

Registered number: 01560651
Charity number: 284545

THEATRE ROYAL (PLYMOUTH) LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

THEATRE ROYAL (PLYMOUTH) LIMITED

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THEATRE ROYAL (PLYMOUTH) LIMITED

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

THEATRE ROYAL (PLYMOUTH) LIMITED

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

THEATRE ROYAL (PLYMOUTH) LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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

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TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

- 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.

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TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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 undertaken 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*)

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TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

THEATRE ROYAL (PLYMOUTH) LIMITED

TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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:

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TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

- 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/reconising 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

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TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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

THEATRE ROYAL (PLYMOUTH) LIMITED

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

THEATRE ROYAL (PLYMOUTH) LIMITED

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.

THEATRE ROYAL (PLYMOUTH) LIMITED

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.

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;

THEATRE ROYAL (PLYMOUTH) LIMITED

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

- 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

Date: 11/08/2022

THEATRE ROYAL (PLYMOUTH) LIMITED

**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.

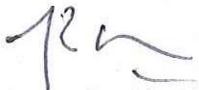
THEATRE ROYAL (PLYMOUTH) LIMITED
REGISTERED NUMBER:01560651

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
		<u>11,656</u>	<u>11,792</u>
Current assets			
Stocks	16	96	43
Debtors	17	433	360
Cash at bank and in hand		10,018	7,853
		<u>10,547</u>	<u>8,256</u>
Creditors: amounts falling due within one year	18	(6,734)	(3,727)
Net current assets		<u>3,813</u>	<u>4,529</u>
Total assets less current liabilities		<u>15,469</u>	<u>16,321</u>
Creditors: amounts falling due after more than one year	19	(49)	(560)
Provisions for liabilities	20	(240)	(308)
Total net assets		<u><u>15,180</u></u>	<u><u>15,453</u></u>
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	<u>4,264</u>	<u>3,790</u>
Total funds		<u><u>15,180</u></u>	<u><u>15,453</u></u>

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	-	-
		<u>11,656</u>	<u>11,792</u>
Current assets			
Stocks	16	75	37
Debtors	17	428	372
Cash at bank and in hand		9,973	7,836
		<u>10,476</u>	<u>8,245</u>
Creditors: amounts falling due within one year	18	(6,836)	(3,724)
Net current assets		<u>3,640</u>	<u>4,521</u>
Total assets less current liabilities		<u>15,296</u>	<u>16,313</u>
Creditors: amounts falling due after more than one year	19	(49)	(560)
Provisions for liabilities	20	(240)	(308)
Total net assets		<u><u>15,007</u></u>	<u><u>15,445</u></u>

THEATRE ROYAL (PLYMOUTH) LIMITED
REGISTERED NUMBER:01560651

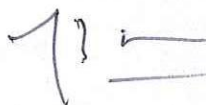
COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

	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	2021
	£000	£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

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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
	<u>3,109</u>	<u>668</u>	<u>3,777</u>

	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
	<u>4,361</u>	<u>2,603</u>	<u>6,964</u>

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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).

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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)	-	-

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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 reference 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

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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)
	<u>68</u>	<u>172</u>	<u>240</u>

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.

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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
	<u>11,663</u>	<u>668</u>	<u>(1,419)</u>	<u>4</u>	<u>10,916</u>
TOTAL OF FUNDS	<u>15,453</u>	<u>10,371</u>	<u>(10,644)</u>	<u>-</u>	<u>15,180</u>

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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 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
	<u>1,716</u>	<u>106</u>	<u>(447)</u>	<u>1,262</u>	<u>2,637</u>
GENERAL FUNDS					
General Funds - all funds	-	-	-	-	-
General Funds	1,780	5,144	(4,509)	(1,262)	1,153
	<u>1,780</u>	<u>5,144</u>	<u>(4,509)</u>	<u>(1,262)</u>	<u>1,153</u>
TOTAL UNRESTRICTED FUNDS	<u>3,496</u>	<u>5,250</u>	<u>(4,956)</u>	<u>-</u>	<u>3,790</u>

THEATRE ROYAL (PLYMOUTH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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
	<u>11,725</u>	<u>2,601</u>	<u>(2,663)</u>	<u>-</u>	<u>11,663</u>
TOTAL OF FUNDS	<u><u>15,221</u></u>	<u><u>7,851</u></u>	<u><u>(7,619)</u></u>	<u><u>-</u></u>	<u><u>15,453</u></u>

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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	Expendi- ture £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)

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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 Esme 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	<u>554</u>	<u>368</u>	<u>(454)</u>	<u>468</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**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.

THEATRE ROYAL (PLYMOUTH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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 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 £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.

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