

**The Lyric Theatre (NI)
Company Limited by Guarantee
Annual Report & Financial Statements
Year Ended 31 March 2023**

**Company No: NI066152
Charity No: NIC100173
HMRC Charity No: XN47868**

**The Lyric Theatre (NI)
Company Limited by Guarantee
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Year Ended 31 March 2023**

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**The Lyric Theatre (NI)
Company Limited by Guarantee
Company Information**

Trustees Sir Bruce Robinson (Chair)
Stephen Douds (Vice Chair) (Resigned 31st July 2023)
Patricia McBride (Resigned 8th February 2023)
Mark Phelan
Michael Mullan
Nuala Donnelly (Resigned 8th August 2023)
Paul Hayes (Appointed 19th October 2022)
Jean Horstman (Appointed 19th October 2022)
Louise Warde-Hunter (Appointed 19th October 2022)
Rosie Timoney (Appointed 2nd January 2023)

Secretary Micheal Meegan

Registered Office 55 Ridgeway Street
Belfast
Antrim
BT9 5FB

External Auditor FPM Accountants Ltd
Chartered Accountants
1-3 Arthur Street
Belfast
BT1 4GA

Principal Bankers Ulster Bank
11-16 Donegall Square East
Belfast
BT1 5UB

Solicitors Cleaver Fulton Rankin Limited
50 Bedford Street
Belfast
BT2 7FW

Registered Charity No. NIC100173/XN47868

Registered Company No. NI066152

The Lyric Theatre (NI)
Report of the Trustees
Year Ended 31 March 2023

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the year ended 31 March 2023.

1. Structure, Governance and Management

Governing Document

The company was incorporated on 3 September 2007 as Lyric Theatre NI. The company commenced trading on 1 December 2007 and was recognised as a charity by HM Revenue and Customs on commencement of trading. The company is constituted under a Memorandum and is governed under its Articles of Association. There have been no amendments to the governing documents in the year.

The company has been registered with the Charity Commission for Northern Ireland from 26 January 2015 under registration number NIC100173.

Legally, the principal activities of the charity are to promote, maintain, improve and advance the education of the general public in the arts generally, with a special emphasis on theatre in all its multifarious forms. These principal activities form the basis for this report.

Organisational Structure

Lyric Theatre NI has a Board of Trustees of up to twelve members who meet at least 6 times per year and are responsible for the strategic direction and policies of the charity. At present the committee has seven members from a variety of professional backgrounds relevant to the work of the charity.

The charity has one wholly owned trading subsidiary, Lyric Players Theatre Productions Limited. The subsidiary deals with the production and staging of plays and other performances and operates the theatre's café, bar and kiosk services.

The charity licences the use of the theatre to its subsidiary under a non-exclusive licence for the purpose of staging productions and provides financial support to the subsidiary for the purpose of producing theatre. Any profits are gifted to the charity in their entirety.

The Trustees who held office during the year were:

Sir Bruce Robinson (Chair)
Stephen Douds (Vice Chair) (Resigned 31st July 2023)
Patricia McBride (Resigned 8th February 2023)
Mark Phelan
Michael Mullan
Nuala Donnelly (Resigned 8th August 2023)
Paul Hayes (Appointed 19th October 2022)
Jean Horstman (Appointed 19th October 2022)
Louise Warde-Hunter (Appointed 19th October 2022)
Rosie Timoney (Appointed 2nd January 2023)

A scheme of delegation is in place and day to day responsibility of the services rest with the Executive Producer and the Senior Management Team. The Executive Producer is responsible for ensuring the charity delivers the services specified and that key performance indicators are met.

Sub-committees are in place to review some areas in greater detail, including Programming, Finance and HR (including Audit & Risk), Marketing & Development, and Building & Maintenance.

The Lyric Theatre (NI)
Report of the Trustees
Year Ended 31 March 2023

Recruitment and Induction of Trustees

Under the requirements of the Memorandum and Articles of Association, Trustees are elected to serve for a term of three years after which they must be re-elected at the next General Meeting. Normally a trustee will serve no more than three terms.

Trustees are drawn from people who have shown a keen interest in theatre and demonstrate expertise and knowledge in relevant professional disciplines, giving due consideration to the required skills, experience and diversity of the board body. New trustees are recommended by the Chair and Executive Producer and are approved by the board. When first appointed Trustees are given an induction and are briefed by the Chair and the Executive Producer, as well as meeting other key staff members.

2. Objectives and Activities

Executive Summary

This proved to be another exceptionally important year in the life of the Lyric Theatre. In hindsight the trustees are delighted to report it was a very successful year, but it did not feel like that until the very end of the year due to the significant challenges experienced.

The threat of Covid to our productions and especially to audience numbers was the omnipresent challenge. Our programming response was bold, with 6 of the 7 major in-house productions being new writing, and our audiences responded magnificently with wholehearted support. Notwithstanding the loss of a number of performances due to Covid by the end of the year we could confidently report live theatre in Belfast was in rude good health! There were many highlights in this great new writing programme particularly *The Gap Year*, *Propaganda: A New Musical* and *Agreement*.

We had started the year with an ambitious and successful co-production with the Abbey Theatre, Dublin, of Brian Friel's *Translations*. Other major collaborations in the year included further work with the BBC on *Rough Girls* and with the British Council and Rage Productions on the pioneering *Culture through India* project. In addition, we continued our commitment to supporting independent producers by hosted 37 visiting shows during the year. All of these productions contributed to the rich and varied programme that the theatre presented during the year.

We continued to encourage new writing through our New Work Open Call, receiving an amazing 188 applications for support! Our Literary Manager worked with some 100 writers and through some 80 projects provided dramaturgical, developmental or mentorship support. Seed commissions supported 13 proposals and 4 writers were selected for our new Playwrights Programme.

