

Registered number: 01928541  
Charity number: 292559

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**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**THEATRE DEVELOPMENT TRUST**  
**(A company limited by guarantee)**

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**CONTENTS**

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	Page
Reference and administrative details of the company, its Trustees and advisers	1 - 2
Trustees' report	3 - 6
Independent auditors' report on the financial statements	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 26

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**THEATRE DEVELOPMENT TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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<b>Trustees</b>	Nicholas Allott OBE Kathryn Bennett Kate Booth (resigned 31 March 2022) Lounica Burns OBE (resigned 29 December 2021) Jonathan Church OBE Lucy Davies Alexander Gavin Patrick Gracey (appointed 15 December 2021) Niove Janis Rebecca Kane Burton (resigned 6 September 2021) Eleanor Lloyd Catherine Mallyon (resigned 29 December 2021) Jeremy Meadow (resigned 29 December 2021) Patrick Murphy Dafydd Rogers Edward Snape Adam Speers (resigned 29 December 2021) Dame Rosemary Squire Kenneth Wax
<b>Company registered number</b>	01928541
<b>Charity registered number</b>	292559
<b>Registered office</b>	32 Rose Street London WC2E 9ET
<b>Independent auditors</b>	Nyman Libson Paul LLP Chartered Accountants 124 Finchley Road London NW3 5JS

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Bankers**

Lloyds TSB Bank PLC  
48 - 49 Strand  
London  
WC2N 5LL

Bank of Scotland PLC  
600 Gorgie Road  
Edinburgh  
EH11 3XP

Barclays Bank PLC  
93 Baker Street  
London  
W1A 4SD

**Investment advisors**

Investec Wealth and Investments Limited  
2 Gresham Street  
London  
EC2 7QP

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**THEATRE DEVELOPMENT TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Trustees present their annual report together with the audited financial statements of the company for the 1 January 2021 to 31 December 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of 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).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

The principal activity of the charity is the promotion and advancement of the dramatic and other performing arts for the benefit of the public through supporting the work of various charitable foundations together with the provision of grants to individuals.

Each year the Trustees review the objectives and activities to ensure they continue to reflect the aims. In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit.

**Achievements and performance**

**a. Review of activities**

Theatre Development Trust is a company with, at 31st December 2021, the same directors and members as the Society of London Theatre. A loan of £11,150,000 from Society of London Theatre is held by the company with the aim of generating an ongoing source of income enabling the charity to fulfil its aims and objectives. From 1st January 2021, an interest charge has been levied on the loan – this was at 2% throughout the year.

Following a turbulent prior year for the value of the company's investments, 2021 saw strong gains which contributed towards a significant increase in reserves after an interest charge on the loan and increased unrestricted expenditure. With the uncertainty inherent with the pandemic, the Trustees continued to restrict non-Covid related grants to an extent, and an emphasis was placed on supporting the sector in growing audience numbers through the Back on Stage campaign.

During 2020, a critical need to support workers in the sector not otherwise supported by the various government grant schemes had been identified and in response the Theatre Artists Fund was created and run through the company. This initiative continued throughout 2021 and by 31st December 2021 a total of over £9m had been raised as a restricted fund for this purpose.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Achievements and performance (continued)**

**b. Investment policy and performance**

The Trustees' investment powers are governed by the Memorandum and Articles of Association which permits the charity's funds to be invested in a wide range of securities and assets.

The Trustees' policy is to maintain a portfolio which generates a reasonable level of capital growth and income while operating at a low to medium risk profile. Detailed governance and strategy of the investments is delegated by the Trustees to the Investment sub-Committee, with specific investment decisions managed by the company's broker, Investec Wealth and Investment. At 31st December 2021 91.7% (2020: 99.0%) of investment assets were controlled through the broker.

Asset allocations are monitored closely and generally remained within target ranges although in the short term cash exceeded its target for working capital purposes. At the end of the year, the fall in market valuations brought equities close to the lower end of its range. Investment income was comparable to the previous year at £465,367 (2020: £467,987) with a realised gain on disposal of £516,165 (2020: loss of £157,446) and an unrealised gain on revaluation of £674,302 (2020: loss of £13,550).

