

Company no. 00860847
Charity no. 246186

The Greenwich Theatre Limited
Report and Audited Financial Statements
31 March 2023

The Greenwich Theatre Limited

Reference and administrative details

For the year ended 31 March 2023

Company number	00860847
Charity number	246186
Registered office and operational address	Crooms Hill Greenwich London SE10 8ES
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Nas Asghar Appointed 1 March 2023 Rita Beckwith Resigned 1 March 2023 Angela Clerkin Resigned 28 February 2023 Lucy Cuthbertson Nigel Fletcher Chair Sophie Hamlet Christopher Hogben Appointed 4 April 2023 Gerald Lidstone Catherine Nolan Appointed 4 April 2023 Narmeen Rehman Appointed 4 April 2023 David Stanley
Company secretary	James Haddrell
Bankers	NatWest Greenwich South Street Greenwich London SE10 9BQ
Solicitors	Grant Saw Solicitors LLP Wood Wharf Building Horseferry Place Greenwich London SE10 9BB
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

The Greenwich Theatre Limited

Report of the Chair

For the year ended 31 March 2023

The chairman presents his statement for the year.

This has been an important year for the company, as it has for the industry as a whole, navigating the ongoing impact of the pandemic. However, despite the many challenges in regaining customer confidence and managing cashflow challenges (just one of the legacies of continuing to operate during the pandemic), this has been a strong year both in terms of artistic output and of ambition for the future.

The year saw the return of the Greenwich Children's Theatre Festival, in-house productions of Treasure Island and Mike Bartlett's An Intervention, and a welcome return for the theatre's annual award-winning pantomime. Written for the first time by Anthony Spargo, this year's show (Robin Hood) was nominated for a 'Best Panto' Offie (Off West End award).

The theatre's negotiations with the local authority around the granting of a long lease moved forward, with the lease expected in Spring 2024. The theatre also made its first major step towards financial recovery, significantly reducing a deficit generated during the Covid restrictions.

All of this is testament to the work and dedication of our small staff team, and the loyalty and commitment of our audiences, who have now returned in their thousands to assure us of a strong future.

To know more visit our website www.greenwichtheatre.org.uk or call 020 8858 4447 or our Box Office on 020 8858 7755.

The Greenwich Theatre Limited

Report of the trustees

For the year ended 31 March 2023

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2023.

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 charity 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 purposes of the charity are to advance the education of the public in all aspects of dramatic art by the presentation of public performances, and this provides the fundamental vision that shapes our annual activities. The charity also has the general aim of contribution to the quality of life of the people of the London Borough of Greenwich and the surrounding area by expanding their horizons through the provision of exciting, challenging and accessible professional and community drama and arts events. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The theatre relies on grants and income from fees and charges to cover its operating costs. In setting the level of fees, the trustees give careful consideration to the accessibility of the theatre for those low on incomes.

b. Strategies for achieving objectives

The strategies employed to achieve the Charity's aims and objectives are to:

- Present a broad range of theatre performances;
- Offer opportunities for a broad range of people to get involved in arts activity through attending workshops and master classes or performing in full-scale productions;
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists of different cultural backgrounds;
- Develop educational projects in collaboration with local schools, colleges and arts organisations; and
- Provide a platform for new work and develop projects that benefit writers, composers and directors.

c. Activities undertaken to achieve objectives

Putting these strategies into action we have two main areas of activity, which are stage performances and educational programmes. Our programme of activities described below focuses very much on bringing arts to the community of our borough and surrounding area. As our strategy makes clear, we endeavour to encourage all within our community to take part in our activities either as participant or audience member. The performance we provide is to be enjoyed by all from those attending local schools or institutes of higher education through to our programmes with particular appeal to our older residents. Affordability and access to our programme are important to us and this is reflected in our pricing policy set out in detail later in this report.