Over the past year, the education and outreach programme led by our Creative Learning Department reached 12,816 young people in schools, community groups and other organisations, including those in areas of disadvantage or social exclusion. Our flagship actor-training programme, Drama Studio, which is also led by our Creative Learning Department, had 14 participants on its 14-week course. We are delighted that 3 of the participants have taken up places in Drama schools. We were especially pleased that 8 former members of Drama Studio were in the cast of *Romeo and Juliet* which was directed by Philip Crawford on the main stage during the year.

We were thrilled to be named by The Stage in December 2022 as UK Theatre of the Year in recognition of the work we do on and off the stages, our work in schools and community groups with young people, our work with young actors, and in particular with writers, supporting hundreds of writers each year and platforming new writing. In addition, we won a UK Theatre Award for Best Play Revival for The Lyric and Abbey Theatre co-production of *Translations*, and a UK Theatre Award for Excellence in Arts Education for Lyric Drama Studio.

The Lyric Theatre (NI)
Report of the Trustees
Year Ended 31 March 2023

All of these achievements took place against the backdrop of another very significant challenge, that of rapidly increasing costs. Core running costs jumped significantly and retention of staff became much more difficult for understandable reasons in the face of the cost-of-living crisis. The theatre has been able to cope with this crisis so far due to a combination of tight cost control, a sound box office performance and continued sound and flexible financial support from our stakeholders. While ticket prices have increased, we remain committed to making the theatre accessible for everyone and so we retained our £15 tickets for all Lyric shows and discounts for community groups and students.

Across the full roster of Lyric productions and Visiting Companies performances, we played to 90,614 audience members, Offering support or employment to 277 freelancers during the year. Our Creative Learning Department engaged with 12,816 young people in schools, community groups and other organisations. Our programme also generated gross ticket revenue of £1.6m during the year.

The Trustees are very appreciative of the continued significant financial support that is provided by the Arts Council of Northern Ireland and by Belfast City Council. The very powerful impact that the theatre makes, and its contribution to the wider needs of this society, remains invaluable, and was only possible this year with that significant financial support. The trustees are also highly appreciative of the contribution from Garfield Weston Foundation, whose assistance to develop our digital and archiving strategy has proved invaluable. Notwithstanding the level of grant funding from the Arts Council, the current operating environment has reinforced concerns about the funding required. In addition, the lack of an on-going multi-annual funding cycle, frustrates the theatre's ability to engage in effective financial and creative planning.

The Trustees are especially appreciative of the outstanding leadership of the Executive team over the last year which has been so challenging. Each of whom has made a major contribution to the theatre in this period. However, the successful performance of the theatre in the last year is also due in very large measure to the dedicated, committed and exceptionally hard-working staff of the Lyric.

We remain fully committed to the principles of inclusion, diversity, equity and access (IDEA). In furtherance of these principles, we established this year our IDEA Council which engages staff and Trustees to work together on these issues.

For many years the Lyric has been exceptionally well served by very capable and competent individuals in the role of trustee. In the last year, three of the trustees have stepped back and the Board would like to place on record its deep thanks to them for their major contributions to the success of the Lyric Theatre. Stephen Douds has stepped down as Vice Chair; he and Patricia McBride have been trustees for a significant number of years through the construction of the present building until now. Both have a deep knowledge of theatre on this island and graciously have deployed that knowledge and experience fully in service of the Lyric. Nuala Donnelly has also been most generous with her time and advice on marketing and development. We also welcome the new trustees to the Board.

CREATE – make challenging and entertaining creative work

The past year has showcased the breadth of skills, talent and creative ambition the Lyric Theatre can deliver to audiences and stakeholders. Across the period we have maintained our position as the most successful full time producing theatre in Northern Ireland and are increasingly being recognised for the quality of those productions.

The year commenced with an ambitious co-production with the Abbey Theatre, Dublin, of Brian Friel's *Translations*. The production garnered excellent reviews and customer feedback here before touring to 3 Irish venues, reinforcing our standing within theatre across the island. The production won the UK Theatre Award for Best Play Revival.

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Year Ended 31 March 2023

Creative Learning staged *Blue Stockings* as their annual show in Spring, a brilliant piece of new writing about women's right to graduate at Cambridge University. With a cast of over twenty students, it was as ever a very successful production with sold out shows.

Our in-house production recommenced with *The Gap Year*. This script, developed pre-pandemic in association with Commedia of Errors, was a huge success and played to full houses.

Propaganda: A New Musical a co-production with Belfast Ensemble, was a formidable project which required all departments within the theatre to deliver the creative ambitions to a most exacting standard. It received excellent critical reviews and positive audience feedback. The show was successful in attracting a number of national press features including BBC Radio 4 Front Row, The Guardian and The Irish Times. It was nominated for an Irish Times Theatre Award, and its set design by Conor Murphy has been nominated for Best Design in the upcoming UK Theatre Awards.

Big Man by Paul McVeigh while smaller in scale delivered a powerful one-man performance from Tony Flynn. Innovative lighting design on the production was recognised with James McFetridge winning the Irish Times Theatre Award.

Christmas 2023 offered our audiences a wide range of choices to suit all. The *Snow Queen* a new family musical by Paul Boyd brought contrasting worlds of sun and snow to the stage with a talented cast of actor/musicians.

Grimes & McKee's Christmas Craic-er attracted sell out audiences for their two-man sketch show, accompanied by Rod McVey. The return of Paul Currie's anarchic punk cabaret in the Naughton topped off the festive line up.

Philip Crawford took on the role of director for the biggest production of the year, staging *Romeo and Juliet* in modern day Verona, the first major Shakespeare production staged by the Lyric Theatre in ten years. A cast of 12 professional actors was ably joined by 4 Drama Studio students for their first professional roles on the main stage. This wonderful opportunity was facilitated by a unique agreement between the Lyric Theatre and UK Equity.