**Financial review**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Full details of the Trustees' reasoning for the adoption of the going concern basis are included in the going concern note in the accounting policies section of the financial statements.

**b. Reserves policy**

The surplus on unrestricted or free reserves for current activities increased during the year to £5,474,793 (2020: £4,592,149).

In light of the volatile impact of Covid-19, the Trustees had reviewed the policy with regard to free reserves with a view to a more prudent approach and decided to amend the target to at least the projected expenditure of a typical year plus 20% (formerly 10%) of the carrying value of the fixed asset investment as a buffer against market fluctuations. The level continues to exceed this target at the year end, a position the Trustees consider appropriate given the continuing risks surrounding recovery from the pandemic, global political uncertainty and future strategic aims of the company.

**c. Asset cover for funds**

The Trustees are of the opinion that, as at the balance sheet date, the assets are sufficient to meet the charity's obligations.

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**THEATRE DEVELOPMENT TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Structure, governance and management**

**a. Constitution**

Theatre Development Trust is established as a company limited by guarantee and is registered as a charity with the Charity Commission. Its affairs, including the appointment of Trustees, are governed by its Articles of Association which allow the charity to undertake any activity covered by its objects with no specific restrictions and limits the liability of the Members in the event of the company being wound up to a sum not exceeding £10.

The Trustees of the charity are responsible for its overall management and control. The work of implementing the policies is carried out by the Board of Trustees which meets regularly. There are no paid employees.

**b. Methods of appointment or election of Trustees**

Potential Trustees offer themselves up for consideration by the Board of Trustees. Where applications exceed the number of vacant positions an election is held. The Board of Trustees can include independent Trustees in addition to those who are also directors of the Society of London Theatre.

**c. Policies adopted for the induction and training of Trustees**

New Trustees receive copies of minutes of previous meetings and their induction and training includes meeting with key personnel and other Trustees and receiving relevant historical information

**d. Risk management**

The Board of Trustees is responsible for the management of the risks faced by the Charity. Risks are identified, assessed and controls established as appropriate. The Covid-19 pandemic has presented a significant new risk, particularly to the investment portfolio valuation and future income generation. The Trustees continue to monitor closely the performance of the investments and initiated a reduction in the funding of charitable activities in 2020 as a precaution. Consequently the Trustees are satisfied that the major risks identified have been mitigated.

**Plans for future periods**

The priority in the immediate future will be to continue to support and operate the Theatre Artists Fund along with further measures to aid the recovery of the sector. The Trustees are intent upon a review of the strategy and aims of the company together with its governance. For the immediate future, the principal areas of focus will continue to be Workforce Training & Career Development, Audience Development and Access Requirements.

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**THEATRE DEVELOPMENT TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' 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 company and of its incoming resources and application of resources, including its 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 judgments 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 company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

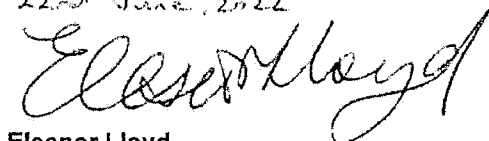
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

**Auditors**

The auditors, Nyman Libson Paul 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 members of the board of Trustees on  
22nd June, 2022 and signed on their behalf by:



**Eleanor Lloyd**  
(Trustee)



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**THEATRE DEVELOPMENT TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE DEVELOPMENT TRUST**

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**Opinion**

We have audited the financial statements of Theatre Development Trust (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the balance sheet, the 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 charitable company's affairs as at 31 December 2021 and of its 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 charitable company 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 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.

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**THEATRE DEVELOPMENT TRUST**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE DEVELOPMENT TRUST**  
**(CONTINUED)**

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**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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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.

