THEATRE ROYAL (PLYMOUTH) LIMITED

England & Wales · Charity number 284545

Details

Other names	THEATRE ROYAL PLYMOUTH PAVILIONS
Status	Registered
Legal form	Charitable company
Company number	01560651
Registered	1982-03-31
Register	View on the Charity Commission register

Contact

Address	Theatre Royal Royal Parade Plymouth PL1 2TR
Phone	01752230328
Email	emma.tayler@theatreroyal.com
Website	www.theatreroyal.com

Activities

Objects: (I) TO PROMOTE, MAINTAIN, IMPROVE AND ADVANCE EDUCATION PARTICULARLY BY THE PRODUCTION OF EDUCATIONAL PLAYS AND THE ENCOURAGEMENT OF THE ARTS, INCLUDING THE ARTS OF DRAMA, MIME, DANCE, SINGING AND MUSIC (II) TO PROVIDE AND MAINTAIN IN THE INTERESTS OF SOCIAL WELFARE FACILITIES FOR PUBLIC RECREATION OR OTHER LEISURE TIME OCCUPATION FOR THE USE OF THE INHABITANTS OF THE CITY OF PLYMOUTH AND ITS NEIGHBOURHOOD AND TO FORMULATE, PREPARE AND ESTABLISH SCHEMES FOR ANY OF THE PURPOSES SET OUT IN (I) OR (II) PROVIDED THAT ALL OBJECTS OF THE COMPANY SHALL BE OF A CHARITABLE NATURE.

Activities: EducationTrainingArtsCulture

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Classification

- **How:** Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- Devon
- Plymouth City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£23,410,782	£21,959,829	£14,434,700	166
2024-03-31	£17,368,432	£18,790,311	£12,983,784	166
2023-03-31	£16,741,318	£17,515,461	£14,405,662	162
2022-03-31	£10,370,451	£10,645,238	£15,179,805	154
2021-03-31	£7,850,884	£7,616,757	£15,454,594	153

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Trustees

Name	Role	Appointed
Alastair Coomer		2022-11-29
Andrew John Hendy Ibbs		2022-11-29
Anjinder Kaur Bual		2022-11-29
Dawn Marie Williams		2022-11-29
Dr James Woodhams		2026-04-01
Emma-Marie Laura Huxham		2020-02-05
Hannah May Sloggett		2022-11-29
James Thomas Pidgeon		2017-07-17
Jonathan Andrew Sparkes		2026-04-01
Julie Anne Nash		2022-11-29
Lynda Jane Grzelinski		2022-11-29
Rachel Hutchinson		2026-04-01
Samra Said		2022-11-29
Sarah Louise Fysh		2018-09-18
Sarah McAdam		2022-11-29
Shona Elizabeth Godefroy		2018-09-18

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THEATRE ROYAL (PLYMOUTH) LIMITED

England & Wales - Charity number 284545

Accounts

Registered number: 01560651
Charity number: 284545

THEATRE ROYAL (PLYMOUTH) LIMITED

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Bishop Fleming

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

Trustees	Dame Darcey Bussell DBE, Chair Bronwen Lacey, Vice Chair Anjinder Bual Alastair Coomer Sarah Fysh Shona Godefroy Lynda Grzelinski Emma-Marie Huxham Andrew Ibbs Sarah McAdam Julie Nash James Pidgeon Samra Said Hannah Sloggett Dawn Williams
Company registered number	01560651
Charity registered number	284545
Registered office	Royal Parade Plymouth Devon PL1 2TR
Chief Executive	James Mackenzie-Blackman
Independent auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	NatWest St Andrew's Cross Plymouth PL4 0HY Lloyds Bank 8 Royal Parade Plymouth PL1 1LX
Solicitors	Womble Bond Dickinson Ballard House West Hoe Road Plymouth PL1 3AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also directors of the company for the purposes of the Companies Act, present their annual report incorporating the strategic report and the audited consolidated financial statements for the year ended 31 March 2025.

The financial statements comply with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), the Charities Act 2011 and the Companies Act 2006.

HOW WE MANAGE OUR AFFAIRS

The company number is 01560651 and registered charity number is 284545. The registered address is Theatre Royal Plymouth, Royal Parade, Plymouth, Devon, PL1 2TR.

The Trustees who served in the year were:

Dame Darcey Bussell DBE, *Chair*
Bronwen Lacey, *Vice Chair, term extended to 31 March 2026*
Anjinder Bual
Alistair Coomer
Sarah Fysh
Shona Godefroy
Lynda Grzelinski
Emma-Marie Huxham
Andrew Ibbs
Sarah McAdam
Julie Nash
James Pidgeon
Samra Said
Hannah Sloggett
Dawn Williams

Day-to-day management of the Charity is delegated to the Executive, who were:

James Mackenzie-Blackman, *Chief Executive & Artistic Director*
Helen Costello, *Deputy Chief Executive, Finance & Operations*
James Greenacre, *Director of External Affairs, resigned 18 October 2024*
Liz King, *Deputy Chief Executive, Producing & Programming*

The Board of Trustees and Executive are supported by the following professional advisers:

Solicitors:	(General) Womble Bond Dickinson, Ballard House, West Hoe Road, Plymouth, PL1 3AE (HR) Wolferstans, 60-66 North Hill, Plymouth, PL4 8EP (Contracts) Bright Solicitors, 5-11, 5 Millbay Road, Plymouth, PL1 3LF
Bankers:	(Current accounts) NatWest, St Andrew's Cross, Plymouth, PL4 0HY (Deposit accounts) Lloyds, 8 Royal Parade, Plymouth, PL1 1LX
Auditor:	Bishop Fleming LLP, Salt Quay House, Plymouth, PL4 0BN

HOW WE GOVERN OURSELVES

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

The Board of Trustees, acting in a voluntary capacity, has legal responsibility for the effective use of resources in meeting TRP's mission, deciding policy and for providing leadership and direction. It meets at least four times a year. There are five Committees which have reported directly to the Board during the year:

Committee	Frequency of meetings
Producing & Programming	Min 2 x per year
External Affairs	Min 2 x per year
Audit, Finance & Operations	Min 4 x per year
Equity, Diversity, Inclusion & Belonging	Min 2 x per year
Nominations	1 x per year plus other times dictated by the needs of the business

In order to support a significant project around cultural change, in March 2025 the Board also set up the Culture & Business Transition Committee. This is focussed on supporting the Executive to drive forward internal changes. The Committee will meet monthly for at least six months, to monitor progress and provide oversight and challenge.

Trustees serve for a three-year term, after which they are eligible for re-election. Trustees are able to complete three terms before standing down completely. There is also provision for Trustees to extend their term by one year under special circumstances. In order to give continuity and to support TRP in a time of change, Bronwen Lacey, Vice-Chair, has renewed her term under this provision.

New Trustees are selected through open recruitment, which includes use of specialist agencies as well as advertisement in the regional press and social media. The Nominations Committee has a specific brief to consider the diversity of the Board in any Trustee recruitment, in line with the organisation's core values. In addition, particular emphasis is placed, at the time of recruitment, on appointing individuals who can fulfil any identified skill gaps within the Trustee body. New appointees and existing Trustees are provided with an induction programme and, where appropriate, a range of other training opportunities to help them meet their responsibilities.

The Memorandum & Articles allows for co-opted members. These members are not Trustees and do not have voting rights. They do, however, sit on the Committees to provide additional viewpoints and learn more about the role of Trustee. At the year-end there were three co-opted members who have all committed to a three-year term.

Eliza Coulson,
Emma Lawrence,
James Woodhams.

The Charity has an Executive Team which reports directly to the Board of Trustees. The Executive Team is responsible for operational decision-making with guidance and approval for strategic decisions provided by the Trustees. The Chief Executive has been delegated with responsibility for the day-to-day management of the Charity. There is an agreed Scheme of Delegation which defines the authority pathways.

The remuneration level for key management personnel is set at the point of recruitment with reference to national market rates within the cultural economy. Thereafter, rates are subject to annual review in the same way as the rest of the organisation. The Charity pays all employees in line with the Real Living Wage. During the year, TRP recognised Bectu as its trade union following a ballot of the staff. The Bectu recognition does not extend to the Leadership Team.

The Theatre has one subsidiary undertaking, Talklight Limited. This company provides catering and retail facilities, and management services to the Theatre Royal (Plymouth) Limited. Talklight Limited generated an operating profit of £446k in the year *(2024: £338k)*. All profits are passed to the Charity under the gift aid regulations.

The Charity maintains a corporate risk register which is embedded throughout the organisation. The risks and mitigation plans are subject to regular review by departmental heads, the Executive and onward review by the Trustees via the Audit, Finance & Operations (AFO) Committee. The review of the risk register, together with the monitoring of risk, both operational and strategic, by the Board of Trustees ensures that adequate and suitable controls are in place to mitigate known risks. The activities of the AFO Committee ensure that risk is managed in a positive and responsible manner. The Charity undertakes a programme of targeted internal audits using specialist support where necessary, to support risk mitigation.

As permitted by the Articles of Association, the Trustees (as directors) have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Whilst the Trustees and the Executive Team have many connections within the local community and the wider theatre industry, they are generally not in a position to influence any commercial transactions between the Charity and these other parties.

OUR CHARITABLE AIMS

The primary objectives of the Charity are to provide art, education and community engagement throughout Plymouth and the wider region.

The Charity's vision is that 'together with the people of Plymouth and the South West, we will make waves in our ocean city, ensuring we're the most ambitious and creative community in the country'. The mission supporting this vision is that 'we bring people together to create, make, build and present world-class theatre'. A business plan based on this has been established for 2024-2029 and is subject to annual review. The Leadership Team is currently undergoing a restructure to provide more capacity and better focus towards and energy for driving the vision and mission.

In setting objectives and making plans for the Charity, the Trustees have had due regard for the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity' (PB2).

During the year the Charity recruited a Director of Partnerships & Philanthropy to lead the fundraising efforts. Fundraising takes the form of either general support via Members, Ambassadors and Corporate Sponsors, or fundraising directed to the public, or trusts, foundations or public sector sources for specific purposes. We keep supporters' data secure and do not sell it or share it for marketing purposes. We have voluntarily registered with the Fundraising Regulator.

The Charity is supported by a small but loyal group of eight volunteers. The group supports access needs such as audio describing and touch tours. They also support tours of the theatre and some specific welcoming duties. The volunteers are included in all staff communications, meetings and events.

ACHIEVEMENTS IN THE YEAR

With a mission to bring people together to make, create, build and present world-class theatre, the year has brought some significant achievements.

Make, Create, Build, Present

The Charity's business plan is focussed on producing more of its own work, especially on the large-scale. 2024-25 was an unforgettable year with three large scale co-productions truly marking TRP as a leading regional theatre.

The Artist, an adaptation of the multi Oscar-winning movie, told the story of silent movie icon George Valetin. With 'Talkies' on their way, George must either find his voice in a brave new world or lose everything he holds dear to a bygone era.

The Artist starred multi award-winning international dancer and actor Robbie Fairchild as George Valentin, West End favourite Gary Wilmot as Al Zimmer and introduced Briana Craig (*42nd Street* tour) as Peppy Miller. The show played to appreciative audiences and, amongst many great reviews, achieved a five star review from The Telegraph:

> *"Theatre Royal Plymouth's stage adaptation of the Oscar-winning film is an artistic triumph that has 'West End-bound hit' written all over it."*

A world premiere and a counter-intuitive production that brought silent cinema and dance to the theatre. Discussions are underway for a future life for this production.

We then went straight into staging *The Devil Wears Prada*. Co-produced with Jamie Wilson Productions, with music by Sir Elton John, and starring Vanessa Williams this tour-de-force of glamour and wit, ran for six weeks in Plymouth before transferring to the Dominion Theatre in London's West End where it has been playing to packed houses for the last six months. The current plans are to continue the run at the Dominion until January 2026 with an expectation that this production will have a future life in the UK and overseas.

Working with Tom Fletcher (of McFly), we brought to life his children's book *The Creakers* for the October half term, in co-production with Impossible Producing and Smith & Brant. It then went on to delight families at the Southbank Centre for the festive period. This story shares strong messages; environment concerns, the difficulty/resolution of being different, the importance of community. The construction of the set was held carefully within the Theatre Green Book parameters, and the production was directed by TRP's Associate Artistic Director Tom Jackson Greaves.

The three productions described above gave the year a real sense of 'made in Plymouth by Plymouth', with an opportunity to show our international partners not only the beauty of our geographical area but also the enormous talent and skills that we hold within TRP. This success was also recognised by The Stage in its end of year round-up for 2024:

> *"Two triumphant new shows - Drew McOnie's The Artist and Elton John's The Devil Wears Prada - began their journeys at this theatre, firmly establishing it as a producing powerhouse."*

On a smaller scale, and catering directly for our family and school audiences, we also produced Raymond Brigg's *Father Christmas* for the second year, and *The Star That Danced*, for babies. These two shows, alongside Snow White starring Lesley Joseph, Rob Rinder, Briana Craig and Samuel Holmes, ensured a festive offer for everyone of all ages and backgrounds.

In total there were 81 distinct productions across our three performance spaces.

TR2 Design & Construction had another super busy year turning over £2.3m. At this level of turnover TR2 is really bursting at the seams. Building for our own co-productions was a highlight, but we also progressed a

strong relationship with Houston Grand Opera working on *Il Trovatore* and *Tannhauser,* with a team heading out to the USA to support the fit-up of both sets. In the run up to Christmas we built *Jakten på juleskurken* for Drammens Teater, Norway. The year has brought some new approaches to the design and build process, with many designs not being produced as a white-card-model but being entirely virtual, together with the different approach to project management taken by overseas partners.

Even with such a substantial producing schedule, we manged a varied and exciting programme of presented work. *Snow White* was our best-ever selling panto attracting over 57,000 people during the festive season. The first visit of *Book of Mormon* played to packed houses, as did *War Horse* which was on a repeat visit but remained in high demand.

In the Drum we expanded the programme of dance. The audience's reception to dance on a smaller scale has been fabulous with everyone enjoying the intimacy of the space for world class dance including Aakash Odedra's *Little Murmur, Paradise Lost* by Lost Dog, *Four Seasons* by James Wilton Dance and *Amplify* by Richard Chappell.

Supporting regional artists, we produced *In The Lady Garden* (Pleasance Partnership) and *Lynn Faces* in the Drum before taking them to the Edinburgh Festival for successful runs. *Outlier* also had a successful run, written and performed by our Associate Director, Malaika Kegode. We showcased our two 'Artists for Change' with *All In* and *It's An Emergency* highlighting the challenges of inclusivity and the climate emergency, respectively. In our Artist Development programme, amongst many other activities, we worked in partnership with Project Europa to mentor three artists from migrant backgrounds and co-hosted, with Diverse City, Pomoja Dance company from Kenya to develop a new piece called *Earth, Wheels, Air* exploring how artists with disabilities tell stories through movement and physical expression.

We were proud to present *Cassie & The Lights* by Frozen Light Theatre, multisensory theatre for people with profound and multiple learning disabilities.

In our community work, the highlight was *The Key* which celebrated the 21st birthday of our Production & Learning Centre, TR2. Written, built and performed by our community, we brought together 11 community groups to create a promenade piece at TR2, culminating in a joyous coming together. The work involved 138 young people and performers, three professional actors, nine young technicians, 10 young designers and over 40 TRP staff from the Technical, Production, Creative and Producing departments. Other highlights of the year included working with a number of prisoners to create a moving performance in Channing's Wood prison.

Through the generosity of the Clare Milne Trust we have installed two Changing Places toilets, facilities that support people with very limited mobility. These facilities allow everyone to access spaces and join in the extensive range of activities at TRP.

FINANCIAL REVIEW

TRP is reporting an overall surplus of £1.4m *(2024: £1.4m deficit)*. This comprises differing fund results:

- A deficit of £0.1m in general funds
- A surplus of £2.0m in designated funds
- A deficit of £0.5m in the restricted funds. This deficit includes depreciation of £0.4m charged against capital projects. The restricted funds include specific grant-funded projects which are all community focussed.

General funds: With such a lot of producing in the year there was significant risk to the general fund but strong shows, the University of Plymouth graduations and the best-ever panto minimised the impact. The final result was affected by low profitability in TR2 Design & Construction and on Disney and Cameron Mackintosh's *Mary Poppins*. We were excited to welcome *Mary Poppins* but in a year with so many large-scale shows it produced a lower-than hoped return. Following this result, we are looking more closely at our revenue management processes and the length of runs for big-brand musicals.

Designated funds: Over the last four years TRP has been progressing an insurance claim in respect of business interruption due to the pandemic. This claim was settled in December 2024 and the funds are now held for projects approved by the Board and for future investment opportunities.

TRP remains a National Portfolio Organisation (NPO) of Arts Council England (ACE) for the period 2023-2026 on standstill funding of £1.2m per year. An application for extension funding for 2026-27 is in progress, with potential further extension funding being announced by ACE for 2027-28. Plymouth City Council (PCC) has confirmed an annual commitment to the theatre of £265k *(2024: £265k)* for which TRP is extremely grateful given the current economic pressures on PCC. Both these income streams provide much appreciated, essential funds for the continuity of TRP's work in Plymouth and the South West.

TR2 Design & Construction has had another extremely busy year. This year the team has sustained turnover at £2.1m (*2024: £2.3m*). There continues to be a balance, between large scale builds and medium scale builds, which has maximised the space and skills available. Considerable pressure on the cost of materials and of labour has constrained margins generally, and whilst the mid-scale shows have made good contributions, the large-scale shows have shown a more limited return. Both the Workshop and Project Development teams are feeling the benefits of the generous funding from The Theatre Artists Fund which has enabled significant training of mid-career makers and draughts-people. The move into international work over the last couple of years has built strong relationships and the focus on opera (and its long planning timescales) has allowed the Workshop to minimise downtime.

Talklight Ltd (the catering & retail subsidiary) has had a record year; with the record panto and the University of Plymouth graduations we have achieved the highest contribution to date of £446k (*2024: £338k*) from a turnover of £1.4m (*2024: £1.3m*). The net profit margin achieved is now 32% compared to 26% in 2023-24. During the year we ran the café and the Green Room but there was no restaurant service. Towards the end of the year, we introduced a sharing platter offer for pre-show visitors which has been well received. The Green Room has grown in popularity and is now a key part of our offering for visiting companies. Talklight Ltd will gift aid profits to the Charity.

Work with our communities is a principal charitable purpose and, amongst other things, creates a gateway into our talent development work. In line with the development of a new creative strategy and business plan, this area of our work has been subject to review. With limited resources we need to ensure that the work is focussed and relevant to our communities in Plymouth and the South West. This year has been spent really considering how we take this work forward in a meaningful and strategic way. This work (including talent development) and many other significant, individual projects were supported by generous Trusts & Foundations and corporate partners as detailed in note 24 to these accounts. These grants are essential to the continuation of this wide-reaching work, allowing both range and reach to be expanded. We are grateful that Trusts & Foundations and corporate partners have continued to support us. Where grants are given for specific projects, they are held within restricted funds (see below). TRP recognises that in the years ahead our own contribution to this work needs to decrease and we need to generate more resources from external sources. This is a key focus for the new Director of Partnerships & Philanthropy.

During the year, the average number of employees (headcount basis) in the group remained static at 272 (*2023-24: 272*). 55% of these staff (*2023-24: 59%)* are casual or part-time staff.

We are committed to fostering a culture of inclusion at TRP with a workforce that reflects the diversity of the communities we serve. The collective power of each team member's life experiences, knowledge, innovation, self-expression, and talent creates the very best environment for us to achieve our ambitions and lead the sector. In recruiting for our team, we recognise the unique contributions that each person can bring in terms of education, opinions, culture, ethnicity, race, sex, gender identity and expression, nation of origin, age, languages spoken, colour, religion, disability, sexual orientation and belief.

Every two weeks we share our news through 'The Round Up' which goes to everyone at TRP. At least twice a year we hold general staff meetings to offer information sharing and an opportunity for questions. Following the year end we are starting monthly 'Town Halls' online which are live webinars and are also available for

everyone digitally after the event. The Town Halls will also provide an opportunity for leadership to respond to questions and for people outside of the Executive to communicate to the whole organisation.

Reserves Policy: During the year the Board reviewed the Reserves Policy. Using the agreed methodology the Trustees have confirmed that TRP is required to hold unrestricted reserves of £1.8m (*2024: £1.8m*). At the year end the Trustees are confident that the Charity holds sufficient funds in unrestricted reserves (general and designated funds). The level of the reserves is reviewed annually and is considered to be the appropriate level of funds, as determined by the Board of Trustees. The Trustees have agreed that at no point should the total designated and unrestricted reserves fall below the funds required to wind up the Charity.

Designated funds are unrestricted funds that have been earmarked by the Board of Trustees for particular purposes. Designated reserves have been created to fund significant projects that all support the Charity's objectives and that will ensure that the organisation and its assets are fit for purpose and in good shape for the future.

Restricted funds are only to be used for specific purposes. These funds have been generated by capital projects such as the building of the Charity's Production & Learning Centre at TR2, a Capital Appeal, the Regeneration Project and as such they will cover the future depreciation of the resulting assets. Restricted funds also include specific grants provided for Engagement & Learning work. The use of these funds is restricted by the original intent of the donation or grant funding.

Further details about the reserves held can be found in note 23 to these accounts.

TRP is a National Portfolio Organisation (NPO) of Arts Council England. A funding agreement is in place that will offer (subject to terms & conditions) annual funding of £1.2m for 2023-26. In 2024 it was announced that the funding period would be increased to cover 2026-2027 as well and we are awaiting confirmation of this.

Investment policy: By monitoring cash flow, an assessment of short to medium cash needs allows the surplus to be invested. The Charity seeks to produce the best financial return within a low-risk environment. As a proportion of the assets are held pending payment on to third parties, capital preservation is of paramount importance. Deposits are placed with Lloyds Bank and/or NatWest on varying timescales (32 days to one year). The Trustees consider Lloyds Bank and NatWest to be appropriate partners aligned with the values of the Charity.

Going Concern: The Trustees have considered the validity of the going concern assumption held within the presentation of these accounts. By considering cash flow, significant risks, ACE funding and the context of the national cultural environment, the Trustees are confident that the Charity does not have concerns for the next 12 months, or indeed for the period following that.

Principal risks & uncertainties: In delivering the charitable aims, the Trustees are mindful of the risks involved and have reviewed these risks and the plans to mitigate them, as part of the overall planning process. The Risk Register is reviewed regularly by both the Executive and the Trustees.

Key identified risks are:

Failure to meet artistic ambitions and failure to maintain quality & diversity of programming (S1 on Risk Register), mitigated by:

- A new Creative Leadership structure with new working practices is being evolved.
- Regular discussion and feedback with funding partners and industry-wide collaboration
- Recognising the interplay of talent development with the progression of the artistic programme. Plans are being formulated for future years which will require creative and innovative ways of producing to ensure that resources are used to maximum affect.
- Continuing to actively programme the Lyric and Drum so that performance reflects a diversity of genre.
- Regular discussion and review by the Creative Leadership Team

Failure to prepare for climate change (S8 on Risk Register), mitigated by:

- Recognition of sustainability/environmental requirements as a pillar of the TRP business plan meaning that they are considered within all decision-making
- Collaboration with industry experts at UK Theatres, ACE and within industry peers
- On-going education within the teams

Significant use of reserves (F9 on Risk Register), mitigated by:

- Regular review of reserves by the Executive and the Board
- Increased frequency of reforecasting the budget
- Applications to all potential funding sources
- Focus of the work of the Director of Partnerships & Philanthropy

Reduction of PCC funding (F15 on Risk Register), mitigated by:

- Strong relationships with key PCC personnel
- Structuring of an annual Grant Agreement
- TRP business planning considering/recognising fulfilment of PCC objectives.
- Monitoring of reporting requirements by Head of Governance

LOOKING FORWARD

The year has been spent evolving our new vision and mission and ensuring we are in the right shape to drive this ambition forward.

Producing will be the core of our business plan and the rhythm of a planning year followed by a producing year is starting to take shape. In 2025-26 we will develop '*Summer In The Scene Dock*', a community focused month of activity and creativity. Running alongside *Hamilton*, the scene dock will be transformed into a festival site that will offer an outdoor performance space as well as space for local groups to run their own activities. A real summer in the city moment.

Throughout 2025-26 we will be working with co-producing partners to develop a large scale production in the summer of 2026-27. We will also be co-producing work in the Drum and co-producing a show at Edinburgh Festival in partnership with Pleasance Theatre. We will be developing several new mid- to large-scale projects throughout 2025-26 with a view to producing them in 2026-27 and beyond.

The year ahead will also be used to consider the capital needs of TRP. The theatre is now over 40 years old and there are various aspects of its infrastructure that need attention. In 2032 TRP will celebrate its 50th anniversary and we want to make sure TRP is fit for purpose for the second half of its century.

Producing and Programming

TRP will focus on six strands of creativity in our work in the years ahead. These are:

- Theatre
- Dance
- Children, Young People and Families
- Co-created & Outdoor work
- Artist Development
- Scenic Design and Construction.

Threaded through all this work and its related decision-making will be four underlying pillars, the foundations of TRP: Audiences & Participants; Diversity & Inclusion; Climate Emergency; Social Value.

The new Creative Strategy reflects our producing aims which, although international in ambition, are securely embedded in Plymouth and the South West.

Teams and work practices

TRP has a highly skilled and dedicated team of department heads who support TRP to fulfil its creative ambition and to deliver its charitable objectives. This leadership team will go through a review process in 2025-26 to ensure we are in the right shape, with appropriate capacity and skills to ensure the success of TRP's business plan throughout 2025-26 and beyond. To this end we will employ a Transformation Associate to support any structural changes and to examine the effectiveness and efficiency of our work practices.

The following plans are crucial to the success of the Charity in fulfilling its charitable objectives:

We will have a clear creative strategy for our six artform areas: Theatre; dance; children, young people & families; co-created & outdoor work; artist development; scenic design & construction.

We will produce more of our own work allowing us to deepen our relationships with subsidised and commercial theatre producing partners.

We will generate more income from fundraising.

We will consider all we do through the four foundation pillars: Audiences & participants; climate emergency; diversity & inclusion; social value.

And we will do this in the context of our values: Creativity, collaboration, diversity and quality; values that are understood and reflected by all at TRP.

We continue to receive funds from Plymouth City Council (PCC) based on an annual grant agreement. Funding is at £265k per year (*2023-24: £265k*). We will continue to demonstrate to the leadership of PCC the value that TRP brings to Plymouth and seek an on-going commitment from PCC that matches the ACE funding period.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware; and
- that Trustee has taken all the steps that ought to have taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustee's Report, incorporating the Strategic Report, was approved by order of the Board of Trustees and signed on its behalf by

Bronwen Lacey
Vice Chair of Trustees
Date: 15 July 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2025

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

Bronwen Lacey
Vice Chair of Trustees
Date: 15.7.2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED

OPINION

We have audited the financial statements of Theatre Royal (Plymouth) 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 (Incorporating Income and Expenditure Account), the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 is detailed below:

- We have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the the Board about their own identification and assessment of the risk of irregularities;
- For any matters identified we have obtained and reviewed the parent charitable company's documentation of their policies and procedures relating to;
    - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
    - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team, including internal tax specialists, regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Group and Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Group and Company's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, licensing acts and employment legislation.

Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;
- Considering manual income journals as part of our work on fraud risks documented above;
- Reviewing the financial statement disclosures and testing to supporting documentation;
- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks

of material misstatement;
- Reading minutes of meetings of those charged with governance; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 an 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 would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming LLP

Alison Oliver FCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 12 August 2025

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
INCOME FROM:					
Grants, donations and legacies	4	**2,095**	**319**	**2,414**	2,420
Charitable activities	5	**17,316**	**-**	**17,316**	13,480
Other trading activities	6	**1,366**	**-**	**1,366**	1,273
Investments	7	**233**	**-**	**233**	196
Other income	8	**2,083**	**-**	**2,083**	-
TOTAL INCOME		**23,093**	**319**	**23,412**	17,369
EXPENDITURE ON:					
Raising funds		**1,063**	**-**	**1,063**	1,063
Charitable activities	9	**20,097**	**799**	**20,896**	17,728
TOTAL EXPENDITURE		**21,160**	**799**	**21,959**	18,791
Net income/(expenditure) before taxation		**1,933**	**(480)**	**1,453**	(1,422)
Taxation		**(2)**	**-**	**(2)**	-
Net income/(expenditure) after taxation		**1,931**	**(480)**	**1,451**	(1,422)
Transfers between funds	23	**(4)**	**4**	**-**	-
NET MOVEMENT IN FUNDS		**1,927**	**(476)**	**1,451**	(1,422)
RECONCILIATION OF FUNDS:					
Total funds brought forward		**3,198**	**9,787**	**12,985**	14,407
Net movement in funds		**1,927**	**(476)**	**1,451**	(1,422)
TOTAL FUNDS CARRIED FORWARD		**5,125**	**9,311**	**14,436**	12,985

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

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

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01560651

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note		2025 £000		2024 £000
FIXED ASSETS					
Tangible assets	14		**9,994**		10,548
Heritage assets	15		**499**		502
			10,493		11,050
CURRENT ASSETS					
Stocks	17	**95**		101	
Debtors	18	**1,715**		797	
Investments	19	**4,000**		-	
Cash at bank and in hand	27	**8,765**		8,381	
		14,575		9,279	
Creditors: amounts falling due within one year	20	**(10,539)**		(6,889)	
NET CURRENT ASSETS			**4,036**		2,390
TOTAL ASSETS LESS CURRENT LIABILITIES			**14,529**		13,440
Creditors: amounts falling due after more than one year	21		**-**		(259)
Provisions for liabilities	22		**(93)**		(196)
TOTAL NET ASSETS			**14,436**		12,985

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2025

	Note		2025 £000		2024 £000
CHARITY FUNDS					
Restricted funds	23		**9,311**		9,787
Unrestricted funds:					
Designated funds	23	**4,492**		2,452	
General funds	23	**633**		746	
Total unrestricted funds	23		**5,125**		3,198
TOTAL FUNDS			**14,436**		12,985

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Bronwen Lacey
Vice Chair of Trustees
Date: 15 July 2025

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

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01560651

COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2025

	Note		2025 £000		2024 £000
FIXED ASSETS					
Tangible assets	14		**9,994**		10,548
Heritage assets	15		**499**		502
Investments	16		**-**		-
			10,493		11,050
CURRENT ASSETS					
Stocks	17	**65**		70	
Debtors	18	**1,701**		792	
Investments	19	**4,000**		-	
Cash at bank and in hand		**8,710**		8,310	
		14,476		9,172	
Creditors: amounts falling due within one year	20	**(10,909)**		(7,138)	
NET CURRENT ASSETS			**3,567**		2,034
TOTAL ASSETS LESS CURRENT LIABILITIES			**14,060**		13,084
Creditors: amounts falling due after more than one year	21		**-**		(259)
Provisions for liabilities			**(94)**		(199)
TOTAL NET ASSETS			**13,966**		12,626

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2025

	Note		2025 £000		2024 £000
CHARITY FUNDS					
Restricted funds	23		**9,311**		9,788
Unrestricted funds:					
Designated funds	23	**4,492**		2,452	
General funds	23	**163**		386	
Total unrestricted funds	23		**4,655**		2,838
TOTAL FUNDS			**13,966**		12,626

The Company's net movement in funds for the year was £1,342,000 (2024 - £(1,382,000)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Bronwen Lacey
Vice Chair of Trustees
Date: 15 July 2025

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

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £000	2024 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in)/ provided by operating activities	26	**4,262**	(109)
CASH FLOWS FROM INVESTING ACTIVITIES			
Bank interest received		**233**	196
Purchase of tangible fixed assets		**(111)**	(515)
Investment in short term deposits		**(4,000)**	-
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		**(3,878)**	**(319)**
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**384**	**(428)**
Cash and cash equivalents at the beginning of the year		**8,381**	8,809
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	27	**8,765**	8,381

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

1. GENERAL INFORMATION

The company is limited by guarantee and has no issued share capital. The liability of its members shall not exceed £1 each. The registered office address is Theatre Royal, Royal Parade, Plymouth, Devon, PL1 2TR.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Theatre Royal (Plymouth) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) (SOFA) and Consolidated Statement of Financial Position consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 GOING CONCERN

After making enquiries, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

The Trustees and Executive have completed detailed cash flow forecasts and budgets that support the going concern basis for these accounts. The forecasts include key assumptions based on the current programme. With planned programming stretching into 2028, the Trustees have confidence in the sustained contribution from the Lyric. Following a significant producing year in 2024/25, the budget for 2025/26 includes community focussed producing with the expectation of large scale producing in 2027.

Whilst we recognise that the impact of significant increases in the cost of living and the consequences of the continuing global conflicts may affect both the Theatre's income streams and its cost base, we also have ambitions for targeted fundraising to support our community and outreach work by covering elements of our core costs.