The year ended with the tremendous production of Owen McCafferty's new play *Agreement*. Commissioned by the Michael Grandage Company, the Lyric Theatre produced the premiere in Spring 2023 to coincide with the twenty fifth anniversary of the Good Friday / Belfast Agreement. Its impact went far beyond critical acclaim and sell out shows and offered our audiences an opportunity to celebrate the anniversary in a shared civic space. As a partner on Queen's University's GFA25 programme, we showcased the theatre to the world and welcomed dignitaries, politicians and the worldwide media to the theatre.

Visiting Productions

The Trustees consider an important element of the Lyric's remit is to contribute to strengthening of the theatre sector both locally and across the island. To fulfil that remit the management team has sought to develop a theatrical eco-system with the Lyric at the hub. The programme of visiting productions is the pivotal component of this eco-system. In this year we have been successful in attracting a wide range of work from 37 independent producers to the stages at the Lyric. We have collaborated with many local companies to support their ambitions and expand the number of local artists taking to our stages.

INSPIRE – ensure our team, artists and audiences are inspired by everything we do.

New Writing

New Writing played a central role in our programme this year, with 6 out of 7 of Lyric productions brand new writing. This included *The Gap Year*, *Big Man*, *Propaganda: A New Musical* and *Agreement*, as well as an eclectic Christmas programme across both spaces. We offered a vast range of opportunities to the writing community throughout the year,

The Lyric Theatre (NI)

Report of the Trustees Year Ended 31 March 2023

with our New Work Open Call receiving 188 applications for support. With the support of our Literary Manager, 100 writers receiving support through; 80+ projects receiving dramaturgical, development or mentorship support, 13 projects receiving seed commissions and 4 artists selected for our New Playwrights Programme.

Creative Learning

Our Creative Learning department, which represents the Lyric's education, social and community engagement strategy, engaged with 12,816 young people in schools, community groups and other organisations, including those in areas of disadvantage or social exclusion. They once again produced a comprehensive and inclusive programme of events, plays and workshops. This included Summer School workshops, which were available for young people aged 6-18 in August 2022. A programme of 6 week long, live workshops was delivered with 129 participants. There were also 3 seasonal workshops arranged at Halloween for 40 participants. Throughout the year over 25 workshops took place in both primary and secondary schools across Northern Ireland with a total of 386 participants taking part.

In collaboration with DAERA, we toured for 4 weeks to Primary Schools, presenting a new environmentally themed musical, *WasteBusters*. This played to over 3,600 pupils across Northern Ireland. Our major secondary school outreach programme was centred around the mainstage production of *Romeo & Juliet*, which featured 4 current and 4 past participants of Drama Studio. In addition, we engaged with a number of external organisations including DAERA and Frantic Assembly delivering a range of creative projects. In total the Creative Learning Department delivered 556 events, involving 6,312 participants.

For the tenth successive year, the Lyric hosted the National Theatre's Connections festival: a 2-day event in March which featured 6 Youth Theatre groups from across the island of Ireland performing live in the Naughton Studio.

Our Drama Studio Actor Training Programme was able to take place with 14 new participants in September 2022. The participants worked with 15 different visiting practitioners during the course. Rehearsals began in the spring of 2022 for a production of Jessica Swale's *Blue Stockings*.

Accessibility

The theatre remains strongly committed to accessible pricing for everyone. As part of our strategic goal to develop new audiences and make the theatre accessible for everyone, we offered £15 tickets for all Lyric shows, and discounts for Community groups, students and Artist Ambassadors.

The theatre is committed to the principles of inclusion, diversity, equity and access (IDEA). This included an open policy for all practitioners, as evidenced through our New Playwrights Programme, an open casting process, an open call for new work and open recruitment practices, and additional work within the community and with community partners. We strive to make the theatre accessible to customers with additional needs, and we provided captioning for our digital content and offer a captioned, audio described, and a sign language performance of every Lyric produced show. We worked with the deaf community, and with our community groups, and we continue to provide free tickets to carers. We partnered with Goliath Trust to offer almost 400 children from disadvantaged areas a free performance of our Christmas show, *The Snow Queen*.

We continued our work in providing accessible pathways to careers in the arts while nurturing the upskilling and development of the workforce. We ran an assisted Mental Health and well-being programme for staff and 'Maker Masterclasses' free of charge for artists, including facilitated sessions in Shakespeare, and Intimacy of Set Guidelines.

During the year the theatre established a joint staff and trustee IDEA council to build further on our commitment to the principles of inclusion, diversity, equity and access (IDEA).

The Lyric Theatre (NI)

Report of the Trustees Year Ended 31 March 2023

GENERATE – build and develop multiple revenue streams

Audiences

Our audiences are vital to the Lyric, and we rely on them for the majority of our income: around two-thirds of our income comes directly from ticket sales, and food and drink sales. We have an audience-focused approach to our strategic plan as our future success depends on even greater audience loyalty. In addition to a multi-buy loyalty initiative, we introduced a new 4-level membership scheme, Lyric+, which creates a deeper and more meaningful relationship with our most loyal audiences. In the first year we have almost 200 Lyric+ members, at all levels from Ensemble, through to Director's Circle.

While attendance figures were initially lower than pre Covid at the start of the season, ticket sales grew steadily throughout the year in line with audience confidence, reaching peak audiences and full capacity ticket sales many times. Audience demand for our large-scale productions on the Main Stage was extremely strong, and higher than UK theatre benchmarks.

However, the ongoing impact of COVID-19 was still evident during the Christmas period and reflected in nine cancelled performances for our Christmas family show, *The Snow Queen*. This was forecast to have been our most successful Christmas family show ever. Despite these cancellations, *The Snow Queen* overall attracted 13,988 children and their families. Overall, we welcomed back 84,110 audiences this year, at overall capacity of 69%. This was higher than 2018/19 at 60% and only slightly behind 2019/20 at 73%.

We devised key education and outreach activities for our young people, particularly those most in need of our support. We provided valuable online resources for teachers and students and moved our Drama Studio to a hybrid of online and socially distanced workshops. All key education resources were filmed and made available online. Through this, 12,760 viewers and participants engaged directly with our outreach projects, which was only a 10% decrease on pre-pandemic numbers.