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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**THEATRE DEVELOPMENT TRUST**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE DEVELOPMENT TRUST**  
**(CONTINUED)**

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**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 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 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Charities Act 2011 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, reading minutes of meetings of those charged with governance, enquiries with management and review of accounting estimates. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

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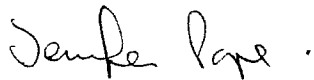
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEATRE DEVELOPMENT TRUST**  
**(CONTINUED)**

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**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.



**Jennifer Pope (senior statutory auditor)**

for and on behalf of  
**Nyman Libson Paul LLP**

Chartered Accountants  
Statutory Auditors

124 Finchley Road

London

NW3 5JS

Date: 22 June 2022

**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4	4,549,788	10,856	4,560,644	4,604,285
Investments	5	13,806	451,561	465,367	467,987
<b>Total income</b>		<b>4,563,594</b>	<b>462,417</b>	<b>5,026,011</b>	<b>5,072,272</b>
<b>Expenditure on:</b>					
Raising funds	6	-	288,988	288,988	62,218
Charitable activities	7	3,163,500	497,137	3,660,637	4,956,972
<b>Total expenditure</b>		<b>3,163,500</b>	<b>786,125</b>	<b>3,949,625</b>	<b>5,019,190</b>
<b>Net income/(expenditure) before net (losses)/gains on investments</b>		<b>1,400,094</b>	<b>(323,708)</b>	<b>1,076,386</b>	<b>53,082</b>
Realised losses on investments		(4,398)	520,563	516,165	(157,446)
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>1,395,696</b>	<b>196,855</b>	<b>1,592,551</b>	<b>(104,364)</b>
<b>Other recognised gains/(losses):</b>					
(Losses)/gains on revaluation of fixed asset investments		(11,488)	685,790	674,302	(13,550)
<b>Net movement in funds</b>		<b>1,384,208</b>	<b>882,645</b>	<b>2,266,853</b>	<b>(117,914)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		264,422	4,592,149	4,856,571	4,974,485
Net movement in funds		1,384,208	882,645	2,266,853	(117,914)
<b>Total funds carried forward</b>		<b>1,648,630</b>	<b>5,474,794</b>	<b>7,123,424</b>	<b>4,856,571</b>

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

The notes on pages 14 to 26 form part of these financial statements.

**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)  
REGISTERED NUMBER: 01928541

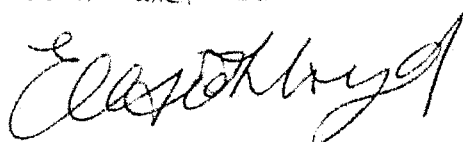
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	10	16,917,859	15,878,013
		<u>16,917,859</u>	<u>15,878,013</u>
<b>Current assets</b>			
Debtors	11	403	-
Cash at bank and in hand		1,525,456	165,341
		<u>1,525,859</u>	<u>165,341</u>
Creditors: amounts falling due within one year	12	(11,320,294)	(11,186,783)
<b>Net current liabilities</b>		<u>(9,794,435)</u>	<u>(11,021,442)</u>
<b>Total assets less current liabilities</b>		<u>7,123,424</u>	<u>4,856,571</u>
<b>Total net assets</b>		<u><u>7,123,424</u></u>	<u><u>4,856,571</u></u>
<b>Charity funds</b>			
Restricted funds	13	1,648,630	264,422
Unrestricted funds	13	5,474,794	4,592,149
<b>Total funds</b>		<u><u>7,123,424</u></u>	<u><u>4,856,571</u></u>

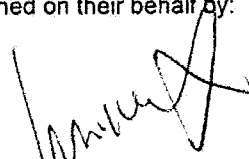
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 22nd June, 2022 and signed on their behalf by:



**Eleanor Lloyd**  
(Trustee)



**Kenneth Wax**  
(Trustee)

The notes on pages 14 to 26 form part of these financial statements.

