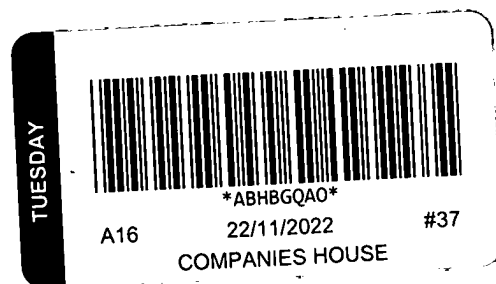


Company Registration No. 01396429 (England and Wales)
Charity No. 276892

Kiln Theatre

**Trustees' report and financial statements
for the year ended 31 March 2022**



Kiln Theatre

Company information

Trustees	Nicholas Basden Louis Charalambous Dominic Cooke Moyra Brown Sita McIntosh Karen Napier Shrina Shah Zadie Smith Christopher Yu
Company Secretary	Daisy Heath
Company number	01396429
Charity number	276892
Registered office	269 Kilburn High Road London NW6 7JR
Executive team	
Artistic Director / Chief Executive	Indhu Rubasingham
Executive Director	Daisy Heath
Independent auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	HSBC 50 – 52 Kilburn High Road London NW6 4HJ

Kiln Theatre

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Kiln Theatre

Trustees' report For the year ended 31 March 2022

The Trustees (who are also Directors of the Company) present their report, together with the audited financial statements of the charitable company, for the year ended 31 March 2022.

1. TRUSTEES AND ADMINISTRATIVE DETAILS

Trustees:

The Trustees of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees who served during the year and since the year-end were as follows:

Dawn Austwick	(resigned 8 November 2021)
Nicholas Basden	
Louis Charalambous	(appointed 8 February 2022)
Dominic Cooke	
Moyra Brown (previously Doyle)	
Sita McIntosh	
Anneke Mendelsohn	(resigned 7 October 2021)
Karen Napier	
Shrina Shah	
Zadie Smith	(appointed 12 April 2022)
Christopher Yu	(appointed 1 April 2021)

Brent Council Representatives (Observers):

Cllr Muhammed Butt
Cllr Rita Conneely

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Kiln Theatre is a company limited by guarantee. It is also a registered charity and is regulated by the Charity Commission. Kiln Theatre's Memorandum and Articles allow for a maximum of 15 Trustees and a minimum of 3. Trustees serve a maximum term of 3 years and can serve for a maximum of 3 consecutive terms with the option of a final 1-year term in specific circumstances. All Trustees are members of the company and are automatically appointed as such when they are elected to hold office. They cease to be members when their term of office ends. As a company limited by guarantee, all members are liable to pay £1 in the event of winding up or dissolution of the charity.

Appointment of Trustees

New Trustees are elected to the Board by existing members after recruitment process and discussion. The induction process is described below.

Dawn Austwick resigned as Chair of Trustees in November 2021. Moyra Brown stood in as interim chair until the Board were able to hold elections. Sita McIntosh was elected Chair of the Trustees on, and has served since, 8 February 2022.

Kiln Theatre

Trustees' report For the year ended 31 March 2022

Trustees' Induction and Training

The Nominations Committee is responsible for reviewing the skills of Trustees and ensuring that any gaps that exist in those skills are addressed as vacancies arise. All potential Trustees are referred to the Nominations Committee as part of the recruitment process to ensure that any appointment fills identified gaps and strengthens the Board. The Committee then makes a recommendation to the full Board, who will decide whether to invite the candidate to become a Trustee.

New Trustees go through an induction process which includes reviewing copies of the current Strategic Plan, recent board meeting minutes, most recent management accounts and statutory accounts as well as meeting with key members of staff, including the Executive team.

Organisation

The Board of Trustees is responsible for the strategic direction of the charity. The Board is required to meet at least 3 times a year. It has two sub-committees responsible for looking at specific areas in more detail: 1. Finance and Risk, and 2. Nominations.

The Trustees have delegated the operational day to day running of the charity to the Executive team - the Artistic Director and Executive Director.

Related Parties

The charity has two wholly owned subsidiary companies; Kiln London Productions Limited (formerly Tricycle London Productions Limited) and Tricycle Screen Limited. There are no other related parties.

Risk Management

The Trustees have identified the major risks to which the charity is exposed, and systems have been established to mitigate these risks. The main procedures in place for identifying, evaluating and managing risks are:

- * A comprehensive budgeting and planning system with an annual budget and strategic plan;
- * Regular management accounts analysing performance against budgets;
- * Quarterly review by Finance & Risk committee of risk levels and mitigation measures.

At the 31 March 2022 the key risk facing Kiln Theatre was the recovery of the organisation after the Covid-19 pandemic and ensuring the return of audiences to the theatre alongside building a sustainable business model.

3. OBJECTIVES AND ACTIVITIES

The charity has the general aim of using different art forms to entertain, educate and stimulate audiences, participants and users to contribute towards a more cohesive community.

Kiln Theatre is a proudly local theatre with an international vision and reputation. From our Kilburn home, we create high-quality and engaging work, which presents the world through a variety of lenses, bringing

Kiln Theatre

Trustees' report

For the year ended 31 March 2022

unheard and/or ignored voices into the mainstream. We make theatre that tells big stories about human connections across cultures, race and language.

We believe that everyone should feel welcome and entitled to call this space their own.

We want people to feel empowered by their engagement with us.

Our Vision

To uncover our shared humanity, illuminating our connection through stories, and deepening our capacity to empathise with each other

Our Mission

To make theatre for all by making space for unheard/ignored voices.