We continued to be the largest employer of theatre practitioners in the Northern Ireland, with over 277 freelancers supported or employed by the theatre during the year.

Overall, as the theatre welcomed back live audiences across the full roster of Lyric productions, Visiting Companies, and Creative Learning performances, totalling 90,614 audience members.

SUSTAIN - drive lifelong sustainability of the Lyric Theatre.

Lyric Scenic Construction

The Lyric Scenic Workshop, which we established in 2021, has played a vital role in supporting the theatre and changing the way we deliver sets and scenery for our productions. It was conceived as a way to take control of our raw materials and resources and move to a circular model for the delivery of our own scenery. Our ambition is to become a resource capable of delivering benefits to the wider all-Ireland theatre and arts sectors. Initially staffed with a workshop manager using mostly contracted labour, in 2022 we introduced a lead carpenter and fabricator to bring all aspects of scenic delivery within this department. We also hired an additional scenic construction apprentice demonstrating our commitment to nurturing the next generation of scenic construction talent.

In 2022/23 the scenic construction department delivered all aspects of set construction and scenic art on *Blue Stockings*, *The Gap Year*, *Propaganda: A New Musical* (nominated for UK Theatre award for best set design), *Big Man*, *The Snow Queen*, *Romeo and Juliet*, and *Agreement*.

The Lyric Theatre (NI)

Report of the Trustees Year Ended 31 March 2023

We have completely transformed how we build and create scenery at the Lyric; our production targets have met the Theatre Green Book standard (50% of materials used in the production having had a previous life and 65% of materials have a future life after the production), and we are committed to embedding this as our standard going forward. We are continuously reviewing these and how we can reduce the percentage of wastage in productions.

We have received overwhelmingly positive feedback from all designers engaged on Lyric productions.

In 2023 we began offering services to other companies, building scenery for Replay Theatre Company's production of *Mirrorball*, and Bruiser Theatre's tour of *Mojo Mickeybo* bringing in additional earned income for the organisation.

Future plans

As we look forward to the next twelve months, the trustees remain committed to fulfilling the theatre's mission to create, entertain and inspire, offering a creative hub for theatre-making, nurturing talent and promoting the critical role of the arts in society. This includes a bold and varied programme of in-house productions with new writing at its core, offering challenging and exciting live experiences for our audiences. This will be supplemented by a diverse visiting company programme, presenting work from independent producers both locally and across the island of Ireland. The theatre will further establish its touring ambitions as we present local stories on an international stage, with a planned tour to the Irish Arts Centre in New York. Education and Outreach will continue to be at the core of the theatre's plans as we further develop the Creative Learning programme to engage and inspire young people. The trustees remain mindful of the financial challenges facing the theatre, and a key priority will be advocating for an increase in core funding for the theatre, and while developing further incremental income streams through our box office, café bar, scenic construction workshop, and fundraising and development activities. The trustees are also aware of the need to review and establish a reserves policy suitable for the current and future needs of theatre.

3. Financial Review

Funds and Reserves

The Statement of Financial Activities (SOFA) shows the extent of and movement in, all charitable funds differentiating between restricted funds (monies provided for specific purposes) and unrestricted funds (monies that can be applied to any charitable objectives within the organisation's objectives).

Unrestricted funds include funds designated by the Trustees for specific future investment in the organisation. The total funds at 31 March 2023 are £12,812,001 (2022: £13,133,812). Of this £12,398,986 is represented by capital funds (2022: £12,592,011).

Total Incoming resources for the year were £3,534,608 (2022: £2,570,454).

Our main source of income continues to be the Arts Council of Northern Ireland of £1,383,422, Belfast City Council funding of £151,873, Garfield Weston of £243,192 and creative learning programme of £118,214.

Expenditure in the year has been committed to mounting a comprehensive live programme, the provision of creative learning and creative writing activities as well as core staffing and the upkeep and running of the theatre.

The Trustees will continue to seek ways to strengthen the balance sheet, noting the unrestricted funds of £12,812,001 (2022: £13,113,812) with £12,398,986 (2022: £12,592,011) of these classified as capital funds, mostly represented by the theatre building itself. The total unrestricted income funds at 31 March 2023 is £413,015 (2021: £541,801), which is below the level required as per our the current Reserves Policy.

The Lyric Theatre (NI)
Report of the Trustees
Year Ended 31 March 2023

Given the financially challenging year, there has been reduction in our unrestricted income reserve levels, which are currently insufficient to mitigate the risks associated with operating and producing live theatre.

The Lyric's role within the portfolio of clients funded by the Arts Council of Northern Ireland and the Drama Strategy for Northern Ireland means that the programme of activities will not always fall within the genre of popular entertainment. We continue to deal with the impact of a building, technical and staging equipment which is no longer brand new. Consideration therefore must remain on funding more extensively the maintenance of the building and investment in equipment and infrastructure, through the expansion of our capital reserves.

The current operating environment has reinforced concerns about the level of funding required, thus putting a Greater reliance on grant funding. The trustees recognise the need to further develop and diversify income streams, explore and develop new and existing partnerships, and continued investment in key areas such as the website, ticketing system and the Lyric Scenic Construction Workshop.

Notwithstanding the strategy of the Trustees, the Lyric remains wholly dependent on ongoing grant funding from The Arts Council of Northern Ireland and Belfast City Council, which needs to be kept under active review, with a view to moving to multi-annual year fund which would be beneficial to all parties.

Investments

Investments are primarily held for expenditure in the foreseeable future rather than as investments. The charity has a small reserve from its capital fundraising campaign. Monies are placed on short term deposit with reputable banking institutions within the UK.

Risk Management

The board receive regular reports from the executive team at their board meetings and give due consideration to the risks affecting the charity. This includes the provision of an organisational risk register, reviewed regularly by the board, with an update on the progress of any outstanding actions. The board have identified the primary risks to the charity as the almost permanent danger associated with the theatre's funding position along with the current cost inflationary environment, and the impact this will have both financially and operationally over on the next twelve months.