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Box office income comprises the sale of tickets to both in house and third party productions held at the Theatre and is recorded before deduction of credit card and other charges. Box office receipts are initially recognised as deferred income and are recognised as income once the performance to which the advanced sale relates has taken place. The charity applies the Cultural VAT Exemption on applicable income.

Royalties received comprise amounts due from third parties for performances of the charity company's productions at venues other than the Theatre. Royalties are recognised once the performance tio which the royalty relates has taken place.

Income arising from sponsorship and donations are included in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) in the period in which they are applicable.

Grants are included in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) on an entitlement basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2. ACCOUNTING POLICIES (continued)

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TAXATION

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Between 10 and 50 years
Equipment & motor vehicles	- Between 3 and 15 years

2.8 HERITAGE ASSETS

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The estimated useful life is:

Heritage Assets	- 30 years

2.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account).

Investments in subsidiaries are valued at cost less provision for impairment.

2. ACCOUNTING POLICIES (continued)

2.10 STOCKS

Stocks are valued on a first in first out basis at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Any investments with a longer maturity between three to twelve months are classified as current asset investments.

2.13 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) as a finance cost.

2.14 FINANCIAL INSTRUMENTS

The Group 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 PENSIONS

The Group operates two defined contribution pension schemes and the pension charge represents the amounts payable by the Group to the funds in respect of the year.

2. ACCOUNTING POLICIES (continued)

2.16 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future, including provisions recognised and the useful life of assets. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Provisions in their nature have a degree of estimation uncertainty due to their size and nature. Management use their knowledge and previous experience to best estimate the amount of provisions on future loss making shows and for dilapidations and repairs required under the terms of property leases.

The estimated useful life of heritage assets has been based on management's best estimate. However, it is subject to uncertainty given the types of assets held.

4. INCOME FROM GRANTS, DONATIONS AND LEGACIES

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000
GRANTS			
Arts Council England - Core	1,210	-	**1,210**
Plymouth City Council	265	-	**265**
Engagement & Learning grants	-	182	**182**
The Clare Milne Trust	-	17	**17**
Theatre Artist Fund	-	65	**65**
Young Technicians Partnership	-	1	**1**
Mackintosh Foundation	-	29	**29**
TOTAL GRANTS	1,475	294	**1,769**
Donations	246	3	**249**
Development income	374	22	**396**
TOTAL 2025	2,095	319	**2,414**

4. INCOME FROM GRANTS, DONATIONS AND LEGACIES (CONTINUED)

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
GRANTS			
Arts Council England - Core	1,208	-	1,208
Plymouth City Council	265	-	265
Engagement & Learning Grants	-	329	329
Jerwood Arts	-	4	4
Theatre Artist Fund	-	42	42
Young Technicians Partnership	-	2	2
Mayflower Culture Fund	-	15	15
Stage One	-	28	28
Mackintosh Foundation	-	28	28
Arca (The Box)	10	-	10
TOTAL GRANTS	1,483	448	1,931
Donations	131	2	133
Development income	356	-	356
TOTAL 2024	1,970	450	2,420

Engagement & Learning grant income includes grants awarded by Arts Council England for the Theatre's Flying With Colours project of £nil (2024: £100,000).

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £000	**Total funds 2025 £000**	Total funds 2024 £000
Box Office	11,852	**11,852**	10,781
Theatre Rentals	782	**782**	260
Co-producers' Contributions	1,478	**1,478**	12
Commercial Build Activity	2,053	**2,053**	2,267
Other	1,150	**1,150**	160
TOTAL 2025	17,315	**17,315**	13,480

All of the prior year amounts were unrestricted.

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Catering & retailing	1,366	**1,366**	1,273

All of the prior year amounts were unrestricted.

7. INVESTMENT INCOME

	Unrestricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Investment income	233	**233**	196

All of the prior year amounts were unrestricted.

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Insurance receipts	2,083	**2,083**	-

Following lengthy negotiations with our insurers, TRP made a successful claim in relation to Business Interruption for the Pandemic. The settlement of £2.1m is now held in reserves, as agreed with the Arts Council England, and allocated to a range of projects to be pursued over the coming year.

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2025 £000	**Restricted funds 2025 £000**	**Total 2025 £000**
Theatre productions and education	20,097	799	**20,896**

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total 2024 £000
Theatre productions and education	16,718	1,010	17,728

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £000	**Support costs 2025 £000**	**Total funds 2025 £000**
Theatre productions and education	17,847	3,049	**20,896**

	Activities undertaken directly 2024 £000	Support costs 2024 £000	Total funds 2024 £000
Theatre productions and education	14,983	2,744	17,727

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Theatre productions and education 2025 £000	**Total funds 2025 £000**	Total funds 2024 £000
Staff costs	1,689	**1,689**	1,499
Depreciation	671	**671**	668
Marketing, development and hospitality	105	**105**	112
Finance	287	**287**	249
Cleaning	71	**71**	54
IT and administration	185	**185**	130
Governance costs	41	**41**	32
	3,049	**3,049**	2,744

11. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £25,000 (2024 - £24,000), and non-audit services comprising corporation tax computations and financial statement preparation of £9,000 (2024 - £8,500).

12. STAFF COSTS

	Group 2025 £000	Group 2024 £000	**Company 2025 £000**	Company 2024 £000
Wages and salaries	**6,063**	5,188	**5,692**	4,851
Social security costs	**508**	432	**489**	414
Contribution to defined contribution pension schemes	**210**	179	**203**	173
	6,781	5,799	**6,384**	5,438

Staff restructuring costs totalling £100,000 (2024: £nil) were made in the year to 9 employees (2024: no employees).

12. STAFF COSTS (CONTINUED)

The average number of persons employed by the Group during the year was as follows:

	Group 2025 No.	Group 2024 No.	**Company 2025 No.**	Company 2024 No.
Management and administration	**22**	22	**22**	22
Venue staff	**29**	24	**29**	24
Production staff	**59**	58	**59**	58
Catering staff	**5**	6	**-**	-
Cast	**8**	2	**8**	2
Part-time and casual staff	**149**	160	**121**	135
	272	272	**239**	241

The average headcount expressed as full-time equivalents was:

	Group 2025 No.	Group 2024 No.	**Company 2025 No.**	Company 2024 No.
Management and administration	**20**	21	**20**	21
Venue staff	**28**	23	**28**	23
Production staff	**64**	60	**64**	60
Catering staff	**5**	6	**-**	-
Cast	**7**	1	**7**	1
Part-time and casual staff	**53**	55	**43**	47
	177	166	**162**	152

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £60,001 - £70,000	**-**	2
In the band £70,001 - £80,000	**2**	-
In the band £90,001 - £100,000	**1**	1
In the band £120,001 - £130,000	**-**	1
In the band £130,001 - £140,000	**1**	-

Pension contributions were made on behalf of the above members of staff in respect of their services. An amount of £22,000 (2024 - £20,000) was paid into personal stakeholder schemes.

Total remuneration paid to key management personnel (defined as the executive team who held office for all or part of the year) amounted to £378,000 (2024: £412,000).

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration of other benefits (2024 - £NIL).

During the year ended 31 March 2025, travel expenses totalling £2,000 were reimbursed or paid directly to 5 Trustees. (2024 - £8,000 to 14 Trustees).

14. TANGIBLE FIXED ASSETS

GROUP

	Long-term leasehold property £000	Office equipment £000	Total £000
COST OR VALUATION			
At 1 April 2024	**18,644**	**2,282**	**20,926**
Additions	**35**	**60**	**95**
Disposals	**-**	**(65)**	**(65)**
At 31 March 2025	**18,679**	**2,277**	**20,956**
DEPRECIATION			
At 1 April 2024	**8,777**	**1,601**	**10,378**
Charge for the year	**447**	**202**	**649**
On disposals	**-**	**(65)**	**(65)**
At 31 March 2025	**9,224**	**1,738**	**10,962**
NET BOOK VALUE			
At 31 March 2025	**9,455**	**539**	**9,994**
At 31 March 2024	9,867	681	10,548

14. TANGIBLE FIXED ASSETS (CONTINUED)

COMPANY

	Long-term leasehold property £000	Office equipment £000	Total £000
COST OR VALUATION			
At 1 April 2024	**18,644**	**2,280**	**20,924**
Additions	**35**	**60**	**95**
Disposals	**-**	**(65)**	**(65)**
At 31 March 2025	**18,679**	**2,275**	**20,954**
DEPRECIATION			
At 1 April 2024	**8,777**	**1,599**	**10,376**
Charge for the year	**447**	**202**	**649**
On disposals	**-**	**(65)**	**(65)**
At 31 March 2025	**9,224**	**1,736**	**10,960**
NET BOOK VALUE			
At 31 March 2025	**9,455**	**539**	**9,994**
At 31 March 2024	9,867	681	10,548

15. HERITAGE ASSETS

GROUP AND COMPANY

Assets recognised at cost

	Heritage asset 2025 £000
Carrying value at 1 April 2024	502
Additions	16
Depreciation	(20)
NET BOOK VALUE AT 31 MARCH 2025	498

Analysis of heritage asset transactions

GROUP AND COMPANY

	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000
ADDITIONS					
Heritage asset	16	-	-	-	-
TOTAL ADDITIONS	16	-	-	-	-
CHARGE FOR DEPRECIATION					
Heritage asset	(20)	(20)	(20)	(20)	(20)
TOTAL CHARGE	(20)	(20)	(20)	(20)	(20)

16. FIXED ASSET INVESTMENTS

PRINCIPAL SUBSIDIARY

The following were subsidiary undertakings of the Company:

Names	Company number	Holding	Registered office or principal place of business
Talklight Limited	01572960	100%	Theatre Royal, Royal Parade, Plymouth, PL1 2TR

Principal activity	Class of shares	Included in consolidation
The company provides retailing, bar, and catering facilities.	Ordinary	Yes

The financial results of the subsidiaries for the year were:

Names	Income £000	Expenditure £000	Profit for the period £000	Net assets £000
Talklight Limited	**1,384**	**(940)**	**445**	**468**

17. STOCKS

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Finished goods and goods for resale	**95**	101	**65**	70

18. DEBTORS

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
DUE WITHIN ONE YEAR				
Trade debtors	**508**	260	**508**	258
Other debtors	**1,006**	64	**1,004**	63
Prepayments and accrued income	**200**	470	**189**	471
Deferred taxation	**1**	3	**-**	-
	1,715	797	**1,701**	792

19. CURRENT ASSET INVESTMENTS

	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
Fixed term deposits	**4,000**	-	**4,000**	-

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £000	Group 2024 £000	**Company 2025 £000**	Company 2024 £000
Trade creditors	**245**	419	**213**	354
Amounts owed to group undertakings	**-**	-	**420**	335
Other taxation and social security	**144**	177	**139**	173
Other creditors	**671**	728	**670**	724
Accruals and deferred income	**9,479**	5,565	**9,467**	5,552
	10,539	6,889	**10,909**	7,138

	Group 2025 £000	Group 2024 £000	**Company 2025 £000**	Company 2024 £000
Deferred income at 1 April 2024	**4,900**	3,748	**4,900**	3,748
Resources deferred during the year	**8,672**	4,900	**8,672**	4,900
Amounts released from previous periods	**(4,900)**	(3,748)	**(4,900)**	(3,748)
	8,672	4,900	**8,672**	4,900

Deferred income represents money received in advance for tickets to shows taking place in a future period, deferred income on commercial builds and other deferred income related to grants. Deferred ticket sales have been split out between over and under 1 year where appropriate with reference to the Theatre programme.

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2025 £000	Group 2024 £000	**Company 2025 £000**	Company 2024 £000
Accruals and deferred income	**-**	259	**-**	259

22. PROVISIONS

GROUP AND COMPANY

	Dilapidation Provisions £000	Show Provisions £000	VAT Provisions £000	Total £000
At 1 April 2024	47	89	63	199
Additions	-	49	-	49
Amounts used	(2)	(89)	(63)	(154)
	45	49	-	94

Dilapidation provisions are made to account for expenditure necessary to ensure leased buildings are returned in accordance with the terms of the lease contract.

Show provisions are made in respect of contracted shows where the Trustees' best estimate indicates a forecast deficit.

VAT provisions are made in respect of irrecoverable VAT on shows which was not invoiced by the year end.

The provisions are by nature estimates and as such the actual amount of expenditure may vary from that provided for above.

23. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2025 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Deferred Artistic Funds	91	-	-	-	91
Drum Refurbishment Reserve	337	-	(26)	-	311
Digital Strategy Reserve	20	-	-	-	20
MMI Fund	205	-	-	-	205
Staff Obligations	1,327	-	(105)	-	1,222
Branding	-	200	-	-	200
Capital Feasibility	-	300	-	-	300
Transformation	-	65	-	-	65
Summer 2026 Production	-	300	-	-	300
Ticketing Initiative	-	100	-	-	100
Creative Commissions	-	100	-	-	100
Placemaking	-	200	-	-	200
Future Investment Fund	-	818	-	-	818
Transform	-	125	(2)	-	123
Governance Improvements	22	-	-	-	22
Dilapidations	300	-	(35)	-	265
Auditorium and Stage Lighting	150	-	-	-	150
	2,452	2,208	(168)	-	4,492
GENERAL FUNDS					
General Funds	746	20,885	(20,994)	(4)	633
TOTAL UNRESTRICTED FUNDS	3,198	23,093	(21,162)	(4)	5,125

23. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2025 £000
RESTRICTED FUNDS					
Production & Education Centre	3,970	-	(166)	-	3,804
Capital Appeal Fund	157	-	(5)	-	152
Regeneration Project	5,372	-	(248)	-	5,124
Engagement & Learning	189	207	(230)	1	167
Joan Lucas Fund	1	1	(2)	-	-
Theatre Artist Fund	33	65	(54)	3	47
Claire Milne Trust	-	17	(17)	-	-
The Backstage Trust	26	-	(26)	-	-
Jerwood Arts	11	-	(10)	-	1
The Mackintosh Foundation	15	29	(28)	-	16
Stage One Funding	13	-	(13)	-	-
	9,787	319	(799)	4	9,311
TOTAL OF FUNDS	12,985	23,412	(21,961)	-	14,436

23. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2024 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Engagement & Learning	32	-	-	(32)	-
Deferred Artistic Funds	322	72	(214)	(89)	91
Mayflower Reserve	162	-	(36)	(126)	-
Drum Refurbishment Reserve	363	-	(26)	-	337
Digital Strategy Reserve	20	-	-	-	20
MMI Fund	205	-	-	-	205
Staff Obligations	1,327	-	-	-	1,327
Dressing Room Project	30	-	-	(30)	-
Governance Improvements	22	-	-	-	22
Dilapidations	308	-	(8)	-	300
Auditorium and Stage Lighting	150	-	-	-	150
	2,941	72	(284)	(277)	2,452
GENERAL FUNDS					
General Funds	1,174	16,823	(17,496)	245	746
TOTAL UNRESTRICTED FUNDS	4,115	16,895	(17,780)	(32)	3,198

23. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2024 £000
RESTRICTED FUNDS					
Production & Education Centre	4,136	-	(166)	-	3,970
Capital Appeal Fund	162	-	(5)	-	157
Regeneration Project	5,622	-	(250)	-	5,372
Engagement & Learning	270	355	(468)	32	189
Joan Lucas Fund	7	1	(7)	-	1
Theatre Artist Fund	-	42	(9)	-	33
Mayflower - Plymouth Culture	-	15	(15)	-	-
The Backstage Trust	59	-	(33)	-	26
Jerwood Arts	36	4	(29)	-	11
The Mackintosh Foundation	-	28	(13)	-	15
Stage One Funding	-	28	(15)	-	13
	10,292	473	(1,010)	32	9,787
TOTAL OF FUNDS	14,407	17,368	(18,790)	-	12,985

23. STATEMENT OF FUNDS (CONTINUED)

Designated funds: 2024-25

The designated funds are aligned to projects which support the charitable aims of the Group.

The Deferred Artistic Fund is set aside for investment in new small-mid scale productions.

The Drum Refurbishment Reserve was established to support works to upgrade our Drum stage and auditorium. The balance on this fund represents the net book value of the refurbishment of the auditorium and will be reduced in line with the annual depreciation charge for the work.

The MMI Fund represents funds designated for the MMI contingent liability. For further details see note 29.

The Trustees have been mindful of the challenges of the past few years. Staff Obligations is a fund designated to reflect the total obligation to staff in the event of TRP having to close. Although we are confident that we remain a going concern this sum has been separately calculated and identified as part of our reserves policy, to ensure that a correct minimum level of reserve is maintained during this still uncertain time.

During the year the Trustees designated some reserves to support developing projects:

- A significant rebranding exercise
- Preparation for large capital works to resolve some infrastructure concerns at the theatre
- Support for a large-scale musical for summer 2026
- An initiative to create more accessible tickets for the people of Plymouth
- Some individual commissions
- Funds to prioritise Plymouth as a creative place within the industry and nationally
- A resource for future large scale production planning

Dilapidations: We have also considered our longer-term dilapidations (aside from our legal obligations covered by the provision in note 22) and cyclical repair liabilities. In the past these have been covered by our operating budgets but, as they can vary significantly from year to year, they can distort our core operating results, so we designated a fund to provide for these over the next few years.

Auditorium & Stage Lighting: We have designated £150k in recognition of the need to replace our auditorium and stage lighting with a modern, more efficient system. Whilst elements of this may be capitalised and depreciated over an agreed useful life, this reserve signifies an intent to press ahead with this project when a suitable break in the programme allows. The extent of the project is enormous, so this fund offers an opportunity for feasibility work or match funding thereafter.

Designated funds: 2023-24

The Engagement & Learning work has undergone some restructuring during the year with the emphasis now on projects supported by restricted funds. All the remaining projects have been rationalised and the small remaining designated funds that were reallocated to restricted funds

The Mayflower Reserve was established to earmark funds for a large-scale community production (originally planned for 2020 and subsequently deferred until 2023) to mark 400 years since the Mayflower set sail from Plymouth. The production, We Are The Land, took place in April 2023 and, most importantly, was focussed on the experience of the Wampanoag Community from the USA. Funds were put aside to de-risk this project whist external funding sources were identified. Now that the work is complete these designated funds can be released back into the general fund.

Restricted funds

The Restricted Reserves represent amounts raised by or received from third parties for capital or revenue projects. Restricted Funds in respect of the Regeneration Project and the Production &

23. STATEMENT OF FUNDS (CONTINUED)

Education Centre consist primarily of grants and donations. The grants are secured on the assets to which they relate and are repayable in certain circumstances.

Engagement & Learning restricted funds comprise the unspent portion of grants and fundraising for specific projects.

The funds from the Clare Milne Trust were given to support the building of specialised access toilet facilities.

The remaining restricted funds have been given for training and development within specific theatre-related roles.

24. STATEMENT OF FUNDS (CONTINUED)

The Charity is extremely grateful to the following supporters of our wide ranging programme of Engagement & Learning and other activities:

Supporter	Project
Associated British Ports	Tiny Tales Schools
Associated British Ports	Young Company Hubs
BBC Children In Need	Dare to Dazzle
Big Lottery	Funky Llama
Clare Milne Trust	Changing Places Project
Joan Lucas	The Joan Lucas Fund
Nudge Community Builders	U Dance
Paul Hamlyn Foundation	Tiny Tales Schools
Pennon Group	Young Company Hubs - Pennon
Princess Yachts	Playhouse 24 & Playhouse 25
The Emerald Group	Young Company - Create
The National Lottery Community Funds	Our Space 2023-27
The National Theatre	NT Connections
The Veterans' Foundation	Our Space Veterans' Project
Womble Bond Dickinson	Young Company - TR2 21st Birthday Performance

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000
Tangible fixed assets	1,049	8,945	**9,994**
Heritage assets	-	499	**499**
Current assets	14,575	-	**14,575**
Creditors due within one year	(10,406)	(133)	**(10,539)**
Provisions for liabilities and charges	(94)	-	**(94)**
TOTAL	5,124	9,311	**14,435**

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	464	10,084	10,548
Heritage assets	-	502	502
Current assets	9,280	-	9,280
Creditors due within one year	(6,090)	(799)	(6,889)
Creditors due in more than one year	(259)	-	(259)
Provisions for liabilities and charges	(199)	-	(199)
TOTAL	3,196	9,787	12,983

26. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2025 £000	Group 2024 £000
Net income/expenditure for the year (as per Statement of Financial Activities)	**1,451**	(1,422)
ADJUSTMENTS FOR:		
Depreciation charges	**670**	669
Bank interest received	**(233)**	(196)
Decrease/(increase) in stocks	**5**	(3)
Increase in debtors	**(918)**	(101)
Increase in creditors	**3,390**	997
Increase/(decrease) in provisions	**(103)**	(53)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**4,262**	(109)

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2025 £000	Group 2024 £000
Cash at bank and in hand	**8,765**	8,381

28. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2024 £000	Cash flows £000	At 31 March 2025 £000
Cash at bank and in hand	**8,381**	**384**	**8,765**
Liquid investments	**-**	**4,000**	**4,000**

29. CONTINGENT LIABILITIES

During the 1990s the Theatre entered into a mutual insurance agreement with Municipal Mutual Insurance (MMI). MMI has since entered into a Scheme of Arrangement and this Scheme has raised a levy on the total payments made under its policies as at December 2013. There has been no further action on these levies for several years and there have been no further demands for payment. There is a designated fund allocated to cover the possibility of any successful demand for payment.

30. PENSION COMMITMENTS

The Group operates two defined contributions pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £201,000 (2024: £177,000). Contributions totaling £32,000 (2024: £28,000) were payable to the fund at the reporting date and are included in creditors.

31. RELATED PARTY TRANSACTIONS

Owing to the nature of the Charity and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Charity Commission, and with the Charity's financial regulations and normal procurement procedures relating to related party transactions.

The following related party transactions took place in the period:

The Charity received the disbursement of a grant totalling £2,750 (2024: £24,750) from Nudge Community Builders, a society in which a Trustee is a director.

The Charity made sales of £12,640 (2024: £18,094) and purchases of £20,995 (2024: £40,690) from Arts University Plymouth, a charity in which a Trustee is also a Trustee. There were no balances outstanding at the year end in respect of these transactions.

The Charity made sales of £2,300 (2024: £11,770) to Westcotts (SW) LLP, a company in which a Trustee is a director. A balance of £nil (2024: £1,529) was owed to the Charity at the year end.

The Charity made sales of £3,865 (2024: £1,520) to Devonport High School for Boys, an Academy Trust in which a Trustee is also a Trustee. There were no balances outstanding at the year end in respect of these transactions (2024: £nil).

The Charity made purchases of £150 (2024: £nil) from Barbican Theatre, a charity in which a Trustee's wife is on the Board. There were no balances outstanding at the year end in respect of these transactions.

32. CONTROLLING PARTY

The Group is controlled by the Board of Trustees.

THEATRE ROYAL (PLYMOUTH) LIMITED

England & Wales - Charity number 284545

Accounts

Registered number: 01560651
Charity number: 284545

THEATRE ROYAL (PLYMOUTH) LIMITED

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Bishop Fleming

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees	Dame Darcey Bussell DBE, Chair (appointed 1 April 2023) Bronwen Lacey, Vice Chair Anjinder Kaur Bual Alastair Coomer CDG Sarah Fysh Shona Godefroy Lynda Grzelinski Emma-Marie Huxham Andrew John Hendy Ibbs Imogen Kinchin (until 27 March 2024) Sarah McAdam Julie Nash James Pidgeon Samra Said Hannah Sloggett Dawn Marie Williams
Company registered number	01560651
Charity registered number	284545
Registered office	Royal Parade Plymouth Devon PL1 2TR
Chief Executive	James Mackenzie-Blackman
Independent auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	NatWest St Andrew's Cross Plymouth PL4 0HY Lloyds Bank 8 Royal Parade Plymouth PL1 1LX
Solicitors	Womble Bond Dickinson Ballard House West Hoe Road Plymouth PL1 3AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

It was with great sadness that we lost our trustee, Imogen Kinchin, on 27 March 2024, after living with cancer for nearly two years. We recognise how impactful Imogen was as a Trustee and are proud and grateful to have worked with her. Her legacy will live on in all we do.

The Trustees, who are also directors of the company for the purposes of the Companies Act, present their annual report incorporating the strategic report and the audited consolidated financial statements for the year ended 31 March 2024.

The financial statements comply with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), the Charities Act 2011 and the Companies Act 2006.

HOW WE MANAGE OUR AFFAIRS

The company number is 01560651 and registered charity number is 284545. The registered address is Theatre Royal Plymouth, Royal Parade, Plymouth, Devon, PL1 2TR.

The Trustees who served in the year were:

Dame Darcey Bussell DBE, Chair, *appointed 1 April 2023*
Bronwen Lacey, Vice Chair, *term extended to 31 March 2025*
Anjinder Bual,
Alistair Coomer
Sarah Fysh
Shona Godefroy
Lynda Grzelinski
Emma-Marie Huxham
Andrew Ibbs
Imogen Kinchin, *until 27 March 2024*
Sarah McAdam
Julie Nash
James Pidgeon
Samra Said
Hannah Sloggett
Dawn Williams

Day-to-day management of the Charity is delegated to the Executive, who were:

James Mackenzie-Blackman, Chief Executive & Executive Producer
Helen Costello, Chief Operating Officer
James Greenacre, Director of External Affairs, *appointed 11 September 2023*
Liz King, Executive Director, Producing & Programming
Suzi McGoldrick, Director of External Affairs, *resigned 30 June 2023*
Mandy Precious, Strategic Projects Director, *resigned 31 May 2023.*

The Board of Trustees and Executive are supported by the following professional advisers:

Solicitors:	(General) Womble Bond Dickinson, Ballard House, West Hoe Road, Plymouth, PL1 3AE (HR) Wolferstans, 60-66 North Hill, Plymouth, PL4 8EP (Contracts) Bright Solicitors, 5-11, 5 Millbay Road, Plymouth PL1 3LF
Bankers:	(Current accounts) NatWest, St Andrew's Cross, Plymouth, PL4 0HY (Deposit accounts) Lloyds, 8 Royal Parade, Plymouth PL1 1LX
Auditor:	Bishop Fleming LLP, Salt Quay House, Plymouth PL4 0BN

HOW WE GOVERN OURSELVES

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

The Board of Trustees, acting in a voluntary capacity, has legal responsibility for the effective use of resources in meeting the Theatre's mission, deciding policy and for providing leadership and direction. It meets at least four times a year. There are four Committees which report directly to the Board:

Committee	Frequency of meetings
Producing & Programming	Min 2 x per year
External Affairs	Min 2 x per year
Audit, Finance & Operations	Min 4 x per year
Inclusion	Min 2 x per year
Nominations	1 x per year plus other times dictated by the needs of the business

Trustees serve for a three-year term, after which they are eligible for re-election. Trustees are able to complete three terms before standing down completely. There is also provision for Trustees to extend their term by one year under special circumstances. In order to give continuity in the context of a significant number of new Trustees and the change of Chair, Bronwen Lacey has renewed her term under this provision.

New Trustees are selected through open recruitment, which includes use of specialist agencies as well as advertisement in the regional press and social media. The Nominations Committee has a specific brief to consider the diversity of the Board in any Trustee recruitment, in line with the organisation's core values. In addition, particular emphasis is placed, at the time of recruitment, on appointing individuals who can fulfil any identified skill gaps within the Trustee body. New appointees and existing Trustees are provided with an induction programme and, where appropriate, a range of other training opportunities to help them meet their responsibilities.

During the year the Board amended the Memorandum & Articles to allow for co-opted members. These members are not Trustees and do not have voting rights. They do, however, sit on the Committees to provide additional view points and learn more about the role of Trustee. At the year-end there were three co-opted members who have all committed to a three-year term.

Eliza Coulson, *appointed 27 July 2023*
Emma Lawrence, *appointed 27 July 2023*
James Woodhams, *appointed 27 July 2023*

The Charity has an Executive Team which report directly to the Board of Trustees. The Executive Team is responsible for operational decision-making with guidance and approval for strategic decisions provided by the Trustees. The Chief Executive has been delegated with responsibility for the day-to-day management of the charity.

The remuneration level for key management personnel is set at the point of recruitment with reference to national market rates within the cultural economy. Thereafter, rates are subject to annual review in the same way as the rest of the organisation. The Charity pays all employees in line with the Real Living Wage.
The Theatre has one subsidiary undertaking, Talklight Limited. This company provides catering and retail facilities, and management services to the Theatre Royal (Plymouth) Limited. Talklight Limited generated an operating profit of £338k in the year (2023: £379k). All profits are passed to the Charity under the gift aid regulations.

The Charity maintains a corporate risk register which is embedded throughout the organisation. The risks and mitigation plans are subject to regular review by departmental heads, the Executive and onward review by the Trustees via the Audit, Finance & Operations (AFO) Committee. The review of the risk register, together with the monitoring of risk, both operational and strategic, by the Board of Trustees ensures that

adequate and suitable controls are in place to mitigate known risks. The activities of the AFO Committee ensure that risk is managed in a positive and responsible manner. The Charity undertakes a programme of targeted internal audits using specialist support where necessary, to support risk mitigation.

As permitted by the Articles of Association, the Trustees (as directors) have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Whilst the Trustees and the Executive Team have many connections within the local community and the wider theatre industry, they are generally not in a position to influence any commercial transactions between the Charity and these other parties. However, in the year there were some situations that should be noted:

- During the year TRP contracted a presentation of *Sao Paulo* with the Dance Consortium, a company of which the Chief Operating Officer is a Trustee
- During the year TRP contracted with New Adventures Limited, a company in which a trustee holds a senior role. The trustee was not involved in any part of the contractual process.

OUR CHARITABLE AIMS

The primary objectives of the Charity are to provide art, education and community engagement throughout Plymouth and the wider region.

During the year the Charity completed a review of its vision, mission and creative leadership in the context of the post-pandemic cultural environment and the needs of the communities of the South West. The Charity's vision is that 'together with the people of Plymouth and the South West, we will make waves in our ocean city, ensuring we're the most ambitious and creative community in the country'. The mission supporting this vision is that 'we bring people together to create, make, build and present world-class theatre'. The new creative leadership structure (in place September 2023) will drive this ambition. A business plan based on this is being established for 2024-2029.

In setting objectives and making plans for the Charity, the Trustees have had due regard for the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity' (PB2).

Fundraising is managed by our leadership team when required and is either general support via Members, Ambassadors and Corporate Sponsors, or is fundraising directed to the public, or trusts, foundations or public sector sources for specific purposes. We keep supporters' data secure and do not sell it or share it for marketing purposes. We have voluntarily registered with the Fundraising Regulator.

The Charity is supported by a small but loyal group of 8 volunteers. The group supports access needs such as audio describing and touch tours. They also support tours of the theatre and some specific welcoming duties. The volunteers are included in all staff communications, meetings and events.

ACHIEVEMENTS IN THE YEAR

The highlights of the year included....

On stage

Many years of work culminated in the production of *We Are The Land* that took place on the Lyric stage at the beginning of the year. Original planned as part of the Mayflower 400 commemorations (2020) and interrupted by the pandemic, 18 members of the Wampanoag nation came to Plymouth and shared their moving stories, reflecting on the historical as well as the present day impact of the colonialisation of America. The stage performance was surrounded by many other activities including the raising of the Wampanoag flag and a

programme of cultural sharing in the Drum. The experience finished with a communal sharing of dancing and singing around a fire at TR2. Unforgettable.

TRP continued to have international impact with *Breathless* (written by Laura Horton, directed by Stephanie Kempson) securing a run in New York as part of Brits off Broadway 2023. It was a critic's choice for the New York Times: *"Poignant comic monologue [that] takes vivid hold through MacMahon's performance".* Following this run, Madeleine MacMahon has been nominated for Outstanding Solo Performer at the 2024 Drama Desk Awards (New York).

We had 62 shows on the Lyric stage which included three amazing and significant co-productions:

- *Waldo's Zircus of Magic & Terror*, co-produced with Extraordinary Bodies, a large-scale collaboration between D/deaf, disabled, and non-disabled artists and creators, which toured nationally.
- *Metamorphosis*, adapted by Lemn Sissay OBE, co-produced with Frantic Assembly, which continues to tour nationally.
- *Madagascar: The Musical*, co-produced with Selladoor. This production has already toured into Europe and Asia and is touring the UK until August 2024.

In a first for TRP, we produced an 'Evening with...' as a fundraiser. Dame Darcey Bussell and Dawn French talked to a sell-out house about their shared moments of hilarity on stage and screen, with video montages adding to the laughter. Hosted by James Mackenzie-Blackman, it provided an inspiration for future fundraising activity...as well as a connection to our audiences outside of the 'large show'.