The Greenwich Theatre Limited

Report of the trustees

For the year ended 31 March 2023

d. Main activities undertaken to further the Charity's purposes for the public benefit

Performances

In 2022-23 we offered a programme which combined amateur community events, including school presentations from a number of local schools and colleges, with high quality professional touring theatre from companies such as Blackeyed Theatre, European Arts Company, Little Angel Theatre and Tall Stories. We hosted the world premiere performances of the new musical *Are You As Nervous As I Am?* by Simon Spencer, and four productions by students of Rose Bruford, brought together as their London season and presented for public and industry audiences.

In addition, we produced 3 shows in-house: *An Intervention* by Mike Bartlett, *Treasure Island* with a script developed by Le Navet Bete, and *Robin Hood* – our first complete pantomime run since Covid restrictions began.

The programme achieved a mix of theatre styles and genres to suit a range of public tastes with an emphasis on maintaining a popular programme which underpins the viability of the theatre, while incorporating elements of exploratory or innovative programming which reach out to the diverse sectors of the local community.

Educational connections

We involve local schools and local higher education establishments in a range of participatory activities including school Shakespeare performances and in-school drama activities. The various events aim to develop young people's confidence and self-expression, fostering transferrable skills to support the search for employment or further training opportunities, or directly enhancing performance skills and granting opportunities for those children and young people with limited access to cultural provision. When working with schools, the activities are designed to complement the National Curriculum. We once again played host to the Shakespeare Schools Festival, giving pupils from up to twenty primary and secondary schools the opportunity to perform on our stage.

Our artistic values

We are aware that artistic tastes are not the same for everyone. Therefore a range of references are employed when programming any work, which form the basis of the Theatre's Quality Assurance Policy. These principally include:

- The artistic vision of the Artistic Director with contributions from core staff and a sub-committee of trustees;
- The opinion of other arts professionals from the wider industry;
- The opinion of audiences;
- The opinion of the media;
- The financial investment made in the production by any producing or co-producing company (i.e. the visible production values); and
- The financial value offered by the work to the organisation.

However, we constantly strive to achieve a unique vision in the artistic programming of the theatre, and pursue that vision through a range of partnerships with highly diverse theatre companies and artists to ensure a constantly challenging and exciting programme of work.

The Greenwich Theatre Limited

Report of the trustees

For the year ended 31 March 2023

Achievements and performance

a. Key performance indicators

Box office was significantly restored in our first full year of activity since the pandemic, with box office income totalling c.£750,000 (down from £790,000 in the last full pre Covid year (2019) but significantly up from last year's £390,000). In total we welcomed almost 60,000 people to participate in watching theatre, participating in workshops or engaging with our work online. For paid activity, average ticket price exceeded £15 for the first time in our history.

We also continued the expansion of our in-house productions, presenting a family production in the summer to mirror the pantomime season at Christmas, alongside a revival of Mike Bartlett's *An Intervention*. Both productions served to further enhance the company's new reputation as a producing house, and paved the way for further production in subsequent years.

Given the context of the industry's slow recovery from the impact of the pandemic, with audience behaviour and booking patterns all changing and engagements having to be rebuilt, the activity delivered should be seen as a major achievement and our staff deserve credit and praise for their skilful and enthusiastic efforts to maintain an outstanding offer to our customers.

b. Pricing policy and performance

Our pricing policy reflects our strategy of enabling all within our community, whatever their means, to take part in our activities and attend our theatre. Our participatory activities offer young people the chance to work with professional facilitators for little or no cost, and a range of pricing initiatives ensure that the productions on stage remain affordable. Full price tickets to our performances range from £5 to £32 with concessions available on most performances and particular performances identified for enhanced concession rates for young people and borough residents. Family tickets are available for our annual pantomime and for children's shows through the year.

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. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Reserves are needed to bridge the gap between the spending and receiving of resources and any other unplanned expenditure. The trustees consider the ideal level of free reserves at 31 March 2023 to be three months expenditure, approximately £300,000. Restricted and designated funds are maintained on a project by project basis.

c. Reserves

The actual free reserves at 31 March 2023 were in deficit by £14,095. The trustees are mindful of the lack of the level of free reserves and intend to improve the position in the next year. The trustees note the impact of Covid related performance cancellations and the issuing of subsequent customer account credit continues to negatively affected the reserve. This impact can be absorbed within general trading within the following 12 months as cancellation credit is used or expired. Public engagement and subsequent ticket sales are predicted to rise, also contributing to stronger business recovery.