There is also an ongoing risk of dependency on specific income streams, primarily ticket sales and core funding received from the Arts Council of Northern Ireland, which remains unable to offer an on-going multi-annual funding cycle. This frustrates the theatre's ability to engage in effective financial and creative planning and forces short-term year-by-year planning to match year-by-year funding. Trustees have a constructive on-going relationship with their principal funders who recognise the theatre as a key partner at the heart of their Drama Strategy for Northern Ireland and would welcome any movement towards multi-year funding which would further enhance the delivery of that Drama Strategy.

Trustees' responsibilities statement

The trustees (who are also the directors of the Lyric Theatre (NI) for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The Lyric Theatre (NI)
Report of the Trustees
Year Ended 31 March 2023

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 the income and expenditure of the company 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 in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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.

Auditor

The auditors, FPM AAB Accountants have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as each trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
55 Ridgeway Street
Belfast
Antrim
BT9 5FB

Signed by order of the trustees:

Mike Mullan
Director

mike mullan
19.12.23

The Lyric Theatre (NI)
Company Limited by Guarantee
Independent Auditor's Report to the Members
Year ended 31 March 2023

Opinion

We have audited the group and parent charitable company financial statements of The Lyric Theatre (NI) for the year ended 31 March 2023 which comprises the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated cash flow statement and the notes to the accounts 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 Lyric Theatre (NI) group financial statements and parent charitable company financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at year ended 31 March 2023 and of the group and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

We note in the prior year a material uncertainty relating to going concern was noted, largely due to the uncertain nature of the Arts Council grant funding.

See note 1 for detailed disclosures relating to going concern. We believe the trustees have taken appropriate steps both in financial year 2023 and post year end in order to reduce the reliance of Arts Council funding. These steps include strengthening relations with other key funders and adding the security of new multi year grant funding. We also note that the Arts Council have confirmed uplifts of funding for the 23/24 financial year which will ease pressures on rising costs. Although the Arts Council funding is not multi annual and thus some uncertainty does exist surrounding the reliance on this, the theatre has been a core part of the Arts Councils funding portfolio for many decades and remains a vital part of the arts infrastructure in Northern Ireland. Given this there is no reason to suggest that a material uncertainty exists due to this funding.

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

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report. The Trustees are responsible for the other information. Our opinion on the accounts 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.

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Independent Auditor's Report to the Members
Year ended 31 March 2023

Other Information (continued)

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; and
- 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 the knowledge and understanding of the Trustees 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; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

The Lyric Theatre (NI)
Company Limited by Guarantee
Independent Auditor's Report to the Members
Year ended 31 March 2023

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

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company – Companies Act 2006, Charities Act (Northern Ireland) 2008 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



JL Grant (Senior Statutory Auditor)
for and on behalf of
FPM ACCOUNTANTS LTD
Chartered Accountants & Statutory Auditor
1-3 Arthur Street, Belfast, BT1 4GA



Date

The Lyric Theatre (NI)
Company Limited By Guarantee
Consolidated Statement of Financial Activities
Year Ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Capital Funds £	Total Year 2023 £	Total Year 2022 £
Income from:						
Donations & legacies	3	31,693	-	-	31,693	3,386
Charitable Activities						
Grant Income	4	-	1,501,838	321,109	1,822,947	1,441,103
Education Income	5	-	118,214	-	118,214	119,487
Activities for generating funds	6	1,518,272	-	-	1,518,272	903,740
Other Incoming Resources	7	43,482	-	-	43,482	102,738
Total Income		1,593,447	1,620,052	321,109	3,534,608	2,570,454
Expenditure on:						
Fundraising	8	-	24,237	-	24,237	1,552
Charitable activities	8	2,305,610	998,035	514,134	3,817,779	2,900,914
Governance costs	8	2,250	12,153	-	14,403	9,879
Total Expenditure		2,307,860	1,034,425	514,134	3,856,419	2,912,345
Net (outgoing)/incoming resources before transfers		(714,413)	585,627	(193,025)	(321,811)	(341,891)
Tranfers between funds		585,627	(585,627)	-	-	-
Net gain/(loss) for the year		(128,786)	-	(193,025)	(321,811)	(341,891)
Reconciliation of funds:						
Total funds brought forward		541,801	-	12,592,011	13,133,812	13,475,703
Total funds carried forward		413,015	-	12,398,986	12,812,001	13,133,812

All of the above amounts relate to continuing activities.

The notes on pages 19 to 31 form part of these financial statements

**The Lyric Theatre (NI)
Company Limited By Guarantee
Consolidated Balance Sheet
Year Ended 31 March 2023**

	Notes	2023 £	2022 £
Fixed assets			
Tangible Assets	12	13,263,122	13,564,491
Current assets			
Stocks	14	23,058	21,372
Debtors	15	372,934	377,222
Cash at Bank and in Hand		-	344,990
		395,992	743,584
Liabilities			
Creditors: Falling due within one year	16	(847,113)	(1,174,263)
Net current liabilities		(451,121)	(430,679)
Total Assets less Current Liabilities		12,812,001	13,133,812
Net assets		12,812,001	13,133,812
Funds			
Restricted income funds	18	-	-
Unrestricted income funds	19	413,015	541,801
Capital funds	19	12,398,986	12,592,011
		12,812,001	13,133,812

The financial statements were approved and authorised for issue by members of the committee on1912.23
and were signed on its behalf by:

mike mullan

Mike Mullan
Director

Company Registration: NI066152

All of the above amounts relate to continuing activities.