**THEATRE DEVELOPMENT TRUST**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	15	744,127	(519,834)
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		465,367	467,987
Proceeds from sale of investments		2,908,153	2,265,135
Purchase of investments		(3,056,697)	(2,073,258)
<b>Net cash provided by investing activities</b>		316,823	659,864
<b>Change in cash and cash equivalents in the year</b>		1,060,950	140,030
Cash and cash equivalents at the beginning of the year		712,507	572,477
<b>Cash and cash equivalents at the end of the year</b>	16	1,773,457	712,507

The notes on pages 14 to 26 form part of these financial statements

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**THEATRE DEVELOPMENT TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. General information**

Theatre Development Trust is a company limited by guarantee and registered in England & Wales. The address of its registered office is 32 Rose Street, London, WC2E 9ET.

**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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Theatre Development Trust 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.

**2.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

**2.3 Going concern**

The charity meets its day to day working capital requirements through the utilisation of its own funds and a loan advanced by Society of London Theatre (SOLT) as disclosed in note 18. The charity utilised the loan to invest in listed securities and generate ongoing income for the charity's operation. The value of investments increased significantly through 2021, despite cash of £550,000 being withdrawn during the year to fund ongoing operations. Reserves grew by almost £900,000 in the year. However, the first quarter of 2022 saw a material reduction (9%) in the valuation of the charity's investments although the charity's has maintained a reserve position above target.

After reviewing the charity's projections, at the time of approving these financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the next 12 months. The directors therefore consider it appropriate to continue to adopt the going concern basis in preparing the charity's financial statements.



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**THEATRE DEVELOPMENT TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.4 Income**

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

Donation income is recognised when received.

Legacy income is recognised when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Dividends from investments are recognised when dividends are received.

Interest receivable from investments is recognised over the period in which it is earned

**2.5 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.

All expenditure is accounted for on the accruals basis. All expenses including support costs and governance costs are all allocated to the applicable expenditure headings.

Expenditure on raising funds comprises investment management fees.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Expenditure on raising funds includes all expenditure incurred by the company 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 company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

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**THEATRE DEVELOPMENT TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.7 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 Statement of Financial Position date, using closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Current asset investments are a form of basic financial instrument and are initially, and subsequently, recognised at their transaction value. Interest receivable is included in debtors and is recognised in the statement of comprehensive income.

**2.8 Debtors**

Debtors are recognised at their settlement amount.

**2.9 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.

**2.10 Liabilities and provisions**

Liabilities 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.

**2.11 Financial instruments**

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

Financial instruments include a loan from Society of London Theatre (note 19) which is repayable on demand.

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**THEATRE DEVELOPMENT TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.12 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 Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity 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.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following are the company's key sources of estimation uncertainty:

**Accruals**

The management makes an estimate of accruals at the year end based on invoices received after the year end which relate to the year and which have not been invoiced.

**Valuation of fixed asset investments**

The management makes an estimate of the fair value of fixed asset investments at the reporting date using quoted prices at that date.

**4. Income from donations and legacies**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	4,549,788	10,856	4,560,644	4,604,285
Total 2020	4,593,523	10,762	4,604,285	

Restricted donations include £275,000 (2020: £1,250,000) from Arts Council England (ACE).

**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. Investment income**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Dividends and interest receivable from listed investments	13,806	451,561	465,367	467,504
Bank interest receivable	-	-	-	483
	<u>13,806</u>	<u>451,561</u>	<u>465,367</u>	<u>467,987</u>
Total 2020	<u>12,723</u>	<u>455,264</u>	<u>467,987</u>	

**6. Expenditure on raising funds**

**Costs of raising voluntary income**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Loan interest payable	223,000	223,000	-
Investment management costs	65,988	65,988	62,218
	<u>288,988</u>	<u>288,988</u>	<u>62,218</u>
Total 2020	<u>62,218</u>	<u>62,218</u>	

**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**7. Analysis of expenditure by activities**

	Activities undertaken directly 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	3,660,637	3,660,637	4,956,972
Total 2020	4,956,972	4,956,972	