The Drum staged 35 productions during the year, including:

- *Cake*, co-produced with The Turbine Theatre, which has gone on to have a short London try-out to develop it further.
- *A Play For The Living In A Time Of Extinction*, co-produced with Headlong Theatre which shared a strong environmental message and included eight cyclists who powered the production!
- *The Sad Club*, a Young Company production
- *Islander The Musical,* co-produced with Helen Milne Productions and Setasea. This production has since toured the USA.
- Raymond Brigg's *Father Christmas*, a TRP production and our children's festive offer to compliment *Winter Lights* (for 0-3 yrs in the Lab). The intention is to repeat this sequence for the 2024 festive season.
- *What Songs May Do*, choreographed by Mathieu Geffré. A second visit by the amazing Rendez-Vous Dance to strengthen the development of dance in the Drum.

Off stage

We are nothing without the communities we work in and with. In fulfilling our charitable aims it is essential that we are not bound by our buildings. So much of TRP's work takes place away from the stages.

Recognising the wide reach of the Charity, we took TRP out on the road running nine barn dances in rural locations in Deveon and Cornwall. Across July and August, we connected with nearly 3,000 people and showed a different aspect to the cultural impact that TRP can have. With live music and supportive staff, many people came solo to enjoy the group activity.

During the year, we completed the With Flying Colours project which reached 3000 children in the Plymouth schools. Working in consortium with other Plymouth based creative organisations, work was taken into 11 schools. There was a joyous culmination of three years of work in Devonport Park.

We also celebrated 10 years of our Funky Llama (our platform for disabled adults to actively participate in the creation and delivery of inclusive arts events). After a wonderful 10 years we are thinking about how we take this forward and build on the legacy of this amazing project.

Our Space was granted a further three years of funding, based on the huge success of the work to date. Now incorporating a significant amount of work with Service veterans, the project is expanding into new areas.

As we go through this period of creative renewal, we commissioned two pieces of research to help direct TRP's Creative Strategy.

- The first was to consider the needs of Children, Young People and Families in the region. This was conducted by Fifth Sector and consulted over 100 people and organisations.
- The second was to consider TRP's relationship with the Higher and Further Education sectors. This research was conducted by Ciara Eastell Consultancy. This report helps give direction following the completion of TRPs contract for the Conservatoire with the University of Plymouth.

The scenic build workshop has reached into the overseas market building a strong relationship with Folketeateret, Norway and building the set of *Miss Saigon* for them. At the year-end we were completing the set of *Sunset Boulevard* for Sydney Opera House, Australia. Whilst overseas work comes with its own challenges, we have made use of technology to mitigate these.

Our people

In September 2023, we completed the recruitment of our Associate Directors who, alongside James Mackenzie-Blackman and Liz King, will lead our creative work. They started developing the Creative Strategy for TRP and this will launch in the next financial year alongside the new five-year plan which supports this strategy.

FINANCIAL REVIEW

TRP is reporting an overall deficit of £1.4m (2023: £772k deficit). This comprises two distinctive parts:

- A deficit of £851k in general funds, and a net spend of £489k in designated funds.
- A deficit of £84k in the restricted funds. This deficit includes depreciation of £420k charged against capital projects. The restricted funds include Engagement & Learning projects and a number of grant-supported roles.

As TRP manages creative change, there will be a period where investment is required and the returns on those investments may not be realised for a year or two. The results for this year reflect investment in several productions (as described above). The effect is that the stages are not making a positive contribution every week (as they did pre-Covid). This is a medium-term strategy to build an investment portfolio that will provide financial returns and reduce reliance on touring product. It also is an important element of supporting the artists in the South West and the re-establishment of TRP's reputation as a producer.

TRP remains an National Portfolio Organisation (NPO) of Arts Council England (ACE) for the period 2023-2026 on standstill funding of £1.2m per year. Plymouth City Council (PCC) has confirmed an annual commitment to the theatre albeit on a reduced basis of £265k (2023: £315k) for which TRP is extremely grateful given the current economic pressures on PCC. Both these income streams provide much appreciated, essential funds for the continuity of TRP's work in Plymouth and the South West.

Our work with The Results Group (TRG) continued in the year. With the planned on-sales of some blockbusters (*Hamilton, Mary Poppins*) significant work was done to increase membership numbers and the retention of existing members. This was supported by the relocation and refurbishment of the Members Lounge. We ended the year with a record number of members (nearly 5,000) and a strong contribution of £283k (2023: £245k) from our development work.

TR2 Design & Construction (previously referred to as Commercial Build) has had another extremely busy year. This year the team has grown turnover by 17% to £2.34m (2023: £2.0m). There continues to be a balance, between large scale builds and a large number of medium scale builds, which has maximised the space and skills available. Although turnover has grown, there continues to be considerable pressure on the cost of materials and of labour which has constrained margins. Having experienced some challenges in recruiting specific skills, TR2 Design & Construction has been generously granted £166k (restricted funds)

from the Theatre Artist's Fund Creative Workforce Pilot Programme to support training and development in the current workforce and freelancers.

The year started slowly for Talklight Ltd (the catering & retail subsidiary) but the high occupancy of shows in the last quarter helped Talklight to achieve budget with a contribution of £338k (2023: £379k). The contribution is lower than 2023 mainly due to reduced footfall in production weeks. The net profit margin achieved is now 26% compared to 21% in 2019-20 so although the offering is more limited (no restaurant) than pre-Covid, the actual contribution is being sustained. Talklight Ltd will gift aid profits to the Charity.

Our Engagement & Learning work is a principal charitable purpose and creates a gateway into our talent development work. In line with the development of a new Creative Strategy, this area of our work has been subject to review. With limited resources we need to ensure that the work is focussed and relevant to our communities in Plymouth and the South West. So, some of the TRP-funded projects have been paused whilst this work is carried out. This year we invested £368k (2023: £366k) in this work (including talent development) and many other significant, individual projects were supported by generous Trusts & Foundations and corporate partners as detailed in note 22 to these accounts. These grants are essential to the continuation of this wide-reaching work, allowing both range and reach to be expanded. We are grateful that Trusts & Foundations and corporate partners have continued to support us. Where grants are given for specific projects, they are held within restricted funds (see below). TRP recognises that in the years ahead our own contribution to this work needs to decrease and we need to generate more resources from external sources. Plans to restructure this area of our work are being finalised and will be reported slightly differently in future.

During the year, the average number of employees in the theatre fell to 241 (2022-23: 245) and rose to 31 (2022-23: 25) in catering & retail. 59% of these staff (2022-23: 60%) are casual or part-time staff.

We are committed to cultivating a culture of inclusion at TRP with a workforce that reflects the diversity of the communities we serve. The collective power of each team member's life experiences, knowledge, innovation, self-expression, and talent creates the very best environment for us to achieve our ambitions and lead the sector. In recruiting for our team, we recognise the unique contributions that each person can bring in terms of education, opinions, culture, ethnicity, race, sex, gender identity and expression, nation of origin, age, languages spoken, colour, religion, disability, sexual orientation and belief.

Every two weeks we share our news through 'The Round Up' which goes to everyone at TRP. At least twice a year we hold general staff meetings to offer information sharing and an opportunity for questions. There are now plans for a staff forum that will meet quarterly to offer an opportunity for deeper discussion.

Reserves Policy: During the year the Board reviewed the Reserves Policy and streamlined the annual calculation. Using the amended methodology the Trustees have agreed that is required to hold unrestricted reserves of £1.8m (2023: £1.3m under the previous methodology). At the year end the Charity held £3.2m in unrestricted reserves (general and designated funds). The level of the reserves is reviewed annually and is considered to be the appropriate level of funds, as determined by the Board of Trustees. The Trustees have agreed that at no point should the total designated and unrestricted reserves fall below the funds required to wind up the Charity.

Designated funds are unrestricted funds that have been earmarked by the Board of Trustees for particular purposes. Designated reserves have been created to fund significant projects that all support the Charity's objectives and that will ensure that the organisation and its assets are in good shape for the future.

Restricted funds are to be used for specific purposes. These funds have been generated by capital projects such as the building of the Charity's Production & Learning Centre at TR2, a Capital Appeal, the Regeneration Project and as such they will cover the future depreciation of the resulting assets. Restricted funds also include specific grants provided for Engagement & Learning work. The use of these funds is restricted by the original intent of the donation or grant funding.

Further details about the reserves held can be found in note 21 to these accounts.

TRP is a National Portfolio Organisation (NPO) of Arts Council England. A funding agreement is in place that will offer (subject to terms & conditions) annual funding of £1.2m for 2023-26. In 2024 it was announced that the funding period would be increased to cover 2026-2027 as well.

Investment policy: By monitoring cash flow, an assessment of short to medium cash needs allows the surplus to be invested. The Charity seeks to produce the best financial return within a low-risk environment. As a proportion of the assets are held pending payment on to third parties, capital preservation is of paramount importance. Deposits are placed with Lloyds Bank and/or NatWest on varying timescales (32 days to one year). The Trustees consider Lloyds Bank and NatWest to be appropriate partners aligned with the values of the Charity.

Going Concern: The Trustees have considered the validity of the going concern assumption held within the presentation of these accounts. By considering cash flow, significant risks, ACE funding and the context of the national cultural environment, the Trustees are confident that the Charity does not have concerns for the next 12 months, or indeed for the period following that.

The Trustees and Executive have completed detailed cash flow forecasts and budgets that support the going concern basis for these accounts. Covid-19 had a significant impact on the theatre sector in terms of both the programme and audience numbers but from late 2022 both the programme and audience numbers have built up close to pre pandemic levels.

The forecasts include key assumptions based on the current programme. As confidence within the industry has risen, TRP has benefitted from producer confidence with economically viable tours now booking into 2027. The rebuilding of audience confidence, and the ability of the theatre industry to attract investment to produce new and exciting touring productions are important elements required for success. In addition, the budget for 2024/25 also reflects the ambition of TRP to rebuild its reputation as a producing house with The Artist and The Devil Wears Prada both potentially offering future returns.

Whilst we recognise that the impact of significant increases in the cost of living and the consequences of the continuing global conflicts may affect both the Theatre's income streams and its cost base, we also have ambitions for targeted fundraising to support our community and outreach work by covering elements of our core costs.

The following assumptions must be understood in forming this opinion;

- The Theatre is open to full capacity.
- All advanced ticket sales are ringfenced to ensure that any refunds, if they are needed, do not impact on the working capital of the Theatre.
- The past few years have underlined the strong relationship with Arts Council England (ACE) and Plymouth City Council (PCC). Generous and continued funding has enabled the Charity to continue to meet its objectives. ACE recognises the cultural importance of TRP in the geographical region and by this support has taken a positive view of the long-term viability of the Theatre, renewing our National Portfolio Organisation funding in 2023 for the next four years.
- The Charity has begun a phase of creative renewal which will ensure the right skills and experience are present. This is a steady and methodical process which will develop a structure and skills base able to respond to the challenges and opportunities that lie ahead.
- The group has sufficient cash reserves which are being monitored and managed actively. The ringfenced funds will enable the group to repay tickets, keep restricted funds ringfenced and meet additional redundancy obligations, including full scale redundancy should it be required.
- The group is covered by a business interruption insurance policy extension which provides for cover over a three-year period from March 2020. Its insurers have confirmed that this policy does provide cover for Covid-19 business interruption, but the timing and value of the claim is not yet known.

Principal risks & uncertainties: In delivering the charitable aims, the Trustees are mindful of the risks involved and have reviewed these risks and the plans to mitigate them, as part of the overall planning process. The Risk Register is reviewed regularly by both the Executive and the Trustees.

Key identified risks are:

Failure to meet artistic ambitions and failure to maintain quality & diversity of programming (S1 on Risk Register), mitigated by:

- The development of a new Creative Leadership structure. Following consultation with stakeholders, colleagues and peers, recommendations for the structure and skill base of an enhanced creative leadership team were proposed. Recruitment is now complete and new working practices are being evolved.
- Regular discussion and feedback with funding partners and industry-wide collaboration
- Recognising the interplay of talent development with the progression of the artistic programme. Plans are being formulated for future years which will require creative and innovative ways of producing to ensure that resources are used to maximum affect.
- Continuing to actively programme the Lyric and Drum so that performance reflects a diversity of genre.
- Regular discussion and review by the Producers Group

Significant use of reserves (F9 on Risk Register), mitigated by:

- Regular review of reserves by the Executive and the Board
- Increased frequency of reforecasting the budget
- Applications to all potential funding sources

Reduction of PCC funding (F15 on Risk Register), mitigated by:

- Strong relationships with key PCC personnel
- Structuring of a Grant Agreement for 2024-25
- TRP business planning considering/recognising fulfilment of PCC objectives.
- Monitoring of reporting requirements by Head of Governance

LOOKING FORWARD

Building on the restructured and enhanced Leadership Team which now includes creative specialists, and recognising the ambitions of our NPO application, we will be finalising our new Creative Strategy and the consequential business plan in early 2024-25. This work includes revisiting the vision and mission which will shape future delivery. Following this work, we will also re-examine our TRP values (Quality, Creativity, Diversity and Collaboration) to ensure that everything remains relevant and aligned.

We already recognise that co-production will be a foundation of this business plan both within our communities and as a long-term strategy towards financial stability. We will have three world premieres in Plymouth (*The Artist* in May 2024, *The Devil Wears Prada* in July 2024 and *The Creakers* in October 2024). This will develop our in-house producing skills, offer opportunities to local artists and creatives, and maximise the benefits of the purpose-built facilities at TR2. It will also offer a national and international spotlight on Plymouth and the South West. We will produce our own Christmas children's shows so that we cater for the whole age range during the festive period. For our communities we plan to visit five rural locations during summer 2024 providing an uplifting event for community engagement and to build on relationships and connections made in 2023.

Producing and Programming

TRP will focus on six strands of creativity in our work in the years ahead. These are:

- Theatre
- Dance
- Children, Young People and Families
- Outdoor and Co-created work
- Artist Development
- Scenic Design and Construction.

Threaded through all this work and its related decision-making will be four underlying pillars, the foundations of TRP: Audiences & Participants; Diversity & Inclusion; Climate Emergency; Social Value.

A new Creative Strategy, sharing a revised ambition for all our creative work on our stages and in other spaces, will be published during 2024-25 and shared with our communities and our industry.

TRP is supported by a highly skilled and dedicated team of department heads who support TRP to fulfil its creative ambition and to deliver its charitable objectives. This leadership team will be critical to the finalisation and implementation of TRP's new business plan throughout 2024-25 and beyond.

The following plans are crucial to the success of the Charity in fulfilling its charitable objectives:

We will matter more to more people.

We will freely share, and encourage others to share, culture and creativity through co-creation and partnership.

We will reflect our distinctive region and our city in everything we do, sharing our love of the place we live and its people.

We will present amazing regional, national and international performances on our stages.

We will value and respect our environment and work towards net zero carbon emission.

And we will do this in the context of our values: Creativity, Collaboration, Diversity and Quality; values that are understood and reflected by all at TRP.

We continue to receive funds from Plymouth City Council (PCC) based on an annual grant agreement. Funding is at £265k per year (2022-23: £315k). We will continue to demonstrate to the leadership of PCC the value that TRP brings to Plymouth and seek an on-going commitment from PCC that matches the ACE funding period.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware; and
- that Trustee has taken all the steps that ought to have taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, and signed on its behalf by:

Dame Darcey Bussell DBE
Chair of Trustees
Date: 16 July 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED

OPINION

We have audited the financial statements of Theatre Royal (Plymouth) 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 (Incorporating Income and Expenditure Account), the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 is detailed below:

- We have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the the Board about their own identification and assessment of the risk of irregularities;
- For any matters identified we have obtained and reviewed the parent charitable company's documentation of their policies and procedures relating to;
    - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
    - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team, including internal tax specialists, regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Group and Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Group and Company's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, licensing acts and employment legislation.

Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;
- Considering manual income journals as part of our work on fraud risks documented above;
- Reviewing the financial statement disclosures and testing to supporting documentation;
- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks

of material misstatement;

- Reading minutes of meetings of those charged with governance; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 an 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 would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming LLP

Alison Oliver FCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 30.07.2024

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
INCOME FROM:					
Donations and legacies	4	**1,970**	**450**	**2,420**	2,453
Charitable activities	5	**13,456**	**24**	**13,480**	13,114
Other trading activities	6	**1,273**	**-**	**1,273**	1,137
Investments	7	**196**	**-**	**196**	37
TOTAL INCOME		**16,895**	**474**	**17,369**	16,741
EXPENDITURE ON:					
Raising funds		**1,063**	**-**	**1,063**	873
Charitable activities	8	**16,718**	**1,010**	**17,728**	16,640
TOTAL EXPENDITURE		**17,781**	**1,010**	**18,791**	17,513
Net expenditure		**(886)**	**(536)**	**(1,422)**	(772)
Transfers between funds	21	**(32)**	**32**	**-**	-
NET MOVEMENT IN FUNDS		**(918)**	**(504)**	**(1,422)**	(772)
RECONCILIATION OF FUNDS:					
Total funds brought forward		**4,115**	**10,292**	**14,408**	15,180
Net movement in funds		**(918)**	**(504)**	**(1,422)**	(772)
TOTAL FUNDS CARRIED FORWARD		**3,197**	**9,788**	**12,985**	14,408

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 46 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01560651

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note		2024 £000		2023 £000
FIXED ASSETS					
Tangible assets	13		**10,548**		10,683
Heritage assets	14		**502**		523
			11,050		11,206
CURRENT ASSETS					
Stocks	16	**101**		97	
Debtors	17	**797**		331	
Cash at bank and in hand	25	**8,381**		8,809	
		9,279		9,237	
Creditors: amounts falling due within one year	18	**(6,889)**		(5,777)	
NET CURRENT ASSETS			**2,390**		3,460
TOTAL ASSETS LESS CURRENT LIABILITIES			**13,440**		14,666
Creditors: amounts falling due after more than one year	19		**(259)**		(10)
Provisions for liabilities	20		**(196)**		(249)
TOTAL NET ASSETS			**12,985**		14,407
CHARITY FUNDS					
Restricted funds	21		**9,787**		10,292
Unrestricted funds:					
Designated funds	21	**2,452**		2,941	
General funds	21	**746**		1,174	
Total unrestricted funds	21		**3,198**		4,115
TOTAL FUNDS			**12,985**		14,407

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dame Darcey Bussell DBE
Chair of Trustees
Date: 16 July 2024

The notes on pages 20 to 46 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01560651

COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2024

	Note		2024 £000		2023 £000
FIXED ASSETS					
Tangible assets	13		**10,548**		10,683
Heritage assets	14		**502**		523
Investments	15		**-**		-
			11,050		11,206
CURRENT ASSETS					
Stocks	16	**70**		72	
Debtors	17	**792**		321	
Cash at bank and in hand		**8,310**		8,754	
		9,172		9,147	
Creditors: amounts falling due within one year	18	**(7,138)**		(6,086)	
NET CURRENT ASSETS			**2,034**		3,061
TOTAL ASSETS LESS CURRENT LIABILITIES			**13,084**		14,267
Creditors: amounts falling due after more than one year	19		**(259)**		(10)
Provisions for liabilities	20		**(199)**		(250)
TOTAL NET ASSETS			**12,626**		14,007

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2024

	Note		2024 £000		2023 £000
CHARITY FUNDS					
Restricted funds			**9,788**		10,292
Unrestricted funds:					
Designated funds		**2,452**		2,941	
General funds		**386**		774	
Total unrestricted funds			**2,838**		3,715
TOTAL FUNDS			**12,626**		14,007

The Company's net movement in funds for the year was £(1,381k) (2023 - £(1,000k)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dame Darcey Bussell DBE
Chair of Trustees
Date: 16 July 2024

The notes on pages 20 to 46 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £000	2023 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in)/ provided by operating activities	24	**(109)**	(1,062)
CASH FLOWS FROM INVESTING ACTIVITIES			
Bank interest received		**196**	37
Purchase of tangible fixed assets		**(515)**	(184)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		**(319)**	**(147)**
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**(428)**	**(1,209)**
Cash and cash equivalents at the beginning of the year		**8,809**	10,018
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	25	**8,381**	8,809

The notes on pages 20 to 46 form part of these financial statements

1. GENERAL INFORMATION

The company is limited by guarantee and has no issued share capital. The liability of its members shall not exceed £1 each. The registered office address is Theatre Royal, Royal Parade, Plymouth, Devon, PL1 2TR.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Theatre Royal (Plymouth) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) (SOFA) and Consolidated Statement of Financial Position consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 GOING CONCERN

After making enquiries, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

The Trustees and Executive have completed detailed cash flow forecasts and budgets that support the going concern basis for these accounts. Covid-19 had a significant impact on the theatre sector in terms of both the programme and audience numbers but from late 2022 both the programme and audience numbers have built up close to pre pandemic levels.

Further information regarding the Charity's future financial strategies and assumptions used in forecasts can be found in the Trustees' Report.

2.3 INCOME

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) on an entitlement basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Between 10 and 50 years
Equipment & motor vehicles	- Between 3 and 15 years

2.7 HERITAGE ASSETS

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The estimated useful life is:

Heritage Assets	- 30 years

2. ACCOUNTING POLICIES (continued)

2.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account).

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 STOCKS

Stocks are valued on a first in first out basis at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) as a finance cost.

2.13 FINANCIAL INSTRUMENTS

The Group 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 PENSIONS

The Group operates two defined contribution pension schemes and the pension charge represents the amounts payable by the Group to the funds in respect of the year.

2. ACCOUNTING POLICIES (continued)

2.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future, including provisions recognised and the useful life of assets. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Provisions in their nature have a degree of estimation uncertainty due to their size and nature. Management use their knowledge and previous experience to best estimate the amount of provisions on future loss making shows and for dilapidations and repairs required under the terms of property leases.

The estimated useful life of heritage assets has been based on management's best estimate. However, it is subject to uncertainty given the types of assets held.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
GRANTS			
Arts Council England - Core	1,208	-	**1,208**
Arts Council England - Culture Recovery Fund	-	-	**-**
Plymouth City Council	265	-	**265**
Engagement & Learning grants	-	329	**329**
The Backstage Trust	-	-	**-**
Jerwood Arts	-	4	**4**
Theatre Artist Fund	-	42	**42**
Young Technicians Partnership	-	2	**2**
Mayflower Culture Fund	-	15	**15**
Stage One	-	28	**28**
Mackintosh Foundation	-	28	**28**
Arca (The Box)	10	-	**10**
Donations	131	2	**133**
Development income	356	-	**356**
	1,970	450	**2,420**

Engagement & Learning grant income includes grants awarded by Arts Council England for the Theatre's Flying With Colours project of £100,000 (2023: £125,000).

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
GRANTS			
Arts Council England - Core	1,208	-	1,208
Arts Council England - Culture Recovery Fund	77	-	77
Plymouth City Council	315	-	315
Engagement & Learning Grants	-	225	225
The Backstage Trust	-	67	67
Jerwood Arts	-	36	36
Donations	213	-	213
Development income	265	47	312
	2,078	375	2,453

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Box Office	10,781	**10,781**	10,826
Theatre Rentals	260	**260**	143
Co-producers' Contributions	12	**12**	38
Commercial Build Activity	2,267	**2,267**	2,003
Other	160	**160**	104
TOTAL 2024	13,480	**13,480**	13,114

All of the prior year amounts were unrestricted.

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Catering & retailing	1,273	**1,273**	1,137

All of the prior year amounts were unrestricted.

7. INVESTMENT INCOME

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Investment income	196	**196**	37

All of the prior year amounts were unrestricted.

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2024 £000	**Restricted funds 2024 £000**	**Total 2024 £000**
Theatre productions and education	16,718	1,010	**17,728**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total 2023 £000
Theatre productions and education	15,634	1,006	16,640

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £000	**Support costs 2024 £000**	**Total funds 2024 £000**
Theatre productions and education	14,983	2,744	**17,727**

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000
Theatre productions and education	14,077	2,563	16,640

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Theatre productions and education 2024 £000	**Total funds 2024 £000**	Total funds 2023 £000
Staff costs	1,499	**1,499**	1,384
Depreciation	668	**668**	634
Marketing, development and hospitality	112	**112**	53
Finance	249	**249**	177
Cleaning	54	**54**	88
IT and administration	130	**130**	194
Governance costs	32	**32**	33
	2,744	**2,744**	2,563

10. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £24,000 (2023 - £23,000), and non-audit services comprising corporation tax computations and financial statement preparation of £8,500 (2023 - £8,000).

11. STAFF COSTS

	Group 2024 £000	Group 2023 £000	**Company 2024 £000**	Company 2023 £000
Wages and salaries	**5,188**	4,604	**4,851**	4,352
Social security costs	**432**	380	**414**	371
Contribution to defined contribution pension schemes	**179**	163	**173**	160
	5,799	5,147	**5,438**	4,883

11. STAFF COSTS (CONTINUED)

The average number of persons employed by the Group during the year was as follows:

	Group 2024 No.	Group 2023 No.	**Company 2024 No.**	Company 2023 No.
Management and administration	**22**	23	**22**	23
Venue staff	**24**	26	**24**	26
Production staff	**58**	55	**58**	55
Catering staff	**6**	4	**-**	1
Cast	**2**	1	**2**	1
Part-time and casual staff	**160**	161	**135**	139
	272	270	**241**	245

The average headcount expressed as full-time equivalents was:

	Group 2024 No.	Group 2023 No.	**Company 2024 No.**	Company 2023 No.
Management and administration	**21**	21	**21**	21
Venue staff	**23**	27	**23**	27
Production staff	**60**	53	**60**	53
Catering staff	**6**	3	**-**	-
Cast	**1**	1	**1**	1
Part-time and casual staff	**55**	57	**47**	48
	166	162	**152**	150

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	**2**	-
In the band £80,001 - £90,000	**-**	1
In the band £90,001 - £100,000	**1**	-
In the band £120,001 - £130,000	**1**	1

Pension contributions were made on behalf of the above members of staff in respect of their services. An amount of £20,224 (2023 - £18,856) was paid into personal stakeholder schemes.

Total remuneration paid to key management personnel (defined as the executive team who held office for all or part of the year) amounted to £412,000 (2023: £377,000).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration of other benefits (2023 - £NIL).

During the year ended 31 March 2024, travel expenses totalling £7,575 were reimbursed or paid directly to 14 Trustees. (2023 - £58 to 1 Trustee).

13. TANGIBLE FIXED ASSETS

GROUP

	Long-term leasehold property £000	Office equipment £000	Total £000
COST OR VALUATION			
At 1 April 2023	**18,526**	**2,294**	**20,820**
Additions	**118**	**397**	**515**
Disposals	**-**	**(409)**	**(409)**
At 31 March 2024	**18,644**	**2,282**	**20,926**
DEPRECIATION			
At 1 April 2023	**8,335**	**1,803**	**10,138**
Charge for the year	**442**	**207**	**649**
On disposals	**-**	**(409)**	**(409)**
At 31 March 2024	**8,777**	**1,601**	**10,378**
NET BOOK VALUE			
At 31 March 2024	**9,867**	**681**	**10,548**
At 31 March 2023	10,191	492	10,683

13. TANGIBLE FIXED ASSETS (CONTINUED)

COMPANY

	Long-term leasehold property £000	Office equipment £000	Total £000
COST OR VALUATION			
At 1 April 2023	**18,526**	**2,286**	**20,812**
Additions	**118**	**397**	**515**
Disposals	**-**	**(403)**	**(403)**
At 31 March 2024	**18,644**	**2,280**	**20,924**
DEPRECIATION			
At 1 April 2023	**8,335**	**1,794**	**10,129**
Charge for the year	**442**	**207**	**649**
On disposals	**-**	**(402)**	**(402)**
At 31 March 2024	**8,777**	**1,599**	**10,376**
NET BOOK VALUE			
At 31 March 2024	**9,867**	**681**	**10,548**
At 31 March 2023	10,191	492	10,683

14. HERITAGE ASSETS

GROUP AND COMPANY

Assets recognised at cost

	Heritage asset 2024 £000
Carrying value at 1 April 2023	523
Depreciation	(20)
Net book value at 31 March 2022	503

Analysis of heritage asset transactions

GROUP AND COMPANY

	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000
PURCHASES					
Heritage asset	-	-	-	-	25
TOTAL ADDITIONS	-	-	-	-	25
CHARGE FOR DEPRECIATION					
Heritage asset	(20)	(20)	(20)	(20)	(20)
TOTAL CHARGE FOR IMPAIRMENT	(20)	(20)	(20)	(20)	(20)

15. FIXED ASSET INVESTMENTS

PRINCIPAL SUBSIDIARY

The following were subsidiary undertakings of the Company:

Names	Company number	Holding	Registered office or principal place of business
Talklight Limited	01572960	100%	Theatre Royal, Royal Parade, Plymouth, PL1 2TR

Principal activity	Class of shares	Included in consolidation
The company provides retailing, bar, and catering facilities.	Ordinary	Yes

The financial results of the subsidiaries for the year were:

Names	Income £000	Expenditure £000	Profit for the period £000	Net assets £000
Talklight Limited	**1,285**	**(947)**	**338**	**360**

16. STOCKS

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Finished goods and goods for resale	**101**	97	**70**	72

17. DEBTORS

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
DUE WITHIN ONE YEAR				
Trade debtors	**260**	136	**258**	133
Other debtors	**64**	111	**63**	107
Prepayments and accrued income	**470**	81	**471**	81
Deferred taxation	**3**	3	**-**	-
	797	331	**792**	321

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Trade creditors	**419**	290	**354**	246
Amounts owed to group undertakings	**-**	-	**335**	378
Other taxation and social security	**177**	173	**173**	169
Other creditors	**728**	844	**724**	843
Accruals and deferred income	**5,565**	4,470	**5,552**	4,450
	6,889	5,777	**7,138**	6,086

Deferred income represents money received in advance for tickets to shows taking place in a future period. Deferred ticket sales have been split out between over and under 1 year where appropriate with reference to the Theatre programme.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Accruals and deferred income	**259**	10	**259**	10

20. PROVISIONS

GROUP AND COMPANY

	Dilapidation Provisions £000	Show Provisions £000	VAT Provisions £000	Total £000
At 1 April 2023	47	202	-	249
Additions	-	89	63	152
Amounts used	-	(202)	-	(202)
	47	89	63	199

Dilapidation provisions are made to account for expenditure necessary to ensure leased buildings are returned in accordance with the terms of the lease contract.

Show provisions are made in respect of contracted shows where the Trustees' best estimate indicates a forecast deficit.

VAT provisions are made in respect of irrecoverable VAT on shows which was not invoiced by the year end.

The provisions are by nature estimates and as such the actual amount of expenditure may vary from that provided for above.

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2024 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Engagement & Learning	32	-	-	(32)	-
Deferred Artistic Funds	322	72	(214)	(89)	91
Mayflower Reserve	162	-	(36)	(126)	-
Drum Refurbishment Reserve	363	-	(26)	-	337
Digital Strategy Reserve	20	-	-	-	20
MMI fund	205	-	-	-	205
Staff obligations	1,327	-	-	-	1,327
Dressing Room Project	30	-	-	(30)	-
Governance Improvements	22	-	-	-	22
Dilapidations	308	-	(8)	-	300
Auditorium and Stage Lighting	150	-	-	-	150
	2,941	72	(284)	(277)	2,452
GENERAL FUNDS					
General Funds	1,174	16,823	(17,496)	245	746
TOTAL UNRESTRICTED FUNDS	4,115	16,895	(17,780)	(32)	3,198

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2024 £000
RESTRICTED FUNDS					
Production & Education Centre	4,136	-	(166)	-	3,970
Capital Appeal Fund	162	-	(5)	-	157
Regeneration Project	5,622	-	(250)	-	5,372
Engagement & Learning	270	355	(468)	32	189
Joan Lucas Fund	7	1	(7)	-	1
Theatre Artist Fund	-	42	(9)	-	33
Mayflower - Plymouth Culture	-	15	(15)	-	-
The Backstage Trust	59	-	(33)	-	26
Jerwood Arts	36	4	(29)	-	11
The Mackintosh Foundation	-	28	(13)	-	15
Stage One Funding	-	28	(15)	-	13
	10,292	473	(1,010)	32	9,787
TOTAL OF FUNDS	14,407	17,368	(18,790)	-	12,985

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2023 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Engagement & Learning	-	32	-	-	32
Capacity Building	93	-	(106)	13	-
Deferred Artistic Funds	524	-	(202)	-	322
Mayflower Reserve	200	-	(38)	-	162
Website Development Reserve	10	-	(10)	-	-
Drum Refurbishment Reserve	348	-	(17)	32	363
Digital Strategy Reserve	20	-	-	-	20
MMI fund	205	-	-	-	205
Flood repairs	-	-	(3)	3	-
Staff obligations	1,327	-	-	-	1,327
Anniversary Celebrations	60	-	(68)	8	-
Conversations	50	-	(12)	(38)	-
Dressing Room Project	30	-	-	-	30
Governance Improvements	30	-	(8)	-	22
Dilapidations	317	-	(9)	-	308
Auditorium and Stage Lighting	-	-	-	150	150
	3,214	32	(473)	168	2,941
GENERAL FUNDS					
General Funds	1,050	16,334	(16,035)	(175)	1,174
TOTAL UNRESTRICTED FUNDS	4,264	16,366	(16,508)	(7)	4,115

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2023 £000
RESTRICTED FUNDS					
Production & Education Centre	4,302	-	(166)	-	4,136
Capital Appeal Fund	167	-	(5)	-	162
Regeneration Project	5,872	-	(250)	-	5,622
Engagement & Learning	468	271	(575)	106	270
TRP Christmas Appeal	54	-	-	(54)	-
Joan Lucas Fund	8	1	(2)	-	7
Adopt a Seat	1	-	-	(1)	-
Pennon for YC Hubs	38	-	-	(38)	-
Development	6	-	-	(6)	-
The Backstage Trust	-	67	(8)	-	59
Jerwood Arts	-	36	-	-	36
	10,916	375	(1,006)	7	10,292
TOTAL OF FUNDS	15,180	16,741	(17,514)	-	14,407

21. STATEMENT OF FUNDS (CONTINUED)

The Designated Funds are aligned to projects which support the charitable aims of the Group.