The notes on pages 19 to 31 form part of these financial statements

**The Lyric Theatre (NI)
Company Limited By Guarantee
Company Balance Sheet
Year Ended 31 March 2023**

	Notes	2023 £	2022 £
Fixed assets			
Tangible Assets	12	13,263,122	13,564,491
Investments	13	2	2
		13,263,124	13,564,493
Current assets			
Stocks	14	5,817	3,731
Debtors	15	169,061	207,235
Cash at Bank and in Hand		-	237,395
		174,878	448,361
Liabilities			
Creditors: Falling due within one year	16	(626,001)	(879,042)
Net current liabilities		(451,123)	(430,681)
Total Assets less Current Liabilities		12,812,001	13,133,812
Net assets		12,812,001	13,133,812
Funds			
Restricted income funds	18	-	-
Unrestricted income funds	19	413,015	541,801
Capital funds	19	12,398,986	12,592,011
		12,812,001	13,133,812

The financial statements were approved and authorised for issue by members of the committee on 19.12.23 and were signed on its behalf by:

mike mullan

Mike Mullan
Director

Company Registration: NI066152

All of the above amounts relate to continuing activities.

The notes on pages 19 to 31 form part of these financial statements

**The Lyric Theatre (NI)
Limited By Guarantee
Consolidated statement of cash flows
Year Ended 31 March 2023**

	2023	2022
	£	£
Net cash (outflow)/inflow from operating activities	(270,168)	(66,557)
Cash flows from Investing Activities		
Purchase of tangible fixed assets	(116,628)	(153,583)
Receipt from sales of fixed assets	-	-
Cash provided by (used in) Investing Activities	<u>(116,628)</u>	<u>(153,583)</u>
Increase/(decrease) in Cash and Cash Equivalents in the year	<u>(386,796)</u>	<u>(220,140)</u>
Cash and Cash Equivalents at the beginning of the year	344,990	565,130
Total cash and cash equivalents at the end of the year	<u>(41,806)</u>	<u>344,990</u>

Net cash inflow/(outflow) from operating activities

	2023	2022
	£	£
Net outgoing resources	(321,811)	(341,891)
Depreciation of tangible fixed assets	417,997	401,866
Movement in stock	(1,686)	(13,664)
Movement in debtors	4,288	(75,076)
Movement in creditors (excluding overdrafts)	(368,957)	(37,792)
Net Cash Outflow from operating activities	<u>(270,168)</u>	<u>(66,557)</u>

The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023

1) Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

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 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.

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

b) Preparation of the accounts on a going concern basis

Despite the ongoing challenges faced by the theatre with increasing operational costs, the trustees remain positive with the direction of the theatre and for the upcoming financial year. Financial year 2023 saw the theatre return to normal operations post pandemic. The theatre enjoyed a full year of performances, engaging in a number of successful productions and co productions. This increased certainty has had a positive impact on ticket sales with full capacity audiences welcomed regularly. The trustees identified that the funding model which focused heavily on Arts Council funding and box office sales was exasperated by the inflationary cost environment and thus have taken positive steps to further diversify revenue streams going forward.

The senior management team and trustees have continued to build relationships with multiple grant funders and from this have secured a significant uplift in multi year grants through various funders. Further diversification of revenue has been sought by confirmation of support from trusts and foundations with successful applications on multi annual support. The theatre also have open communication streams with key funders to ensure new opportunities are taken advantage off. Regarding Arts Council funding an uplift has been confirmed for FY 2024 which will significantly ease inflationary cost increases. Although the Arts Council is not multi annual, the theatre retains letters of support noting that it is a vital part of the arts infrastructure in Northern Ireland and is a key cultural institution given its commitment to performing arts. This coupled with added security of new multi annual grant support, will allow the trustees to engage in effective financial and creative planning for the next twelve months.

The senior management team and the trustees will continue to work to generate additional and new sources of income whilst taking all actions necessary to mitigate the impact of the current inflationary cost environment. The trustees have prepared forecasts for the year to 31st October 2024 which demonstrate that the theatre has sufficient resources to meet its financial obligations as they fall due. Appropriate measures are in place such as a sufficient overdraft facility. Concerns about rising energy costs have been reduced with appropriate budget allocations. Given the above the trustees have no concerns over the continued operations of the theatre and have adopted the going concern basis of preparation in the financial statements.

c) Group financial statements

The financial statements consolidate the results of the company and its subsidiary Lyric players¹

**The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

c) Group financial statements (continued)

policies. As a consolidated statement of financial activities is published, a separate statement of financial activities for the parent charity is omitted from the group financial statements by virtue of the Companies Act 2006.

d) Incoming Resources

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. The specific basis used is as follows:

Government Grants

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Donations

Voluntary income received by way of donations, gifts and gift aid to the charity is included in full in the Statement of Financial Activities when received.

Commercial Trading Income

Income from ticket sales is recognised when received. Where payments are received in respect of advance ticket sales, these amounts are treated as deferred income until the date of the performance.

Investment income

Income from investments is included, together with the related tax credits, in the Statement of Financial Activities on an accruals basis.

e) Resources Expended

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. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Staff costs are allocated to activities on the basis of time spent on those activities.

Charitable activities

These are costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Pension costs

The group contributes to a defined contribution scheme on behalf of employees. The assets of the scheme are held separately from those of the group in an independently administered fund and contributions are charged to the Statement of Financial Activities in the period to which they relate to.

Governance costs

Governance costs include those incurred in the governance of its assets and are associated with constitutional, statutory and strategic requirements.

**The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

1) Accounting Policies- (continued)

e) Resources Expended (continued)

Costs of Raising Funds

These are costs associated with attracting voluntary income and, as such, include the cost of producing advertising and publicity materials, the direct cost of fundraising events and salary costs.

f) Fund accounting

The group has various types of funds for which it is responsible and which require separate disclosure. Definitions of the various types of funds are as follows:

Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.

Unrestricted funds

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the charity in the furtherance of its objectives.