The Greenwich Theatre Limited

Report of the trustees

For the year ended 31 March 2023

d. Material investments policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit.

e. Principal risks and uncertainties

The principal risks faced by the charity, and the charity's objectives and policies in relation to those risks are as follows:

Cash flow risk

The finance department closely manages the charity's cash flow. Detailed cash flow forecasts are regularly prepared with the objective of alerting the Trustees to potential future risks. It is the charity's policy to ensure that forecast funding requirements can be met with available committed facilities.

Credit risk

Credit risk is the financial exposure generated by the potential default of third parties in fulfilling their obligations. Credit risk arises for the charity if it is unable to recover sums due from clients and it is mitigated by setting maximum levels of credit tolerance for more significant clients.

f. Principal funding

The trustees have secured financing from the Royal Borough of Greenwich to March 2024 and have an ongoing credit facility with the bank (NatWest), which it continues to operate within. There are no outstanding business loans. Due to this ongoing support the trustees consider the theatre to be a going concern.

g. Fundraising

Our approach to fundraising is to manage all campaigns and appeals ourselves. We do not engage with any third party fundraising companies. This means all communication with our customers comes directly from us and our goal is for this to be a genuine conversation with our audiences. Our fundraising initiatives that are ongoing year round are: online donations, ticket price layer donations, friends' membership, angels' donations and individual giving. In all of these campaigns we are clear and open about any benefits that might be gained by giving and that all of the donated income goes directly to support the operation of the theatre. Donations that are layered within a ticket price are discretionary and may be reimbursed to any customer on request. All of our fundraising conforms to recognised standards within the theatre and live entertainment industry. In addition, we will from time to time organise individual fundraising events here at the theatre or send materials to customers with a specific project to support. These will always have a clear objective and all proceeds will go directly to supporting the core charitable aims and/or the operation of the theatre. Any complaints regarding our fundraising methods or campaigns will receive a response within two working days and upheld complaints may result in improvements to our procedures. In order to protect our audiences and vulnerable people we will not engage in any intrusive or persistent methods or put undue pressure on anyone to donate. We are immensely grateful for every donation we receive and plan to encourage greater participation by giving this year.

Structure, governance and management

a. Constitution

Greenwich Theatre Limited (The) ("the charity") is registered as a charitable company limited by guarantee. The charity is constituted under a Memorandum of Association dated 4 February 1999 and is a registered charity, with charity number 246186. There have been no changes in the objectives since the last annual report.

The Greenwich Theatre Limited

Report of the trustees

For the year ended 31 March 2023

b. Methods of appointment or election of trustees

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the trust deed. As set out in the Articles of Association the chair of the trustees is nominated by the other trustees. There shall be a board of governors (trustees) and the minimum number of governors shall be six and the maximum number shall be thirteen. Two of the governors shall be nominated by Greenwich Council. The governors shall have the power to appoint further governors by co-option. Governors shall be appointed for terms of office which shall not exceed four years.

c. Organisational structure and decision-making policies

The charity is constituted with a board of trustees who appoint senior staff to make strategic decisions in line with the charity's objectives. These senior staff report to the board of trustees four times a year and at these meetings trustees approve items such as budget, new recruitment, borrowing and annual audited accounts. In addition, the senior staff employ managers to control individual elements of the charity's operation. These managers are authorised to make decisions in line with their job descriptions and specific instructions. A weekly operations meeting is held for all full time staff to discuss, contribute to and decide on day to day issues. Managers have spending authority to set limits. Senior staff authorise large spending.

d. Policies adopted for the induction and training of Trustees

The governors are provided with a full induction pack that includes information of the charity's finances, minutes of previous board meetings and business plans. The Company Secretary will arrange for new governors to visit the theatre and meet with the current management, key employees and other governors.

e. Pay policy for Key Management Personnel

The charity employs two senior staff: Artistic Director and Executive Director. Salary levels for these positions are set at or below comparable levels of equivalent positions in mid-scale subsidised repertory theatres in London. Any increase or additions to salary must be approved by the board of trustees.