The Engagement & Learning work has undergone some restructuring during the year with the emphasis now on projects supported by restricted funds. All the remaining projects have been rationalised and the small remaining designated funds that were reallocated to restricted funds.

The Deferred Artistic Funds is a fund set aside for investment in new productions and has been used this year to support new productions and to account for the Show Provision – a sum identified as the budgeted net investment in productions as contracted at the year-end, 31 March 2024. These funds will be used to fund any further artistic investment in 2024/25 in line with the new creative strategy.

The Mayflower Reserve was established to earmark funds for a large-scale community production (originally planned for 2020 and subsequently deferred until 2023) to mark 400 years since the Mayflower set sail from Plymouth. The production, We Are The Land, took place in April 2023 and, most importantly, was focussed on the experience of the Wampanoag Community from the USA. Funds were put aside to de-risk this project whist external funding sources were identified. Now that the work is complete these designated funds can be released back into the general fund.

The Drum Refurbishment Reserve was established to support works to upgrade our Drum stage and auditorium. The balance on this fund represents the net book value of the refurbishment of the auditorium and will be reduced in line with the annual depreciation charge for the work.

In line with other organisations in the sector TRP is looking at ways in which we can harness the use of digital technology to create and share innovative work. As the cost of work of this nature is generally charged to individual projects, we have reduced this reserve (Digital Strategy) and retained a small contingency for research & development which will be undertaken.

The MMI Fund represents funds designated for the MMI contingent liability. For further details see note 27.

The Trustees have been mindful of the challenges of the past few years. Staff Obligations is a fund designated to reflect the total obligation to staff in the event of TRP having to close. Although we are confident that we remain a going concern this sum has been separately calculated and identified as part of our reserves policy, to ensure that a correct minimum level of reserve is maintained during this still uncertain time.

Reserves were designated in the previous financial year for specific planned events or changes, namely:

Dressing Room Project: We identified the need to improve accessibility to some of our dressing rooms and set aside a fund to achieve this. Because of the need for a gap in the programme to be able to carry out these works, these works were carried out during two financial years. The initial work is now complete and plans for further dressing room upgrades are being considered.

Governance Improvements: The Board is now significantly bigger than in previous years. We recognise the need to further train and develop the Board and this fund is designated to provided resources to do that.

Dilapidations: We have also considered our longer-term dilapidations (aside from our legal obligations covered by the provision in note 20) and cyclical repair liabilities. In the past these have been covered by our operating budgets but, as they can vary significantly from year to year, they can distort our core operating results, so we designated a fund to provide for these over the next few years.

Auditorium & Stage Lighting: We have designated £150k in recognition of the need to replace our auditorium and stage lighting with a modern, more efficient system. Whilst elements of this may be capitalised and depreciated over an agreed useful life, this reserve signifies an intent to press ahead with

21. STATEMENT OF FUNDS (CONTINUED)

this project when a suitable break in the programme allows. The extent of the project is enormous, so this fund offers an opportunity for feasibility work or match funding thereafter.

The Restricted Reserves represent amounts raised by or received from third parties for capital or revenue projects. Restricted Funds in respect of the Regeneration Project and the Production & Education Centre consist primarily of grants and donations. The grants are secured on the assets to which they relate and are repayable in certain circumstances.

Engagement & Learning restricted funds comprise the unspent portion of grants and fundraising for specific projects.

22. STATEMENT OF FUNDS (CONTINUED)

The charity is extremely grateful to the following supporters of our wide ranging programme of Engagement & Learning activities:

Funding	At 31 March 2023	Income	Expenditure	At 31 March 2024
Our Space 2023-27				
Funding b/fwd	-			
The National Lottery Community Funds		109		
Other income		6		
Expenditure			(33)	
Funding carried forward				82
Our Space Veterans' Project				
Funding b/fwd	-			
The Veterans' Foundation		20		
Expenditure			(5)	
Funding carried forward				15
Funky Llama				
Funding b/fwd as reported	71			
Other income		5		
Expenditure			(66)	
Funding carried forward				10
NT Connections				
Funding b/fwd	2			
The National Theatre		12		
Other income		2		
Expenditure			(10)	
Funding carried forward				6
Dare to Dazzle				
Funding b/fwd	11			
BBC Children In Need		14		
Expenditure			(19)	
Funding carried forward				6

Funding	At 31 March 2023	Income	Expenditure	At 31 March 2024
Young Company Hubs				
Funding b/fwd	1			
Expenditure			(1)	
Funding carried forward				-
The Lab Company				
Funding b/fwd	1			
Expenditure			(1)	
Funding carried forward				-
With Flying Colours				
Funding b/fwd	129			
Arts Council England		100		
Expenditure			(229)	
Funding carried forward				-
Tiny Tales Schools				
Funding b/fwd	43			
Expenditure			(31)	
Funding carried forward				12
Playhouse				
Funding b/fwd	15			
Princess Yachts		4		
Other income		5		
Expenditure			(7)	
Transfer in				
Funding carried forward				17
Get Started				
Funding b/fwd	2			
Expenditure			(2)	
Funding carried forward				-

Funding	At 31 March 2023	Income	Expenditure	At 31 March 2024
Holiday Projects				
Funding b/fwd	1			
Plymouth City Council Fit & Fed		1		
Other income		3		
Expenditure			(5)	
Funding carried forward				-
Young Company Hubs - Pennon				
Funding b/fwd	26			
Pennon Group		40		
Other income		4		
Expenditure			(38)	
Funding carried forward				32
Young Company - TR2 21st Birthday performance				
Funding b/fwd	-			
Womble Bond Dickinson		3		
Expenditure			-	
Funding carried forward				3
Young Company - Create				
Funding b/fwd	-			
The Emerald Group		3		
Expenditure			-	
Funding carried forward				3
U Dance				
Funding b/fwd	-			
Nudge Community Builders		25		
Expenditure			(21)	
Funding carried forward				4
TOTAL	**302**	**356**	**(468)**	**190**

Income consists of both restricted and designated income.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	464	10,084	**10,548**
Heritage assets	-	502	**502**
Current assets	9,280	-	**9,280**
Creditors due within one year	(6,090)	(799)	**(6,889)**
Creditors due in more than one year	(259)	-	**(259)**
Provisions for liabilities and charges	(199)	-	**(199)**
TOTAL	3,196	9,787	**12,983**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	763	9,920	10,683
Heritage assets	-	523	523
Current assets	9,238	-	9,238
Creditors due within one year	(5,626)	(151)	(5,777)
Creditors due in more than one year	(10)	-	(10)
Provisions for liabilities and charges	(250)	-	(250)
TOTAL	4,115	10,292	14,407

24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2024 £000	Group 2023 £000
Net expenditure for the period (as per Statement of Financial Activities)	**(1,422)**	(772)
ADJUSTMENTS FOR:		
Depreciation charges	**669**	634
Bank interest received	**(196)**	(37)
Increase in stocks	**(3)**	(1)
Decrease/(increase) in debtors	**(101)**	102
Increase/(decrease) in creditors	**997**	(995)
Increase/(decrease) in provisions	**(53)**	7
NET CASH USED IN OPERATING ACTIVITIES	**(109)**	(1,062)

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2024 £000	Group 2023 £000
Cash at bank and in hand	**8,381**	8,809

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2023 £000	Cash flows £000	At 31 March 2024 £000
Cash at bank and in hand	**8,809**	**(428)**	**8,381**

27. CONTINGENT LIABILITIES

During the 1990s the Theatre entered into a mutual insurance agreement with Municipal Mutual Insurance (MMI). MMI has since entered into a Scheme of Arrangement and this Scheme has raised a levy on the total payments made under its policies as at December 2013. There has been no further action on these levies for several years and there have been no further demands for payment. There is a designated fund allocated to cover the possibility of any successful demand for payment.

28. PENSION COMMITMENTS

The Group operates two defined contributions pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £177,000 (2023: £163,000). Contributions totaling £28,000 (2023: £25,000) were payable to the fund at the reporting date and are included in creditors.

29. CONTINGENT ASSET

The Group has business interruption insurance and it has been confirmed that this will pay out as a result of interruption caused by COVID-19. The indemnity period for the claim was for up to three years and claims will be made against this in the future. At the year end, a claim was in progress.

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the Charity and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Charity Commission, and with the Charity's financial regulations and normal procurement procedures relating to related party transactions.

The following related party transactions took place in the period:

The Charity received the disbursement of a grant totalling £24,750 (2023: £Nil) from Nudge Community Builders, a society in which a Trustee is a director.

The Charity made sales of £18,094 (2023: £Nil) and purchases of £40,690 (2023: £Nil) from Arts University Plymouth, a charity in which a Trustee is also a Trustee. There were no balances outstanding at the year end in respect of these transactions.

The Charity made sales of £11,770 (2023: £Nil) to Westcotts (SW) LLP, a company in which a Trustee is a director. A balance of £1,529 (2023: £Nil) was owed to the Charity at the year end.

The Charity made sales of £1,520 (2023: £Nil) to Devonport High School for Boys, an Academy Trust in which a Trustee is also a Trustee. There were no balances outstanding at the year end in respect of these transactions.

31. CONTROLLING PARTY

The Group is controlled by the Board of Trustees.

THEATRE ROYAL (PLYMOUTH) LIMITED

England & Wales - Charity number 284545

Accounts

Registered number: 01560651
Charity number: 284545

THEATRE ROYAL (PLYMOUTH) LIMITED

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Bishop Fleming

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Nicholas Buckland OBE, Chair (resigned 31 March 2023) Dame Darcey Bussell DBE, Chair (appointed 1 April 2023) Bronwen Lacey, Vice Chair Anjinder Kaur Bual (appointed 29 November 2022) Alastair Coomer CDG (appointed 29 November 2022) Sarah Fysh Shona Godefroy Lynda Grzelinski (appointed 29 November 2022) Emma-Marie Huxham Andrew John Hendy Ibbs (appointed 29 November 2022) Imogen Kinchin Sarah McAdam (appointed 29 November 2022) Julie Nash (appointed 29 November 2022) James Pidgeon Samra Said (appointed 29 November 2022) Hannah Sloggett (appointed 29 November 2022) Dawn Marie Williams (appointed 29 November 2022)
Company registered number	01560651
Charity registered number	284545
Registered office	Royal Parade Plymouth Devon PL1 2TR
Chief Executive	James Mackenzie-Blackman
Independent auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	NatWest St Andrew's Cross Plymouth PL4 0HY Lloyds Bank 8 Royal Parade Plymouth PL1 1LX
Solicitors	Womble Bond Dickinson Ballard House West Hoe Road Plymouth PL1 3AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also directors of the company for the purposes of the Companies Act, present their annual report incorporating the strategic report and the audited consolidated financial statements for the year ended 31 March 2023.

The financial statements comply with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), the Charities Act 2011 and the Companies Act 2006.

HOW WE MANAGE OUR AFFAIRS

The company number is 01560651 and registered charity number is 284545. The registered address is Theatre Royal Plymouth, Royal Parade, Plymouth, Devon, PL1 2TR.
The Trustees who served in the year were:

Nicholas Buckland OBE, *Chair, retired 31 March 2023*
Bronwen Lacey, *Vice Chair, term extended to March 24*
Anjinder Bual, *appointed 29 November 2022*
Alistair Coomer, *appointed 29 November 2022*
Sarah Fysh
Shona Godefroy
Lynda Grzelinski, *appointed 29 November 2022*
Emma-Marie Huxham
Andrew Ibbs, *appointed 29 November 2022*
Imogen Kinchin
Sarah McAdam, *appointed 29 November 2022*
Julie Nash, *appointed 29 November 2022*
James Pidgeon
Samra Said, *appointed 29 November 2022*
Hannah Sloggett, *appointed 29 November 2022*
Dawn Williams, *appointed 29 November 2022*

Following the year end and the retirement of the Chair of the Board, Dame Darcey Bussell DBE was appointed Chair on 1 April 2023.

Day-to-day management of the Charity is delegated to the Executive, who were:

James Mackenzie-Blackman, *Chief Executive & Executive Producer*
Helen Costello, *Chief Operating Officer*
Liz King, *Director of Producing & Programming, started 29 March 2023*
Suzi McGoldrick, *Director of External Affairs, started 1 April 2022, resigned 30 June 2023*
Mandy Precious, *Strategic Projects Director, resigned 31 May 2023*

The Board of Trustees and Executive are supported by the following professional advisers:

Solicitors: Womble Bond Dickinson, Ballard House, West Hoe Road, Plymouth, PL1 3AE

Bankers: (Current accounts) NatWest, St Andrew's Cross, Plymouth, PL4 0HY
(Deposit accounts) Lloyds, 8 Royal Parade, Plymouth, PL1 1LX

Auditor: Bishop Fleming LLP, Salt Quay House, Plymouth PL4 0BN

HOW WE GOVERN OURSELVES

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association. On 7 March 2023, the Memorandum and Articles of Association were amended to allow the Board to appoint co-opted members to committees to input specialist knowledge, or to provide an external or alternative viewpoint. Co-opted members will not be members of the Board. Trustees are appointed by resolution of the Board of Trustees.

The Board of Trustees, acting in a voluntary capacity, has legal responsibility for the effective use of resources in meeting the Theatre's mission, deciding policy and for providing leadership and direction. It meets at least four times a year. There are three Committees which report directly to the Board: Audit & Risk, Equality, Diversity & Inclusion (previously called Inclusion & Diversity) and Nominations. The Audit & Risk Committee meets up to four times a year. The Nominations Committee meets once a year plus further meetings depending on the recruitment needs of the Board. The Equality, Diversity & Inclusion Committee reports to the Board according to the development and progress of the Inclusion & Diversity action plan.

During the year the committee structure was reviewed and has been restructured to maximise the benefit from the renewed range of expertise and experience within the expanded Board. From 1 April 2023 there will be the following committee structure:

Committee	Frequency of meetings
Producing and Programming	2 x per year
External affairs	2 x per year
Audit, finance & operations	4 x per year
Inclusion	2 x per year
Nominations & remuneration	1 x per year plus other times dictated by the needs of the business

Trustees serve for a three-year term, after which they are eligible for re-election. Trustees are able to complete three terms before standing down completely. There is also provision for Trustees to extend their term by one year under special circumstances. In order to give continuity in the context of a significant number of new Trustees and the change of Chair, Bronwen Lacey has renewed her term under this provision.

New Trustees are selected through open recruitment, which includes use of specialist agencies as well as advertisement in the regional press and social media. The Nominations Committee has a specific brief to consider the diversity of the Board in any Trustee recruitment, in line with the organisation's core values. In addition, particular emphasis is placed, at the time of recruitment, on appointing individuals who can fulfil any identified skill gaps within the Trustee body. New appointees and existing Trustees are provided with an induction programme and, where appropriate, a range of other training opportunities to help them meet their responsibilities.

The Charity has an Executive Team which reports directly to the Board of Trustees. The Executive Team is responsible for operational decision-making with guidance and approval for strategic decisions provided by the Trustees. The Chief Executive has been delegated with responsibility for the day-to-day management of the Theatre.

The remuneration level for key management personnel is set at the point of recruitment with reference to national market rates within the cultural economy. Thereafter, rates are subject to annual review in the same way as the rest of the organisation. The Charity pays all employees in line with the Real Living Wage.

The Theatre has one subsidiary undertaking, Talklight Limited. This company provides catering and retail facilities, and management services to the Theatre Royal (Plymouth) Limited. Talklight Limited generated an operating profit of £379k in the year (2021: £165k, five months trading only). Following the pandemic, the restaurant has not re-opened although the theatre Green Room did re-open in November 2022. All profits are passed to the Charity under the gift aid regulations.

The Charity maintains a corporate risk register which is embedded throughout the organisation. The risks and mitigation plans are subject to regular review by departmental heads, the Executive and onward review by the Trustees via the Audit & Risk Committee. The review of the risk register, together with the monitoring of risk, both operational and strategic, by the Board of Trustees ensures that adequate and suitable controls are in place to mitigate known risks. The activities of the Audit & Risk Committee ensure that risk is managed in a positive and responsible manner. The Charity undertakes a programme of targeted internal audits using specialist support where necessary, to support risk mitigation.

As permitted by the Articles of Association, the Trustees (as directors) have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Whilst the Trustees and the Executive Team have many connections within the local community and the wider theatre industry, they are generally not in a position to influence any commercial transactions between the Charity and these other parties. However, in the year there were some situations that should be noted:

- TRP co-produced *Delicate* with Extraordinary Bodies, which is a legal partner of DiverseCity, a company of which the Chief Operating Officer was a Trustee (resigned 20 March 2023). This co-production included investment by TRP.
- During the year TRP started to co-produce *Waldo's Circus of Magic & Terror* with Extraordinary Bodies, which is a legal partner of DiverseCity, a company of which the Chief Operating Officer was a Trustee (resigned 20 March 2023). This co-production includes investment by TRP.
- During the year TRP contracted a presentation of *The Sacrifice* by Dada Masilo with the Dance Consortium, a company of which the Chief Operating Officer is a Trustee (appointed 14 December 2022)
- During the year TRP contracted with New Adventures Limited, a company in which a trustee holds a senior role. The trustee was not involved in any part of the contractual process.

OUR CHARITABLE AIMS

The primary objectives of the Charity are to provide art, education and community engagement throughout Plymouth and the wider region.

The Charity's vision is to engage and inspire the many communities of the South West, touching the lives and interests of people from every background. It also aims to provide dynamic cultural leadership for Plymouth, stimulating and serving the city's ambition, interests, and identity. During the year a process of review continued, to consider the Charity's vision, mission and creative leadership in the context of the post-pandemic cultural environment and the needs of the communities of the South West. This review process will be complete by autumn 2023.

In setting objectives and making plans for the Charity, the Trustees have had due regard for the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity' (PB2).

Fundraising is managed by our leadership team when required and is either general support via Members, Ambassadors and Corporate Sponsors, or is fundraising directed to the public, or trusts, foundations or public sector sources for specific purposes. We keep supporters' data secure and do not sell it or share it for marketing purposes. We have voluntarily registered with the Fundraising Regulator.

The Charity is supported by a small but loyal group of 15 volunteers. The group supports access needs such as audio describing and touch tours. They also support tours of the theatre and some specific welcoming duties. The volunteers are included in all staff communications, meetings and events.

ACHIEVEMENTS IN THE YEAR

This was the first full year of operation since March 2020 which was a relief and a joy in equal parts. There have been moments when Covid has reared its head but, with teams maintaining bubbles and careful hygiene practices. We lost only one performance of Dreamgirls to Covid related illness within the visiting company.

The highlights of the year included....

On stage
We took five co-produced shows to the Edinburgh Fringe Festival and celebrated the accomplishments of the South West with colleagues from the Hall For Cornwall at our 'Pasties At The Pleasance' event. All the shows were well received with *Breathless* and *Happy Meal* each winning a Fringe First. There were 3,171 shows at the festival and 24 Firsts were awarded so this was an exceptional achievement. Following the festival, *Breathless* was invited to 'Brits Off Broadway' and completed a three-week run in New York, as well as a season at London's Soho Theatre. Also having been seen at the festival, *Happy Meal* was invited to Sydney's International Festival and Perth International Festival. We were truly international!

TRP celebrated its 40th birthday. We marked the moment with a special production, based on a commissioned poem, that saw the audience on stage along with dancers, actors, choirs, and Christopher Biggins as the definitive panto dame. Across the week we marked the moment with supporters, friends, community, and staff past and present.

As part of the 40th birthday celebrations we invited all our community and youth groups onto the Lyric stage. Instead of show-backs in various locations, they were all invited to share their performances on stage in an amazing celebration of theatre made with and by our communities.

A lot relies on the success of pantomime and this year's panto' was the most successful ever. With Shane Richie leading the cast of *Sleeping Beauty* we welcomed 55,000 people through the doors and generated £1.56m in ticket sales. This was our best-ever result narrowly beating Brian Conley in Cinderella (2019).

During the year we were thrilled to co-produce with Complicité. *Drive Your Plow Over The Bones Of The Dead* had its world premiere at TRP in December and has since gone on to rave reviews: 'Beautiful moments of physical theatre', *****The Guardian.

Off stage
We marked our 40th birthday by installing four flagpoles on the theatre, one to mark each decade. At the flag raising ceremony, attended by the Lord Mayor, a local 10-year-old saw his flag design, celebrating some of the highlights of Plymouth, made into reality and raised above the building, alongside flags for our city and county, demonstrating our civic pride and the rainbow flag, recognising our inclusion.

We carried out a widespread consultation, Creative Conversations, talking to staff, stakeholders, artists and communities to understand the shape of creative leadership that is needed at TRP. As a result of this feedback, that engaged over 100 individuals, a plan was put in place to develop a new creative leadership team that will take us into the next ACE funding period. The initial rounds of recruitment have taken place.

The scenic build workshop had an enormous year both in quantity and quality of work. Included in this work was the set build for *My Neighbour Totoro* (Royal Shakespeare Company) which won an Olivier Award for the designer Tom Pye.

We hosted an exhibition of 60 sculptures inspired by Messenger and created by Coombe Dean School. The pupils were invited in for a launch event in April 2022.

In May 2022 our People's Company, Funky Llama (a platform for disabled artists) and Our Space (for people living with multiple and complex needs) worked together to produce Green Space, Dark Skies. This is a moving and thought-provoking film made at Meldon Dam on Dartmoor and featuring Ally Bryan's first professional commission as a composer. Ally is a Funky Llama mentored artist.

We re-opened the Green Room at the theatre. Across the winter we provided 1,600 free soups (A Hug In A Mug) to our staff and visiting artists.

Our people
After many years of unstinting support, Nick Buckland OBE stepped down as Chair of the Board of Trustees. Nick was a steady support for TRP through all the uncertainties of the pandemic and provided wise counsel to the theatre and our staff.

Following Nick's retirement, we were delighted to announce Dame Darcey Bussell DBE as our new Chair and look forward to the contribution Darcey will bring as she establishes a new base in our city.

We also recruited nine new Trustees who will bring a new range of skills to the Board and who will support the creative renewal that is underway through the Boards increased diversity.

FINANCIAL REVIEW

TRP is reporting an overall deficit of £772k (2022: £273k). This comprises two distinctive parts:

- A surplus of £124k in general funds, and a net spend of £273k in designated funds; and
- A deficit of £624k in the restricted funds. This deficit includes depreciation of £421k charged against capital projects and the use of £203k of net restricted funds brought forward from 2021/22. The restricted funds include Engagement & Learning projects and gifts and also recognises income for the Harman Technical Residency (kindly supported by the Backstage Trust).

As the Charity returns to some sort of post-Covid normality audiences have gradually rebuilt. However, there are still many challenges around the UK touring programme and the need for TRP to support this through deal-making has resulted in a lower-than-normal return from the Lyric. The Net Stage Contribution for the Lyric is £1.26m for 2022-23 compared to an average of £1.58m in the two years to 2019-20 (pre-pandemic). In addition, TRP is re-establishing its creative credentials, and this has involved considerable investment in talent development and the support of new work both at Edinburgh and at overseas festivals.

The results for 2021-22 included hire arrangements with producers as an initiative to support touring. In 2022-23 all the contracts reverted to the usual split box office arrangements, seeing both income and production costs rise as reported.

During the year TRP submitted a request to Arts Council England (ACE) to maintain its position as a National Portfolio Organisation (NPO). The NPO funding for 2022-23 was rolled over from the 2018-2022 funding agreement. In October 2022, ACE confirmed that TRP would remain an NPO for the period 2023-2026 on standstill funding of £1.2m per year. Plymouth City Council maintained their annual commitment to the theatre to £315k (2022: £315k) but have indicated that in the current economic climate this will be reduced to £265k for 2023/24. Both these income streams provide much appreciated, essential funds for the continuity of TRP's work in Plymouth and the South West.

Our work with The Results Group (TRG) continued in the year. The detailed demand management work led to the best ever panto sales for *Sleeping Beauty* of £1.56m and their experience and support informed the approach to audience building and revenue management in the context of nervous, returning audiences. This has given TRP a good foundation for patron loyalty work which will progress in 2023-24. Alongside this we have introduced e-ticketing and re-formed our front of house service to support a better 'welcome'.

Whilst the confidence of the touring sector is still challenging, Commercial Build has had an extremely busy year, providing a contribution of £144k (2021-22: £153k). Nationally there is a shortage of workshop space and together with late producer decisions, there has been significant pressure on the workshop. This year the team has exceeded £2m turnover for the first time. There has been a balance, between four large scale builds and a large number of medium scale builds, which has maximised the space and skills available. Although turnover has grown, there has been considerable pressure on the cost of materials and of labour which has constrained margins.

Talklight Ltd (the catering & retail subsidiary) has also had a strong year. With turnover reaching £1.1m it is still considerably below the pre-pandemic turnover (2019-20: £1.6m). However, the offering is more limited with no restaurant currently open and a relatively simplified bar offering. Without the overheads of a restaurant the contribution being generated has exceeded pre-pandemic levels at £379k for 2022-23 (2019-20: £304k). Talklight Ltd will gift aid profits to the Charity.

Our Engagement & Learning work is a principal charitable purpose and creates a gateway into our talent development work. We invested £366k in this work (including talent development) and many other significant, individual projects were supported by generous Trusts & Foundations as detailed in note 22 to these accounts. These grants are essential to the continuation of this wide-reaching work, allowing both range and reach to be expanded. We are grateful that Trusts & Foundations have continued to support us. Where grants are given for specific projects, they are held within restricted funds (see below). TRP recognises that in the years ahead our own contribution to this work needs to decrease and we need to generate more resources from external sources.

During the year, the average number of employees in the theatre was 245 (2021-22: 239) and 25 in catering & retail (2021-22: 7). 60% of these staff (2021-22: 65%) are casual or part-time staff.

Reserves Policy: The Charity has a general fund reserve (unrestricted) of £1.2m (2022: £1m). The level of the reserves is reviewed annually and is considered to be the appropriate level of funds, as determined by the Board of Trustees, required to meet the Charity's artistic, creative and social objectives for a period of eighteen months and recognises any additional known financial risks for the organisation. The Trustees have agreed that at no point should the total designated and unrestricted reserves fall below the funds required to wind up the Charity. On 31 March 2023 this minimum amount was £1.3m.

Designated funds are unrestricted funds that have been earmarked by the Board of Trustees for particular purposes. Designated reserves have been created to fund significant projects that all support the Charity's objectives and that will ensure that the organisation and its assets are in good shape for the future.

Restricted funds are to be used for specific purposes. These funds have been generated by capital projects such as the building of the Charity's Production & Learning Centre at TR2, a Capital Appeal, the Regeneration Project and as such they will cover the future depreciation of the resulting assets. Restricted funds also include specific grants provided for Engagement & Learning work. The use of these funds is restricted by the original intent of the donation or grant funding.

Further details about the reserves held can be found in note 21 to these accounts. The Board of Trustees agreed (as part of the business plan for 2018-22) that any surpluses in the year over and above the required general funds, will be set aside to fund our own producing. This is shown as the Artistic Reserve and will support a planned programme of work, subject to the development of the impact of the pandemic. As a new business plan is developed for 2023-26 the reserves policy will be revisited.

The original funding agreement with ACE covered the period 2018-22. Due to the pandemic ACE offered extension funding for 2022-23, so this year is the final year of the ACE finding agreement. In May 2022 we submitted a bid for further funding. This was granted in October 2022 and will secure £1.2m per year for 2023-26.

Investment policy: By monitoring cash flow, an assessment of short to medium cash needs allows the surplus to be invested. The Charity seeks to produce the best financial return within a low-risk environment. As a proportion of the assets are held pending payment on to third parties, capital preservation is of paramount importance. Deposits are placed with Lloyds Bank and/or NatWest on varying timescales (32 days to one year). The Trustees consider Lloyds Bank and NatWest to be an appropriate partners aligned with the values of the Charity.

Going Concern: The Trustees have considered the validity of the going concern assumption held within the presentation of these accounts. By considering cash flow, significant risks, ACE funding and the context of

the national cultural environment, the Trustees are confident that the Charity does not have concerns for the next 12 months.

Principal risks & uncertainties: In delivering the charitable objectives, the Trustees are mindful of the risks involved and have reviewed these risks and the plans to mitigate them, as part of the overall planning process. The Risk Register is reviewed regularly by both the Executive and the Trustees.

Key identified risks are:

Failure to meet artistic ambitions and failure to maintain quality & diversity of programming (S1 on Risk Register), mitigated by:

- The development of a new Creative Leadership structure. Following consultation with stakeholders, colleagues and peers, recommendations for the structure and skill base of an enhanced creative leadership team were proposed. Recruitment is underway and should be complete soon (June 2023)
- Regular discussion and feedback with funding partners and industry-wide collaboration
- Recognising the interplay of talent development with the progression of the artistic programme. Plans are being formulated for future years which will require creative and innovative ways of producing to ensure that resources are used to maximum affect.
- Continuing to actively programme the Lyric and Drum so that performance reflects a diversity of genre.
- Regular discussion and review by the Producers Group

Significant use of reserves (F9 on Risk Register), mitigated by:

- Regular review of reserves by the Executive and the Board
- Increased frequency of reforecasting the budget
- Applications to all potential funding sources

Sudden loss of show income (F11 on Risk Register), mitigated by:

- Strong relationships with producers, allowing agreement of force majeure where appropriate and necessary.
- Cancellation clauses in contracts
- An in-year revision of our contracts with visiting productions to ensure TRP is well protected.
- Strong relationships with funding bodies to support exceptional losses.
- Business Interruption insurance

Reduction of PCC funding (F15 on Risk Register), mitigated by:

- Strong relationships with key PCC personnel
- Structuring of a Service Level Agreement for 2023-25
- TRP business planning considering/recognising fulfilment of PCC objectives.

LOOKING FORWARD

During 2022-23 we planned the structure of a new creative leadership. This will have a fundamental impact on the way we create and with whom. The full team will be in place by summer 2023 and will start to revisit the artistic strategy of TRP.

Building on this restructured and enhanced team and the ambitions of our NPO application, we will be setting a business plan which incorporates a revisited vision and mission which will shape future delivery.

We already recognise that co-production will be a foundation of this business plan both within our communities and as a long-term strategy towards financial stability. We are in discussions with potential co-producers to bring two world premieres to Plymouth, maximising the benefits of the purpose-built facilities at TR2. We will also produce our own Christmas children's shows so that we cater for the whole age range during the festive period. For our communities we plan to visit nine rural locations during summer 2023 providing an uplifting event for community engagement.

Producing and Programming

TRP has launched eight strands of creativity that will be the pillars of all our work in the years ahead. These are: Theatre; Dance; Children, Young People and Families, Talent Development; Scenic Design and Construction; Co-Curated & Outdoor Work; the Climate Emergency and Inclusion.

In a newly structured Producing and Programming team, led by a newly appointed Executive Director, Producing and Programming, TRP will develop a new strategy, and revised ambition for all our creative work on our stages and in other spaces.

By November 2023 TRP will have undertaken a thorough strategic review of all its work with children, young people, families, adults and the community. We will consult with those who access our work, and those who do not, to inform how TRP meets the needs of our city and region in the years ahead. The outcomes of this review will form a fundamental part of a new business plan that the board of trustees will ratify in November 2023.

TRP is supported by a highly skilled and dedicated team of department heads who support TRP to fulfil its creative ambition and to deliver its charitable objectives. This leadership team will be critical to the development of TRP's new business plan throughout 2023 – 2024 and beyond.

The following plans are crucial to the success of the Charity in fulfilling its charitable objectives:

We will matter more to more people.

We will freely share, and encourage others to share, culture and creativity through co-creation and partnership.