Capital funds

Capital funds are a form of unrestricted fund, consisting of amounts which have been allocated or designated for capital spend by the charity. The use of such funds for their designated purpose will remain at the discretion of the board.

g) Operating leases

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

h) Tangible fixed assets

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates:-

Freehold Land	Not depreciated
Freehold Property	2% Straight Line
Stage Sets	33% Straight Line
Furniture, Fixtures & Fittings	10% - 20% Straight Line
Equipment and Software	10% - 20% Straight Line

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

**The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

1) Accounting Policies- (continued)

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

J) Cash at bank and in hand and current asset investments

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Deposits with original maturities of greater than 3 months are shown as current asset or fixed asset investments depending on the date of maturity.

k) Creditors and provisions

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.

l) Stocks

Stocks are stated at the lower of cost and net realisable value. At each balance sheet date, stock are assessed for impairment.

m) Foreign currency

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are presented in the Statement of Financial Activities.

**The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

1) Accounting Policies- (continued)

n) Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, the net amounts are presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instruments is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

o) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

p) Exemptions under Companies Act 2006

The Charity has taken advantage of the following exemption:

- (i) from preparing a Statement of Financial Activities on the basis that the Consolidated Statement of financial activities includes the Charity's statement.

q) Critical accounting estimates and judgements

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

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

Critical judgements in applying the entity's accounting policies

- (i) To determine when the performance related conditions associated with grant income have been met.
- (ii) Going concern is discussed in detail above. In assessing the reasonableness of the going concern basis, the Directors have used judgement in preparing budgets and cashflow forecasts for the upcoming 12 months.

Critical accounting estimates and assumptions

- (i) Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

2) Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023

3. Donations & Legacies

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2023 Total £	2022 Total £
Gift Aid	4,382	-	-	4,382	3,386
Other Donations	27,311	-	-	27,311	-
	31,693	-	-	31,692	3,386

The 2022 income total of £3,386 was split fully as unrestricted Income.

4. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2023 Total £	2022 Total £
Arts Council of NI	-	1,147,275	236,147	1,383,422	1,050,129
Belfast City Council	-	150,000	1,873	151,873	150,000
Garfield Weston	-	160,103	83,089	243,192	179,998
Theatre Trust & Wolfson Foundation	-	-	-	-	18,250
Miscellaneous Grants	-	44,460	-	44,460	42,726
	-	1,501,838	321,109	1,822,947	1,441,103

The 2022 income total of £1,441,103 was split £1,380,732 restricted funds and £60,731 capital funds.

5. Education Income

	Restricted Funds £	2023 Total £	2022 Total £
Education Income	118,214	118,214	119,487
	118,214	118,214	119,487

The 2022 income total of £119,487 was split fully as restricted Income.

6. Activities for generating funds

	Unrestricted Funds £	2023 Total £	2022 Total £
Trading income generated from Lyric Players Theatre Productions Limited	1,518,272	1,518,272	903,740
	1,518,272	1,518,272	903,740

The 2022 income total of £903,740 was split fully as unrestricted Income.

7. Other Income

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Miscellaneous Income	43,482	-	43,482	22,043
CJRS Government Grant Income	-	-	-	80,695
	43,482	-	43,482	102,738

The 2022 income total of £102,738 was split £48,232 unrestricted funds and £54,506 restricted funds.

The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023

8. Resources expended

	Theatre	Bar and Café	Creative Learning	Property	Governance	Total 2023	Total 2022
	£	£	£	£	£	£	£
Direct Costs							
Fundraising	24,237	-	-	-	-	24,237	1,552
Wages and salaries	1,031,885	140,756	35,189	-	-	1,207,830	840,273
Purchases	115,716	128,556	116,808	-	-	361,080	150,699
Sundry	-	936	-	-	-	936	349
Travel and Subsistence	70,148	-	-	-	-	70,148	26,144
Payments to Creatives	119,653	-	30,103	-	-	149,756	74,841
Education Projects	-	-	-	-	-	-	51,230
Costs of Production	321,540	-	-	-	-	321,540	357,999
Indirect Costs							
Wages and salaries	331,519	40,593	156,525	-	-	528,637	424,575
Pension Costs	26,700	1,204	1,204	-	-	29,108	22,570
Other Staff Costs	16,492	2,528	2,290	1,593	-	22,903	18,170
Rent Payable	14,956	4,405	1,101	9,207	-	29,669	37,842
Heat and Light Repairs and	116,769	47,959	20,591	20,591	-	205,910	151,777
Maintenance	74,886	32,553	454	55,712	-	163,605	120,339
Insurance	21,763	21,763	5,441	5,441	-	54,408	54,483
Sundry Costs	2,873	3,578	1,955	2,052	-	10,458	8,657
Travel and Subsistence	1,157	159	3,636	118	-	5,070	3,018
Legal and Professional Fees	6,192	1,552	-	810	-	8,554	18,020
Telephone	13,241	779	1,558	-	-	15,578	8,620
Stationary and Postage	2,737	145	159	147	-	3,188	2,691
Advertising and Marketing	144,067	7,495	8,820	-	-	160,382	100,160
Depreciation	-	-	-	417,997	-	417,997	401,866
Bank Charges	32,731	13,575	-	-	-	46,306	24,401
Subscriptions	3,262	466	466	467	-	4,660	2,190
Bad Debt	55	-	-	-	-	55	55
Audit Fees	-	-	-	-	10,794	10,794	9,750
Trustee Expenses	-	-	-	-	3,609	3,609	129
	2,492,579	449,002	386,300	514,134	14,403	3,856,419	2,912,400

**The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

9. Results for the year

This is stated after charging:	2023	2022
	£	£
Staff pension contributions	33,046	22,570
Depreciation	417,997	401,866
Auditors remuneration:		
Audit of financial statements	8,925	9,750
Tax compliance services	1,575	750

10. Employee Information

Total staff costs were as follows:	2023	2022
	£	£
Wages and salaries	1,204,328	1,183,687
Social security costs	112,211	81,161
Other pension costs	33,046	22,570
	1,349,585	1,287,418

Employee numbers:

The average number of employees during the year, calculated on the basis of full time equivalents was as follows:

	2023	2022
Administration staff	64	50

Staff Emoluments

The number of employees whose emoluments exceed £60,000 were:

	2023	2022
£60,001 - £70,000	-	-
£70,001-£80,000	1	1

There were no staff salaries which exceeded £80,000.