f. Related party relationships

The charity has a very close relationship with the London Borough of Greenwich, which nominates trustees and provides funding to assist the charity in carrying out its charitable objectives. The theatre building is owned by London Borough of Greenwich and provided rent free to the charity on a tenancy-at-will basis, though a 24 year lease will be issued in the following year.

g. Risk management

Greenwich Theatre re-opened in 1999 after a period of closure. During the process of re-establishing the theatre as a touring venue, the management team carried out a series of comprehensive reviews including risk management, health & safety and premises. Whilst the charity does not currently have a reserve fund, it plans to build a reserve fund that will seek to support future artistic and / or educational endeavours that meet its objectives.

The Greenwich Theatre Limited

Report of the trustees

For the year ended 31 March 2023

Plans for future periods

The theatre continues to find ways to increase earned income, principally through ticket sales and venue hire, while also minimising any subsequent increased operating costs. Combining a small multi-skilled staff team with a continued focus on low or non-risk deals with visiting companies, the trustees have therefore implemented a robust budget for the forthcoming year. With the business planning in place, a number of profile raising productions in development and a strong artistic commitment and vision leading the work on stage, the theatre expects to continue work already done in growing audiences and industry recognition over the coming year.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The Greenwich Theatre Limited

Report of the trustees

For the year ended 31 March 2023

Auditors

Godfrey Wilson Limited were appointed as auditors to the charitable company during the year.

Approved by the trustees on 15 February 2024 and signed on their behalf by

Nigel Fletcher
Chair of trustees

Independent auditors' report

To the members of

The Greenwich Theatre Limited

Opinion

We have audited the financial statements of The Greenwich Theatre Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to the fact the charity has net liabilities of £14,095. Whilst the charity's financial position has improved since the prior year, the potential ongoing impact of the Covid pandemic and cost of living crisis indicates the existence of a material uncertainty that may cast significant doubt on the charity's ability to continue as a going concern. The figures in the audited accounts are contingent on the theatre tax relief claim which has been accrued but not yet received, and is subject to approval by HMRC. Our opinion is not modified in respect of this matter.

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.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

The Greenwich Theatre Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity 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 the 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members of

The Greenwich Theatre Limited

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

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

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

The Greenwich Theatre Limited

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 auditor's report.

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 15 February 2024

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:
GODFREY WILSON LIMITED
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

The Greenwich Theatre Limited

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income from:					
Donations and legacies	2	50,000	51,765	101,765	325,701
Charitable activities	3	-	791,497	791,497	480,727
Other trading activities	4	-	97,911	97,911	16,387
Other income	5	-	137,500	137,500	160,101
Total income		<u>50,000</u>	<u>1,078,673</u>	<u>1,128,673</u>	<u>982,916</u>
Expenditure on:					
Charitable activities		<u>50,000</u>	<u>986,087</u>	<u>1,036,087</u>	<u>1,108,139</u>
Total expenditure	7	<u>50,000</u>	<u>986,087</u>	<u>1,036,087</u>	<u>1,108,139</u>
Net income / (expenditure) and net movement in funds	8	-	92,586	92,586	(125,223)
Reconciliation of funds:					
Total funds brought forward		-	<u>(106,681)</u>	<u>(106,681)</u>	<u>18,542</u>
Total funds carried forward		-	<u><u>(14,095)</u></u>	<u><u>(14,095)</u></u>	<u><u>(106,681)</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the accounts. All income and expenditure in the prior period were unrestricted.

