. Inua Ellams will perform his one man celebration of poetry, *Search Party*, for one week to launch the venue. *Love and Other Acts of Violence* by Cordelia Lynn will be the first play commissioned by Michael Longhurst to be produced on our stage, directed by Elayce Ismail. It will be followed by *Force Majeure*, which we had originally programmed in 2020 and which will star Rory Kinnear and be directed by Artistic Director Michael Longhurst. 2021/22 will end with *Henry V*, starring Kit Harington and directed by Donmar Associate Director Max Webster. Looking ahead to 2022, we will present the British premiere of *Marys Seacole* by Pulitzer prize winning playwright Jackie Sibblies Drury, directed by Nadia Latif.

**The Executive and staff**

The Executive comprises the Artistic Director and Executive Director. The Executive is supported by a team of 38 full time and part time employees including a Senior Management Team who collectively realise the mission and aims of the organisation.

The Donmar is committed to paying its employees a fair salary that is competitive within its industry and for the complexity of the role. In determining the right level of pay the Donmar has a remuneration and bonus policy, detailed appraisal process and regularly reviews and benchmarks the pay, benefits and total compensation.

The Governance, Nominations and Remuneration committee is responsible for reviewing and benchmarking the pay of the Executive team and the Executive is responsible for reviewing and benchmarking the pay of the Senior Management team.

**Board of Directors**

The Board of Directors met four times in 2020/21 for scheduled meetings. The Directors of the company are also Trustees for the purpose of charity law. The board supervises the activities of the charity with day to day activity delegated to the Executive and Senior Management.

Donmar Warehouse Projects Limited is a company limited by guarantee and not having share capital.

The following Directors have held office since 1 April 2020:

The Lord Browne of Madingley (Chairman, retired 03 December 2020)
Adam Kenwright (Chair, appointed as Trustee/Chair Elect from 23 November 2020 and as Chair from 03 December 2020)
Sylvie Bressler (appointed 7 April 2020)
Susan Boster
Simon Dingemans
William Eccleshare
Tiina Lee (appointed 7 April 2020)
Gerard Lemos CMG (appointed 7 April 2020)
Michael Longhurst
The Lady Lowy Mitchell
Antonia Romeo (appointed 16 April 2020)
Tessa Ross CBE [Tessa Scantlebury] (appointed 7 April 2020)
June Sarpong OBE (appointed 7 April 2020)
Jonathan Smith
Lucian Msamati (appointed 21 July 2021)

Honorary Life President: Roger Wingate

In addition to the Board, there is a structure of Groups focusing on key areas of the organisation, which feed directly into the Board in an advisory capacity:

- Audit, Finance & Operations
- Development
- Ethics & Reputation
- Governance, Nominations & Remuneration
- Property

The membership of these Groups is a mix of Board members, Executive, SMT, and external members who provide expert knowledge on the Group's remit. The Groups and Board are administered by the Planning & HR Manager, supporting both the Executive and the Trustees.

**Recruitment and Appointment of Trustees**
In May 2020, Lord Browne informed the Board of his plans to not take up a second term in office (beyond January 2021), resulting in a Chair recruitment process being undertaken between August-December 2020, led by an external headhunter. A working group of trustees led a process which also included input from Arts Council England.

Adam Kenwright, a long-term Donmar supporter, was identified as an exceptional candidate, bringing a wealth of theatre-specific expertise; upon recommendation to the wider Board, Adam was formally appointed as Trustee and Chair Elect in November 2020, prior to formal handover from Lord Browne in December 2020. The Board includes three global majority trustees (23%) of a total of 13, with a 7 : 6, female : male gender split.

**Trustee induction and training**
New Trustees receive all necessary documentation so as to understand their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the workings of the Board of Management and the decision-making process.

New trustees are provided with an induction booklet, a policy handbook and are briefed by the Executive on the Donmar's activities. They connect with members of the Senior Management Team where necessary so as to understand relevant areas.

**Subsidiary**
Donmar Productions Limited is a wholly owned trading subsidiary responsible for producing the Donmar's productions as well as other commercial activities. The Donmar's board appoint the directors of Donmar Productions Limited which comprise board members. The results are consolidated within these accounts as per note 15.

Donmar In The West End Limited and Donmar Films Limited are wholly owned subsidiaries that did not trade during the year (18/19 no trade). The Donmar's board appoint the directors of both entities which compromise board members. The results are not consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group (see note 15).

**Auditor**
BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

**Related parties**
Details of related parties are included in note 25.

## Trustees' responsibilities statement
## for the year ended 31 March 2021

**Trustees' responsibilities**

The Trustees are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

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

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

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This Trustees' Report, which incorporates the Strategic Report on pages 1 to 14, was approved on behalf of the board by

A Kenyon

30/11/2021

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Donmar Warehouse Projects Limited ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities (incorporating an income and expenditure account), the Consolidated and Parent Charitable Company Balance Sheet, the Consolidated Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remain 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.

## Conclusions related 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 and 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 Trustees' Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires 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 Directors' 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 Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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

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

- We have made enquiries of management and the board, including:
  - how they have identified evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;
  - their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity. These include, but are not limited to, compliance with the Companies Act 2006, UK GAAP, Charities SORP, fundraising regulations and tax legislation.
- In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law and data protection. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Those Charged with Governance and other management and inspection of regulatory and legal correspondence if any.
- We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.
- The Senior Statutory Auditor has assessed and concluded that the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We made inquiries of the Board and management.
- We read minutes of meetings and those charged with governance.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are inappropriate or unusual or; and
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to the allocation of support costs, depreciation, theatre tax relief and going concern.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:
https://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 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 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Jill Halford
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**Jill Halford** (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
Date 03 December 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Donmar Warehouse Projects Limited

## Consolidated statement of financial activities
## (Incorporating an income and expenditure account)
## for the year ended 31 March 2021

| | Note | Unrestricted funds £ | Restricted funds £ | 2021 Total £ | 2020 Total £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| **Donations:** | | | | | |
| Development income | 4 | **1,673,774** | **1,980,581** | **3,654,355** | 1,828,826 |
| Other grants and donations | 5 | **1,322,976** | **11,395** | **1,334,371** | 939,858 |
| **Charitable activities:** | | | | | |
| Production income | 6 | **182,718** | **138,333** | **321,051** | 2,142,113 |
| **Trading activities** | 7 | **668,128** | **-** | **668,128** | 1,491,620 |
| **Investments** | 8 | **1,320** | **-** | **1,320** | 11,354 |
| **Total income** | | **3,848,916** | **2,130,309** | **5,979,225** | 6,413,771 |
| **Expenditure on:** | | | | | |
| **Raising funds** | | **1,267,839** | **-** | **1,267,839** | 533,435 |
| **Charitable activities** | | | | | |
| Production expenses | | **238,260** | **1,786,687** | **2,024,947** | 6,069,248 |
| **Total expenditure** | 10 | **1,506,099** | **1,786,687** | **3,292,786** | 6,602,683 |
| **Net income/(expenditure) in the year before transfers and tax** | 9 | **2,342,817** | **343,622** | **2,686,439** | (188,912) |
| Transfers between funds | 20 | **-** | **-** | **-** | - |
| **Net income/(expenditure) in the year before tax** | | **2,342,817** | **343,622** | **2,686,439** | (188,912) |
| Tax payable | | **-** | **-** | **-** | (173,188) |
| **Net movement in funds** | 20 | **2,342,817** | **343,622** | **2,686,439** | (362,100) |
| **Reconciliation of group funds:** | | | | | |
| Opening fund balances at 1 April 2020 | 20 | **10,420,936** | **445,586** | **10,866,522** | 11,228,622 |
| Closing fund balances at 31 March 2021 | 20 | **12,763,753** | **789,208** | **13,552,961** | 10,866,522 |