We will reflect our distinctive region and our city in everything we do, sharing our love of the place we live and its people.

We will present amazing regional, national and international performances on our stages.

We will value and respect our environment and work towards net zero carbon emission.

And we will do this in the context of our values: Creativity, Collaboration, Diversity and Quality; values that are understood and reflected by all at TRP.

We continue to receive funds from Plymouth City Council (PCC). A one-year Service Level Agreement was in place for this year. The funding is at £315k per year (2021-22 £315k). We will continue to demonstrate to the leadership of PCC the value that TRP brings to Plymouth and seek an on-going commitment from PCC that matches the ACE funding period.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware; and
- that Trustee has taken all the steps that ought to have taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, and signed on its behalf by:

Blacey

Bronwen Lacey
(Vice Chair of Trustees)

Date: 27 July 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2023

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the
- Group will continue in business.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

Bacey

Bronwen Lacey
(Vice Chair of Trustees)

Date: 27 July 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED

OPINION

We have audited the financial statements of Theatre Royal (Plymouth) 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 (Incorporating Income and Expenditure Account), the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 is detailed below:

- We have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the the Board about their own identification and assessment of the risk of irregularities;
- For any matters identified we have obtained and reviewed the parent charitable company's documentation of their policies and procedures relating to;
    - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
    - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team, including internal tax specialists, regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Group and Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Group and Company's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, licensing acts and employment legislation.

Audit response to risks identified

As a result of performing the above procedures, we have cut-off of revenue recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;
- Considering manual income journals as part of our work on fraud risks documented above;
- Reviewing the financial statement disclosures and testing to supporting documentation;

- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement;
- Reading minutes of meetings of those charged with governance; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 an 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 would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming LLP

Pamela Tuckett FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 31 August 2023

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
INCOME FROM:					
Donations and legacies	4	**2,078**	**375**	**2,453**	3,777
Charitable activities	5	**13,114**	**-**	**13,114**	6,154
Other trading activities	6	**1,137**	**-**	**1,137**	438
Investments	7	**37**	**-**	**37**	2
TOTAL INCOME		**16,366**	**375**	**16,741**	10,371
EXPENDITURE ON:					
Raising funds		**873**	**-**	**873**	300
Charitable activities	8	**15,634**	**1,006**	**16,640**	10,344
TOTAL EXPENDITURE		**16,507**	**1,006**	**17,513**	10,644
Net expenditure		**(141)**	**(631)**	**(772)**	(273)
Transfers between funds	21	**(7)**	**7**	**-**	-
NET MOVEMENT IN FUNDS		**(148)**	**(624)**	**(772)**	(273)
RECONCILIATION OF FUNDS:					
Total funds brought forward		**4,264**	**10,916**	**15,180**	15,453
Net movement in funds		**(148)**	**(624)**	**(772)**	(273)
TOTAL FUNDS CARRIED FORWARD		**4,116**	**10,292**	**14,408**	15,180

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 48 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01560651

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note		2023 £000		2022 £000
FIXED ASSETS					
Tangible assets	13		**10,683**		11,113
Heritage assets	14		**523**		543
			11,206		11,656
CURRENT ASSETS					
Stocks	16	**97**		96	
Debtors	17	**331**		433	
Cash at bank and in hand	25	**8,809**		10,018	
		9,237		10,547	
Creditors: amounts falling due within one year	18	**(5,777)**		(6,734)	
NET CURRENT ASSETS			**3,460**		3,813
TOTAL ASSETS LESS CURRENT LIABILITIES			**14,666**		15,469
Creditors: amounts falling due after more than one year	19		**(10)**		(49)
Provisions for liabilities	20		**(249)**		(240)
TOTAL NET ASSETS			**14,407**		15,180
CHARITY FUNDS					
Restricted funds	21		**10,292**		10,916
Unrestricted funds:					
Designated funds	21	**2,941**		3,214	
General funds	21	**1,174**		1,050	
Total unrestricted funds	21		**4,115**		4,264
TOTAL FUNDS			**14,407**		15,180

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Bronwen Lacey
(Vice Chair of Trustees)
Date: 27 July 2023

The notes on pages 21 to 48 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:01560651

COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2023

	Note		2023 £000		2022 £000
FIXED ASSETS					
Tangible assets	13		**10,683**		11,113
Heritage assets	14		**523**		543
Investments	15		**-**		-
			11,206		11,656
CURRENT ASSETS					
Stocks	16	**72**		75	
Debtors	17	**321**		428	
Cash at bank and in hand		**8,754**		9,973	
		9,147		10,476	
Creditors: amounts falling due within one year	18	**(6,086)**		(6,836)	
NET CURRENT ASSETS			**3,061**		3,640
TOTAL ASSETS LESS CURRENT LIABILITIES			**14,267**		15,296
Creditors: amounts falling due after more than one year	19		**(10)**		(49)
Provisions for liabilities	20		**(250)**		(240)
TOTAL NET ASSETS			**14,007**		15,007

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2023

	Note		2023 £000		2022 £000
CHARITY FUNDS					
Restricted funds			**10,292**		10,916
Unrestricted funds:					
Designated funds		**2,941**		3,214	
General funds		**774**		877	
Total unrestricted funds			**3,715**		4,091
TOTAL FUNDS			**14,007**		15,007

The Company's net movement in funds for the year was £(1,000k) (2022 - £(438k)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Blacey

Bronwen Lacey
(Vice Chair of Trustees)
Date: 27 July 2023

The notes on pages 21 to 48 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £000	2022 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in)/ provided by operating activities	24	**(1,062)**	2,620
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		**37**	2
Purchase of tangible fixed assets		**(184)**	(457)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		**(147)**	**(455)**
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**(1,209)**	**2,165**
Cash and cash equivalents at the beginning of the year		**10,018**	7,853
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	25	**8,809**	10,018

The notes on pages 21 to 48 form part of these financial statements

1. GENERAL INFORMATION

The company is limited by guarantee and has no issued share capital. The liability of its members shall not exceed £1 each. The registered office address is Theatre Royal, Royal Parade, Plymouth, Devon, PL1 2TR.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Theatre Royal (Plymouth) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) (SOFA) and Consolidated Statement of Financial Position consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 GOING CONCERN

The Trustees and Executive have completed detailed cash flow forecasts and budgets that support the going concern basis for these accounts. COVID-19 has had a significant impact on the theatre sector in terms of both the programme and audience numbers. From the autumn of 2022 a fuller programme developed and this continued throughout the financial year 2022/23.

The forecasts include key assumptions based on the current programme the rebuilding of audience confidence, which is still not at pre-COVID levels, and the ability of the theatre industry to attract investment to produce new and exciting touring productions are important elements required for success. The impact of significant increases in the cost of living and the consequences of the continuing conflict in Ukraine may also affect both the Theatre's income streams and its cost base.

As confidence within the industry has risen, TRP has benefitted from producer confidence with economically viable tours now booking into 2026.

The following assumptions must be understood in forming this opinion;

- The Theatre has been able to reopen to potentially full capacity. To ensure that the going concern accounting basis is reasonable the cashflow forecasts recognise that some productions will experience limited capacity until confidence levels rise across all of our audiences.

- All advanced ticket sales are ringfenced to ensure that any refunds, if they are needed, do not impact on the working capital of the Theatre.

- The past three years have underlined the strong relationship with Arts Council England (ACE) and Plymouth City Council. Generous and continued funding has enabled the Charity to continue

2. ACCOUNTING POLICIES (continued)

2.2 GOING CONCERN (CONTINUED)

to meet its objectives. ACE recognises the cultural importance of TRP in the geographical region and by this support has taken a positive view of the long-term viability of the Theatre, renewing our National Portfolio Organisation funding for the next three years.

- The Charity is entering a phase of creative renewal which will ensure the right skills and experience are present. This will be a steady and methodical process which will develop a structure and skills base able to respond to the challenges and opportunities that lie ahead.

- The Group has sufficient cash reserves which are being monitored and managed actively. The ringfenced funds will enable the group to repay tickets, keep restricted funds ringfenced and meet additional redundancy obligations, including full scale redundancy should it be required.

- The Group is covered by a business interruption insurance policy extension which provides for cover over a three-year period from March 2020. Its insurers have confirmed that this policy does provide cover for COVID-19 business interruption, but the timing and value of the claim is not yet known.

2.3 INCOME

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2. ACCOUNTING POLICIES (continued)

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Between 10 and 50 years
Equipment & motor vehicles	- Between 3 and 15 years

2.7 HERITAGE ASSETS

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The estimated useful life is:

Heritage Assets	- 30 years

2.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account).

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 STOCKS

Stocks are valued on a first in first out basis at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. ACCOUNTING POLICIES (continued)

2.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) as a finance cost.

2.13 FINANCIAL INSTRUMENTS

The Group 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) on a straight line basis over the lease term.

2.15 PENSIONS

The Group operates two defined contribution pension schemes and the pension charge represents the amounts payable by the Group to the funds in respect of the year.

2.16 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future, including provisions recognised and the useful life of assets. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Provisions in their nature have a degree of estimation uncertainty due to their size and nature. Management use their knowledge and previous experience to best estimate the amount of provisions on future loss making shows and for dilapidations and repairs required under the terms of property leases.

The estimated useful life of heritage assets has been based on management's best estimate. However, it is subject to uncertainty given the types of assets held.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
GRANTS			
Arts Council England - Core	1,208	-	**1,208**
Arts Council England - Culture Recovery Fund	77	-	**77**
Plymouth City Council	315	-	**315**
Engagement & Learning grants	-	225	**225**
The Backstage Trust	-	67	**67**
Jerwood Arts	-	36	**36**
Donations	213	-	**213**
Development income	265	47	**312**
	2,078	375	**2,453**

Engagement & Learning grant income includes grants awarded by Arts Council England for the Theatre's Flying With Colours project of £125,000 (2022: £250,000).

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
GRANTS			
Arts Council England - Core	1,207	-	1,207
Arts Council England - Culture Recovery Fund	1,300	-	1,300
Plymouth City Council	315	-	315
Engagement & Learning grants	-	364	364
Donations	19	75	94
CJRS grants	-	229	229
Development income	268	-	268
	3,109	668	3,777

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Box Office	10,826	**10,826**	2,985
Theatre Rentals	143	**143**	1,372
Co-producers' Contributions	38	**38**	260
Commercial Build Activity	2,003	**2,003**	1,474
Other	104	**104**	63
TOTAL 2023	13,114	**13,114**	6,154

All of the prior year amounts were unrestricted.

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Catering & retailing	1,137	**1,137**	438

All of the prior year amounts were unrestricted.

7. INVESTMENT INCOME

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Investment income	37	**37**	2

All of the prior year amounts were unrestricted.

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2023 £000	**Restricted funds 2023 £000**	**Total 2023 £000**
Theatre productions and education	15,634	1,006	**16,640**

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total 2022 £000
Theatre productions and education	8,925	1,419	10,344

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £000	**Support costs 2023 £000**	**Total funds 2023 £000**
Theatre productions and education	14,077	2,563	**16,640**

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000
Theatre productions and education	7,838	2,506	10,344

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £000	Total funds 2022 £000
Staff costs	**1,384**	1,467
Depreciation	**634**	593
Marketing, development and hospitality	**53**	31
Finance	**177**	143
Cleaning	**88**	76
IT and administration	**194**	165
Governance costs	**33**	31
	2,563	2,506

10. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £23,000 (2022 - £22,000), and non-audit services comprising corporation tax computations and financial statement preparation of £8,000 (2022 - £8,000).

11. STAFF COSTS

	Group 2023 £000	Group 2022 £000	**Company 2023 £000**	Company 2022 £000
Wages and salaries	**4,604**	4,043	**4,352**	3,951
Social security costs	**380**	320	**371**	317
Contribution to defined contribution pension schemes	**163**	141	**160**	141
	5,147	4,504	**4,883**	4,409

11. STAFF COSTS (CONTINUED)

The average number of persons employed by the Group during the year was as follows:

	Group 2023 No.	Group 2022 No.	**Company 2023 No.**	Company 2022 No.
Management and administration	**23**	19	**23**	19
Venue staff	**26**	22	**26**	22
Production staff	**55**	44	**55**	44
Catering staff	**4**	-	**1**	-
Cast	**1**	2	**1**	2
Part-time and casual staff	**161**	159	**139**	152
	270	246	**245**	239

The average headcount expressed as full-time equivalents was:

	Group 2023 No.	Group 2022 No.	**Company 2023 No.**	Company 2022 No.
Management and administration	**21**	21	**21**	21
Venue staff	**27**	22	**27**	22
Production staff	**53**	46	**53**	46
Catering staff	**3**	-	**-**	-
Cast	**1**	2	**1**	2
Part-time and casual staff	**57**	63	**48**	59
	162	154	**150**	150

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £70,001 - £80,000	**-**	1
In the band £80,001 - £90,000	**1**	-
In the band £120,001 - £130,000	**1**	-
In the band £160,001 - £170,000	**-**	1

Total remuneration paid to key management personnel (defined as the executive team who held office for all or part of the year) amounted to £377,000 (2021: £394,000).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, expenses totalling £58 were reimbursed or paid directly to 1 Trustee (2022 - £NIL to no Trustees).

13. TANGIBLE FIXED ASSETS

GROUP

	Long-term leasehold property £000	Equipment & motor vehicles £000	Total £000
COST			
At 1 April 2022	**18,458**	**2,209**	**20,667**
Additions	**68**	**116**	**184**
Disposals	**-**	**(31)**	**(31)**
At 31 March 2023	**18,526**	**2,294**	**20,820**
DEPRECIATION			
At 1 April 2022	**7,904**	**1,649**	**9,553**
Charge for the year	**431**	**184**	**615**
On disposals	**-**	**(31)**	**(31)**
At 31 March 2023	**8,335**	**1,802**	**10,137**
NET BOOK VALUE			
At 31 March 2023	**10,191**	**492**	**10,683**
At 31 March 2022	10,554	559	11,113

13. TANGIBLE FIXED ASSETS (CONTINUED)

COMPANY

	Long-term leasehold property £000	Office equipment £000	Total £000
COST			
At 1 April 2022	**18,458**	**2,201**	**20,659**
Additions	**68**	**116**	**184**
Disposals	**-**	**(31)**	**(31)**
At 31 March 2023	**18,526**	**2,286**	**20,812**
DEPRECIATION			
At 1 April 2022	**7,904**	**1,641**	**9,545**
Charge for the year	**431**	**184**	**615**
On disposals	**-**	**(31)**	**(31)**
At 31 March 2023	**8,335**	**1,794**	**10,129**
NET BOOK VALUE			
At 31 March 2023	**10,191**	**492**	**10,683**
At 31 March 2022	10,554	559	11,113

14. HERITAGE ASSETS

GROUP AND COMPANY

Assets recognised at cost

	Heritage asset 2023 £000
Carrying value at 1 April 2022	543
Depreciation	(20)
Net book value at 31 March 2022	523

Analysis of heritage asset transactions

GROUP AND COMPANY

	2023 £000	2022 £000	2021 £000	2020 £000	2019 £000
PURCHASES					
Heritage asset	-	-	-	25	-
TOTAL ADDITIONS	-	-	-	25	-
CHARGE FOR DEPRECIATION					
Heritage asset	(20)	(20)	(20)	(20)	-
TOTAL CHARGE FOR IMPAIRMENT	(20)	(20)	(20)	(20)	-

15. FIXED ASSET INVESTMENTS

PRINCIPAL SUBSIDIARY

The following were subsidiary undertakings of the Company:

Names	Company number	Holding	Registered office or principal place of business
Talklight Limited	01572960	100%	Theatre Royal, Royal Parade, Plymouth, PL1 2TR

Principal activity	Class of shares	Included in consolidation
The company provides retailing, bar, and catering facilities.	Ordinary	Yes

The financial results of the subsidiaries for the year were:

Names	Income £000	Expenditure £000	Profit for the period £000	Net assets £000
Talklight Limited	**1,144**	**(765)**	**379**	**401**

16. STOCKS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Finished goods and goods for resale	**97**	96	**72**	75

17. DEBTORS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
DUE WITHIN ONE YEAR				
Trade debtors	**136**	220	**133**	220
Other debtors	**111**	160	**107**	159
Prepayments and accrued income	**81**	49	**81**	49
Deferred taxation	**3**	4	**-**	-
	331	433	**321**	428

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Trade creditors	**290**	503	**246**	464
Amounts owed to group undertakings	**-**	-	**378**	148
Other taxation and social security	**173**	340	**169**	337
Other creditors	**844**	820	**843**	817
Accruals and deferred income	**4,470**	5,071	**4,450**	5,070
	5,777	6,734	**6,086**	6,836

Deferred income represents money received in advance for tickets to shows taking place in a future period. Deferred ticket sales have been split out between over and under 1 year where appropriate with reference to the Theatre programme.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Accruals and deferred income	**10**	49	**10**	49

20. PROVISIONS

GROUP AND COMPANY

	Dilapidation Provisions £000	Show Provisions £000	Total £000
At 1 April 2022	68	172	240
Additions	-	202	202
Amounts used	(21)	(172)	(193)
	47	202	249

Dilapidation provisions are made to account for expenditure necessary to ensure leased buildings are returned in accordance with the terms of the lease contract.

Show provisions are made in respect of contracted shows where the Trustees' best estimate indicates a forecast deficit.

The provisions are by nature estimates and as such the actual amount of expenditure may vary from that provided for above.

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2023 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Engagement & Learning	-	32	-	-	32
Capacity Building	93	-	(106)	13	-
Deferred Artistic Funds	524	-	(202)	-	322
Mayflower Reserve	200	-	(38)	-	162
Website Development Reserve	10	-	(10)	-	-
Drum Refurbishment Reserve	348	-	(17)	32	363
Digital Strategy Reserve	20	-	-	-	20
MMI fund	205	-	-	-	205
Flood repairs	-	-	(3)	3	-
Staff obligations	1,327	-	-	-	1,327
Post Covid support	-	-	-	-	-
Anniversary Celebrations	60	-	(68)	8	-
Conversations	50	-	(12)	(38)	-
Dressing Room Project	30	-	-	-	30
Governance Improvements	30	-	(8)	-	22
Dilapidations	317	-	(9)	-	308
Auditorium and Stage Lighting	-	-	-	150	150
	3,214	32	(473)	168	2,941
GENERAL FUNDS					
General Funds	1,050	16,334	(16,035)	(175)	1,174
TOTAL UNRESTRICTED FUNDS	4,264	16,366	(16,508)	(7)	4,115

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2023 £000
RESTRICTED FUNDS					
Production & Education Centre	4,302	-	(166)	-	4,136
Capital Appeal Fund	167	-	(5)	-	162
Regeneration Project	5,872	-	(250)	-	5,622
Engagement & Learning	468	271	(575)	106	270
TRAC Legacy Fund	-	-	-	-	-
TRP Christmas Appeal	54	-	-	(54)	-
Joan Lucas Fund	8	1	(2)	-	7
Adopt a Seat	1	-	-	(1)	-
Pennon for YC Hubs	38	-	-	(38)	-
CJRS Grants	-	-	-	-	-
Garfield Weston Foundation Grant	-	-	-	-	-
Development	6	-	-	(6)	-
The Backstage Trust	-	67	(8)	-	59
Jerwood Arts	-	36	-	-	36
	10,916	375	(1,006)	7	10,292
TOTAL OF FUNDS	15,180	16,741	(17,514)	-	14,407

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2022 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Engagement & Learning	-	-	-	-	-
Capacity Building	142	-	(75)	26	93
Artistic Reserve	524	-	-	-	524
Mayflower Reserve	200	-	(39)	39	200
Website Development Reserve	10	-	-	-	10
Drum Refurbishment Reserve	150	-	(14)	212	348
Digital Strategy Reserve	59	-	-	(39)	20
MMI fund	205	-	-	-	205
Flood repairs	-	-	-	-	-
Staff obligations	1,327	-	-	-	1,327
Post Covid support	20	-	-	(20)	-
Anniversary Celebrations	-	-	-	60	60
Conversations	-	-	-	50	50
Dressing Room Project	-	-	-	30	30
Governance Improvements	-	-	-	30	30
Dilapidations	-	-	-	317	317
Auditorium and Stage Lighting	-	-	-	-	-
	2,637	-	(128)	705	3,214
GENERAL FUNDS					
General Funds	1,153	9,703	(9,097)	(709)	1,050
TOTAL UNRESTRICTED FUNDS	3,790	9,703	(9,225)	(4)	4,264

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2022 £000
RESTRICTED FUNDS					
Production & Education Centre	4,468	-	(166)	-	4,302
Capital Appeal Fund	172	-	(5)	-	167
Regeneration Project	6,124	-	(252)	-	5,872
Engagement & Learning	554	364	(454)	4	468
TRAC Legacy Fund	2	-	(2)	-	-
TRP Christmas Appeal	29	26	(1)	-	54
Joan Lucas Fund	7	1	-	-	8
Adopt a Seat	-	1	-	-	1
Pennon for YC Hubs	-	40	(2)	-	38
CJRS Grants	-	229	(229)	-	-
Garfield Weston Foundation Grant	301	-	(301)	-	-
Development	6	7	(7)	-	6
The Backstage Trust	-	-	-	-	-
Jerwood Arts	-	-	-	-	-
	11,663	668	(1,419)	4	10,916
TOTAL OF FUNDS	15,453	10,371	(10,644)	-	15,180

21. STATEMENT OF FUNDS (CONTINUED)

The Designated Funds are aligned to projects which support the charitable aims of the Group.

The Capacity Building Fund has been used for the partnership working with TRG. The cost for this continuing relationship has now been budgeted in our core unrestricted annual budget.

The Artistic Reserve (previously called Deferred Artistic Funds) is a fund set aside for investment in new productions and has been used this year to account for the Show Provision – a sum identified as the budgeted net investment in productions as contracted at the year end, 31 March 2023. These funds may also be used to fund any further artistic investment in 2023/24.

The Mayflower Reserve was established to earmark funds for a large-scale community production originally planned for 2020 (and deferred now until 2023) to mark 400 years since the Mayflower set sail from Plymouth. The production will include the Wampanoag Community from the USA. Following a number of applications for grant funding to support this project, it was considered prudent to put aside further funds to de-risk this internationally important work.

The Website Development Reserve was established to support a major upgrade of our website and bring it under more direct control and is now fully utilised.

The Drum Refurbishment Reserve was established to support works to upgrade our Drum stage and auditorium. Partly as a response to COVID-19 we extended this project to allow for a much more flexible space. The balance on this fund represents the net book value of the refurbishment of the auditorium and will be reduced in line with the annual depreciation charge for the work.

In line with other organisations in the sector TRP is looking at ways in which we can harness the use of digital technology to create and share innovative work. As the cost of work of this nature is generally charged to individual projects, we have reduced this reserve (Digital Strategy) and retained a small contingency for research & development which will be undertaken in 2023/24.

The MMI Fund represents funds designated for the MMI contingent liability. For further details see note 27.

The Trustees have been mindful of the challenges of the past few years. Staff Obligations is a fund designated to reflect the total obligation to staff in the event of TRP having to close. Although we are confident that we remain a going concern this sum has been separately calculated and identified as part of our reserves policy, to ensure that a correct minimum level of reserve is maintained during this still uncertain time.

A number of new reserves have been designated at the beginning of the year for specific planned events or changes, namely;

Anniversary Celebrations: TRP turned 40 in 2022 and in recognition of this we provided a range of community events and activities to celebrate and share this milestone. This included a celebratory show in the Lyric in September 2022.

Conversations: As part of our business plan for 2022-23 and reflecting Arts Council England's Let's Create 10 year strategy, we undertook facilitated conversations internally and with a wide range of external stakeholders to define our artistic ambition and structures which have informed the business planning process for 2023 onwards, including the NPO application. Initially we set aside a significant provision for these conversations but in the end, because of the way these were managed, were able to write back the balance at the year end.

Dressing Room Project: We identified the need to improve accessibility to some of our dressing rooms and set aside a fund to achieve this. Because of the need for a gap in the programme to be able to carry out these works, they have been carried out and completed after the 31 March year end.

21. STATEMENT OF FUNDS (CONTINUED)

Governance Improvements: During the year we were successful in recruiting nine new trustees onto our Board, increasing the size from seven at the end of 2021/22 to sixteen at the end of 2022/23. Whilst this increase has brought in significant additional skills and experience, we also recognise the need to further train and develop the Board and this fund is designated to provided resources to do that.

We have also considered our longer-term dilapidations (aside from our legal obligations covered by the provision in note 20) and cyclical repair liabilities. In the past these have been covered by our operating budgets but, as they can vary significantly from year to year, they can distort our core operating results so we designated a fund to provide for these over the next few years.

At the year end 2022/23 we have also designated £150k in recognition of the need to replace our auditorium and stage lighting with a modern, more efficient system. Whilst elements of this may be capitalised and depreciated over an agreed useful life, this reserve signifies an intent to press ahead with this project when a suitable break in the programme allows.

The Restricted Reserves represent amounts raised by or received from third parties for capital or revenue projects. Restricted Funds in respect of the Regeneration Project and the Production & Education Centre consist primarily of grants and donations. The grants are secured on the assets to which they relate and are repayable in certain circumstances.

Engagement & Learning designated funds comprise income from other sources that have been allocated to support grant-funded projects.

Engagement & Learning restricted funds comprise the unspent portion of grants and fundraising for specific projects.

22. STATEMENT OF FUNDS (CONTINUED)

The charity is extremely grateful to the following supporters of our wide ranging programme of Engagement & Learning activities:

Funding	At 31 March 2022	Transfer in at start of year	Income	Expenditure	Transfer in/ (out)	At 31 March 2023
Our Space						
Funding b/fwd	34					
Other income			7			
Expenditure				(46)		
Transfer in					5	
Funding c/fwd						-
Funky Llama						
Funding b/fwd	55					
Funding b/fwd transfer in		54				
Other income			4			
Expenditure				(42)		
Funding c/fwd						71
NT Connections						
Funding b/fwd	5					
NT Connections Company & Enhancement			3			
Other income			2			
Expenditure				(10)		
Funding c/fwd						-
Dare to Dazzle						
Funding b/fwd	13					
BBC Children In Need			19			
Expenditure				(21)		
Funding c/fwd						11
Young Company Hubs						
Funding b/fwd	3					
Womble Bond Dickinson			2			
Expenditure				(7)		
Transfer in					2	
Funding c/fwd						-
The Lab Company						
Funding b/fwd	1					
Funding c/fwd						1
4 or More						
Funding b/fwd	4					
Transfer out					(4)	
Funding c/fwd						-

Funding	At 31 March 2022	Transfer in at start of year	Income	Expenditure	Transfer in/ (out)	At 31 March 2023
Young Company Hub – Pennon						
Funding b/fwd	-					
Funding b/fwd transfer in		38				
Pennon Group			40			
Womble Bond Dickinson			2			
Expenditure				(52)		
Funding c/fwd						28
With Flying Colours						
Funding b/fwd	306					
Arts Council England			125			
Expenditure				(302)		
Funding c/fwd						129
Tiny Tales Front of House						
Funding b/fwd	-					
Other income			2			
Expenditure				(6)		
Transfer in					4	
Funding c/fwd						-
Tiny Tales Schools						
Funding b/fwd	(2)					
Paul Hamlyn Foundation			61			
Expenditure				(16)		
Funding c/fwd						43
Nursery Tiny Tales						
Funding b/fwd	-					
Plymouth Drake Foundation			9			
Expenditure				(9)		
Funding c/fwd						-
Mayflower – The National Heritage Lottery						
Funding b/fwd	15					
Expenditure				(15)		
Funding c/fwd						-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Funding	At 31 March 2022	Transfer in at start of year	Income	Expenditure	Transfer in/ (out)	At 31 March 2023
Playhouse						
Funding b/fwd	4					
Funding b/fwd transfer in		4				
Princess Yachts			4			
Other income			9			
Expenditure				(10)		
Transfer in					4	
Funding c/fwd						15
Get Started						
Funding b/fwd	-					
Prince's Trust Commission			4			
Expenditure				(1)		
Funding c/fwd						3
Holiday Projects						
Funding b/fwd	-					
Plymouth City Council – Fit & Fed			3			
Other income			3			
Expenditure				(6)		
Funding c/fwd						-
NT Connections						
Funding b/fwd	-					
The National Theatre			3			
Expenditure				(3)		
Funding c/fwd						-
Mayflower – Plymouth Culture						
Funding b/fwd	30					
Expenditure				(30)		
Funding c/fwd						-
TOTAL	**468**	**96**	**302**	**(576)**	**11**	**301**

Income consists of both restricted and designated income.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £000	**Restricted funds 2023 £000**	**Total funds 2023 £000**
Tangible fixed assets	763	9,920	**10,683**
Heritage assets	-	523	**523**
Current assets	9,238	-	**9,238**
Creditors due within one year	(5,626)	(151)	**(5,777)**
Creditors due in more than one year	(10)	-	**(10)**
Provisions for liabilities and charges	(250)	-	**(250)**
TOTAL	4,115	10,292	**14,407**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	772	10,341	11,113
Heritage assets	-	543	543
Current assets	10,515	32	10,547
Creditors due within one year	(6,734)	-	(6,734)
Creditors due in more than one year	(49)	-	(49)
Provisions for liabilities and charges	(240)	-	(240)
TOTAL	4,264	10,916	15,180

24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £000	Group 2022 £000
Net expenditure for the year (as per Statement of Financial Activities)	**(772)**	(273)
ADJUSTMENTS FOR:		
Depreciation charges	**634**	593
Dividends, interests and rents from investments	**(37)**	(2)
Increase in stocks	**(1)**	(53)
Decrease/(increase) in debtors	**102**	(221)
Increase/(decrease) in creditors	**(995)**	3,158
Increase/(decrease) in provisions	**7**	(582)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**(1,062)**	2,620

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £000	Group 2022 £000
Cash at bank and in hand	**8,809**	10,018

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022 £000	Cash flows £000	At 31 March 2023 £000
Cash at bank and in hand	**10,018**	**(1,209)**	**8,809**

27. CONTINGENT LIABILITIES

During the 1990s the Theatre entered into a mutual insurance agreement with Municipal Mutual Insurance (MMI). MMI has since entered into a Scheme of Arrangement and this Scheme has raised a levy on the total payments made under its policies as at December 2013. There has been no further action on these levies for several years and there have been no further demands for payment. There is a designated fund allocated to cover the possibility of any successful demand for payment.

28. PENSION COMMITMENTS

The Group operates two defined contributions pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £163,000 (2022: £141,000). Contributions totaling £25,000 (2022: £24,000) were payable to the fund at the reporting date and are included in creditors.

29. CONTINGENT ASSET

The Group has business interruption insurance and it has been confirmed that this will pay out as a result of interruption caused by COVID-19. The indemnity period for the claim is for up to three years and claims will be made against this in the future. At the year end, a claim was in progress.

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the Charity and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Charity Commission, and with the Charity's financial regulations and normal procurement procedures relating to related party transactions.

The following related party transactions took place in the period:

The Charity procured services amounting to £Nil (2022: £20,000) from Blind Pig Media Ltd, a company in which a Trustee had an interest. During the year, the Charity wrote off £20,000 for Blind Pig Media, a company in which a Trustee had an interest.

31. CONTROLLING PARTY

The Group is controlled by the Board of Trustees.

THEATRE ROYAL (PLYMOUTH) LIMITED

England & Wales - Charity number 284545

Accounts

Registered number: 01560651
Charity number: 284545

THEATRE ROYAL (PLYMOUTH) LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Bishop Fleming

THEATRE ROYAL (PLYMOUTH) LIMITED

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Nicholas Buckland OBE, Chair Francis Drake (resigned 21 September 2021) Sarah Fysh Shona Godefroy Bronwen Lacey James Pidgeon Paul Woods (resigned 21 September 2021) Emma-Marie Huxham Imogen Kinchin
Company Registered Number	01560651
Charity Registered Number	284545
Registered Office	Royal Parade Plymouth Devon PL1 2TR
Chief Executive	Adrian Vinken CBE, OBE, DL (resigned 9 January 2022) James Mackenzie-Blackman (appointed 10 January 2022)
Independent Auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	NatWest St Andrew's Cross Plymouth PL4 0HY Lloyds Bank 8 Royal Parade Plymouth PL1 1LX
Solicitors	Womble Bond Dickinson Ballard House West Hoe Road Plymouth PL1 3AE

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also directors of the company for the purposes of the Companies Act, present their annual report incorporating the strategic report and the audited consolidated financial statements for the year ended 31 March 2022.

The financial statements comply with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), the Charities Act 2011 and the Companies Act 2006.

How we manage our affairs

The company number is 01560651 and registered charity number is 284545. The registered address is Theatre Royal Plymouth, Royal Parade, Plymouth, Devon, PL1 2TR.