The Greenwich Theatre Limited

Balance sheet

As at 31 March 2023

	Note	£	2023 £	2022 £
Fixed assets				
Tangible assets	11		14,916	24,734
Investments	12		<u>2</u>	<u>2</u>
			14,918	24,736
Current assets				
Stock	13	4,998		8,464
Debtors	14	331,483		190,957
Cash at bank and in hand		<u>12,275</u>		<u>64,864</u>
		348,756		264,285
Liabilities				
Creditors: amounts falling due within 1 year	15	<u>(377,769)</u>		<u>(395,702)</u>
Net current liabilities			<u>(29,013)</u>	<u>(131,417)</u>
Total assets less current liabilities			<u>(14,095)</u>	<u>(106,681)</u>
Net liabilities			<u>(14,095)</u>	<u>(106,681)</u>
Funds				
Restricted funds	17		-	-
Unrestricted funds			<u>(14,095)</u>	<u>(106,681)</u>
Total charity funds			<u>(14,095)</u>	<u>(106,681)</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 15 February 2024 and signed on their behalf by

Nigel Fletcher - Chair of trustees

The Greenwich Theatre Limited

Statement of cash flows

For the year ended 31 March 2023

	2023	2022
	£	£
Cash used in operating activities:		
Net movement in funds	92,586	(125,223)
Adjustments for:		
Depreciation charges	14,403	16,662
Decrease in stock	3,466	4,756
Increase in debtors	(140,526)	(59,150)
(Decrease) / increase in creditors	(17,933)	170,778
Net cash (used in) / provided by operating activities	(48,004)	7,823
Cash flows from investing activities:		
Purchase of tangible fixed assets	(4,585)	-
Net cash used in investing activities	(4,585)	-
(Decrease) / increase in cash and cash equivalents in the year	(52,589)	7,823
Cash and cash equivalents at the beginning of the year	64,864	57,041
Cash and cash equivalents at the end of the year	12,275	64,864

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies

a) Basis of preparation

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

The Greenwich Theatre 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 note.

b) Going concern basis of accounting

The financial statements are prepared on the going concern basis, which assumes that the charity will continue in operational existence for the foreseeable future. Once the new lease is in place the charity will receive c.£80,000 per year in rent relief from Greenwich Council in exchange for agreed social value outputs. This will be in place via a lease agreement until 2048. In addition, the charity is due to receive substantial annual tax rebates via the Theatre Tax Relief scheme. In 2022-2023 (to be received in 2024) this will be c.£140,000. A second claim will then be made for 2023-2024 (expected 3rd quarter 23-24) in the region of £150,000. The charity has also recently run the 2023 pantomime, the first full run since before the pandemic, with an anticipated profit of c.£200,000. The confirmation of the lease also allows the charity to plan for subsequent large-scale Christmas shows with confidence, and has allowed confirmed hire contracts to be issued to third party hirers, yielding £120,000 between 2024 and 2025. The charity continually monitors its incoming resources and outgoing expenses in order to manage the charity's cash flow and has budgets and plans in place to continue in operation supported by new individual project funding from Greenwich Council and others.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of theatrical performances is deferred until criteria for income recognition are met.

d) Interest receivable

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

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity. All funds in the prior period were unrestricted.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to charitable activities, based on the minimal time spent on raising funds.

h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures and fittings	5 years
Office equipment	4 years
Other fixed assets	4 years

Items of equipment are capitalised where the purchase price exceeds £500.

i) Investment in subsidiaries

The charity has one wholly owned subsidiary, Greenwich Theatre Enterprises Limited (company number 2480139). The company was dormant in the current and prior year. The subsidiary undertaking is valued at cost less any cumulative impairment losses in the charity's accounts.

j) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

k) Debtors

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

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

l) Cash at bank and in hand

Cash at bank and cash 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.

m) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

o) Accounting estimates and key judgements

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

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described below:

Depreciation

As described in note 1(h) to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Theatre Tax Relief

The charity has estimated the credit receivable under Theatre Tax Relief based on its eligible production expenditure incurred during the period. This amount is £137,500 and is included within other income and accrued income at the year end. As this amount is subject to review and approval by HMRC, actual results may differ.

Donated facilities

The charity receives donated facilities in the form of rental of the Greenwich Theatre from Royal Borough of Greenwich. No amounts were payable during the current or prior year. The charity does not currently recognise a gift in kind in their accounts as they are unable to reliably estimate the value of the gift to the charity.