All amounts results are derived from continuing activities.
The company has no other recognised gains and losses other than those stated above.
The notes on pages 23 to 49 form part of these financial statements.

# Donmar Warehouse Projects Limited

## Consolidated and charity balance sheet
## at 31 March 2021

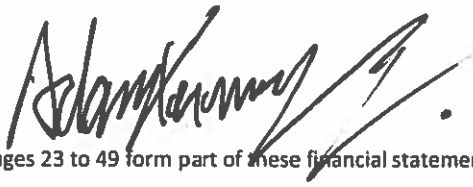
*Company number 1611861 (England and Wales)*

| | Note | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | 66,040 | 96,377 | 66,040 | 96,377 |
| Tangible assets | 14 | 8,416,161 | 6,969,200 | 8,416,161 | 6,969,200 |
| Investments | 15 | 2 | 2 | 3 | 3 |
| | | 8,482,203 | 7,065,579 | 8,482,204 | 7,065,580 |
| **Current assets** | | | | | |
| Stocks | | - | 4,950 | - | - |
| Debtors | 16 | 863,839 | 1,066,974 | 4,501,776 | 3,806,494 |
| Cash at bank and in hand | 22 | 5,596,657 | 4,352,333 | 4,510,759 | 2,861,781 |
| | | 6,460,496 | 5,424,257 | 9,012,535 | 6,668,275 |
| **Creditors: amounts falling due within one year** | 17 | (1,363,338) | (1,596,914) | (3,884,531) | (2,866,048) |
| **Net current assets** | | 5,097,158 | 3,827,343 | 5,128,004 | 3,802,227 |
| **Total assets less current liabilities** | | 13,579,361 | 10,892,922 | 13,610,208 | 10,867,807 |
| Provision for liabilities | 19 | (26,400) | (26,400) | (26,400) | (26,400) |
| **Net assets** | 21 | 13,552,961 | 10,866,522 | 13,583,808 | 10,841,407 |
| **Restricted funds** | | 789,208 | 445,586 | 768,375 | 445,586 |
| General unrestricted funds | | 2,181,552 | 905,359 | 2,233,232 | 880,244 |
| Designated funds | | 2,100,000 | 2,450,000 | 2,100,000 | 2,450,000 |
| Fixed asset funds | | 8,482,201 | 7,065,577 | 8,482,201 | 7,065,577 |
| **Total unrestricted funds** | 20 | 12,763,753 | 10,420,936 | 12,815,433 | 10,395,821 |
| **Total** | 20 | 13,552,961 | 10,866,522 | 13,583,808 | 10,841,407 |

As permitted by S408 Companies Act 2006, the charity has not presented its own profit and loss account and related notes. The charity's surplus for the year was £2,742,401 (2020 – deficit of £367,764).

The financial statements were approved by the Board of Directors and authorised for issue on 30/11/2021

**A Kenwright**
Director



The notes on pages 23 to 49 form part of these financial statements.

# Donmar Warehouse Projects Limited

## Consolidated statement of cash flows and net debt for the year ended 31 March 2021

| | Note | 2021 £ | 2020 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net income / (expenditure) for the reporting period | | **2,686,439** | (362,100) |
| Depreciation | 14 | **128,014** | 130,670 |
| Amortisation | 13 | **30,337** | 30,336 |
| Investment income | 8 | **(1,320)** | (11,354) |
| Tax | | **-** | 173,188 |
| Decrease/(increase) in stocks | | **4,950** | (1,710) |
| Decrease in debtors | 16 | **203,135** | 614,220 |
| Decrease in creditors | 17 | **(233,576)** | (57,806) |
| Increase in provisions | 19 | **-** | 26,400 |
| **Net cash provided by operating activities** | | **2,817,979** | 541,844 |
| **Cash flows from investing activities** | | | |
| Investment income received | 8 | **1,320** | 11,354 |
| Purchase of fixed assets | 14 | **(1,574,975)** | (131,959) |
| **Net cash (used in) investing activities** | | **(1,573,655)** | (120,605) |
| **Change in cash and cash equivalents in the reporting year** | 22 | **1,244,324** | 421,239 |
| **Cash and cash equivalents at the beginning of the year** | | **4,352,333** | 3,931,094 |
| **Cash and cash equivalents at the end of the year** | 22, 23 | **5,596,657** | 4,352,333 |

**Statement of net debt**

| | At 1 April 2020 £ | Cash flows £ | At 31 March 2021 £ |
|---|---|---|---|
| Short-term deposits held | 4,351,998 | 1,244,324 | 5,596,322 |
| Transfer | 335 | - | 335 |
| | **4,352,333** | **1,244,324** | **5,596,657** |

The notes on pages 23 to 49 form part of these financial statements.

## 1 Status of company

The company is a registered charity, limited by guarantee.

The company has thirteen members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

## 2 Accounting policies

***Basis of preparation***

The financial statements have been prepared on a going concern basis under the historical cost convention. The accounts (financial statements) have been prepared in accordance with 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" (The Charities SORP 2nd Edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

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

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 £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied consistently:

***Exemptions for qualifying entities under FRS 102***

The Company has taken advantage of the following disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

***Consolidation***

The consolidated financial statements present information about the company and its wholly owned subsidiary Donmar Productions Limited.

The results of the wholly owned subsidiaries, Donmar In The West End Limited and Donmar Films Limited have not been consolidated under the provision of section 24.12 of SORP FRS 102 as their results are not considered material to the group (see note 15).

## 2 Accounting policies *(continued)*

***Going concern***

The Trustees have reviewed the Charity's financial viability as part of their normal review process. A detailed 12-month budget, updated monthly, and 4-year plan, updated quarterly, support this performance assertion. Key risks, as identified on page 9, are monitored and mitigation steps put in place. The liquidity provided by the reserve is set to provide sufficient support where mitigating steps cannot eliminate risks and the current level is considered appropriate to support a going concern status.