**Analysis of direct costs**

	Charitable activities 2021 £	Total funds 2021 £	Total funds 2020 £
Theatre Artist Fund grants	3,163,500	3,163,500	4,629,000
Grants to institutions	469,946	469,946	288,007
COVID research	-	-	12,400
Theatre Artists Fund costs	25,335	25,335	26,913
Miscellaneous expenses	648	648	532
Governance costs	1,208	1,208	120
	3,660,637	3,660,637	4,956,972
Total 2020	4,956,972	4,956,972	

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**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**8. Analysis of grants to institutions**

	2021 £	2020 £
Mousetrap Theatre Projects	25,000	25,000
Theatre Investment Fund Limited (t/a Stage One)	97,239	13,012
UK Theatre Association	80,000	80,000
Theatres Trust	-	25,000
National Student Drama Festival	25,000	25,000
Diversity in Casting	228	3,006
Workforce Training & Development	60,784	76,712
Access London Theatre	3,200	6,217
Parents in Performing Arts	2,000	1,000
Theatre Helpline	17,947	23,701
Back on Stage / See it Safely	114,447	6,123
Council for Dance and Musical Theatre	3,236	3,236
UK Theatre Subscription Support	33,115	-
Remote Working Toolkit	7,500	-
Other Grants to Institutions	250	-
	<u>469,946</u>	<u>288,007</u>

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**THEATRE DEVELOPMENT TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Analysis of grants to individuals**

	2021 £	2020 £
Restricted Theatre Artist Fund grants to individuals	3,163,500	4,629,000
	<u>3,163,500</u>	<u>4,629,000</u>

The grant to Mousetrap Theatre Projects was to support its work in the area of audience development and young people.

The grant to Theatre Investment Fund Limited (t/a Stage One) was to help provide bursaries and placements to new & emerging theatre producers and support in the outreach project staff costs.

The grant to UK Theatre Association was to support its industry training initiatives.

The grant to National Student Drama Festival was to part fund the online festival for promoting career opportunities in the sector.

The grant to Diversity In Casting was to support producers by building a toolkit to make their casting more diverse.

The grant to Workforce Training & Development was to establish initiatives to address current and future skill shortages in the industry.

The grant to Access London Theatre was to fund the creation and publication of the guide to access for London theatres.

The grant for Parents in Performing Arts was to help their work supporting individuals balancing parenting with a career in performing arts.

The grant to Theatre Helpline was to set up a helpline to support workers in the industry with guidance and help on a number of issues.

The grant to Council for Dance, Drama and Musical Theatre was to support its work in providing training to the dance, drama and music industry.

The grant to Back on Stage / See it Safely was to create guidance for theatres on how to make their venue Covid secure.

The grant to UK Theatre Subscription Support was to provide financial assistance for organisations struggling to meet the cost of maintaining membership of UK Theatre due to Covid-19.

The grant to Remote Working Toolkit was to enable creation of a toolkit for organisations dealing with moving to a fully or partial remote working model.

**9. Staff costs**

The company has no employees other than the Trustees, who did not receive any remuneration or reimbursed expenses during the year (2020 - £Nil).

**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. Fixed asset investments**

	Listed investments £	Other investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2021	15,330,847	547,166	15,878,013
Additions	3,056,697	(3,056,697)	-
Transfers out	-	(550,000)	(550,000)
Disposals	(2,908,153)	2,908,153	-
Gain on revaluations	674,302	-	674,302
Profit on disposal	516,165	-	516,165
Management charges	-	(65,988)	(65,988)
Investment income reinvested	-	465,367	465,367
At 31 December 2021	<u>16,669,858</u>	<u>248,001</u>	<u>16,917,859</u>
<b>Net book value</b>			
At 31 December 2021	<u>16,669,858</u>	<u>248,001</u>	<u>16,917,859</u>
At 31 December 2020	<u>15,330,847</u>	<u>547,166</u>	<u>15,878,013</u>

**11. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Prepayments and accrued income	403	-
	<u>403</u>	<u>-</u>



**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**12. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Other creditors	11,282,691	11,174,836
Accruals and deferred income	37,603	11,947
	<u>11,320,294</u>	<u>11,186,783</u>