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

2. Income from donations and legacies

	Restricted £	Unrestricted £	2023 Total £
Donations	-	20,753	20,753
Grants	<u>50,000</u>	<u>31,012</u>	81,012
Total income from donations and legacies	<u>50,000</u>	<u>51,765</u>	<u>101,765</u>

Prior period comparative:

	Restricted £	Unrestricted £	2022 Total £
Donations	-	17,344	17,344
Grants	-	294,063	294,063
Furlough income	<u>-</u>	<u>14,294</u>	<u>14,294</u>
Total income from donations and legacies	<u>-</u>	<u>325,701</u>	<u>325,701</u>

3. Income from charitable activities

	2023 £	2022 £
Theatre performance	<u>791,497</u>	<u>480,727</u>

All income from charitable activities in the current and prior year was unrestricted.

4. Income from other trading activities

	2023 £	2022 £
Rental income	<u>97,911</u>	<u>16,387</u>

All income from other trading activities in the current and prior year was unrestricted.

5. Income from other income

	2023 £	2022 £
Theatre Tax Relief	<u>137,500</u>	<u>160,101</u>

All income from other income in the current and prior year was unrestricted.

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

6. Government grants

The charity received government grants, defined as funding from Arts Council England, Royal Borough of Greenwich and the Coronavirus Job Retention Scheme (prior year only) to fund charitable activities. The total value of such grants in the year ending 31 March 2023 was £81,012 (2022: £163,357). There are no unfulfilled conditions or contingencies attaching to these grants in the year.

7. Total expenditure

	Charitable activities £	Support and governance costs £	2023 Total £
Staff costs (note 9)	247,634	160,835	408,469
Theatre performance	529,674	-	529,674
Depreciation	-	14,403	14,403
Publicity and marketing	-	330	330
Repairs and maintenance	-	10,741	10,741
Printing, postage and stationery	-	3,712	3,712
Telephone	-	5,141	5,141
Miscellaneous costs	-	19,857	19,857
Licences	-	3,057	3,057
Utilities and rates	-	21,494	21,494
Computer expenses	-	7,827	7,827
Travel and subsistence	-	422	422
Bank and finance charges	-	12,138	12,138
Training and recruitment	-	48	48
Audit and accountancy	-	(5,670)	(5,670)
Legal and professional	-	4,444	4,444
Sub-total	777,308	258,779	1,036,087
Allocation of support and governance costs	<u>258,779</u>	<u>(258,779)</u>	<u>-</u>
Total expenditure	<u>1,036,087</u>	<u>-</u>	<u>1,036,087</u>

Total governance costs were £13,444 (2022: £46,665)

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

7. Total expenditure

Prior period comparative

	Charitable activities £	Support and governance costs £	2022 Total £
Staff costs (note 9)	194,323	149,358	343,681
Theatre performance	623,250	-	623,250
Depreciation	-	16,662	16,662
Publicity and marketing	-	425	425
Repairs and maintenance	-	8,286	8,286
Printing, postage and stationery	-	1,782	1,782
Telephone	-	874	874
Miscellaneous costs	-	16,673	16,673
Insurance	-	6,575	6,575
Licences	-	3,530	3,530
Utilities and rates	-	21,610	21,610
Computer expenses	-	2,804	2,804
Travel and subsistence	-	58	58
Bank and finance charges	-	14,068	14,068
Training and recruitment	-	1,196	1,196
Audit and accountancy	-	43,567	43,567
Legal and professional	-	3,098	3,098
Sub-total	817,573	290,566	1,108,139
Allocation of support and governance costs	290,566	(290,566)	-
Total expenditure	1,108,139	-	1,108,139

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

8. Net movement in funds

This is stated after charging:

	2023	2022
	£	£
Depreciation	14,403	16,662
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	<u>7,500</u>	<u>8,333</u>

9. Staff costs and numbers

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	382,640	312,696
Social security costs	19,488	26,333
Pension costs	<u>6,341</u>	<u>4,652</u>
	<u>408,469</u>	<u>343,681</u>

No employee earned more than £60,000 during the current or prior year.

The key management personnel of the charitable company comprise the trustees, Artistic Director and Executive Director. The total employee benefits of the key management personnel were £112,652 (2022: £105,666).