No trustees received remuneration from the company during the year or previous year.

11. Key Management Personnel

Key management personell are those persons having authority and responsibility for planning, directing and controlling the activities of the group

The key management personnell's aggregate remuneration in respect of qualifying services was:

	2023	2022
	£	£
Remuneration	130,500	115,001

**The Lyric Theatre (NI)
Company Limited By Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

12. Tangible Fixed Assets

Group & Company

	Freehold property £	Fixtures & Fittings £	Stage Sets £	Equipment & Software £	Total £
Cost					
At 1 April 2022	16,868,474	257,066	47,475	903,158	18,076,173
Additions	59,864	8,414	-	48,350	116,628
Disposals					-
At 31 March 2023	16,928,338	265,480	47,475	951,508	18,192,801
Accumulated depreciation					
At 1 April 2022	3,673,947	166,748	47,475	623,512	4,511,682
Charge for the period	335,532	18,072	-	64,393	417,997
Depreciation on disposal					-
At 31 March 2023	4,009,479	184,820	47,475	687,905	4,929,679
Net book amount					
At 31 March 2023	12,918,859	80,660	-	263,603	13,263,122
At 31 March 2022	13,194,527	90,318	-	279,646	13,564,491

13. Investments

Company

The company's investment represents 100% of the issued ordinary share capital of Lyric Players' Theatre Productions Limited, a trading company incorporated in Northern Ireland. The principal address of Lyric Players' Theatre Productions Limited is the same as The Lyric Theatre (NI).

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14. Stocks	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bar and Café Stock	23,058	17,641	5,817	-
	23,058	17,641	5,817	-

15. Debtors	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	51,101	158,147	914	46,222
Other debtors	13,156	20,205	24,357	22,782
Prepayments and accrued income	308,677	198,870	143,790	138,231
	372,934	377,222	169,061	207,235

All debt is due within one year.

16. Creditors: Amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans and overdrafts	41,806	-	78,294	-
Trade creditors	181,744	195,375	110,784	61,006
Amounts owed to group undertakings	-	-	270,188	157,993
PAYE and social security	34,912	26,151	11,707	11,978
Other creditors	48,131	25,221	11,645	17,929
Accruals and deferred income	540,520	927,516	143,383	630,136
	847,113	1,174,263	626,001	879,042

Included within accruals and deferred income is deferred income relating to grants where the performance related conditions have not met totalling £306,555. (2022: £580,482). The deferred income is released to income when the condition is met.

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

17. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £33,046 (2022: £22,570)

18. Restricted income funds

Group	Balance at	Incoming	Outgoing	Transfers	Balance at
	01-Apr-22	Resources	Resources		31-Mar-23
	£	£	£	£	£
Restricted Funds	-	1,620,052	(1,034,425)	(585,627)	-
Company	Balance at	Incoming	Outgoing	Transfers	Balance at
	01-Apr-22	Resources	Resources		31-Mar-23
	£	£	£	£	£
Restricted Funds	-	2,070,052	(2,040,049)	(30,004)	-

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19. Unrestricted income funds

Group	Balance at 01-Apr-22 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31-Mar-23 £
Capital funds	12,592,011	321,109	(514,134)	-	12,398,986
Unrestricted funds	541,801	1,593,447	(2,307,860)	585,627	413,015
	13,133,812	1,914,556	(2,821,994)	585,627	12,812,001

Company	Balance at 01-Apr-22 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31-Mar-23 £
Capital funds	12,592,011	321,109	(514,134)	-	12,398,986
Unrestricted funds	541,801	31,693	(190,483)	30,004	413,015
	13,133,812	352,803	(704,617)	30,004	12,812,001

20. Analysis of net assets between funds

Group	Tangible fixed assets £	Net current liabilities £	Total £
Restricted funds	-	-	-
Capital funds	13,263,122	(864,136)	12,398,986
Unrestricted funds	-	413,015	413,015
Total funds	13,263,122	(451,121)	12,812,001

Company	Tangible fixed assets £	Net current liabilities £	Total £
Restricted funds	-	-	-
Capital funds	13,263,122	(864,136)	12,398,986
Unrestricted funds	-	413,015	413,015
Total funds	13,263,122	(451,121)	12,812,001

21. Analysis of net funds

Group	Balance at 01-Apr-22 £	Cash flow £	Balance at 31-Mar-23 £
Cash at bank and in hand	344,990	(386,796)	(41,806)
Net funds	344,990	(386,796)	(41,806)

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22. Reconciliation of net cash flow to movement in net funds

Group

	2023	2022
	£	£
(Decrease)/Increase in cash in the financial year	(386,796)	(220,140)
Net funds at 1 April 2022	344,990	565,130
Net funds at 31 March 2023	<u>(41,806)</u>	<u>344,990</u>

23. Fund transfers

Fund transfers represent Management Charges paid between Lyric Players Theatre Productions Limited and The Lyric Theatre (NI), a subsidy provided by the Lyric Theatre (NI) to Lyric Players Theatre Productions Limited and funds by the capital project for general expenditure.

24. Taxation

The company is registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

25. Contingencies

There may be a contingent liability to repay revenue and capital grants if the conditions under which they were awarded fail to be met. Due to the nature of these contingencies it is not possible to quantify the potential financial effect or give an indication of timing as to the liabilities as they arise.

26. Related party transactions

The Lyric Theatre (NI) is under the control of its board of Trustees. Expenses were paid to Trustees of the charity, these totalled £239 (2022: £129)

27. Profit attributable to the parent company

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. The group loss for the year includes a loss of £321,811 (2022: £341,891) before transfers which is dealt with in the financial statements of the parent company.