The Trustees who served in the year were:

Nicholas Buckland OBE, *Chair*
Francis Drake, *retired 21 Sept 2020*
Sarah Fysh
Shona Godefroy
Emma-Marie Huxham
Imogen Kinchin
Bronwen Lacey, *term extended to March 23*
James Pidgeon
Paul Woods, *retired, 21 Sept 2020*

Day-to-day management of the Charity is delegated to the Senior Management Team (SMT), who were:

Adrian Vinken CBE, OBE, DL *Chief Executive to 9 January 2022*
James Mackenzie-Blackman, *Chief Executive from 10 January 2022*
Helen Costello, *Operations Director*
Marianne Locatori, *Strategic Projects Director to 24 September 2021*
Mandy Precious, *Engagement & Learning Director*
Dylan Tozer, *Audience & Communications Director*

Following the year end Dylan Tozer left (*24 May 2022*) and was replaced by Suzi McGoldrick.

The Board of Trustees and SMT are supported by the following professional advisers:

Solicitors: Womble Bond Dickinson, Ballard House, West Hoe Road, Plymouth, PL1 3AE

Bankers: (Current accounts) NatWest, St Andrew's Cross, Plymouth, PL4 0HY
(Deposit accounts) Lloyds, 8 Royal Parade, Plymouth, PL1 1LX

Auditor: Bishop Fleming LLP, Salt Quay House, Plymouth PL4 0BN

How we govern ourselves

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association. On 12 May 2020, the Memorandum and Articles of Association were amended to ensure that meetings of the Board could take place virtually as well as 'in person'. Trustees are appointed by resolution of the Board of Trustees.

The Board of Trustees, acting in a voluntary capacity, has legal responsibility for the effective use of resources in meeting the Theatre's mission, deciding policy and for providing leadership and direction. It meets at least four times a year. There are three Committees which report directly to the Board: Audit & Risk, Equality, Diversity & Inclusion (previously called Inclusion & Diversity) and Nominations. The Audit & Risk

Committee meets up to four times a year. The Nominations Committee meets once a year plus further meetings depending on the recruitment needs of the Board. The Equality, Diversity & Inclusion Committee report to the Board according to the development and progress of the Inclusion & Diversity action plan.

Trustees serve for a three-year term, after which they are eligible for re-election. Trustees are able to complete three terms before standing down completely. There is also provision for Trustees to extend their term by one year under special circumstances. Due to the exceptional impact of the Coronavirus pandemic, this provision was used to extend the term of two Trustees who were due for retirement in September 2020. They subsequently retired in September 2021.

New Trustees are selected through open recruitment, which includes use of specialist agencies as well as advertisement in the regional press and social media. The Nominations Committee has a specific brief to consider the diversity of the Board in any Trustee recruitment, in line with the organisation's core values. In addition, particular emphasis is placed, at the time of recruitment, on appointing individuals who can fulfil any identified skill gaps within the Trustee body. New appointees and existing Trustees are provided with an induction programme and, where appropriate, a range of other training opportunities to help them meet their responsibilities. There is currently a significant recruitment exercise underway to expand the Board by a further four to seven members, as well as identifying a potential Chair, the current incumbent being due to retire in March 2023.

The Charity has a Senior Management Team (SMT) which reports directly to the Board of Trustees. The SMT is responsible for operational decision-making with guidance and approval for strategic decisions provided by the Trustees. The Chief Executive has been delegated with responsibility for the day-to-day management of the Theatre. During the year, and following an extensive recruitment process, Adrian Vinken retired after over thirty years and was replaced by James Mackenzie-Blackman as Chief Executive.

The remuneration level for key management personnel is set at the point of recruitment with reference to national market rates within the cultural economy. Thereafter, rates are subject to annual review in the same way as the rest of the organisation. The Charity pays employees in line with the Real Living Wage and is structuring a new house agreement with the Broadcasting, Entertainment, Communications and Theatre Union (BECTU) on this basis.

The Theatre has one subsidiary undertaking, Talklight Limited. This company provides catering and retail facilities, and management services to the Theatre Royal (Plymouth) Limited. Talklight Limited generated an operating profit of £165k in the year which reflected only five months of trading having re-started the catering operations at the theatre following the pandemic *(2020: £nil)*. All profits are passed to the Charity under the gift aid regulations.

The Charity maintains a corporate risk register which is embedded throughout the organisation. The risks and mitigation plans are subject to regular review by departmental heads, SMT and onward review by the Trustees via the Audit & Risk Committee. The review of the risk register, together with the monitoring of risk, both operational and strategic, by the Board of Trustees ensures that adequate and suitable controls are in place to mitigate known risks. The activities of the Audit & Risk Committee ensure that risk is managed in a positive and responsible manner. The Charity undertakes a programme of targeted internal audits using specialist support where necessary, to support risk mitigation.

As permitted by the Articles of Association, the Trustees (as directors) have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Whilst the Trustees and SMT have many connections within the local community and the wider theatre industry, they are generally not in a position to influence any commercial transactions between the Charity and these other parties. However, in the year there were some situations that should be noted:

- TRP started to co-produce *Delicate*, including some investment, with Extraordinary Bodies which is a legal partner of DiverseCity, a company of which the Operations Director is a Trustee

- Blind Pig Media became a sponsor and gave rise to a bad debt provision in relation to this contractual sponsorship. One of the Trustees joined the board of Blind Pig Media Ltd after the sponsorship arrangement was agreed but has subsequently resigned from that company.

Our charitable aims

The primary objectives of the Charity are to provide art, education and community engagement throughout Plymouth and the wider region.

The Charity's vision is to engage and inspire the many communities of the South West, touching the lives and interests of people from every background. It also aims to provide dynamic cultural leadership for Plymouth, stimulating and serving the city's ambition, interests, and identity. During the year a process of review started, to consider the Charity's vision and mission in the context of the post-pandemic cultural environment and the needs of the communities of the South West.

Many Trusts & Foundations have been understanding and flexible in their support of alternative delivery methods and timescales to allow the extensive community work to continue whilst keeping people safe and well. Practitioners have thought and acted creatively to ensure continued delivery in some of the very difficult circumstances TRP has experienced over the past couple of years.

In setting objectives and making plans for the Charity, the Trustees have had due regard for the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity' (PB2).

Fundraising: Fundraising is managed by our in-house team with the support of a freelance fundraising specialist and is either general support via Members, Ambassadors and Corporate Sponsors, or is public fundraising for specific purposes. We keep supporters' data secure and do not sell it or share it for marketing purposes. We have voluntarily registered with the Fundraising Regulator.

Even when our doors were not open, we maintained contact with a loyal and enthusiastic group of volunteers with a weekly email (called TR3) which kept everyone (staff and volunteers) informed of what was happening and gave a platform for shared communications.

Achievements in the year

The year started with severe Coronavirus restrictions in place, including a lockdown which closed TRP's doors. However, by May 2021 things were starting to change and on 27 May we re-opened the Lyric stage with a performance of *Draw From Within* (Rambert). It was a very special moment enjoyed by a socially distanced audience and followed up with conversation and ice cream outside. Since then, the stages have gone from strength to strength with a full programme in the Lyric and a developing programme in the Drum and the Lab. All performances have been subject to strict Coronavirus precautions to ensure the safety and wellbeing of both the visiting artists and the TRP teams. This has not been without difficulty but in the whole period only one Lyric performance was lost. This is an extraordinary achievement in the context of the impact of the pandemic in the West End and other regional theatres.

The highlights of the year included....

On stage

Welcoming audiences back into TRP's spaces, supporting and reassuring them, to enjoy live performance again. In several cases our audiences and visiting companies had been waiting since 2020 for the opportunity to return to our programme and it was very satisfying to receive productions which had been delayed and rescheduled, in some cases more than once.

Working closely with Mark Goucher Productions Ltd to get the UK tour of *Hairspray* up and running despite all the challenges of Covid and nervous audiences. The collaboration required to do this really embodied the values of TRP.

Supporting the world premier of *Some Call It Home*, contemporary music exploring the Mayflower story written by Dr Taub and performed by members of the Bournemouth Symphony Orchestra.

Hosting the filming of the annual CBeebies panto which brought TRP to the screens of the nation during the festive period as well as in cinemas.

Enjoying a vast array of work from popular musicals (from *Mamma Mia!* which had an audience of nearly 26,000 people) to quality family offerings such as *Bedknobs & Broomsticks* and *The Lion, The Witch & The Wardrobe.*

Co-producing powerful stories that were supported by extensive engagement work with our local communities. *Mum* was co-produced with Francesca Moody Productions and went on to Soho Theatre gaining 4-star reviews in the Stage and Independent and *Sorry You Are Not A Winner* was co-produced with Paines Plough and went on to Bristol Old Vic.

Producing *NHS The Musical* on the Lyric stage. This was a re-imagining of a previous work, rewritten to reflect the themes of the last two years and was the first major production untaken by TRP post pandemic. It was generously supported by a grant from The Garfield Weston Foundation.

Talent Development

After many attempts, delayed by Covid related issues, Voodoo Monkeys performed in the Drum to sell-out crowds. This powerful piece, *Today I Killed My Very First Bird*, is now preparing for the Edinburgh Festival in 2022. The writer/performer has progressed from Our Space.

Engagement and Learning

Our Space (for people living with multiple and complex needs) met even more regularly than normal to reflect the needs of this particular group. Attendance was always good and by co-creating change, enabled some adults to become Engagement & Learning practitioners. Their work culminated with an e-book reflecting their lockdown experience through poetry, prose, and pictures.

Funky Llama (a platform for disabled artists) met regularly, mostly on-line due to the vulnerability of the group. In February we hosted our most successful Funky Llama Club Night with 663 participants enjoying the virtual experience, including people joining in from the USA.

On 12 August 2021, a terrible shooting took place in Keyham, Plymouth leaving five people dead. Recognising the terrible impact, our Community Manager has worked with our local community throughout the year to support everyone affected and to commemorate those lost.

Our people

We recognised the amazing 30 years given to TRP by Adrian Vinken, CBE, OBE, DL as he retired from the role of CEO. Adrian led the transformation of TRP into a financially stable organisation, with impressive capital projects in the form of the Regeneration (2014) and the arrival of Messenger (2019) alongside a cultural transformation that places values at the heart of everything we do.

James Mackenzie-Blackman stepped forward to take up the CEO role in January 2022, fulfilling a lifelong ambition that started in the TRP Young Company. After many years producing work and leading organisations all over the world, he has come 'home' to Plymouth.

Financial review

The operating deficit of £273k comprises two distinctive parts:

- A surplus of £474k in the unrestricted (general and designated) funds, and
- A deficit of £747k in the restricted funds. This deficit is primarily depreciation charged against capital projects. It also recognises the generous £300k funding from Garfield Weston Foundation that supported post-Covid production work (*NHS The Musical*)

Despite the re-opening of TRP's doors during the year, the impact of social distancing, reduced audience confidence and (locally) high levels of Coronavirus have all made for a challenging year.

Having been really well supported by the Department for Culture, Media & Sport (DCMS) and Arts Council England (ACE) in the previous year, we were successful in bidding for further funds from both Culture Recovery Round 2 and Culture Recovery - Continuity Support. These funds have been a lifeline to TRP allowing us to maintain activity without completely draining reserves which would have severely limited future activity.

Plymouth City Council and ACE both continued their annual commitment to the theatre providing much appreciated, essential funds during this difficult year.

In addition, at the beginning of the year we used the Coronavirus Job Retention Scheme to retain staff (and the associated skills) to ensure we were able to reopen when it was safe and permissible to do so.

Our work with The Results Group (TRG) continued in the year and their experience and support informed the approach to audience building and revenue management in the context of nervous, returning audiences. This has given TRP a good foundation for ~~the~~ patron loyalty work which will start in 2022-23. Alongside this we have introduced e-ticketing and re-formed our front of house service to support a better 'welcome'.

Much as the Lyric depends on producer confidence, so Commercial Build is subject to the strength and confidence of the West End and the cultural confidence of the country. There is significant pent-up demand within the UK and workshop time/space has been at a premium. Having cautiously hoped for a breakeven year (in the context of rising material prices) Commercial Build ended the year with a £153k contribution (*2020-21: £(381k) due to significantly reduced trading*). This has been hard-earned balancing Covid related staff absences and last-minute producer demands. We were thrilled to be able to help Liverpool Everyman with a very late request for their panto set, which went on to win Best Panto (under 500 seats) at the 2022 National Pantomime Awards.

During 2020-21 the whole of TRP's Catering & Retail teams underwent redundancy, so 2021-22 has seen a cautious rebuilding of this function. The whole offer is being rethought and considered within the context of the changing local hospitality scene. In November the bars re-opened with a very limited range which has been extended gradually. In January 2022 a coffee bar was opened in the space previously used for the restaurant. Opening times are still limited to show times (previously the café was open all day). The bars are sustaining good margins and trade has grown steadily in the last five months of the year. Talklight Ltd (the Catering & Retail trading subsidiary) will gift aid profits of £170k to the Charity. In 2020-21 there was no trading.

Our Engagement & Learning work is a principal charitable purpose and creates a gateway into our talent development work. We invested £302k in this work (including talent development) and many other significant, individual projects were supported by generous Trusts & Foundations as detailed in note 22 to these accounts. These grants are essential to the continuation of this wide-reaching work, allowing both range and reach to be expanded. We are grateful that Trusts & Foundations have continued to support us during the pandemic both with the granting of funds and with the flexibility of conditions, allowing us to deliver in new or digital formats. Where grants are given for specific projects they are held within restricted funds (see below).

During the year we considered the potential impact of Brexit. Whilst the long-term implications (for example, for VAT, theatre tax relief and ACE funding) are as yet unquantifiable, we are satisfied that the immediate impact on the Charity is minimal and does not pose a substantial risk to the on-going operation of the theatre.

During the year, the average number of employees rose to 343 (*2020-21: 310*) reflecting the re-opening and rebuilding of the business. 66% of these staff (*2020-21: 49%)* are casual or part-time staff.

Reserves Policy: The Charity has a general fund reserve (unrestricted) of £1m *(2021: £1.2m)*. The level of the reserves is reviewed annually and is considered to be the appropriate level of funds, as determined by the Board of Trustees, required to meet the Charity's artistic, creative and social objectives for a period of eighteen months and recognises any additional known financial risks for the organisation. The Trustees have agreed that at no point should the total designated and unrestricted reserves fall below the funds required to wind up the Charity. At 31 March 2022 this minimum amount was £1.3m.

Designated funds are unrestricted funds that have been earmarked by the Board of Trustees for particular purposes. Designated reserves have been created to fund significant projects that all support the Charity's objectives and that will ensure the organisation and its assets are in good shape for the future.

Restricted funds are to be used for specific purposes. These funds have been generated by capital projects such as the building of the Charity's Production & Learning Centre at TR2, a Capital Appeal, the Regeneration Project and the TRAC Legacy and as such they will cover the future depreciation of the resulting assets. Restricted funds also include specific grants provided for Engagement & Learning work. The use of these funds is restricted by the original intent of the donation or grant funding.

Further details about the reserves held can be found in note 21 to these accounts. The Board of Trustees agreed (as part of the business plan for 2018-22) that any surpluses in the year, over and above the required general funds, will be set aside to fund our own producing. This is shown as 'Deferred Artistic Funds' and will support a planned programme of work, subject to the development of the impact of the pandemic.

2021-22 represented the final year of the ACE funding agreement for 2018-22. Due to the impact of the pandemic ACE offered a one year extension to the 2018-22 agreement. The Charity applied for and was successful in obtaining a further year of funding for 2022-23. An application for funding from ACE for 2023-26 has been submitted in May 2022 with a decision due in October 2022.

Investment policy: By monitoring cash flow, an assessment of short to medium cash needs allows the surplus to be invested. The Charity seeks to produce the best financial return within a low risk environment. As a proportion of the assets are held pending payment on to third parties, capital preservation is of paramount importance. Deposits are placed with Lloyds Bank on varying timescales (32 days to one year). The Trustees consider Lloyds Bank to be an appropriate partner aligned with the values of the Charity.

Going Concern: The Trustees have considered the validity of the going concern assumption held within the presentation of these accounts. By considering cash flow, significant risks, ACE funding and the context of the national cultural environment, the Trustees are confident that the Charity does not have concerns for the next 12 months.

Principal risks & uncertainties: In delivering the charitable objectives, the Trustees are mindful of the risks involved and have reviewed these risks and the plans to mitigate them, as part of the overall planning process. The Risk Register is reviewed regularly by both the Senior Management and the Trustees. The pandemic touches all parts of the Charity's ambitions and operations and is implicit within all areas of risk that have been identified.

Key identified risks are:

Failure to meet artistic ambitions and failure to maintain quality & diversity of programming (R1 and S1 on Risk Register), mitigated by:

- Consultation with stakeholders around the shape and scope of future Creative Leadership, the outcome of which is under consideration by Trustees and Executive (June 2022)
- Regular discussion and feedback with funding partners and industry-wide collaboration
- Recognising the interplay of talent development with the progression of the artistic programme. Plans are being formulated for future years which will require creative and innovative ways of producing to ensure that resources are used to maximum affect.
- Continuing to actively programme the Lyric and Drum so that performance reflects a diversity of genre
- Regular discussion and review by the Producers Group

Sudden loss of show income (F11 on Risk Register), mitigated by:

- Strong relationships with producers, allowing agreement of force majeure where appropriate and necessary
- Strong relationship with funding bodies to support exceptional losses
- Business Interruption insurance

Significant use of reserves (F9 on Risk Register), mitigated by:

- Regular review of reserves by the Board
- Increased frequency of reforecasting the budget
- Applications to all potential funding sources

Succession planning for senior staff and Trustees (O2 and O23 on Risk Register), mitigated by:

- An active programme for Trustee recruitment with an aim to have 4 further Trustees by the end of 2022
- Collaborative conversations with stakeholders
- An active response to Creative Leadership report with possible/potential restructure considerations for the wider leadership team, to be completed by end of 2022

Reduction of PCC funding (F15 on Risk Register), mitigated by:

- Strong relationship with key PCC personnel
- Structuring of a Service Level Agreement for 2022-25
- TRP business planning considering/recognising fulfilment of PCC objectives

Looking forward

The Coronavirus pandemic has impacted the delivery of the 2018-22 business plan in 2020-21 and 2021-22 and is likely to continue to impact TRP (to a greater or lesser extent) for the next year or two. Whilst the core ambitions and objectives are unchanged, the scale, method and timing of delivery will have to respond to the exceptional environment in which we find ourselves. With an extension ACE funding period in 2022-23 and the imminent NPO application for the period 2023-26, we are re-examining our vision, our mission and how we serve our communities in line with the ambitions of the *Let's Create* ten-year strategy of ACE.

Our business plan for 2022-23 is subtitled 'Your Voice Matters' and the whole plan has been expressed in an accessible and straightforward way. Part of this work is to talk to those who engage with, and those who do not engage with, TRP. We have started 'Creative Conversations' with over 100 stakeholders which will guide and inspire us in shaping the creative leadership of the organisation. These conversations will be continued throughout 2022-23 to shape our future delivery.

Engagement work has always been central to TRP's activity whether it is engagement with audiences, creatives, companies, community, or industry. Now there is potential to join up all these strands so that engagement runs horizontally and vertically through all elements of our work whether it is a co-production or a community group. There are exciting plans afoot.

The following plans are crucial to the success of the Charity in fulfilling its charitable objectives:

We will matter more to more people.

We will freely share, and encourage others to share, culture and creativity through co-creation and partnership.

We will reflect our distinctive region and our city in everything we do, sharing our love of the place we live and its people

We will present amazing regional, national and international performances on our stages

We will value and respect our environment and work towards net zero carbon emission

And we will do this in the context of our values: Creativity, Collaboration, Diversity and Quality; values that are understood and reflected by all at TRP.

2021-22 is the final year of our four-year funding agreement with Arts Council England (ACE). This provides £1.1m each year, being a standstill position compared to the previous funding agreement. Due to the exceptional nature of the last two years, ACE have offered extension funding (which was applied for and

successfully granted) for 2022-23. The intention is that there will then be a full National Portfolio Organisation (NPO) funding application process for 2023-26. At this point (May 2022) an application has been submitted to ACE. The outcome will not be known until October 2023.

We continued to receive funds from Plymouth City Council (PCC). The previous Service Level Agreement (SLA) concluded in 2020-21 so a new SLA is currently being finalised to provide a foundation for a three-year funding agreement. The funding is now at £315k per year (2021-22 *£415k*). We will continue to demonstrate to the leadership of PCC the value that TRP brings to Plymouth and seek an on-going commitment from PCC.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware; and
- that Trustee has taken all the steps that ought to have taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating Strategic Report, was approved by order of the Board of Trustees and signed on its behalf by

Nicholas Buckland OBE
Chairman

Theatre Royal (Plymouth) Limited
Theatre Royal
Royal Parade
Plymouth
PL1 2TR

Date 04/08/2022

STATEMENT OF TRUSTEE'S RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the
- Group will continue in business.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

Nicholas Buckland OBE
Chair of Trustees
Date: 04/08/2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED

Opinion

We have audited the financial statements of Theatre Royal (Plymouth) Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account), the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 is detailed below:

The procedures undertaken in order to identify and assess risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, are as follows:

- We have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the the Board about their own identification and assessment of the risk of irregularities;
- For any matters identified we have obtained and reviewed the parent charitable company's documentation of their policies and procedures relating to;
  - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
  - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team, including internal tax specialists regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Group and Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Group and Company's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, licensing acts and employment legislation.

Audit response to risks identified

As a result of performing the above procedures, we have completeness and cut-off of revenue recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;

- Considering manual income journals as part of our work on fraud risks documented above;
- Reviewing the financial statement disclosures and testing to supporting documentation;
- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement;
- Reading minutes of meetings of those charged with governance; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 an 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 would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Pamela Tuckett

Pamela Tuckett FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 11/08/2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Income from:					
Donations and legacies	4	**3,109**	**668**	**3,777**	6,964
Charitable activities	5	**6,154**	**-**	**6,154**	883
Other trading activities	6	**438**	**-**	**438**	-
Investments	7	**2**	**-**	**2**	4
Total income		**9,703**	**668**	**10,371**	7,851
Expenditure on:					
Raising funds		**300**	**-**	**300**	447
Charitable activities	8	**8,925**	**1,419**	**10,344**	7,171
Total expenditure		**9,225**	**1,419**	**10,644**	7,618
Net income/(expenditure)		**478**	**(751)**	**(273)**	233
Transfers between funds	21	**(4)**	**4**	**-**	-
Net movement in funds		**474**	**(747)**	**(273)**	233
Reconciliation of funds:					
Total funds brought forward		**3,790**	**11,663**	**15,453**	15,220
Net movement in funds		**474**	**(747)**	**(273)**	233
Total funds carried forward		**4,264**	**10,916**	**15,180**	15,453

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 45 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
REGISTERED NUMBER:01560651

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note		2022 £000		2021 £000
Fixed assets					
Tangible assets	13		**11,113**		11,229
Heritage assets	14		**543**		563
			11,656		11,792
Current assets					
Stocks	16	**96**		43	
Debtors	17	**433**		360	
Cash at bank and in hand		**10,018**		7,853	
		10,547		8,256	
Creditors: amounts falling due within one year	18	**(6,734)**		(3,727)	
Net current assets			**3,813**		4,529
Total assets less current liabilities			**15,469**		16,321
Creditors: amounts falling due after more than one year	19		**(49)**		(560)
Provisions for liabilities	20		**(240)**		(308)
Total net assets			**15,180**		15,453
Charity funds					
Restricted funds	21		**10,916**		11,663
Unrestricted funds:					
Designated funds	21	**3,214**		2,637	
General funds	21	**1,050**		1,153	
Total unrestricted funds	21		**4,264**		3,790
Total funds			**15,180**		15,453

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Nicholas Buckland OBE
Chair of Trustees
Date: 04/08/2022

The notes on pages 20 to 45 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
REGISTERED NUMBER:01560651

COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

	Note		2022 £000		2021 £000
Fixed assets					
Tangible assets	13		**11,113**		11,229
Heritage assets	14		**543**		563
Investments	15		**-**		-
			11,656		11,792
Current assets					
Stocks	16	**75**		37	
Debtors	17	**428**		372	
Cash at bank and in hand		**9,973**		7,836	
		10,476		8,245	
Creditors: amounts falling due within one year	18	**(6,836)**		(3,724)	
Net current assets			**3,640**		4,521
Total assets less current liabilities			**15,296**		16,313
Creditors: amounts falling due after more than one year	19		**(49)**		(560)
Provisions for liabilities	20		**(240)**		(308)
Total net assets			**15,007**		15,445

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

	Note		2022 £000		2021 £000
Charity funds					
Restricted funds			**10,916**		11,663
Unrestricted funds:					
Designated funds		**3,214**		2,637	
General funds		**877**		1,145	
Total unrestricted funds			**4,091**		3,782
Total funds			**15,007**		15,445

The Company's net movement in funds for the year was £(438) (2021 - £533).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Nicholas Buckland OBE

Date: 04/08/2022

The notes on pages 20 to 45 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £000	2021 £000
Cash flows from operating activities		
Net cash used in operating activities	**2,620**	1,064
Cash flows from investing activities		
Dividends, interests and rents from investments	**2**	4
Purchase of tangible fixed assets	**(457)**	(206)
Net cash used in investing activities	**(455)**	**(202)**
Change in cash and cash equivalents in the year	**2,165**	**862**
Cash and cash equivalents at the beginning of the year	**7,853**	6,991
Cash and cash equivalents at the end of the year	**10,018**	7,853

The notes on pages 20 to 45 form part of these financial statements

1. GENERAL INFORMATION

The company is limited by guarantee and has no issued share capital. The liability of its members shall not exceed £1 each. The registered office address is Theatre Royal, Royal Parade, Plymouth, Devon, PL1 2TR.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Theatre Royal (Plymouth) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) (SOFA) and Consolidated Statement of Financial Position consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2. ACCOUNTING POLICIES (continued)

2.2 GOING CONCERN

The Trustees and Executive have completed detailed cash flow forecasts and budgets that support the going concern basis for these accounts. Covid-19 has had a significant impact on the theatre sector. The stages of TRP were closed for the first couple of months of the year to 31 March 2022 with productions opening in the summer to socially distanced audiences. Gradually over the autumn and into winter a fuller programme developed and with a couple of exceptions most of the programme was delivered without interruption.

However, whilst confidence amongst audiences has continued to grow, these are not yet back to pre pandemic levels. Initial social distancing and a gradual growth in confidence has had an impact on the Theatre's ability to generate income and it appreciates the generous contributions and support in the form of the Culture Recovery Fund, job support through the Coronavirus Job Retention Scheme and generous donations from supporters. These have enabled the Theatre to retain a level of reserves which will be invaluable as it continues to rebuild activity on its stages.

Through the CJRS the Theatre has been able to retain many of its core team many of whom have skills and experience particular to the sector and difficult to re-recruit.

The forecasts include key assumptions based on the current programme which is still developing and which may yet be affected by a re-emergence of restrictions related to Covid-19. That said, we are all now living in a world with limited restrictions. The rebuilding of audience confidence and the ability of the theatre industry to attract investment to produce new and exciting touring productions are important elements required for success. The impact of significant increase in the cost of living and the consequences of the conflict in Ukraine may also affect both the Theatre's income streams and its cost base.

However, the lifting of restrictions leads to the expectation of a return to fuller houses and economically viable productions which will enable it to continue as a going concern.

The following assumptions must be understood in forming this opinion;

• Now that Covid-19 restrictions have been lifted the Theatre will be able to reopen to potentially full capacity. To ensure that the going concern accounting basis is reasonable the cashflow forecasts recognise that some productions will experience limited capacity until confidence levels begin to rise across all of our audiences.

• All advanced ticket sales are ringfenced to ensure that any refunds, if they are needed, do not impact on the working capital of the Theatre.

• The past two years have underlined the strong relationship with Arts Council England (ACE) and Plymouth City Council. Generous and continued funding has enabled the Charity to continue to meet its objectives, albeit at a different level of activity, even in difficult conditions. ACE recognises the cultural importance of TRP in the geographical region and by this support has taken a positive view of the long-term viability of the Theatre.

• Through the exercise of redundancy, the Theatre has been able to reduce its cost base and has been systematically recruiting into roles which are aligned to its needs and developing Business Plan. This will be a steady and methodical process which will develop a structure and skills base suited to the challenges and opportunities that lie ahead.

• The group has sufficient cash reserves which are being monitored and managed actively. The ringfenced funds will enable the group to repay tickets, keep restricted funds ringfenced and meet additional redundancy obligations, including full scale redundancy should it be required.

• The group is covered by a business interruption insurance policy extension which provides for cover over a three-year period from March 2020. Its insurers have confirmed that this policy does provide

2. ACCOUNTING POLICIES (continued)

2.2 GOING CONCERN (CONTINUED)

cover for Covid-19 business interruption, but the timing and value of the claim is not yet known.

2.3 INCOME

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. ACCOUNTING POLICIES (continued)

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Between 10 and 50 years
Equipment & Motor Vehicles	- Between 3 and 15 years

2.7 HERITAGE ASSETS

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The estimated useful life is:

Heritage Assets	- 30 years

2.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account).

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 STOCKS

Stocks are valued on a first in first out basis at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. ACCOUNTING POLICIES (continued)

2.12 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) as a finance cost.

2.13 FINANCIAL INSTRUMENTS

The Group 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) on a straight line basis over the lease term.

2.15 PENSIONS

The Group operates two defined contribution pension schemes and the pension charge represents the amounts payable by the Group to the funds in respect of the year.

2.16 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future, including provisions recognised and the useful life of assets. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Provisions in their nature have a degree of estimation uncertainty due to their size and nature. Management use their knowledge and previous experience to best estimate the amount of provisions on future loss making shows and for dilapidations and repairs required under the terms of property leases.

The estimated useful life of heritage assets has been based on management's best estimate. However, it is subject to uncertainty given the types of assets held.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
GRANTS			
Arts Council England - Core	1,207	-	**1,207**
Arts Council England - Emergency Funding	-	-	**-**
Arts Council England - Culture Recovery Fund	1,300	-	**1,300**
Arts Council England - Other	-	-	**-**
Plymouth City Council	315	-	**315**
Engagement & Learning grants	-	364	**364**
Donations	19	75	**94**
CJRS Grants	-	229	**229**
Development income	268	-	**268**
	3,109	668	**3,777**

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
GRANTS			
Arts Council England - Core	1,207	-	1,207
Arts Council England - Emergency Funding	806	-	806
Arts Council England - Culture Recovery Fund	1,683	-	1,683
Arts Council England - Other	4	-	4
Plymouth City Council	415	-	415
Engagement & Learning grants	-	480	480
Garfield Weston Foundation	-	301	301
Donations	161	-	161
CJRS grants	-	1,812	1,812
Development income	85	10	95
	4,361	2,603	6,964

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Box office	2,985	**2,985**	365
Theatre rentals	1,372	**1,372**	113
Co-producers' contributions	260	**260**	2
Commercial build activity	1,474	**1,474**	364
Other	63	**63**	39
TOTAL 2022	6,154	**6,154**	883

All of the prior year amounts were unrestricted.

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Catering & retailing	438	**438**	-

7. INVESTMENT INCOME

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Investment income	2	**2**	4

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2022 £000	**Restricted funds 2022 £000**	**Total funds 2022 £000**
Theatre productions and education	8,925	1,419	**10,344**

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Theatre productions and education	4,508	2,663	7,171

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £000	**Support costs 2022 £000**	**Total funds 2022 £000**
Theatre productions and education	7,838	2,506	**10,344**

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000
Theatre productions and education	4,924	2,247	7,171

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2022 £000	Total funds 2021 £000
Staff costs	**1,467**	1,204
Depreciation	**593**	706
Marketing, development and hospitality	**29**	17
Finance	**143**	124
Cleaning	**15**	25
IT and administration	**167**	104
Theatre production and education	**61**	-
Loss of disposal of fixed assets	**-**	38
Governance costs	**31**	29
	2,506	2,247

10. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £21,970 (2021 - £21,000), and non-audit services comprising corporation tax computations and financial statement preparation of £8,020 (2021 - £8,000).