	2023	2022
	No.	No.
Office and management	8	8
Theatre staff	<u>21</u>	<u>16</u>
Average head count	<u>29</u>	<u>24</u>

10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity makes a claim for Theatre Tax Relief based on its eligible production expenditure incurred during the period.

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

11. Tangible fixed assets

	Fixtures and fittings	Office equipment	Other fixed assets	Total
	£	£	£	£
Cost				
At 1 April 2022	307,130	67,315	10,000	384,445
Additions in year	<u>4,585</u>	<u>-</u>	<u>-</u>	<u>4,585</u>
At 31 March 2023	<u>311,715</u>	<u>67,315</u>	<u>10,000</u>	<u>389,030</u>
Depreciation				
At 1 April 2022	284,326	65,385	10,000	359,711
Charge for the year	<u>13,920</u>	<u>483</u>	<u>-</u>	<u>14,403</u>
At 31 March 2023	<u>298,246</u>	<u>65,868</u>	<u>10,000</u>	<u>374,114</u>
Net book value				
At 31 March 2023	<u>13,469</u>	<u>1,447</u>	<u>-</u>	<u>14,916</u>
At 31 March 2022	<u>22,804</u>	<u>1,930</u>	<u>-</u>	<u>24,734</u>

12. Investments

	2023	2022
	£	£
Investment in subsidiary company	<u>2</u>	<u>2</u>

The Greenwich Theatre Limited owns 100% of the share capital of Greenwich Theatre Enterprises Limited (company number 2480139). The company was dormant in the current and prior year.

13. Stock

	2023	2022
	£	£
Consumables	<u>4,998</u>	<u>8,464</u>

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

14. Debtors

	2023 £	2022 £
Trade debtors	21,741	19,884
Other debtors	2,825	9,711
Prepayments and accrued income	<u>306,917</u>	<u>161,362</u>
	<u>331,483</u>	<u>190,957</u>

15. Creditors : amounts due within 1 year

	2023 £	2022 £
Trade creditors	155,323	119,031
Accruals	9,000	12,500
Deferred income	123,880	104,169
Other taxation and social security	8,144	12,603
Other creditors	<u>81,422</u>	<u>147,399</u>
	<u>377,769</u>	<u>395,702</u>

16. Deferred income

	2023 £	2022 £
At 1 April 2022	104,169	108,819
Deferred during the year	123,880	104,169
Released during the year	<u>(104,169)</u>	<u>(108,819)</u>
At 31 March 2023	<u>123,880</u>	<u>104,169</u>

Deferred income comprises income received in the year in respect of ticketed events and theatre hire scheduled after the balance sheet date. Movements in deferred income are analysed above.

The Greenwich Theatre Limited

Notes to the financial statements

For the year ended 31 March 2023

17. Movements in funds

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
Restricted funds				
Royal Borough of Greenwich	-	50,000	(50,000)	-
Total restricted funds	-	50,000	(50,000)	-
Unrestricted funds				
General funds	(106,681)	1,078,673	(986,087)	(14,095)
Total unrestricted funds	(106,681)	1,078,673	(986,087)	(14,095)
Total funds	<u>(106,681)</u>	<u>1,128,673</u>	<u>(1,036,087)</u>	<u>(14,095)</u>

Purposes of restricted funds

Royal Borough of Greenwich This was funding to support the contribution to a sustained cultural landscape, cultural and creative economy and skills, and embed place making at the heart of organisational delivery plans.

All income and expenditure in the prior year related to unrestricted funds.

All assets and liabilities held at the end of the current and prior periods were unrestricted.

18. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2023 £	2022 £
Amount falling due:		
Within 1 year	960	-
Within 1 - 5 years	<u>2,960</u>	-
	<u>3,920</u>	<u>-</u>

19. Related party transactions

Two trustees, Nas Asghar and David Stanley, are Councillors for the Royal Borough of Greenwich. During the year the charity received grants totalling £50,000 (2022: £76,700) from the Royal Borough of Greenwich. There were no outstanding balances between The Greenwich Theatre Limited and the Royal Borough of Greenwich at year end.