This year, as last year, the Trustees have also given particular consideration to the effect of Covid-19, reviewing the impact of the pandemic on the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable. When reviewed in September 2021, it was noted that social distancing and the threat of future closures of the Theatre and potential cessation of production activities has had a wide-ranging impact across all revenue streams. While Production income and Development income are lower than the prior year, we expect that these will increase again once the Theatres re-open and social distancing measures are reduced, so far there have been encouraging signs of this in our 21/22 Season on-sale. The management team has also continued to encourage member and corporate engagement while reducing costs so as to mitigate any reduction in income over the short to medium term on Fundraising income.

Since March 2020, the management team have implemented a number of cost saving initiatives designed to reduce costs in the short term and long term in order to achieve further sustainability. The Donmar have also taken advantage of the Government, and any other available, schemes or grants in order to reduce costs. We will continue to maximise our use of these schemes where appropriate to support the Donmar while its revenue is impacted.

During the 2020/21 financial year, the Charity's management team has also spent time producing Covid specific work, which, while not being on the scale of full productions, has brought in additional donations (Midnight Your Time, Christmas Concert) and a small London ticket income stream (Blindness) and further encourages Member and Corporate engagement. Blindness continues to tour in the UK and internationally and this income stream will help support the Donmar through this re-opening year.

At the end of August 2021, the Donmar Warehouse had cash of £4.5m, fixed assets of £10.1m and cash reserves of £3.7m (£0.1m restricted). Cashflow forecasts show cash dropping down to its lowest point of £2.3m (including restricted reserves of £0.2m) over the next 12 months. However, even given this use of funds, the level of reserves that remain available to the Donmar, its cost saving initiatives, current level of income and management's drive to continue to deliver quality productions, the Board remain satisfied that Donmar Warehouse will continue to be a going concern for the 12 months from date of signing and the accounts have been prepared in the knowledge that Donmar Warehouse Projects Limited is a financially viable organisation.

2 **Accounting policies** *(continued)*

***Income***

Income from donations and government grants, including capital and furlough grants, is included in income when there is entitlement, probability 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 income as restricted funds.

Productions income is included in income in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

Goods and services received in kind, where material, are included within 'Donations' and under the appropriate income heading, depending on the nature of goods and services provided. These are recognised at an estimated value to the charity at the time of receipt.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

***Expenditure***

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.
- Charitable activities includes expenditure associated with the operation of the theatre and such directly associated activities as educational programmes and the Directors programme. Cost of charitable activities includes 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 frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Trading expenditure forms part of the Group's trading activities and commercial exploitations are separately disclosed as trading activities.

***Costs of productions not yet opened***

The costs and materials for new productions and associated creative team fees are carried forward on the balance sheet until they are expensed on the date of the performance. Internal labour and rehearsal costs are expensed as incurred.

***Fund accounting***

Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 20).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report. In addition, the Trustees consider the value of the long lease to be a designated fund as it is not a readily realisable asset.

2 **Accounting policies** *(continued)*

***Intangible fixed assets***

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

| | | |
|---|---|---|
| Leasehold land and buildings | - | Over the length of the lease |
| Leasehold improvements | - | Between 5 and 50 years on a straight line basis |
| IT equipment | - | Over 4 years on a straight line basis |
| Fixtures, fittings and equipment | - | Between 4 and 15 years on a straight line basis |

Assets under construction are not depreciated until they are brought into use.

Individual fixed assets consisting more than £4,000 are capitalised at cost.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

***Investments***

The investments held by the charity relate to investments in subsidiary company and these are held at cost. The investments of Donmar Warehouse Projects consist of three subsidiaries, Donmar in the West End Limited, Donmar Productions Limited and Donmar Films Limited. All three companies are not quoted and the directors consider it appropriate to include the investments at cost.

***Stocks***

Stocks held by the group relate to food and drink. Stocks are valued at the lower of costs and estimated selling price less costs to sell. Cost is based on the latest purchase price.

2 **Accounting policies** *(continued)*

***Cash***

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

***Provisions***

Provisions are made when a present obligation exists at the balance sheet date in accordance with the requirements of FRS 102 para 21.4.

***Financial instruments***

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. 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.

- ***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.

- ***Derecognition of financial assets***

  Financial assets are derecognised 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.

- ***Derecognition of financial liabilities***

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

***Operating leases***

Rent payable is recognised on a straight line basis over the lease term.

***Pensions***

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

**2 Accounting policies** *(continued)*

***Foreign currency translation***

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

***Gift Aid***

The charity owns the whole of the issued ordinary share capital of Donmar Productions Limited.

Donmar Productions Limited ordinarily pays each year to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the Company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

***Taxation***

Donmar Warehouse Projects Limited is a culturally exempt organisation under schedule 9 of the VAT Act 1994 and during the year VAT returns have been submitted on a culturally exempt basis. Irrecoverable VAT is charged against the cost of charitable activities, where it is incurred. Irrecoverable VAT on capital expenditure has been capitalised and will be written off over the life of the assets.

As a registered charity, Donmar Warehouse Projects Limited is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

Donmar Productions Limited is liable to corporation tax.
Tax is recognised in the Statement of Financial Activities, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

**3 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following critical accounting judgement has been identified below:
Cost allocation: The cost allocation methodology requires judgement as to what are the most appropriate basis to use to apportion support costs. Support costs are allocated between activities on the base of staff numbers employed on those activities during the year.

The Directors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

## 4 Development income

| | Unrestricted £ | Restricted £ | 2021 £ |
|---|---|---|---|
| Membership | 757,172 | - | **757,172** |
| Gift aid | 229,040 | - | **229,040** |
| Other individuals | 51,395 | - | **51,395** |
| Corporate | 19,167 | 20,833 | **40,000** |
| Trusts & Foundations | 2,000 | 175,500 | **177,500** |
| Pay It Forward | - | 23,581 | **23,581** |
| Capital | 615,000 | 1,760,667 | **2,375,667** |
| **Total 2021** | **1,673,774** | **1,980,581** | **3,654,355** |

| | Unrestricted £ | Restricted £ | 2020 £ |
|---|---|---|---|
| Membership | 1,035,357 | - | 1,035,357 |
| Gift aid | 209,452 | - | 209,452 |
| Corporate | 15,729 | - | 15,729 |
| Trusts & Foundations | - | 213,200 | 213,200 |
| Pay It Forward | - | 158,642 | 158,642 |
| Capital | - | 196,446 | 196,446 |
| **Total 2020** | 1,260,538 | 568,288 | 1,828,826 |

The following support, in the form of gifts in kind and donated services, was received by the charity during the year: provision of alcohol and catering at events, legal advice, venue hire, refreshments for meetings. The value of this support is estimated to be £31,133 (2020: £47,675). In line with the accounting policy, this invaluable support has not been recorded within the Statement of Financial Activities as the donations are not considered to be material.