11. STAFF COSTS

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Wages and salaries	**4,043**	3,964	**3,951**	3,652
Social security costs	**320**	284	**317**	271
Contribution to defined contribution pension schemes	**141**	136	**141**	129
	4,504	4,384	**4,409**	4,052

11. STAFF COSTS (CONTINUED)

The average number of persons employed by the Company during the year was as follows:

	Group 2022 No.	Group 2021 No.	**Company 2022 No.**	Company 2021 No.
Management and administration	**19**	24	**19**	24
Venue staff	**22**	20	**22**	20
Production staff	**44**	53	**44**	53
Catering staff	**-**	62	**-**	-
Cast	**2**	-	**2**	-
Part-time and casual staff	**159**	151	**152**	151
	246	310	**239**	248

The average headcount expressed as full-time equivalents was:

	Group 2022 No.	Group 2021 No.	**Company 2022 No.**	Company 2021 No.
Management and administration	**21**	19	**21**	19
Venue staff	**22**	15	**22**	15
Production staff	**46**	50	**46**	50
Catering staff	**-**	6	**-**	-
Cast	**2**	-	**2**	-
Part-time and casual staff	**63**	63	**59**	63
	154	153	**150**	147

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £70,001 - £80,000	**1**	1
In the band £160,001 - £170,000	**1**	-
In the band £210,001 - £220,000	**-**	1

Total remuneration paid to key management personnel (defined as executive director and senior managers who held office for all or part of the year) amounted to £394,000 (2021: £403,000).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

13. TANGIBLE FIXED ASSETS

GROUP

	Long-term leasehold property £000	Office equipment £000	Total £000
COST			
At 1 April 2021	**18,069**	**2,272**	**20,341**
Additions	**389**	**68**	**457**
Disposals	**-**	**(131)**	**(131)**
At 31 March 2022	**18,458**	**2,209**	**20,667**
DEPRECIATION			
At 1 April 2021	**7,501**	**1,610**	**9,111**
Charge for the year	**403**	**170**	**573**
On disposals	**-**	**(131)**	**(131)**
At 31 March 2022	**7,904**	**1,649**	**9,553**
NET BOOK VALUE			
At 31 March 2022	**10,554**	**560**	**11,114**
At 31 March 2021	10,568	661	11,229

13. TANGIBLE FIXED ASSETS (CONTINUED)

COMPANY

	Long-term leasehold property £000	Office equipment £000	Total £000
COST			
At 1 April 2021	**18,069**	**2,264**	**20,333**
Additions	**389**	**68**	**457**
Disposals	**-**	**(131)**	**(131)**
At 31 March 2022	**18,458**	**2,201**	**20,659**
DEPRECIATION			
At 1 April 2021	**7,501**	**1,602**	**9,103**
Charge for the year	**403**	**170**	**573**
On disposals	**-**	**(131)**	**(131)**
At 31 March 2022	**7,904**	**1,641**	**9,545**
NET BOOK VALUE			
At 31 March 2022	**10,554**	**560**	**11,114**
At 31 March 2021	10,568	661	11,229

14. HERITAGE ASSETS

GROUP AND COMPANY

Assets recognised at cost

	Heritage asset 2022 £000
Carrying value at 1 April 2021	563
Depreciation	(20)
Net book value at 31 March 2022	543

Analysis of heritage asset transactions

GROUP AND COMPANY

	2022 £000	2021 £000	2020 £000	2019 £000	2018 £000
PURCHASES					
Heritage asset	-	-	25	-	-
TOTAL ADDITIONS	-	-	25	-	-
CHARGE FOR DEPRECIATION					
Heritage asset	(20)	(20)	(20)	-	-
TOTAL CHARGE FOR IMPAIRMENT	(20)	(20)	(20)	-	-

15. FIXED ASSET INVESTMENTS

PRINCIPAL SUBSIDIARY

The following were subsidiary undertakings of the Company:

Names	Company number	Holding	Registered office or principal place of business
Talklight Limited	01572960	100%	Theatre Royal, Royal Parade, Plymouth, PL1 2TR

Principal activity	Class of shares	Included in consolidation
The company provides retailing, bar, and catering facilities.	Ordinary	Yes

The financial results of the subsidiaries for the year were:

Names	Income £000	Expenditure £000	Profit for the period £000	Net assets £000
Talklight Limited	**443**	**(278)**	**165**	**173**

16. STOCKS

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Finished goods and goods for resale	**96**	43	**75**	37

17. DEBTORS

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
DUE WITHIN ONE YEAR				
Trade debtors	**220**	147	**220**	147
Amounts owed by group undertakings	**-**	-	**-**	17
Other debtors	**160**	165	**159**	160
Prepayments and accrued income	**49**	48	**49**	48
Deferred taxation	**4**	-	**-**	-
	433	360	**428**	372

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Trade creditors	**503**	42	**464**	42
Amounts owed to group undertakings	**-**	-	**148**	-
Other taxation and social security	**340**	531	**337**	531
Other creditors	**820**	591	**817**	590
Accruals and deferred income	**5,071**	2,563	**5,070**	2,561
	6,734	3,727	**6,836**	3,724

Deferred income represents money received in advance for tickets to shows taking place in a future period. Deferred ticket sales have been split out between over and under 1 year where appropriate with refrence to the Theatre programme.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Accruals and deferred income	**49**	560	**49**	560

20. PROVISIONS

GROUP AND COMPANY

	Dilapidation Provisions £000	Show Provisions £000	Total £000
At 1 April 2021	141	167	308
Additions	-	172	172
Amounts used	(73)	(167)	(240)
	68	172	240

Dilapidation provisions are made to account for expenditure necessary to ensure leased buildings are returned in accordance with the terms of the lease contract.

Show provisions are made in respect of contracted shows where the Trustees' best estimate indicates a forecast deficit.

The provisions are by nature estimates and as such the actual amount of expenditure may vary from that provided for above.

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2022 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Capacity Building	142	-	(75)	26	93
Deferred Artistic Funds	524	-	-	-	524
Mayflower Reserve	200	-	(39)	39	200
Website Development Reserve	10	-	-	-	10
Drum Refurbishment Reserve	150	-	(14)	212	348
Digital Strategy Reserve	59	-	-	(39)	20
MMI fund	205	-	-	-	205
Staff obligations	1,327	-	-	-	1,327
Post Covid support	20	-	-	(20)	-
Anniversary Celebrations	-	-	-	60	60
Conversations	-	-	-	50	50
Dressing Room Project	-	-	-	30	30
Governance Improvements	-	-	-	30	30
Dilapidations	-	-	-	317	317
	2,637	-	(128)	705	3,214
GENERAL FUNDS					
General Funds	1,153	9,703	(9,097)	(709)	1,050
TOTAL UNRESTRICTED FUNDS	3,790	9,703	(9,225)	(4)	4,264

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2022 £000
RESTRICTED FUNDS					
Production & Education Centre	4,468	-	(166)	-	4,302
Capital Appeal Fund	172	-	(5)	-	167
Engagement & Learning	554	364	(454)	4	468
Regeneration Project	6,124	-	(252)	-	5,872
TRAC Legacy Fund	2	-	(2)	-	-
TRP Christmas Appeal	29	26	(1)	-	54
Joan Lucas Fund	7	1	-	-	8
Adopt a Seat	-	1	-	-	1
Pennon for YC Hubs	-	40	(2)	-	38
CJRS Grants	-	229	(229)	-	-
Garfield Weston Foundation Grant	301	-	(301)	-	-
Development	6	7	(7)	-	6
	11,663	668	(1,419)	4	10,916
TOTAL OF FUNDS	15,453	10,371	(10,644)	-	15,180

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2021 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Capacity Building	187	-	(45)	-	142
Deferred Artisitic Funds	524	-	-	-	524
Cultural Exemption Reserve	300	-	(300)	-	-
Mayflower Reserve	200	-	-	-	200
Website Development Reserve	47	-	4	(41)	10
Cafe Refurbishment Reserve	93	-	-	(93)	-
IT & Telephony Upgrade Reserve	70	-	-	(70)	-
Drum Refurbishment Reserve	50	-	-	100	150
Digital Strategy Reserve	40	-	-	19	59
MMI fund	205	-	-	-	205
Flood repairs	-	106	(106)	-	-
Staff obligations	-	-	-	1,327	1,327
Post Covid support	-	-	-	20	20
	1,716	106	(447)	1,262	2,637
GENERAL FUNDS					
General Funds - all funds	-	-	-	-	-
General Funds	1,780	5,144	(4,509)	(1,262)	1,153
	1,780	5,144	(4,509)	(1,262)	1,153
TOTAL UNRESTRICTED FUNDS	3,496	5,250	(4,956)	-	3,790

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2021 £000
RESTRICTED FUNDS					
Production & Education Centre	4,634	-	(166)	-	4,468
Capital Appeal Fund	296	-	(124)	-	172
Engagement & Learning	321	480	(247)	-	554
Regeneration Project	6,417	-	(293)	-	6,124
TRAC Legacy Fund	13	-	(11)	-	2
TRP Christmas Appeal	29	-	-	-	29
Joan Lucas Fund	5	2	-	-	7
AOTP	10	8	(12)	-	6
CJRS Grants	-	1,810	(1,810)	-	-
Garfield Weston Foundation Grant	-	301	-	-	301
	11,725	2,601	(2,663)	-	11,663
TOTAL OF FUNDS	15,221	7,851	(7,619)	-	15,453

21. STATEMENT OF FUNDS (CONTINUED)

The Designated Funds are aligned to projects which support the charitable aims of the Group.

The Capacity Building Fund will be used over the next eighteen months for the partnership working with TRG.

Deferred Artistic Funds are funds set aside for investment in new productions and have been retained in full this year pending the outcome of our artistic conversations described below.

The Mayflower Reserve was established to earmark funds for a large-scale community production originally planned for 2020 (and deferred now until 2023) to mark 400 years since the Mayflower set sail from Plymouth. The production is intended to involve participants from the USA which may include the Wampanoag Community. Following a number of applications for grant funding to support this project, it was considered prudent to put aside further funds to de-risk this internationally important work.

The Website Development Reserve was established to support a major upgrade of our website and bring it under more direct control. A small reserve has been retained for pending future developments.

The Drum Refurbishment Reserve was established to support works to upgrade our Drum stage and auditorium. Partly as a response to Covid-19 we have extended this project to allow for a much more flexible space. The balance on this fund represents the net book value of the refurbishment of the auditorium and will be reduced in line with the annual depreciation charge for the work.

In line with other organisations in the sector TRP is looking at ways in which we can harness the use of digital technology to create and share innovative work. As the cost of work of this nature is generally charged to individual projects we have reduced this reserve and retained a small contingency for research & development.

The MMI Fund represents funds designated for the MMI contingent liability. For further details see note 26.

The Trustees have been mindful of the challenges of the past couple of years. Staff Obligations is a fund designated to reflect the total obligation to staff in the event of TRP having to close. Although we are confident that we remain a going concern this sum has been separately calculated and identified as part of our reserves policy, to ensure that a correct minimum level of reserve is maintained during this still uncertain time.

A number of new reserves have been designated for specific planned events or changes, namely;

Anniversary Celebrations: TRP turns 40 in 2022 and in recognition of this we are planning a range of community events and activities to celebrate and share this milestone

Conversations: As part of our business plan for 2022-23 and reflecting Arts Council England's Let's Create 10 year strategy, we are undertaking facilitated conversations internally and with a wide range of external stakeholders to define our artistic ambition and structures. This will inform the business planning process for 2023 onwards, including the next NPO application.

Dressing Room Project: We have identified the need to improve accessibility to some of our dressing rooms and have set aside a fund to achieve this.

Governance Improvements: Following the recent resignation of two of our longstanding trustees and the imminent departure of our longstanding Chair we are looking to strengthen and expand our Board with a major recruiting campaign.

We have also considered our longer-term dilapidations (aside from our legal obligations covered by the provision in note 20) and cyclical repair liabilities. In the past these have been covered by our operating budgets but, as they can vary significantly from year to year, they can distort our core operating results so

21. STATEMENT OF FUNDS (CONTINUED)

we have designated a fund to provide for these over the next couple of years.

The Restricted Reserves represent amounts raised by or received from third parties for capital or revenue projects. Restricted Funds in respect of the Regeneration Project and the Production & Education Centre consist primarily of grants and donations. The grants are secured on the assets to which they relate and are repayable in certain circumstances.

Engagement & Learning restricted funds comprise the unspent portion of grants and fundraising for specific projects.

STATEMENT OF FUNDS (CONTINUED)

The Charity is extremely grateful to the following supporters of our wide ranging programme of Engagement & Learning activities:

Project/Funding	At 31 March 2021 £000	Income £000	Expenditure £000	At 31 March 2022 £000
	£000	£000	£000	£000
Our Space				
Big Lottery funding bfwd	25	-	-	**25**
Co-Creating Change Commission funding bfwd	23	-	-	**23**
Donations and other income	-	2	-	**2**
Big Lottery Fund	-	15	-	**15**
The Co-Creating Change Commission	-	6	-	**6**
London Marathon 2021 Donations	-	3	-	**3**
Expenditure	-	-	(40)	**(40)**
Funding carried forward	-	-	-	**34**
Funky Llama	-	-	-	**-**
Big Lottery funding bfwd	101	-	-	**101**
Big Lottery Fund	-	31	-	**31**
The Claire Milne Trust	-	10	-	**10**
Activity income	-	10	-	**10**
Expenditure	-	-	(97)	**(97)**
Funding carried forward	-	-	-	**55**
NT Connections	-	-	-	**-**
The National Theatre Funding bfwd	4	-	-	**4**
NT Connections	-	6	-	**6**
Expenditure	-	-	(5)	**(5)**
Funding carried forward	-	-	-	**5**
Dare to Dazzle	-	-	-	**-**
BBC Children in Need bfwd	15	-	-	**15**
BBC Children in Need	-	4	-	**4**
Expenditure	-	-	(6)	**(6)**

Funding carried forward	-	-	-	**13**
Young Company Create	-	-	-	**-**
BBC Children in Need bfwd	4	-	-	**4**
Donations and other income	-	1	-	**1**
Expenditure	-	-	(5)	**(5)**
Funding carried forward	-	-	-	**-**
Young Company Hubs	-	-	-	**-**
The Esmee Fairbairn Foundation funding bfwd	27	-	-	**27**
Donations and other income	-	1	-	**1**
The D'Oyly Carte Charitable Trust	-	2	-	**2**
The Bashir Hilton Foundation	-	1	-	**1**
The Joyce Fletcher Charitable Trust	-	3	-	**3**
Expenditure	-	-	(31)	**(31)**
Funding carried forward	-	-	-	**3**
The Lab Company	-	-	-	**-**
The Andrew Lloyd Webber Foundation funding bfwd	8	-	-	**8**
Expenditure	-	-	(7)	**(7)**
Funding carried forward	-	-	-	**1**
4 or More	-	-	-	**-**
The Ayla Suvern Collective bfwd	4	-	-	**4**
Funding carried forward	-	-	-	**4**
With Flying Colours	-	-	-	**-**
Arts Council England	320	-	-	**320**
Arts Council England funding bfwd	-	250	-	**250**
Expenditure	-	-	(264)	**(264)**
Funding carried forward	-	-	-	**306**
Tiny Tales Schools	-	-	-	**-**
Paul Hamblyn Foundation received 2022/23	-	-	(2)	**(2)**
Funding carried forward	-	-	-	**(2)**
Playhouse 2022	-	-	-	**-**
Funding carried forward	-	4	-	**4**
Mayflower - The National Heritage Lottery	-	-	-	**-**
National Heritage funding bfwd	15	-	-	**15**
Funding carried forward	-	-	-	**15**
Mayflower - Plymouth Culture	-	-	-	**-**
Plymouth Culture	-	30	-	**30**
Funding carried forward	-	-	-	**30**
Mayflower - Arts Council	-	-	-	**-**
Art of the Possible funding bfwd	8	(11)	3	**-**
Funding carried forward	-	-	-	**-**
TOTAL RESTRICTED	554	368	(454)	**468**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	772	10,341	**11,113**
Heritage assets	-	543	**543**
Current assets	10,515	32	**10,547**
Creditors due within one year	(6,734)	-	**(6,734)**
Creditors due in more than one year	(49)	-	**(49)**
Provisions for liabilities and charges	(240)	-	**(240)**
TOTAL	4,264	10,916	**15,180**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	465	10,764	11,229
Heritage assets	-	563	563
Current assets	7,919	336	8,255
Creditors due within one year	(3,727)	-	(3,727)
Creditors due in more than one year	(560)	-	(560)
Provisions for liabilities and charges	(308)	-	(308)
TOTAL	3,789	11,663	15,452

23. CONTINGENT LIABILITIES

During the 1990s the theatre entered into a mutual insurance agreement with Municipal Mutual Insurance (MMI). MMI has since entered into a Scheme of Arrangement and this Scheme has raised a levy on the total payments made under its policies as at December 2013. There has been no further action on these levies for several years and there have been no further demands for payment. There is a designated fund allocated to cover the possibility of any successful demand for payment.

24. PENSION COMMITMENTS

The Group operates two defined contributions pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £141,000 (2021: £153,000). Contributions totaling £24,000 (2021: £17,000) were payable to the fund at the reporting date and are included in creditors.

25. OPERATING LEASE COMMITMENTS

At 31 March 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Not later than 1 year	-	2	-	2

26. CONTINGENT ASSET

The Group has business interruption insurance and it has been confirmed that this will pay out as a result of interruption caused by Covid-19. At the year end no claims have been made. The indemnity period for the claim is for up to three years and claims will be made against this in the future.

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the Charity and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Charitiy Commission, and with the Charity's financial regulations and normal procurement procedures relating to related party transactions.

The following related party transactions took place in the period:

The Charity procured services amounting to £20,000 (2021: £Nil) from a company in which a director has an interest. The balance has been provided for at the year end.

28. CONTROLLING PARTY

The Group is controlled by the Board of Trustees.

THEATRE ROYAL (PLYMOUTH) LIMITED

England & Wales - Charity number 284545

Accounts

Registered number: 01560651
Charity number: 284545

THEATRE ROYAL (PLYMOUTH) LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Bishop Fleming

THEATRE ROYAL (PLYMOUTH) LIMITED

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Nicholas Buckland OBE, Chair Francis Drake Sarah Fysh Shona Godefroy Bronwen Lacey James Pidgeon Paul Woods Emma-Marie Huxham Imogen Kinchin
Company Registered Number	01560651
Charity Registered Number	284545
Registered Office	Theatre Royal Royal Parade Plymouth Devon PL1 2TR
Chief Executive	Adrian Vinken OBE
Independent Auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	NatWest St Andrew's Cross Plymouth PL4 0HY Lloyds Bank 8 Royal Parade Plymouth PL1 1LX
Solicitors	Womble Bond Dickinson Ballard House West Hoe Road Plymouth PL1 3AE

TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also directors of the company for the purposes of the Companies Act, present their report and the audited financial statements for the year ended 31 March 2021. The financial statements comply with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), the Charities Act 2011 and the Companies Act 2006.

How we manage our affairs

The company number is 01560651 and registered charity number is 284545. The registered address is Theatre Royal Plymouth, Royal Parade, Plymouth, Devon, PL1 2TR.

The Trustees who served in the year were:

Nicholas Buckland OBE, Chair
Francis Drake, re-elected for one year, 27 Sept 2020
Sarah Fysh
Shona Godefroy
Emma-Marie Huxham
Imogen Kinchin
Bronwen Lacey
James Pidgeon
Paul Woods, re-elected for one year, 27 Sept 2020

Day-to-day management of the Charity is delegated to the Senior Management Team (SMT), who are:

Adrian Vinken OBE, Chief Executive
Helen Costello, Operations Director
Marianne Locatori, Strategic Projects Director
Mandy Precious, Engagement & Learning Director
Dylan Tozer, Audience & Communications Director

The Board of Trustees and SMT are supported by the following professional advisers:

Solicitors: Womble Bond Dickinson, Ballard House, West Hoe Road, Plymouth, PL1 3AE
Bankers: (Current accounts) NatWest, St Andrew's Cross, Plymouth, PL4 0HY
(Deposit accounts) Lloyds, 8 Royal Parade, Plymouth, PL1 1LX
Auditor: Bishop Fleming LLP, Salt Quay House, Plymouth PL4 0BN

How we govern ourselves

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association. On 12 May 2020, the Memorandum and Articles of Association were amended to ensure that meetings of the Board could take place virtually as well as 'in person'. Trustees are appointed by resolution of the Board of Trustees.

The Board of Trustees, acting in a voluntary capacity, has legal responsibility for the effective use of resources in meeting the Theatre's mission, deciding policy and for providing leadership and direction. It meets at least four times a year. There are three Committees which report directly to the Board: Audit & Risk, Inclusion & Diversity and Nominations. The Audit & Risk Committee meets up to four times a year. The Nominations Committee meets once a year plus further meetings depending on the recruitment needs of the Board. The Inclusion & Diversity Committee report to the Board according to the development and progress of the Inclusion & Diversity action plan.

Trustees serve for a three-year term, after which they are eligible for re-election. Trustees are able to complete three terms before standing down completely. There is also provision for Trustees to extend their term by one year under special circumstances. Due to the exceptional impact of the Coronavirus pandemic,

this provision has been used to extend the term of two Trustees who were due for retirement in September 2020. New Trustees are selected through open recruitment, which includes advertisement in the regional press and social media. The Nominations Committee has a specific brief to consider the diversity of the Board in any Trustee recruitment, in line with the organisation's core values. In addition, particular emphasis is placed, at the time of recruitment, on appointing individuals who can fulfil any identified skill gaps within the Trustee body. New appointees and existing Trustees are provided with an induction programme and, where appropriate, a range of other training opportunities to help them meet their responsibilities.

The Charity has a Senior Management Team (SMT) which reports directly to the Board of Trustees. The SMT is responsible for operational decision-making with guidance and approval for strategic decisions provided by the Trustees. The Chief Executive has been delegated with responsibility for the day-to-day management of the Theatre.

The remuneration level for key management personnel is set at the point of recruitment with reference to national market rates within the cultural economy. Thereafter, rates are subject to annual review in the same way as the rest of the organisation. The Charity pays employees in line with the Real Living Wage and is structuring a new house agreement with the Broadcasting, Entertainment, Communications and Theatre Union (BECTU) on this basis.

The Theatre has one subsidiary undertaking, Talklight Limited. This company provides catering and retail facilities, and management services to the Theatre Royal (Plymouth) Limited. Talklight Limited generated no operating profit in the year (2019: £307k). Usually all profits are passed to the Charity under the gift aid regulations. For last year only, a proportion (rather than 100%) of profits was gift aided to allow a reserve to build within Talklight Limited to cover the financial effects of the Coronavirus pandemic on the company. This year there will be no gift aid as Talklight Limited has not operated at profit during the period.

The Charity maintains a corporate risk register which is embedded throughout the organisation. The risks and mitigation plans are subject to regular review by departmental heads, SMT and onward review by the Trustees via the Audit & Risk Committee. The review of the risk register, together with the monitoring of risk, both operational and strategic, by the Board of Trustees ensures that adequate and suitable controls are in place to mitigate known risks. The activities of the Audit & Risk Committee ensure that risk is managed in a positive and responsible manner. The Charity undertakes a programme of targeted internal audits using specialist support where necessary, to support risk mitigation.

As permitted by the Articles of Association, the Trustees (as directors) have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Whilst the Trustees and SMT have many connections within the local community and the wider theatre industry, they are not in a position to influence any commercial transactions between the Charity and these other parties.

Our charitable aims

The primary objectives of the Charity are to provide art, education and community engagement throughout Plymouth and the wider region.

The Charity's vision is to engage and inspire the many communities of the South West, touching the lives and interests of people from every background. It also aims to provide dynamic cultural leadership for Plymouth, stimulating and serving the city's ambition, interests, and identity.
Due to the pandemic, the Charity has found new and innovative ways to fulfil its charitable aims and serve the communities of the South West during a period of great need. Whilst the stages have been closed for much of 2020-21, community engagement has been moved on-line. Many Trusts & Foundations have been

understanding and flexible in their support of alternative delivery methods and timescales. Whilst producing work on our stages has been severely hit by the constraints of the last year, the wider activity of community engagement and talent development for emerging and developing artists has continued.
In setting objectives and making plans for the Charity, the Trustees have had due regard for the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity' (PB2).
Fundraising is managed by our in-house team and is either general support via Friends, Ambassadors and Corporate Sponsors or is public fundraising for specific purposes. We keep supporters' data secure and do not sell it or share it for marketing purposes. We have voluntarily registered with the Fundraising Regulator.
Although our doors were not open, we maintained contact with a loyal and enthusiastic group of volunteers with a weekly email (called TR3) which kept everyone (staff and volunteers) informed of what was happening and gave a platform for shared communications.

Achievements in the year

In the last part of March 2020, the UK was engulfed by the Coronavirus pandemic and TRP closed its doors temporarily on 21 March 2020, under the Health Protection (Coronavirus, Business Cover) Regulations 2020. A positive decision was taken to continue programming the stages to ensure that, when the moment was right, we could re-open with vibrant, quality performances. This involved a considerable amount of communication, collaboration, and rescheduling.

The highlights of the year included….

On stage

Working closely with Qdos and supported by the National Lottery, the annual panto went ahead despite all the challenges of the pandemic. *Robinson Crusoe* performed to socially distanced audiences, whilst in the Drum families enjoyed *The Gingerbread Man* (Stuff & Nonsense) and *The Thing That Came From Over There* (Gonzo Moose). Nearly 16,000 people enjoyed the shows before TRP was forced to close its doors once again, just a couple of days before the runs were due to end. The response from our audiences was superb with everyone feeling safe and enjoying some festive cheer after a difficult period.
The downtime provided an opportunity to continue relationships with companies such as Paines Plough, Frantic Assembly and Francesca Moody Productions, building exciting co-production opportunities for 2021-22.

Talent Development

Our Talent Development Producer continued to support the work of early career artists and many individuals who have historically not been able to access more formal development programmes. The Lab Company (a year-long training programme for theatre-makers at the start of their career) met regularly, digitally, and began to create exciting new work, which will be presented in the Lab in July this year.

Further work continued with the Eggbox (our writers' development programme), with six diverse writers: (Alix Harris/Daisy Higman/Al Roberts/Sam Parker/Hattie Collins/Mich Sanderson) receiving ongoing support to develop their work.

We continued our support of the Lab Associates (a year-long, funded attachment for theatre-makers) who will now bring pieces to the drum in 2021-22.

We supported digital performances of Kill the Cat's *The House Never Wins*, an interactive show about climate change. We delivered online mentoring with diverse artists including Ferri Feredouni, Michael Brooks and Toluwalope Fagbayi and collaborated on small scale, community led commissions with our partners, Plymouth Community Homes.

We provided support and space for the Art Weekender, which offered intriguing visual art in our windows, even whilst closed.

Engagement and Learning

The Big Lottery, BBC Children In Need, the Esmée Fairbairn Foundation, the Co-Creating Change Commission, the National Theatre, the Ragdoll Foundation and the Norman Family Charitable Trust all gave generously to support continuous work in the strange circumstances of this year. This meant that amongst other projects the workshops for Voices (choir), the Young Company and the Young Company Hubs (bringing youth theatre to local secondary schools) were all able to continue to meet throughout the year, either live (when permissible) or on screen. This was a massive achievement in the context of a pandemic.

We ran a summer school in Devonport Park, taking advantage of the lull in restrictions and reconnecting with young people at the first opportunity.

Our Space (for people living with multiple and complex needs) met even more regularly than normal to reflect the needs of this particular group. Attendance was always good and by co-creating change, enabled some adults to become Engagement & Learning practitioners. Their work culminated with an e-book reflecting their lockdown experience through poetry, prose, and pictures.

Funky Llama (a platform for disabled artists) met regularly, mostly on-line due to the vulnerability of the group. In February we hosted our most successful *Funky Llama Club Night* with 663 participants enjoying the virtual experience, including people joining in from the USA.

The *With Flying Colours* programme, funded by Arts Council England, continued, enabling us to work with local schools where possible under lockdown conditions.

Financial review

The financial review should be read in the context of the current Coronavirus pandemic, during which theatres across the UK have closed their doors. Throughout the last year we worked on a rolling programme basis, attempting to reschedule rather than cancel performances and activities in the hope that we could be ready at short notice to recommence.

We were successful in our bids for the ACE Emergency Fund, Culture Recovery Fund Round 1 and (post year-end) Culture Recovery Fund Round 2. The enormous support of Arts Council England (ACE) and the Department for Culture, Media & Sport has enabled us to weather the storm. This means that, as audiences slowly return in 2021-22, we still have sufficient reserves potentially to manage a year of below average audience attendance.

Plymouth City Council and ACE both continued their annual commitment to the theatre providing much appreciated, essential funds during this difficult year.

In addition, we have used the Coronavirus Job Retention Scheme to retain staff (and the associated skills) to ensure we were able to reopen when it was safe and permissible to do so.

At the end of the year we received a generous grant from The Garfield Weston Foundation to develop, produce and stage a musical based on the NHS – *NHS – The Musical*. This is programmed for later in 2021.

During the year we continued to work closely with The Results Group (TRG) to sustain our customer loyalty. Much of this work centred on ticket purchasing which continued despite the absence of work on the stages. The work also considered how the Development department engages with our corporate sponsors and members. This resulted in an Emergency Appeal which realised over £140k. Further work will now need to be done to understand the impact of the pandemic on our corporate sponsors' ability to support the Charity in the longer term and the more general impact of economic uncertainty on our audiences and other supporters. Much as the Lyric depends on producer confidence, so Commercial Build is subject to the strength and confidence of the West End and the cultural confidence of the country. After introducing a Covid-secure working environment, Commercial Build has continued to function for most of the year. Work has been slow

and laborious with social distancing and continuous cleaning but during the year sets were built for *Matthew Bourne's Nutcracker*, *Hairspray* (at the London Coliseum) and *Oliver* (for Cameron Mackintosh Ltd). Several scenic workshops have closed their doors for good and now, as we emerge from the pandemic, the lack of capacity in the industry is starting to be felt. A large amount of personal protective equipment stocked by Commercial Build was donated to the NHS during the first phase of the pandemic.
In considering both cost reduction and the re-opening needs of theatre, TRP went into redundancy consultation in August 2020. 110 staff were made redundant from across virtually all departments. This was a shattering experience for the whole organisation, a theatre that works so collaboratively and values every team.

Catering & Retail has been unable to trade during the year. The whole team was part of the redundancy consultation process. The stock held at 1 April 2020 was given to several local charities dealing with homelessness and food poverty. Usually Talklight Ltd (the Catering & Retail trading subsidiary) would gift aid profits to the Charity. In 2019-20 some profits were retained to create a reserve to cover any potential trading losses in 2020-21. Catering & Retail is an essential part of the business model for TRP. It will be re-established as soon as economically and physically viable.

Our Engagement & Learning work is a principal charitable purpose and creates a gateway into our talent development work. We invested £349k in this work (including talent development) and many other significant, individual projects were supported by generous Trusts & Foundations as detailed in note 22 to these accounts. These grants are essential to the continuation of this wide-reaching work, allowing both range and reach to be expanded. We are grateful that Trusts & Foundations have continued to support us during the pandemic both with the granting of funds and with the flexibility of conditions, allowing us to deliver in new or digital formats. Where grants are given for specific projects they are held within restricted funds (see below).

We used the period of closure to carry out a number of long-awaited and overdue infrastructure projects. These projects are not possible when the theatre is in 'show mode':

- A new entry system at both sites
- Construction of an access ramp in the basement
- Refurbishments of many of the dressing rooms

In January 2020 we made a substantial investment in the IT infrastructure of the Charity. Upgrading telephony, hardware and software means we were able to maintain our key functions with teams working from home for the whole of 2020-21. The timing of the upgrade, in retrospect, could not have been more fortuitous.

During the year we considered the potential impact of Brexit. Whilst the long-term implications (for example, for VAT, theatre tax relief and ACE funding) are as yet unquantifiable, we are satisfied that the immediate impact on the Charity is minimal and does not pose a substantial risk to the on-going operation of the theatre.
The Charity has a general fund reserve (unrestricted) of £1.2m (2020: £1.7m). The level of the reserves is reviewed annually and is considered to be the appropriate level of funds, as determined by the Board of Trustees, required to meet the Charity's artistic, creative and social objectives for a period of eighteen months and recognises any additional known financial risks for the organisation. The Trustees have agreed that at no point should the total designated and unrestricted reserves fall below the funds required to wind up the Charity. At 31 March 2021 this minimum amount was £1.3m.

Designated funds are unrestricted funds that have been earmarked by the Board of Trustees for particular purposes. Designated reserves have been created to fund significant projects that all support the Charity's objectives and that will ensure the organisation and its assets are in good shape for the future.
With the arrival of the Coronavirus pandemic and a period of uncertainty, the designated reserves have been reviewed by the Board of Trustees and certain reserves have been highlighted as available for general use if the need arises. The use of these designated reserves would result in the delay or cancellation of planned projects.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Restricted funds are to be used for specific purposes. These funds have been generated by capital projects such as the building of the Charity's Production & Learning Centre at TR2, a Capital Appeal, the Regeneration Project and the TRAC Legacy and as such they will cover the future depreciation of the resulting assets. Restricted funds also include specific grants provided for Engagement & Learning work. The use of these funds is restricted by the original intent of the donation or grant funding.
Further details about the reserves held can be found in note 22 to these accounts. The Board of Trustees agreed (as part of the business plan for 2018-22) that any surpluses in the year, over and above the required general funds, will be set aside to fund our own producing. This is shown as 'Deferred Artistic Funds' and will support a planned programme of work, subject to the development of the impact of the pandemic.