**13. Statement of funds**

**Statement of funds - current year**

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>					
General Funds	4,592,149	462,417	(786,125)	1,206,353	5,474,794
<b>Restricted funds</b>					
The Sir Peter and Lady Saunders Olivier Bursary Fund	299,899	13,806	-	(15,886)	297,819
Theatre Artists Fund	(35,477)	4,549,788	(3,163,500)	-	1,350,811
	<u>264,422</u>	<u>4,563,594</u>	<u>(3,163,500)</u>	<u>(15,886)</u>	<u>1,648,630</u>
<b>Total of funds</b>	<u>4,856,571</u>	<u>5,026,011</u>	<u>(3,949,625)</u>	<u>1,190,467</u>	<u>7,123,424</u>

**Restricted funds**

The Sir Peter and Lady Saunders Olivier bursary fund is to be used to finance an annual bursary to a single student up to a maximum of £10,000, such amount to be reviewed every 5 years.

The Theatre Artists Fund is to be used to provide emergency support for theatre workers and freelancers across the UK. It is for theatre professionals who are in need of urgent and critical financial support due to the devastating impact of Covid-19 on the theatre sector.

**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
General Funds	4,684,173	466,026	(390,190)	(167,860)	4,592,149
<b>Restricted funds</b>					
The Sir Peter and Lady Saunders Olivier Bursary Fund	290,312	12,723	-	(3,136)	299,899
Theatre Artists Fund	-	4,593,523	(4,629,000)	-	(35,477)
	290,312	4,606,246	(4,629,000)	(3,136)	264,422
<b>Total of funds</b>	<b>4,974,485</b>	<b>5,072,272</b>	<b>(5,019,190)</b>	<b>(170,996)</b>	<b>4,856,571</b>

**14. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Fixed asset investments	297,819	16,620,040	16,917,859
Current assets	1,350,811	175,048	1,525,859
Creditors due within one year	-	(11,320,294)	(11,320,294)
<b>Total</b>	<b>1,648,630</b>	<b>5,474,794</b>	<b>7,123,424</b>

**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**14. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	264,422	15,613,591	15,878,013
Current assets	-	165,341	165,341
Creditors due within one year	-	(11,186,783)	(11,186,783)
<b>Total</b>	<b>264,422</b>	<b>4,592,149</b>	<b>4,856,571</b>

**15. Reconciliation of net movement in funds to net cash flow from operating activities**

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	1,592,551	(104,364)
<b>Adjustments for:</b>		
Dividends, interests and rents from investments	(465,367)	(467,987)
Loss/(profit) on the sale of fixed assets	(516,165)	157,446
Increase in debtors	(403)	-
Increase/(decrease) in creditors	133,511	(104,929)
<b>Net cash provided by/(used in) operating activities</b>	<b>744,127</b>	<b>(519,834)</b>

**16. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand	1,525,456	165,341
Cash held by investment managers	248,001	547,166
<b>Total cash and cash equivalents</b>	<b>1,773,457</b>	<b>712,507</b>

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**THEATRE DEVELOPMENT TRUST**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**17. Analysis of changes in net debt**

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	165,341	1,360,115	1,525,456
	<u>165,341</u>	<u>1,360,115</u>	<u>1,525,456</u>

**18. Related party transactions**

At the reporting date an amount of £129,866 (2020: £21,525) was due to the Society of London Theatre, a company with the same Board of Directors and Members as the Theatre Development Trust.

In addition to the above there is a loan of £11,150,000 (2020: £11,150,000) from the Society of London Theatre to the Theatre Development Trust, to provide an ongoing source of finance for the charity. Since 1 January 2021 interest has been levied on the loan at 2% per annum.

Niove Janis, Eleanor Lloyd and Kenneth Wax who were Trustees of the charity in the year were also, for at least part of the year, Trustees of Theatre Investment Fund Limited (Stage One), a registered charity, to which grants were paid of £87,239 (2020: £13,012).