## 5 Other grants and donations

| | Unrestricted £ | Restricted £ | 2021 £ | 2020 £ |
|---|---|---|---|---|
| ***Government grants*** | | | | |
| UK Arts council income | **513,904** | **-** | **513,904** | 504,619 |
| Cultural recovery grant | **262,241** | **-** | **262,241** | |
| Grants for furloughed employees | **385,947** | **-** | **385,947** | - |
| Other donations | **160,884** | **11,395** | **172,279** | 435,239 |
| **Total 2021** | **1,322,976** | **11,395** | **1,334,371** | 939,858 |
| Total 2020 | 939,858 | - | 939,858 | |

## 6 Production income

| | Unrestricted £ | Restricted £ | 2021 £ |
|---|---|---|---|
| Ticket revenue | **147,559** | **-** | **147,559** |
| Production support | **-** | **138,333** | **138,333** |
| Income from partnerships | **35,159** | **-** | **35,159** |
| **Total 2021** | **182,718** | **138,333** | **321,051** |

| | Unrestricted £ | Restricted £ | 2020 £ |
|---|---|---|---|
| Ticket revenue | 1,909,613 | - | 1,909,613 |
| Production support | - | 187,500 | 187,500 |
| Income from partnerships | 45,000 | - | 45,000 |
| **Total 2020** | 1,954,613 | 187,500 | 2,142,113 |

## 7 Income from trading activities

| | Unrestricted £ | 2021 £ | 2020 £ |
|---|---|---|---|
| Donmar Beyond | **61,964** | **61,964** | 41,773 |
| Royalties and sundry income | **59,298** | **59,298** | 74,012 |
| Rental income | **32,430** | **32,430** | |
| ***Income from subsidiary:*** | | | |
| Corporate sponsorship and membership | **456,064** | **456,064** | 843,056 |
| Theatre Tax Relief | **30,870** | **30,870** | 395,807 |
| Catering income | **(4,950)** | **(4,950)** | 89,084 |
| Other trading income | **32,452** | **32,452** | 47,888 |
| **Total 2021** | **668,128** | **668,128** | 1,491,620 |
| Total 2020 | 1,491,620 | 1,491,620 | |

All income from trading activities in the current and prior years was unrestricted.

Included in the above income from the subsidiary is theatre tax relief. This amount is receivable by the company as a result of Theatre Tax Relief recognised for the year.

## 8 Investment income

| | 2021 £ | 2020 £ |
|---|---|---|
| Interest receivable | **1,320** | 11,354 |

All income from investments for the current and preceding year was unrestricted.

## 9 Net expenditure during the year is stated after charging:

| | 2021 £ | 2020 £ |
|---|---|---|
| Depreciation of tangible assets | **128,014** | 130,670 |
| Amortisation of intangible assets | **30,337** | 30,336 |
| Foreign exchange gains recognised | **80,468** | (34,218) |
| Operating lease rentals | **95,748** | 90,978 |
| Auditors' remuneration: | | |
| - audit fees for current year audit | **43,000** | 46,057 |
| - Tax fees | **13,705** | 10,440 |
| - other services | **4,550** | 4,400 |

10 **Total expenditure**

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2021 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | 305,126 | 703,580 | 259,133 | 1,267,839 |
| ***Charitable activities:*** | | | | |
| Theatrical productions | 1,243,330 | 262,019 | 519,598 | 2,024,947 |
| **Total 2021** | 1,548,456 | 965,599 | 778,731 | 3,292,786 |

| **Support costs** | Cost of Raising funds £ | Charitable activities £ | Total 2021 £ |
|---|---|---|---|
| Office overheads | 259,133 | 466,438 | 725,571 |
| Governance costs | - | 53,160 | 53,160 |
| **Total 2021** | 259,133 | 519,598 | 778,731 |

Total expenditure for the year was £3,292,786 (2020 - £6,602,683), of which £1,786,687 was restricted (2020 - £518,433) and £1,506,099 was unrestricted (2020 - £6,084,250).

The staff costs that relate to staff working on productions is included within other direct costs.

| | Staff costs £ | Other direct costs £ | Support costs £ | Total 2020 £ |
|---|---|---|---|---|
| ***Expenditure on raising funds:*** | | | | |
| Fundraising | 287,682 | 73,363 | 172,390 | 533,435 |
| ***Charitable activities:*** | | | | |
| Theatrical productions | 1,854,825 | 3,781,453 | 432,970 | 6,069,248 |
| **Total 2020** | 2,142,507 | 3,854,816 | 605,360 | 6,602,683 |

| **Support costs** | Cost of raising funds £ | Charitable activities £ | Total 2020 £ |
|---|---|---|---|
| Office overheads | 172,390 | 362,020 | 534,410 |
| Governance costs | - | 70,950 | 70,950 |
| **Total 2020** | 172,390 | 432,970 | 605,360 |

## 11 Directors' emoluments

Appointing the Chief Executive and Artistic Director to the Board of Trustees is specifically permitted by the Company's articles.

One or more Directors has been paid remuneration or has received other benefits from an employment with the Donmar. The Executive Producer and Artistic Director only receive remuneration in respect of services they provide undertaking the roles of Executive Producer and Artistic Director respectively under their contracts of employment, and not in respect of their role as Directors.

The value of Directors' remuneration and other benefits was as follows:

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| **Josie Rourke, Previous Artistic Director** | | |
| Remuneration | - | 7,488 |
| Pension | - | 449 |
| **Michael Longhurst, Current Artistic Director** | | |
| Remuneration | **85,334** | 81,600 |
| Pension | **5,120** | 4,896 |
| **Henrietta Finch, Current Executive Director** | | |
| Remuneration | **80,000** | 80,000 |
| Pension | **4,800** | 4,400 |
| Total | **175,254** | 178,833 |

During the year, the Artistic and Executive Director both received benefits in kind to the value of £1,419 (2020: £1,937).

During the year there were no Trustees who were remunerated or reimbursed for expenses.