By monitoring cash flow, an assessment of short to medium cash needs allows the surplus to be invested. The Charity seeks to produce the best financial return within a low risk environment. As a proportion of the assets are held pending payment on to third parties, capital preservation is of paramount importance. Deposits are placed with Lloyds on varying timescales (32 days to one year).

In delivering the charitable objectives, the Trustees are mindful of the risks involved and have reviewed these risks and the plans to mitigate them, as part of the overall planning process. The Risk Register is reviewed regularly by both the Senior Management and the Trustees. The pandemic touches all parts of the Charity's ambitions and operations and is implicit within all areas of risk that have been identified.

Key identified risks are:

Failure to maintain the quality and diversity of the artistic programme, mitigated by:
- Moving to online delivery either via partners or to appropriately Covid-secure environments
- Regular discussion and feedback with funding partners and industry-wide collaboration
- Recognising the interplay of talent development with the progression of the artistic programme. Plans are being formulated for future years which will require creative and innovative ways of producing to ensure that resources are used to maximum affect.
- Continuing to actively programme the Lyric and Drum so that performance can begin again as soon as it is safe and legal to do so.
- Regular discussion and review by the Producers Group

Outbreak of infectious disease, mitigated by:
- Sanitation and temperature checking on entry to TRP
- All staff being in bubbles to minimise chances of cross contamination and reduce impact of any self-isolation
- Continued working from home and hybrid working
- Education of staff (via the C-19 policy) to recognise symptoms and respond correctly

Sudden loss of show income, mitigated by:
- Strong relationships with producers, allowing agreement of force majeure where appropriate and necessary
- Strong relationship with funding bodies to support exceptional losses
- Business Interruption insurance
- Government schemes for business support during the pandemic

Significant use of reserves, mitigated by:
- Regular review of reserves by the Board
- Increased frequency of reforecasting the budget
- Applications to all potential emergency funding sources

Looking forward

The Coronavirus pandemic has impacted the delivery of the 2018-22 business plan in 2020-21 and is likely to continue to do so (to a greater or lesser extent) for the next year or two. Whilst the core ambitions and objectives are unchanged, the scale, method and timing of delivery will have to respond to the exceptional environment in which we find ourselves.

TRP is now working on a business plan for 2022-23 which will form a transition to the longer-term business plan for 2023-27. This allows for adjustment to a post-pandemic world and recognition of all the learnings of the last year. It also provides an opportunity to ensure complete alignment with the Let's Create ten-year strategy of ACE.

Engagement work has always been central to TRP's activity whether it is engagement with audiences, creatives, companies, community, or industry. Now there is potential to join up all these strands so that engagement runs horizontally and vertically through all elements of our work whether it is a co-production or a community group. There are exciting plans afoot.

The following plans are crucial to the success of the Charity in fulfilling its charitable objectives:

We will help provide 'Great Art for Everyone' in the region. We usually do this by maintaining an exceptionally broad and diverse spectrum of work on our stages and in our community. With the constraints of the pandemic we have continued to offer this through digital platforms and (when permitted) outdoor events. The timing of this work in the coming year is uncertain but the active programming that we continue to carry out will ensure that when it is safe and legal to do so we will be able to deliver a valuable programme of quality musicals, dance and plays.

We will support a comprehensive talent development pathway, consolidating existing initiatives and developing new programmes, where possible. This will see more investment in the Lab and a clear ambition to support the development of work for the Drum.

We will increase audience engagement, consistently seeking out new audiences for a wide spectrum of work and drive deeper engagement with existing audiences. The use of digital technology will support this work, increasing the Charity's relevance and reach and encouraging diversity.

We will aim to exemplify Plymouth's growing cultural confidence. Whilst travel restrictions have thwarted our ambitions to be part of the international Mayflower celebrations, we remain committed to a new, large-scale Mayflower community production, in respect of these celebrations, involving Plymouth and US participants. We will continue to seek opportunities to exploit the focus that *Messenger* (our Joseph Hillier sculpture) has brought to Plymouth.

The Board of Trustees will review the Charity's current leadership arrangements and oversee the succession of its current leadership for a smooth transition. Following the year end a far-reaching recruitment process was carried out for new leadership.

We will implement best practice in diversifying the workforce and Board of Trustees in the context of the regional demography. The Charity has set up an Inclusivity and Diversity Sub-Committee to drive this ambition and will set realistic targets for achieving this diversification, ensuring that both the workforce and the Board are reflective of the community.

We will demonstrate operational resilience by balancing the revenue account in the face of potential reduced public funding, the devastating impact of the pandemic and potential loss of audience confidence.

2020-21 is the third year of our four-year funding agreement with Arts Council England (ACE). This provides £1.1m each year, being a standstill position compared to the previous funding agreement. In addition, to

counter the impacts of the pandemic, ACE provided a further £728k of CRF2 funding after the year end to support TRP until such time live theatre performances can take place without social distancing.

2020-21 is also the final year of a four-year agreement with Plymouth City Council (PCC) which provides £415k each year. PCC has indicated a willingness to continue funding TRP in future years, although at a reduced level of £315k. We will continue to demonstrate to the leadership of PCC the value that TRP brings to Plymouth and seek an on-going commitment from PCC.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware; and
- that Trustee has taken all the steps that ought to have taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.
Approved by order of the Board of Trustees and signed on its behalf by

Nicholas Buckland OBE
Chairman

Theatre Royal (Plymouth) Limited
Theatre Royal
Royal Parade
Plymouth
PL1 2TR

DATE 20.7.2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

Nicholas Buckland OBE
(Chair of Trustees)
Date: 20 July 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED

Opinion

We have audited the financial statements of Theatre Royal (Plymouth) Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account), the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE ROYAL (PLYMOUTH) LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 is detailed below:

The procedures undertaken in order to identify and assess risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, are as follows:

- We have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the the Board about their own identification and assessment of the risk of irregularities;
- For any matters identified we have obtained and reviewed the parent charitable company's documentation of their policies and procedures relating to;
  - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
  - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team, including internal tax specialists regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Group and Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Group and Company's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, licensing acts and employment legislation.

Audit response to risks identified

As a result of performing the above procedures, we have completeness and cut-off of revenue recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;

- Considering manual income journals as part of our work on fraud risks documented above;
- Reviewing the financial statement disclosures and testing to supporting documentation;
- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement;
- Reading minutes of meetings of those charged with governance; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 an 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 would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Pamela Tuckett FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House

4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

23 July 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from:					
Donations and legacies	4	**4,363**	**2,601**	**6,964**	2,626
Charitable activities		**883**	**-**	**883**	12,325
Other trading activities	6	**-**	**-**	**-**	1,632
Investments	7	**4**	**-**	**4**	75
Total income		**5,250**	**2,601**	**7,851**	16,658
Expenditure on:					
Raising funds		**447**	**-**	**447**	1,463
Charitable activities	8	**4,509**	**2,663**	**7,172**	15,741
Total expenditure		**4,956**	**2,663**	**7,619**	17,204
Net movement in funds		**294**	**(62)**	**232**	(546)
Reconciliation of funds:					
Total funds brought forward		**3,495**	**11,725**	**15,220**	15,766
Net movement in funds		**294**	**(62)**	**232**	(546)
Total funds carried forward		**3,789**	**11,663**	**15,452**	15,220

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 45 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
REGISTERED NUMBER:01560651

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note		2021 £000		2020 £000
Fixed assets					
Tangible assets	13		**11,229**		11,747
Heritage assets	14		**563**		583
			11,792		12,330
Current assets					
Stocks	16	**42**		68	
Debtors	17	**360**		263	
Cash at bank and in hand		**7,853**		6,991	
		8,255		7,322	
Creditors: amounts falling due within one year	18	**(3,727)**		(2,795)	
Net current assets			**4,528**		4,527
Total assets less current liabilities			**16,320**		16,857
Creditors: amounts falling due after more than one year	19		**(560)**		(1,370)
Provisions for liabilities			**(308)**		(267)
Total net assets			**15,452**		15,220
Charity funds					
Restricted funds	21		**11,663**		11,725
Unrestricted funds					
Designated funds	21	**2,637**		1,716	
General funds	21	**1,152**		1,779	
Total unrestricted funds	21		**3,789**		3,495
Total funds			**15,452**		15,220

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Nicholas Buckland OBE
(Chair of Trustees)
Date: 20 July 2021

The notes on pages 20 to 45 form part of these financial statements.

THEATRE ROYAL (PLYMOUTH) LIMITED
REGISTERED NUMBER:01560651

COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2021

	Note		2021 £000		2020 £000
Fixed assets					
Tangible assets	13		**11,229**		11,746
Heritage assets	14		**563**		583
Investments	15		**-**		-
			11,792		12,329
Current assets					
Stocks	16	**37**		40	
Debtors	17	**372**		258	
Cash at bank and in hand		**7,836**		6,966	
		8,245		7,264	
Creditors: amounts falling due within one year	18	**(3,724)**		(3,043)	
Net current assets			**4,521**		4,221
Total assets less current liabilities			**16,313**		16,550
Creditors: amounts falling due after more than one year	19		**(560)**		(1,370)
Provisions for liabilities			**(308)**		(267)
Total net assets			**15,445**		14,913

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

	Note		2021 £000		2020 £000
Charity funds					
Restricted funds	21		**11,663**		11,725
Unrestricted funds					
Designated funds	21	**2,637**		1,553	
General funds	21	**1,145**		1,635	
Total unrestricted funds	21		**3,782**		3,188
Total funds			**15,445**		14,913

The Company's net movement in funds for the year was £532 (2020 - £(477)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Nicholas Buckland OBE
(Chair of Trustees)
Date: 20 July 2021

The notes on pages 20 to 45 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £000	2020 £000
Cash flows from operating activities		
Net cash used in operating activities	**1,064**	(2,018)
Cash flows from investing activities		
Dividends, interests and rents from investments	**4**	75
Purchase of tangible fixed assets	**(206)**	(484)
Net cash used in investing activities	**(202)**	**(409)**
Change in cash and cash equivalents in the year	**862**	**(2,427)**
Cash and cash equivalents at the beginning of the year	**6,991**	9,418
Cash and cash equivalents at the end of the year	**7,853**	6,991

The notes on pages 20 to 45 form part of these financial statements

1. GENERAL INFORMATION

The company is limited by guarantee and has no issued share capital. The liability of its members shall not exceed £1 each. The registered office address is Theatre Royal, Royal Parade, Plymouth, Devon, PL1 2TR.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Theatre Royal (Plymouth) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) (SOFA) and Consolidated Statement of Financial Position consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements use British Pounds Sterling as the presentational currency, and are rounded to the nearest £1,000 throughout.

2. ACCOUNTING POLICIES (continued)

2.2 GOING CONCERN

The Trustees and Executive have completed detailed cash flow forecasts and budgets that support the going concern basis for these accounts. Covid-19 has had a significant impact on the theatre sector. The stages of TRP were closed for most of the year to 31 March 2021 with productions over a reduced Christmas period being the only staged events. Engagement and Learning work and some set build work has continued but the stages have remained dark for most of the time.

Generous contributions and support in the form of the Arts Council England's Emergency Fund, the Culture Recovery Fund, job support through the Coronavirus Job Retention Scheme and generous donations from supporters have enabled the Theatre to retain a level of reserves which will be invaluable as it begins to rebuild activity on its stages. Although the Theatre had to go through the unprecedented and painful experience of making posts redundant in order to reduce its cost base, through the CJRS the Theatre has been able to retain many of its core team many of whom have skills and experience particular to the sector and difficult to re-recruit.

The forecasts include key assumptions based on the current programme which includes a significant number of deferred productions for which ticket sales have already been made. Although the Theatre has, since April 2021, still had periods when it has not been able to open and then reopen but with socially distanced audiences, the gradual lifting of restrictions leads to he expectation of a return to fuller houses and economically viable productions which will enable it to continue as a going concern.

The following assumptions must be understood in forming this opinion;

• As Covid-19 restrictions are lifted the Theatre will be able to reopen to potentially full capacity. To ensure that the going concern accounting basis is reasonable the cashflow forecasts recognise that some productions will experience limited capacity until confidence levels begin to rise across all of our audiences.

- All advanced ticket sales are ringfenced to ensure that any refunds, if they are needed, do not impact on the working capital of the Theatre.

- The past year has underlined the strong relationship with Arts Council England (ACE) and Plymouth City Council. Generous and continued funding has enabled the Charity to continue to meet its objectives, albeit at a different level of activity, even in difficult conditions. ACE recognises the cultural importance of TRP in the geographical region and by this support has taken a positive view of the long-term viability of the Theatre.

- Through the exercise of redundancy, the Theatre has been able to reduce its cost base and can now look to recruit into roles which are aligned to its needs and developing Business Plan. This will be a steady and methodical process which will develop a structure and skills base suited to the challenges and opportunities that lie ahead.

- The group has sufficient cash reserves which are being monitored and managed actively. The ringfenced funds will enable the group to repay tickets, keep restricted funds ringfenced and meet additional redundancy obligations, including full scale redundancy should it be required.

- The group is covered by a business interruption insurance policy extension which provides for cover over a three-year period from March 2020. Its insurers have confirmed that this policy does provide cover for Covid-19 business interruption, but the timing and value of the claim is not yet known.

2. ACCOUNTING POLICIES (continued)

2.2 GOING CONCERN (CONTINUED)

2.3 INCOME

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Between 10 and 50 years
Equipment & Motor Vehicles	- Between 3 and 15 years

2.7 HERITAGE ASSETS

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The estimated useful life is:

Heritage Assets	- 30 years

2. ACCOUNTING POLICIES (continued)

2.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account).

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 STOCKS

Stocks are valued on a first in first out basis at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) as a finance cost.

2.13 FINANCIAL INSTRUMENTS

The Group 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) on a straight line basis over the lease term.

2. ACCOUNTING POLICIES (continued)

2.15 PENSIONS

The Group operates two defined contribution pension schemes and the pension charge represents the amounts payable by the Group to the funds in respect of the year.

2.16 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future, including provisions recognised and the useful life of assets. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Provisions in their nature have a degree of estimation uncertainty due to their size and nature. Management use their knowledge and previous experience to best estimate the amount of provisions on future loss making shows and for delapidations and repairs required under the terms of property leases.

The estimated useful life of heritage assets has been based on management's best estimate. However, it is subject to uncertainty given the types of assets held.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
GRANTS			
Arts Council England - Core	1,207	-	**1,207**
Arts Council England - Emergency Funding	806	-	**806**
Arts Council England - Culture Recovery Fund	1,683	-	**1,683**
Arts Council England - Other	5	-	**5**
Plymouth City Council	415	-	**415**
Engagement & Learning grants	-	480	**480**
CJRS Grants	-	1,810	**1,810**
Garfield Weston Foundation	-	301	**301**
Donations	161	-	**161**
Other grants	1	-	**1**
Development income	85	10	**95**
	4,363	2,601	**6,964**

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
GRANTS			
Arts Council England	1,185	-	1,185
Plymouth City Council	415	-	415
Engagement & Learning grants	-	640	640
Donations	33	28	61
Other grants	21	-	21
Development income	294	10	304
	1,948	678	2,626

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Box office	365	**365**	12,215
Theatre rentals	113	**113**	86
Co-producers' contributions	2	**2**	37
Commercial build activity	364	**364**	1,238
Education	-	**-**	3
Other	39	**39**	78
TOTAL 2021	883	**883**	13,657

All of the prior year amounts were unrestricted.

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Total funds 2021 £000	Total funds 2020 £000
Catering & retailing	**-**	1,629
Other income	**-**	3
	-	1,632

7. INVESTMENT INCOME

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Investment income	4	**4**	75

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2021 £000	**Restricted funds 2021 £000**	**Total funds 2021 £000**
Theatre productions and education	4,509	2,663	**7,172**

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Theatre productions and education	14,645	1,096	15,741

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £000	**Support costs 2021 £000**	**Total funds 2021 £000**
Theatre productions and education	4,924	2,248	**7,172**

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000
Theatre productions and education	13,345	2,396	15,741

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £000	Total funds 2020 £000
Staff costs	**1,205**	1,360
Depreciation	**706**	715
Marketing, development and hospitality	**17**	80
Finance	**124**	116
Cleaning	**25**	67
IT and administration	**104**	223
Release of MMI provision (see note 20)	**-**	(205)
Loss of disposal of fixed assets	**38**	-
Governance costs	**29**	40
	2,248	2,396

10. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £21,000 *(*2020 - £24,000*)*, and non-audit services comprising corporation tax computations and financial statement preparation of £8,000 (2020 - £12,000).

11. STAFF COSTS

	Group 2021 £000	Group 2020 £000	**Company 2021 £000**	Company 2020 £000
Wages and salaries	**3,964**	4,876	**3,652**	4,256
Social security costs	**284**	382	**271**	348
Contribution to defined contribution pension schemes	**136**	168	**129**	153
	4,384	5,426	**4,052**	4,757

11. STAFF COSTS (CONTINUED)

The average number of persons employed by the Company during the year was as follows:

	Group 2021 No.	Group 2020 No.	**Company 2021 No.**	Company 2020 No.
Management and administration	**24**	25	**24**	25
Venue staff	**20**	18	**20**	18
Production staff	**53**	51	**53**	51
Catering staff	**62**	65	**-**	-
Cast	**-**	2	**-**	2
Part-time and casual staff	**151**	144	**151**	144
	310	305	**248**	240

The average headcount expressed as full-time equivalents was:

	Group 2021 No.	Group 2020 No.	**Company 2021 No.**	Company 2020 No.
Management and administration	**19**	23	**19**	23
Venue staff	**15**	20	**15**	20
Production staff	**50**	53	**50**	53
Catering staff	**6**	18	**-**	-
Part-time and casual staff	**63**	69	**63**	69
	153	183	**147**	165

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £70,001 - £80,000	**1**	1
In the band £140,001 - £150,000	**-**	1
In the band £210,001 - £220,000	**1**	1

Total remuneration paid to key management personnel (defined as executive director and senior managers who held office for all or part of the year) amounted to £402,932 (2020: £460,000).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

13. TANGIBLE FIXED ASSETS

GROUP

	Long-term leasehold property £000	Equipment & Motor Vehicles £000	Total £000
COST			
At 1 April 2020	**18,097**	**2,087**	**20,184**
Additions	**22**	**184**	**206**
Disposals	**(50)**	**-**	**(50)**
At 31 March 2021	**18,069**	**2,271**	**20,340**
DEPRECIATION			
At 1 April 2020	**6,990**	**1,447**	**8,437**
Charge for the year	**523**	**163**	**686**
On disposals	**(12)**	**-**	**(12)**
At 31 March 2021	**7,501**	**1,610**	**9,111**
NET BOOK VALUE			
At 31 March 2021	**10,568**	**661**	**11,229**
At 31 March 2020	11,107	640	11,747

13. TANGIBLE FIXED ASSETS (CONTINUED)

COMPANY

	Long-term leasehold property £000	Equipment & Motor Vehicles £000	Total £000
COST			
At 1 April 2020	**18,097**	**2,079**	**20,176**
Additions	**22**	**184**	**206**
Disposals	**(50)**	**-**	**(50)**
At 31 March 2021	**18,069**	**2,263**	**20,332**
DEPRECIATION			
At 1 April 2020	**6,990**	**1,439**	**8,429**
Charge for the year	**523**	**163**	**686**
On disposals	**(12)**	**-**	**(12)**
At 31 March 2021	**7,501**	**1,602**	**9,103**
NET BOOK VALUE			
At 31 March 2021	**10,568**	**661**	**11,229**
At 31 March 2020	11,107	640	11,747

14. HERITAGE ASSETS

GROUP AND COMPANY

Assets recognised at cost

	Heritage asset 2021 £000
Carrying value at 1 April 2020	583
Depreciation	(20)
Net book value at 31 March 2020	563

Analysis of heritage asset transactions

14. HERITAGE ASSETS (CONTINUED)

GROUP AND COMPANY

	2021 £000	2020 £000	2019 £000	2018 £000	2017 £000
PURCHASES					
Heritage asset	-	25	-	-	-
TOTAL ADDITIONS	-	25	-	-	-
CHARGE FOR DEPRECIATION					
Heritage asset	(20)	(20)	-	-	-
TOTAL CHARGE FOR IMPAIRMENT	(20)	(20)	-	-	-

15. FIXED ASSET INVESTMENTS

PRINCIPAL SUBSIDIARY

The following was a subsidiary of the Charity:

Names	Company number	Holding	Registered office or principal place of business
Talklight Limited	01572960	100%	Theatre Royal, Royal Parade, Plymouth, PL1 2TR

Principal activity	Class of shares	Included in consolidation
The company provides retailing, bar, and catering facilities.	Ordinary	Yes

The financial results of the subsidiary for the year were:

Names	Income £000	Expenditure £000	Loss for the period £000	Net assets £000
Talklight Limited	**230**	**(366)**	**(136)**	**9**

16. STOCKS

	Group 2021 £000	Group 2020 £000	**Company 2021 £000**	Company 2020 £000
Finished goods and goods for resale	**42**	68	**37**	40

17. DEBTORS

	Group 2021 £000	Group 2020 £000	**Company 2021 £000**	Company 2020 £000
DUE WITHIN ONE YEAR				
Trade debtors	**147**	178	**147**	176
Amounts owed by group undertakings	**-**	-	**17**	-
Other debtors	**165**	16	**160**	13
Prepayments and accrued income	**48**	69	**48**	69
	360	263	**372**	258

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £000	Group 2020 £000	**Company 2021 £000**	Company 2020 £000
Trade creditors	**42**	406	**42**	384
Amounts owed to group undertakings	**-**	-	**-**	296
Other taxation and social security	**531**	444	**531**	437
Other creditors	**591**	989	**590**	988
Accruals and deferred income	**2,563**	956	**2,561**	938
	3,727	2,795	**3,724**	3,043

Deferred income represents money received in advance for tickets to shows taking place in a future period. Deferred ticket sales have been split out between over and under 1 year where appropriate with refrence to the Theatre programme.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2021 £000	Group 2020 £000	**Company 2021 £000**	Company 2020 £000
Accruals and deferred income	**560**	1,370	**560**	1,370

20. PROVISIONS

GROUP AND COMPANY

	Dilapidation Provisions £000	Show Provisions £000	Total £000
At 1 April 2020	**141**	**126**	**267**
Additions	**-**	**167**	**167**
Amounts used	**-**	**(126)**	**(126)**
	141	**167**	**308**

Dilapidation provisions are made to account for expenditure necessary to ensure leased buildings are returned in accordance with the terms of the lease contract.

Show provisions are made in respect of contracted shows where the Trustees' best estimate indicates a forecast deficit.

The provisions are by nature estimates and as such the actual amount of expenditure may vary from that provided for above.

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2021 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Capacity Building	187	-	(45)	-	142
Deferred Artistic Funds	524	-	-	-	524
Cultural Exemption Reserve	300	-	(300)	-	-
Mayflower Reserve	200	-	-	-	200
Website Development Reserve	47	-	4	(41)	10
Cafe Refurbishment Reserve	93	-	-	(93)	-
IT & Telephony Upgrade Reserve	70	-	-	(70)	-
Drum Refurbishment Reserve	50	-	-	100	150
Digital Strategy Reserve	40	-	-	19	59
MMI fund	205	-	-	-	205
Flood repairs	-	106	(106)	-	-
Staff obligations	-	-	-	1,327	1,327
Post Covid support	-	-	-	20	20
	1,716	106	(447)	1,262	2,637
GENERAL FUNDS					
General Funds	1,779	5,144	(4,509)	(1,262)	1,152
TOTAL UNRESTRICTED FUNDS	3,495	5,250	(4,956)	-	3,789
RESTRICTED FUNDS					
Production & Education Centre	4,634	-	(166)	-	4,468
Capital Appeal Fund	296	-	(124)	-	172
Engagement & Learning	321	480	(247)	-	554
Regeneration Project	6,417	-	(293)	-	6,124
TRAC Legacy Fund	13	-	(11)	-	2
TRP Christmas Appeal	29	-	-	-	29
Joan Lucas Fund	5	2	-	-	7
Development	10	8	(12)	-	6
CJRS Grants	-	1,810	(1,810)	-	-
Garfield Weston Foundation Grant	-	301	-	-	301

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - CURRENT YEAR (continued)

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2021 £000
	11,725	2,601	(2,663)	-	11,663
TOTAL OF FUNDS	15,220	7,851	(7,619)	-	15,452

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2019 £000
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Organisational Review Fund	20	-	(20)	-	-
Capacity Building	298	-	(111)	-	187
Deferred Artistic Funds	700	-	(176)	-	524
Cultural Exemption Reserve	300	-	-	-	300
Mayflower Reserve	200	-	-	-	200
Website Development Reserve	100	-	(53)	-	47
Cafe Refurbishment Reserve	125	-	(32)	-	93
IT & Telephony Upgrade Reserve	70	-	-	-	70
Drum Refurbishment Reserve	50	-	-	-	50
Digital Strategy Reserve	50	-	(10)	-	40
MMI fund	-	-	-	205	205
	1,913	-	(402)	205	1,716
GENERAL FUNDS					
General Funds - all funds	-	-	-	-	-
General Funds	1,710	15,980	(15,706)	(205)	1,779
	1,710	15,980	(15,706)	(205)	1,779
TOTAL UNRESTRICTED FUNDS	3,623	-	(16,108)	-	3,495
RESTRICTED FUNDS					
Production & Education Centre	4,800	-	(166)	-	4,634
Capital Appeal Fund	463	-	(167)	-	296
Engagement & Learning	177	640	(496)	-	321
Regeneration Project	6,669	-	(252)	-	6,417
TRAC Legacy Fund	24	-	(11)	-	13
TRP Christmas Appeal	8	23	(2)	-	29
Joan Lucas Fund	2	4	(1)	-	5
Development	-	11	(1)	-	10

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR (CONTINUED)

	Balance at 1 April 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2020 £000
	12,143	678	(1,096)	-	11,725
TOTAL OF FUNDS	15,766	678	(17,204)	-	15,220

21. STATEMENT OF FUNDS (CONTINUED)

The Designated Funds are aligned to projects which support the charitable aims of the Group.

The Capacity Building Fund will be used over the next two years for the partnership working with TRG.

The Cultural Exemption Reserve was set up to recognise the unusually high benefit of the cultural exemption for VAT due to advanced ticket sales in the Lyric. We have used this fund in 2020/21to establish a provision for the gross benefit of cultural exemption on all advanced ticket sales.

The Mayflower Reserve was established to earmark funds for a large scale community production originally planned for 2020 (and deferred now until 2022) to mark 400 years since the Mayflower set sail from Plymouth. The production is intended to involve participants from the USA which may include the Wampanoag Community. Following a number of applications for grant funding to support this project, it was considered prudent to put aside further funds to de-risk this internationally important work.

The Website Development Reserve was established to support a major upgrade of our website and bring it under more direct control. A small reserve has been retained for pending future developments, but we have been able to release the balance of the reserve as the work has been completed. A portion of this has been moved to the Digital Strategy Reserve (below).

The Café Refurbishment Reserve and the IT & Telephony Upgrade Reserve were established to support a major investment in our Front of House catering facilities and our internal IT and telephone systems. The IT work was completed early in 2020 and the work to develop the Café has been delayed indefinitely, so the remaining balances on these funds have been released.

The Drum Refurbishment Reserve was established to support works to upgrade our Drum stage and auditorium. Partly as a response to Covid-19 we have extended this project to allow for a much more flexible space and consequently have earmarked an additional £100k to enable us to carry out these major works in 2021/22.

In line with other organisations in the sector TRP is looking at ways in which we can harness the use of digital technology to create and share innovative work. We have allocated a further £19k to a Digital Strategy Reserve to carry forward into 2021/22.

The MMI Fund represents funds designated for the MMI contingent liability. For further details see note 26.

Following a flood in the theatre in 2020 we have received payment in advance from our insurers. The Flood Repairs Fund shows the insurance receipts matched to reclaimable expenditure with the balance of funds received being treated as deferred income.

The Trustees have been mindful of the challenges of the past year. Staff Obligations is a fund designated to reflect the total obligation to staff in the event of TRP having to close. Although we are confident that we remain a going concern this sum has been separately calculated and identified as part of our reserves policy, to ensure that a correct minimum level of reserve is maintained during this turbulent time.

Post Covid support is a small designated fund to deal with minor physical modifications which may be required to deal with the longer term impact of Covid-19.

The Restricted Reserves represent amounts raised by or received from third parties for capital or revenue projects. Restricted Funds in respect of the Regeneration Project and the Production & Education Centre consist primarily of grants and donations. The grants are secured on the assets to which they relate and are repayable in certain circumstances.

STATEMENT OF FUNDS (CONTINUED)

The Charity is extremely grateful to the following supporters of our wide ranging programme of Engagement & Learning activities:

	At 31 March 2020 £000	Income £000	Expenditure £000	At 31 March 2021 £000
Big Lottery Fund Grant - Our Space	14	31	(20)	**25**
Big Lottery Fund Grant - Funky Llama	78	61	(39)	**100**
The National Theatre	1	3	-	**4**
BBC Children in Need	9	26	(16)	**19**
Co-Creating Change	-	24	(1)	**23**
The Esmée Fairbairn Foundation	23	27	(23)	**27**
The Andrew Lloyd Webber Foundation	10	-	(2)	**8**
4 or More	4	-	-	**4**
Ragdoll Foundation and Birmingham rep	-	1	-	**1**
Arts Council England - With Flying Colours	181	250	(111)	**320**
Total core E&L activity funds	320	423	(212)	**531**
Mayflower funding;				
National Heritage	-	16	(1)	**15**
Arts Council - Art of the Possible	1	40	(33)	**8**
Total core E&L activity funds	321	479	(246)	**554**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	465	10,764	**11,229**
Heritage assets	-	563	**563**
Current assets	7,918	336	**8,254**
Creditors due within one year	(3,727)	-	**(3,727)**
Creditors due in more than one year	(560)	-	**(560)**
Provisions for liabilities and charges	(308)	-	**(308)**
Difference	1	-	**(1)**
TOTAL	3,789	11,663	**15,452**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	617	11,130	11,747
Heritage assets	-	583	583
Current assets	7,310	12	7,322
Creditors due within one year	(2,795)	-	(2,795)
Creditors due in more than one year	(1,370)	-	(1,370)
Provisions for liabilities and charges	(267)	-	(267)
TOTAL	3,495	11,725	15,220

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 £000	Group 2020 £000
Net income/expenditure for the year (as per Statement of Financial Activities)	**232**	(546)
ADJUSTMENTS FOR:		
Depreciation charges	**706**	714
Dividends, interests and rents from investments	**(4)**	(75)
Loss on the sale of fixed assets	**38**	-
Decrease/(increase) in stocks	**26**	(13)
Decrease/(increase) in debtors	**(97)**	202
Increase/(decrease) in creditors	**122**	(2,331)
Increase/(decrease) in provisions	**41**	31
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	**1,064**	(2,018)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £000	Group 2020 £000
Cash in hand	**7,853**	6,991
TOTAL CASH AND CASH EQUIVALENTS	**7,853**	6,991

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2020 £000	**Cash flows £000**	**At 31 March 2021 £000**
Cash at bank and in hand	**6,991**	**862**	**7,853**
	6,991	**862**	**7,853**

26. CONTINGENT LIABILITIES

During he 1990s the theatre entered into a mutual insurance agreement with Municipal Mutual Insurance (MMI). MMI has since entered into a Scheme of Arrangement and this Scheme has raised a levy on the total payments made under its policies as at December 2013. There has been no further action on these levies for several years and there have been no further demands for payment. There is a designated fund allocated to cover the possibility of any successful demand for payment.

27. PENSION COMMITMENTS

The Group operates two defined contributions pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £153,000 (2020: £164,000). Contributions totaling £17,000 (2020: £24,000) were payable to the fund at the reporting date and are included in creditors.

28. OPERATING LEASE COMMITMENTS

At 31 March 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £000	Group 2020 £000	**Company 2021 £000**	Company 2020 £000
Not later than 1 year	**2**	7	**2**	7
Later than 1 year and not later than 5 years	**-**	2	**-**	2
	2	9	**2**	9

29. CONTINGENT ASSET

The Group has business interruption insurance and it has been confirmed that this will pay out as a result of interruption caused by Covid-19. At the year end no claims have been made. The indemnity period for the claim is for up to three years and claims will be made against this in the future.

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the Charity and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Charitiy Commission, and with the Charity's financial regulations and normal procurement procedures relating to related party transactions.

The following related party transactions took place in the period:

The Charity procured services amounting to nil (2020: £25,575) from Mother Goose Films Limited, a company controlled by the daughter of the Chief Executive. There is no balance owing at the year end.

31. CONTROLLING PARTY

The Group is controlled by the Board of Trustees.