Indemnity insurance was purchased in the year in respect of all the Trustees and Officers of the Company

Expenses are reimbursed to the Executive Producer and Artistic Director specifically in relation to their roles within the charity and not in relation to their position as trustees. All staff expenses are governed by a clear reimbursement policy. The amounts reimbursed during the year of 2020/21 for travel and additional meeting and event costs relating solely to activities for the company were:

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Michael Longhurst, Current Artistic Director | **250** | 934 |
| Henrietta Finch, Current Executive Director | **35** | 535 |

## 12 Employees

The average monthly number of employees during the year was:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Permanent staff | **38** | 41 |
| In addition total staff working on productions | **19** | 114 |

The nature of staff working on productions means that it is not possible to give a meaningful full time equivalent or average headcount as each production has bespoke requirements. The number shown is therefore the total number of production staff and performers that have been involved during the year.

| **Employment cost:** | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Wages and salaries | **1,349,949** | 1,907,382 |
| Social security costs | **129,343** | 148,701 |
| Other pension costs | **69,164** | 86,424 |
| **Permanent staff total** | **1,548,456** | 2,142,507 |
| ***Staff working on productions*** | | |
| Wages and salaries | **45,380** | 342,469 |
| Social security costs | **-** | 4,254 |
| Other pension costs | **285** | 7,702 |
| **Productions staff total** | **45,665** | 354,425 |
| **Total** | **1,594,121** | 2,496,932 |

The number of employees who have received remuneration amounting to more than £60,000 in either year was:

| | 2021<br>Number | 2020<br>Number |
|---|---|---|
| £60,000 - £70,000 | **-** | 1 |
| £80,000 - £90,000 | **2** | 2 |
| Total remuneration of key management personnel including employers pension in the period was as follows: | **£** | £ |
| | **175,254** | 178,833 |

In the year there were redundancy benefits of £29,021 (2020: £30,411) accrued in the year to 6 individuals (2020: 1 individual). These benefits related to payment in lieu of notice of £Nil (2020: £9,603) and ex gratia severance pay £29,021 (including statutory amount) (2020: £20,808).

## 13 Intangible fixed assets

**Group and charity**

| | Website and box office £ |
|---|---|
| *Cost* | |
| At 1 April 2020 | 193,629 |
| **At 31 March 2021** | **193,629** |
| *Depreciation* | |
| At 1 April 2020 | 97,252 |
| Charge for the year | 30,337 |
| **At 31 March 2021** | **127,589** |
| **Net book value** | |
| At 31 March 2021 | **66,040** |
| At 31 March 2020 | 96,377 |

## 14 Tangible fixed assets

| Group and charity | Leasehold and buildings £ | Dryden Street £ | IT equipment £ | Fixtures, and fittings equipment £ | Asset under construction £ | Total £ |
|---|---|---|---|---|---|---|
| *Cost* | | | | | | |
| At 1 April 2020 | 2,850,000 | 3,978,747 | 127,849 | 608,819 | 730,107 | **8,295,522** |
| Additions | - | - | 1,239 | - | 1,573,736 | **1,574,975** |
| **At 31 March 2021** | **2,850,000** | **3,978,747** | **129,088** | **608,819** | **2,303,843** | **9,870,497** |
| *Depreciation* | | | | | | |
| At 1 April 2020 | 242,319 | 440,243 | 117,586 | 526,174 | - | **1,326,322** |
| Charge for the year | 23,974 | 80,668 | 4,854 | 18,518 | - | **128,014** |
| **At 31 March 2021** | **266,293** | **520,911** | **1222,440** | **544,692** | **-** | **1,454,336** |
| **Net book value** | | | | | | |
| At 31 March 2021 | **2,583,707** | **3,457,836** | **6,648** | **64,127** | **2,303,843** | **8,416,161** |
| At 31 March 2020 | 2,607,681 | 3,538,504 | 10,263 | 82,645 | 730,107 | 6,969,200 |

All fixed assets are used for charitable purposes.

## 15 Fixed asset investments

| | Shares in subsidiary undertakings £ |
|---|---|
| **Group** | |
| *Cost and net book value* | |
| At 1 April 2020 and 31 March 2021 | 2 |
| **Charity** | |
| *Cost and net book value* | |
| At 1 April 2020 and 31 March 2021 | 3 |

The following are subsidiaries of the company:

| Company | Country of incorporation | Class of shares | Holding | Principal activity |
|---|---|---|---|---|
| Donmar in the West End Limited (Company number: 03976008) | England and Wales | Ordinary | 100% | Theatre production |
| Donmar Productions Limited (Company number: 06730810) | England and Wales | Ordinary | 100% | Theatre production |
| Donmar Films Limited (Company number: 07152156) | England and Wales | Ordinary | 100% | Film production |

The aggregate amount of capital and reserves and the results of these undertakings for year were as follows:

| | | Capital and reserves 2021 £ | Profit for the year 2021 £ |
|---|---|---|---|
| Donmar in the West End Limited | Theatre production | (5,693) | - |
| Donmar Films Limited | Film production | - | - |
| Donmar Productions Limited | Theatre promotion | - | 520,402 |

Donmar Productions Limited was the only subsidiary to trade in the current or prior financial year; the results, which have been consolidated into the results of the Group, were as follows:

| | 2021 £ | 2020 £ |
|---|---|---|
| Turnover (including other operating and interest income) | 996,676 | 4,123,031 |
| Cost of sales | (449,476) | (3,616,357) |
| Administrative expenses | (52,360) | (215,902) |
| Theatre tax relief | 30,870 | 343,115 |
| Corporation tax | - | (173,188) |
| Profit for the financial year | 525,710 | 460,699 |
| Amounted gifted to the charity | 525,710 | 460,699 |

The above amounts include commission income from the parent charity of £504,379 (2020 - £3,139,201). Management charges from the parent charity of £131,284 (2020 - £687,097) and sundry expenses recharges from the parent charity of £27,087 (2020 - £122,354).

## 16 Debtors

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|---|---|---|---|---|
| Trade debtors | **378,519** | 72,564 | **361,583** | 12,564 |
| Other debtors | **8,055** | 9,426 | **8,053** | 9,095 |
| Amounts owed by subsidiary undertakings | **200,711** | - | **200,711** | 3,535,696 |
| Other taxes and social security | - | - | **3,654,849** | - |
| Prepayments and accrued income | **276,554** | 984,984 | **276,580** | 249,139 |
| | **863,839** | 1,066,974 | **4,501,776** | 3,806,494 |

Amounts owed by subsidiary undertakings are interest free and repayable on demand.

## 17 Creditors: amounts falling due within one year

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|---|---|---|---|---|
| Trade creditors | **162,719** | 225,413 | **162,576** | 108,643 |
| Amounts owed to subsidiary undertakings | - | - | **2,751,776** | 1,898,998 |
| Taxation and social security | **60,134** | 77,090 | **60,134** | 77,090 |
| Corporation tax | - | 173,188 | - | - |
| Other creditors | **368,072** | 617,100 | **368,072** | 617,092 |
| Accruals and deferred income | **772,413** | 504,123 | **541,973** | 164,225 |
| | **1,363,338** | 1,596,914 | **3,884,531** | 2,866,048 |

Amounts owed to subsidiary undertakings are un-secured, interest free and repayable on demand.

## 18 Deferred income

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|---|---|---|---|---|
| Deferred income brought forward | **374,117** | 959,084 | **85,442** | 551,979 |
| Released in the period | **(374,117)** | (959,084) | **(85,442)** | (551,979) |
| Additional income deferred | **243,677** | 374,117 | **28,360** | 85,442 |
| | **243,677** | 374,117 | **28,360** | 85,442 |

Deferred income is to be recognised within following periods:

| | | | | |
|---|---|---|---|---|
| Less than one year | **243,677** | 374,117 | **28,360** | 85,442 |

Deferred income for both the Group and Charity relates to fundraising income for events in the next financial year and in the prior year included ticket income for productions that happened this year.

## 19 Provision for liabilities

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|---|---|---|---|---|
| Provisions brought forward | **26,400** | - | **26,400** | - |
| Provided for in the period | **-** | 26,400 | **-** | 26,400 |
| Released to the statement of financial activities | **-** | - | **-** | - |
| | **26,400** | 26,400 | **26,400** | 26,400 |

The provision relates to the potential penalty to be incurred by the Charity in relation to the payment of gift aid declarations.

## 20 General and restricted funds

| Group | Balance 1 April 2020 £ | Income £ | Expenditure £ | Transfers between funds £ | Taxation £ | Balance 31 March 2021 £ |
|---|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | | |
| Dryden Street | 3,538,504 | - | (80,668) | - | - | **3,457,836** |
| Theatre lease fund | 2,607,681 | - | (23,974) | - | - | **2,583,707** |
| Theatre redevelopment assets | 730,107 | 1,573,736 | - | - | - | **2,303,843** |
| Fixed asset fund | 189,285 | 1,239 | (53,709) | - | - | **136,815** |
| **Total fixed assets funds** | **7,065,577** | **1,574,975** | **(158,351)** | **-** | **-** | **8,482,201** |
| **Designated funds:** | | | | | | |
| Theatre redevelopment fund | 2,100,000 | - | - | (2,100,000) | - | - |
| COVID recovery fund | - | - | - | 1,650,000 | | **1,650,000** |
| Building maintenance fund | 250,000 | - | - | - | - | **250,000** |
| Creative investment fund | 100,000 | - | - | 100,000 | - | **200,000** |
| **Total designated funds** | **2,450,000** | **-** | **-** | **(350,000)** | **-** | **2,100,000** |
| **Operational risk reserve** | **905,359** | **2,273,941** | **(1,347,748)** | **350,000** | **-** | **2,181,552** |
| **Total unrestricted funds** | **10,420,936** | **3,848,916** | **(1,506,099)** | **-** | **-** | **12,763,753** |
| **Restricted funds:** | | | | | | |
| Directors programme | 8,916 | - | - | (8,916) | - | - |
| Resident Associate Director | - | 20,000 | (21,090) | 18,916 | - | **17,826** |
| Production support | 72,500 | 138,333 | (75,833) | - | - | **135,000** |
| Resident Design Assistant | 7,000 | 5,500 | - | - | - | **12,500** |
| Pay it forward funds | 123,476 | 23,581 | (729) | - | - | **146,328** |
| Capital project | 215,994 | 1,760,667 | (1,578,730) | - | - | **397,931** |
| T&F training | 10,000 | - | - | (10,000) | - | - |
| Pathways (Discover) | 7,700 | - | (6,833) | - | - | **867** |
| Donmar Local | - | 31,395 | (9,275) | | - | **22,120** |
| Donmar Discover Programme | - | 125,000 | (89,197) | - | - | **35,803** |
| Writers Group | - | 5,000 | (5,000) | - | - | - |
| NHS tickets | - | 20,833 | - | - | - | **20,833** |
| **Total restricted funds** | **445,586** | **2,130,309** | **(1,786,687)** | **-** | **-** | **789,208** |
| **Total funds** | **10,866,522** | **5,979,225** | **(3,292,786)** | **-** | **-** | **13,552,961** |

20 General and restricted funds *(continued)*

| Charity | Balance 1 April 2020 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2021 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 3,538,504 | - | (80,668) | - | **3,457,836** |
| Theatre lease fund | 2,607,681 | - | (23,974) | - | **2,583,707** |
| Theatre redevelopment assets | 730,107 | 1,573,736 | - | - | **2,303,843** |
| Fixed asset fund | 189,285 | 1,239 | (53,709) | - | **136,815** |
| **Total fixed assets funds** | **7,065,577** | **1,574,975** | **(158,351)** | **-** | **8,482,201** |
| **Designated funds:** | | | | | |
| Theatre redevelopment fund | 2,100,000 | - | - | (2,100,000) | - |
| COVID recovery fund | - | - | - | 1,650,000 | **1,650,000** |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Creative investment fund | 100,000 | - | - | 100,000 | **200,000** |
| **Total designated funds** | **2,450,000** | **-** | **-** | **(350,000)** | **2,100,000** |
| **Operational risk reserve** | **880,244** | **2,464,022** | **(1,461,034)** | **350,000** | **2,233,232** |
| **Total unrestricted funds** | **10,395,821** | **4,038,997** | **(1,619,385)** | **-** | **12,815,433** |
| **Restricted funds:** | | | | | |
| Directors programme | 8,916 | - | - | (8,916) | - |
| Resident Associate Director | | 20,000 | (21,090) | 8,916 | **7,826** |
| Production support | 72,500 | 130,000 | (67,500) | - | **135,000** |
| Resident Design Assistant | 7,000 | 5,500 | - | - | **12,500** |
| Pay it forward funds | 123,476 | 23,581 | (729) | - | **146,328** |
| Capital project | 215,994 | 1,760,667 | (1,578,730) | - | **397,931** |
| T&F training | 10,000 | - | - | - | **10,000** |
| Pathways (Discover) | 7,700 | - | (6,833) | - | **867** |
| Donmar Local | - | 31,395 | (9,275) | - | **22,120** |
| Donmar Discover Programme | - | 125,000 | (89,197) | - | **35,803** |
| Writers Group | - | 5,000 | (5,000) | - | - |
| **Total restricted funds** | **445,586** | **2,101,143** | **(1,778,354)** | **-** | **768,375** |
| **Total funds** | **10,841,407** | **6,140,140** | **(3,397,739)** | **-** | **13,583,808** |

Where funds are restricted to capital development and expenditure has been capitalised a transfer is made from restricted to designated funds at the point the expense is incurred.

## 20 General and restricted funds *(continued)*

### Tangible fixed asset funds

The Dryden Street fund, Theatre Lease fund, Theatre Redevelopment Asset fund, and Fixed Asset fund are together equal to the value of the group's fixed assets.

- **Dryden Street fund, £3.5m**: The net book value of the long lease of 3 Dryden Street, the charity's offices, and the capitalised net book value of the conversion of the building to make it fit for purpose.
- **Theatre Lease fund, £2.6m**: The netbook value of the theatre lease.
- **Theatre Redevelopment Asset fund, £2.3m**: The value of capital works carried out in redeveloping the theatre and box office system.
- **Fixed Asset fund, £0.1m:** The net book value of IT equipment and fixtures, fittings and equipment.

### Designated funds

The Trustees have designated funds as follows:

- **Theatre Redevelopment fund:** This was the redevelopment fund that the Donmar has set aside, generated through strong revenue performance and careful cost management, to support the redevelopment of the theatre and the costs of the off-site year during the capital works. The fund has been reduced to zero, it is considered that the current scope of building redevelopment can entirely be funded through fundraising of which £0.8m has already been raised.
- **COVID recovery fund** The fund was set up to support the Theatre through the Covid pandemic to support any operational losses and to allow for work to continue that may be loss leading but would allow the Donmar to continue to deliver its artistic vision.
- **Building Maintenance fund**: This fund covers costs in relation to the maintenance of the theatre and the rehearsal, office and education spaces in Dryden Street. It is for emergency repairs and for dealing with unforeseen developments. Parts of the theatre infrastructure are over 25 years old and, ahead of redevelopment, this fund has been built to cover the increasing occurrence of required works.
- **Creative Investment fund**: The creative investment fund is designated to enable a quick response to investment opportunities outside of planned activity, aimed at extending the Charity's reach, as well as maintaining its goals for innovation and sustainability.

### Operational Risk Reserve

The charity operates a policy of requiring 22% of next year's budgeted income to be held in the general fund, with a minimum of £1.25m. This value is set to reflect the potential volatility in charity's key income streams: fundraising, box office and public sector funding (Arts Council NPO grant and Theatre Tax Relief).

**20 General and restricted funds** *(continued)*

**Restricted funds**

Directors Programme fund represents a donation which may only be used in connection with the costs associated with paying the Donmar's Resident Assistant Director. This fund has been renamed Resident Associate Director and the remaining funds transferred from the Directors Programme to the new Fund.

Production Support funds are sponsorships received which may only be used in connection with costs on productions specified in the terms of the funding.

Resident Design Assistant (RDA) fund represents donations received which are to be used solely in connection with the RDA position for Donmar productions.

Pay It Forward funds are donations received to be used for the Pay It Forward scheme where donations are used to cover ticket costs for Donmar Productions for anyone up to the age of 25.

Capital Project fund are donations received to support the theatre redevelopment project.

T&F Training fund is for a donation received towards training for the Development team.

Other education and access funds (including Support for Pathways (Discover), Donmar local and Donmar Discover Programme) are donations received in relation to specific educational elements of productions and may only be used in connection with costs arising on these.

Writers Group fund is funds raised toward commissioning work from younger writers.

20 **General and restricted funds** *(continued)*

| Group | Balance 1 April 2019 £ | Income £ | Expenditure £ | Transfers between funds £ | Taxation £ | Balance 31 March 2020 £ |
|---|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | | |
| Dryden Street | 4,564,216 | - | (80,669) | (945,043) | - | **3,538,504** |
| Theatre lease fund | 1,686,611 | - | (23,975) | 945,045 | - | **2,607,681** |
| Theatre redevelopment assets | 764,743 | - | - | (34,636) | - | **730,107** |
| Fixed asset fund | 79,054 | - | (56,362) | 166,593 | - | **189,285** |
| **Total fixed assets funds** | **7,094,624** | **-** | **(161,006)** | **131,959** | **-** | **7,065,577** |
| **Designated funds:** | | | | | | |
| Theatre redevelopment fund | 2,100,000 | - | - | - | - | **2,100,000** |
| Building maintenance fund | 250,000 | - | - | - | - | **250,000** |
| Creative investment fund | 100,000 | - | - | - | - | **100,000** |
| **Total designated funds** | **2,450,000** | **-** | **-** | **-** | **-** | **2,450,000** |
| **Operational risk reserve** | **1,475,767** | **5,657,983** | **(5,923,244)** | **(131,959)** | **(173,188)** | **905,359** |
| **Total unrestricted funds** | **11,020,391** | **5,657,983** | **(6,084,250)** | **-** | **(173,188)** | **10,420,936** |
| **Restricted funds:** | | | | | | |
| Directors programme | 19,999 | 21,000 | (32,083) | - | - | **8,916** |
| Junior Lighting Tech Salary | 2,667 | 4,000 | (6,667) | - | - | **-** |
| Production support | - | 277,500 | (205,000) | - | - | **72,500** |
| Resident Design Assistant | 4,000 | 3,000 | - | - | - | **7,000** |
| Working Title | 14,825 | - | (14,825) | - | - | **-** |
| Pay it forward funds | 13,801 | 158,642 | (48,967) | - | - | **123,476** |
| Capital project | 142,939 | 196,446 | (123,391) | - | - | **215,994** |
| T&F training | 10,000 | - | - | - | - | **10,000** |
| Pathways (Discover) | - | 7,700 | - | - | - | **7,700** |
| Donmar Local | - | 3,000 | (3,000) | - | - | **-** |
| Donmar Discover Programme | - | 80,000 | (80,000) | - | - | **-** |
| Access | - | 1,000 | (1,000) | - | - | **-** |
| Other Production support | - | 3,500 | (3,500) | - | - | **-** |
| **Total restricted funds** | **208,231** | **755,788** | **(518,433)** | **-** | **-** | **445,586** |
| **Total funds** | **11,228,622** | **6,413,771** | **(6,602,683)** | **-** | **(173,188)** | **10,866,522** |

20 General and restricted funds *(continued)*

| Charity | Balance 1 April 2019 £ | Income £ | Expenditure £ | Transfers between funds £ | Balance 31 March 2020 £ |
|---|---|---|---|---|---|
| **Fixed asset funds:** | | | | | |
| Dryden Street | 4,564,216 | - | (80,669) | (945,043) | **3,538,504** |
| Theatre lease fund | 1,686,611 | - | (23,975) | 945,045 | **2,607,681** |
| Theatre redevelopment assets | 764,743 | - | - | (34,636) | **730,107** |
| Fixed asset fund | 79,054 | - | (56,362) | 166,593 | **189,285** |
| **Total fixed assets funds** | **7,094,624** | **-** | **(161,006)** | **131,959** | **7,065,577** |
| **Designated funds:** | | | | | |
| Theatre redevelopment fund | 2,100,000 | - | - | - | **2,100,000** |
| Building maintenance fund | 250,000 | - | - | - | **250,000** |
| Creative investment fund | 100,000 | - | - | - | **100,000** |
| **Total designated funds** | **2,450,000** | **-** | **-** | **-** | **2,450,000** |
| **Operational risk reserve** | **1,456,316** | **5,548,497** | **(5,992,610)** | **(131,959)** | **880,224** |
| **Total unrestricted funds** | **11,000,940** | **5,548,497** | **(6,153,616)** | **-** | **10,395,821** |
| **Restricted funds:** | | | | | |
| Directors programme | 19,999 | 21,000 | (32,083) | - | **8,916** |
| Junior Lighting Tech Salary | 2,667 | 4,000 | (6,667) | - | **-** |
| Production support | - | 277,500 | (205,000) | - | **72,500** |
| Resident Design Assistant | 4,000 | 3,000 | - | - | **7,000** |
| Working Title | 14,825 | - | (14,825) | - | **-** |
| Pay it forward funds | 13,801 | 158,642 | (48,967) | - | **123,476** |
| Capital project | 142,939 | 196,446 | (123,391) | - | **215,994** |
| T&F training | 10,000 | - | - | - | **10,000** |
| Pathways (Discover) | - | 7,700 | - | - | **7,700** |
| Donmar Local | - | 3,000 | (3,000) | - | **-** |
| Donmar Discover Programme | - | 80,000 | (80,000) | - | **-** |
| Access | - | 1,000 | (1,000) | - | **-** |
| Other Production support | - | 3,500 | (3,500) | - | **-** |
| **Total restricted funds** | **208,231** | **755,788** | **(518,433)** | **-** | **445,586** |
| **Total funds** | **11,209,171** | **6,304,285** | **(6,672,049)** | **-** | **10,841,407** |

## 21 Analysis of net assets between funds

| Group | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2021 £ |
|---|---|---|---|---|
| Fixed assets | 2 | 8,482,201 | - | **8,482,203** |
| Current assets | 3,571,288 | 2,100,000 | 789,208 | **6,460,496** |
| Current liabilities | (1,363,338) | - | - | **(1,363,338)** |
| Provisions | (26,400) | - | - | **(26,400)** |
| | **2,181,552** | **10,582,201** | **789,208** | **13,552,961** |

| Charity | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2021 £ |
|---|---|---|---|---|
| Fixed assets | 3 | 8,482,201 | - | **8,482,204** |
| Current assets | 6,144,160 | 2,100,000 | 768,375 | **9,012,535** |
| Current liabilities | (3,884,531) | - | - | **(3,884,531)** |
| Provisions | (26,400) | - | - | **(26,400)** |
| | **2,233,232** | **10,582,201** | **768,375** | **13,583,808** |

| Group | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2020 £ |
|---|---|---|---|---|
| Fixed assets | 2 | 7,065,577 | - | 7,065,579 |
| Current assets | 2,528,671 | 2,450,000 | 445,586 | 5,424,257 |
| Current liabilities | (1,596,914) | - | - | (1,596,914) |
| Provisions | (26,400) | - | - | (26,400) |
| | 905,359 | 9,515,777 | 445,586 | 10,866,522 |

| Charity | General funds £ | Designated incl fixed asset funds £ | Restricted funds £ | 2020 £ |
|---|---|---|---|---|
| Fixed assets | 3 | 7,065,577 | - | 7,065,580 |
| Current assets | 3,772,689 | 2,450,000 | 445,586 | 6,668,275 |
| Current liabilities | (2,866,048) | - | - | (2,866,048) |
| Provisions | (26,400) | - | - | (26,400) |
| | 880,244 | 9,515,577 | 445,586 | 10,841,407 |

## 22 Analysis of cash and cash equivalents

| | Group 2021 £ | Group 2020 £ | Company 2021 £ | Company 2020 £ |
|---|---|---|---|---|
| Short-term deposits held | **5,596,322** | 4,351,998 | **4,510,242** | 2,861,446 |
| Cash balances | **335** | 335 | **335** | 335 |
| | **5,596,657** | 4,352,333 | **4,510,759** | 2,861,781 |

All cash at bank is held in deposit accounts and is immediately liquid. The Charity holds no investments other than the shareholding of its subsidiaries.

## 23 Pension and other post-retirement benefit commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund held by Friends Provident. The pension cost charge represents contributions payable by the group to the fund.

| | 2021 £ | 2020 £ |
|---|---|---|
| Contributions payable for permanent staff | **69,164** | 86,424 |
| Contributions payable for staff working on productions | **285** | 7,702 |
| Total contributions payable by the group for the year | **69,449** | 94,126 |

## 24 Related party disclosures

At the year end, the company was owed £5,298 (2020 - £5,298) by Donmar in the West End Limited.

During the year the company received £Nil (2020 - £387,564) from The American Friends of The Donmar Theatre Inc, a company registered in the United States. This was due to the Donmar choosing to apply for a donation during the previous year, the granting of which was subject to the discretion of The American Friends of The Donmar Theatre Inc's directors. At the year end The American Friends of The Donmar Theatre Inc owed the company £Nil (2020 - £Nil). Lord Browne of Madingley was and Adam Kenwright is a director of both companies.

During the year the company recharged costs of £809,451 (2020 - £809,451) to Donmar Productions Limited ("DPL") and paid DPL £501,111 (2020 - £3,139,201) to produce certain shows. DPL also gift aided profits of £460,699 (2020 - Nil) to the company. At the end of the year the company owed £2,656,253 to its wholly owned subsidiary Donmar Productions Limited (2020 - £1,898,998) and was owed £3,606,403 by its wholly owned subsidiary Donmar Productions Limited (2020 - £3,535,696).

All of the above transactions were conducted at arm's length and permission is granted for them in the company's memorandum and articles.

The charity received an aggregate amount of £310,000 in donations from trustees during the year (2020 - £123,870). Included in this amount are restricted donations of £310,000 (2020 - £86,120) towards Productions £50,000 (2020 - £40,000) and Capital £260,000 (2020 -£45,000).

There were no other related party transactions.

## 25 Operating lease commitments

At 31 March 2021 the Company had annual commitments under non-cancellable operating leases as follows:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Land and buildings** | | |
| Expiry date: | | |
| Within one year | **48,880** | 48,880 |
| Between one and five years | **133,890** | 157,770 |
| Due after five years | **7,068,630** | 7,093,630 |
| | **7,251,400** | 7,300,280 |
| **Equipment** | | |
| Expiry date: | | |
| Within one year | **23,388** | 21,439 |
| Between one and five years | **86,568** | 8,138 |
| Due after five years | **-** | - |
| | **109,956** | 29,577 |
| | **7,361,356** | 7,329,857 |

## 26 Transactions as an agent

During the year the company sold tickets on behalf of The Gielgud Theatre. As at 31 March 2021 £Nil (2020: £41,679) of tickets had been sold, £Nil (2020: £45,012) has been paid over to The Gielgud Theatre. In total £Nil (2020: £4,604) will be retained as booking fee income.

The company also sold tickets on behalf of Delfont Mackintosh. As at 31 March 2021 £Nil (2020: £8,950) of tickets had been sold, none (2020: £8,870) of which has already been paid over to Delfont Mackintosh. £Nil (2020: £1,703) was retained as booking fee income.

There are no balances outstanding at the year end in relation to the above transactions.