Strategic Plan

Kiln Theatre's Strategic Plan 2020-22 (refreshed in April 2021) sets out the organisations objectives organised around four Goals: 1) Artistic Excellence, 2) Celebrating People, 3) Promoting Place and 4) Financial Sustainability. Progress against SMART targets is monitored quarterly and reported to the Board.

Kiln Theatre's main areas of activity are as follows:

- Theatre programme
- Creative engagement programme with young people and local communities
- Cinema programme

Artistic Vision and Activity

In the pursuit of our Vision, we seek out plays that are provocative and entertaining; plays that ask questions about identity with a flavour that is unique and that speaks to a wide range of local residents, Londoners and people from further afield. Since re-opening as Kiln in 2019, we aim to stage six to eight first-class productions per year in our flexible, revitalised theatre. We are committed to continuing to make this work accessible and affordable for our audiences, offering West End quality work at Kilburn prices. Writers and artists choose to make new work at and for Kiln Theatre and actors, technicians and theatremakers feel at home here. This is a reflection of both the high calibre of our team and the strength of the relationships with local communities and audiences.

4. ACHIEVEMENTS AND PERFORMANCE

After 14 months of closure, the 2021/22 season began in May 2021 and featured three mission-driven new plays and one revival. In total, we reached over 24,000 audience members through our artistic programme (this number was reduced reflecting sales lost due to Omicron-related cancellations in December 2021 – January 2022) and made just over £518,000 in ticketing income over this 9 months period of programming. Due to timings alongside the financial year, this includes capitalisation and running costs plus £8,000 box office income for first four days of performances for *Black Love*, which was our first production in the 22/23 season and therefore not covered in detail in this report.

1. *Reasons You Should(n't) Love Me* by Amy Trigg, directed by Charlotte Bennett

★★★★ 'A tour de force performance.' The Telegraph

★★★★ 'Enormously entertaining.' The Guardian

Kiln Theatre

Trustees' report

For the year ended 31 March 2022

★★★★ 'Hilarious, honest, heart-warming' WhatsOnStage

★★★★★ 'Challenges prejudice with audacity' New European

Amy Trigg's debut play *Reasons You Should(n't) Love Me* was a hilarious, heart-warming play about Juno, a young woman with spina bifida navigating her twenties. The production was a collaboration between four female-led organisations: Ellie Keel for The Women's Prize for Playwriting; Paines Plough's artistic directors Charlotte Bennett and Katie Posner; Jessica Rose McVay at 45North; and Kiln Theatre led by Indhu Rubasingham and Daisy Heath. The play had previously won the Women's Prize for Playwriting and, following the successful run, Amy Trigg was awarded the 2022 Playwright Scheme Bursary from the Peggy Ramsay Foundation, Film 4 and Maria Bjornson Memorial Fund. As part of this Scheme Amy has now joined Kiln Theatre as our 2022 playwright in residence.

"I came to the Kiln as a debut writer. I didn't realise it at the time, but it turns out that I struck gold. My play was a one person show about a disabled woman – it could have easily been programmed in a small studio space for a very short run with little artistic support or budget. It could have become a 'tick' on the theatre's diversity quota...or taken in a different direction in order to fit a company's view on disability/disabled playwrights. How lucky I was to find myself in a theatre that thrives on intersectionality and artist led authenticity - a theatre that supports all artists to produce high quality theatre."

Amy Trigg, writer and performer

After the run of performances, we released three Digital Encore performances from 18 - 20 June to increase the accessibility of the production for audiences around the country and those not yet able to return to live theatre.

2. *The Invisible Hand* by Ayad Akhtar, directed by Indhu Rubasingham

★★★★★ 'Since 2016, Brexit negotiations, Trump's presidency and Biden's subsequent election, and the pandemic have shifted the dynamics of global politics and made the play even more timely' The Telegraph

★★★★ 'Indhu Rubasingham excels in her directorial signatures of pacy staging combined with clarity of narrative and characterisation.' The Guardian

★★★★ 'The world has changed, but this story of self-interest in a time of crisis still bites.' Financial Times

The Invisible Hand was a pertinent and timely revival of Ayad Akhtar's thriller, directed by Indhu Rubasingham. The production had a sold out run in 2016 at Kiln and far exceeded its sales target in revival in 2021. *The Invisible Hand* was nominated for a prestigious Olivier Award in 2022 and was filmed and broadcast on Kiln Theatre channels digitally and then released by Sky Arts as part of their Sky Originals season.

3. *NW Trilogy* by Moira Buffini, Suhayla El-Bushra and Roy Williams, directed by Taio Lawson and Susie McKenna

★★★★ 'Sensational. A brilliant trio of powerful stories.' The Guardian

★★★★ 'A thrilling, if bittersweet, journey back through the history of a borough that has welcomed people from all over the world to help rebuild the nation.' Theatre Weekly

★★★★ 'Local stories with a universal resonance.' The Times

★★★★ 'Excellent. Absolutely engrossing.' WhatsOnStage

Kiln Theatre

Trustees' report For the year ended 31 March 2022

NW Trilogy was originally commissioned as part of Brent, London Borough of Culture 2020. After the original run was cancelled due to the Covid-19 pandemic, the production consequently played from 6 September – 9 October 2021 to positive critical and public reception. Co-directed by Kiln Associate Directors Susie McKenna and Taio Lawson and with a cast of 9 actors, this production was a collection of three short plays, by three acclaimed playwrights. Each paid homage to and celebrated three different migrant communities in 20th Century Brent, all of whom played a crucial role in shaping the diversity and politics of London and the UK. The plays epitomised Kiln's mission to put local stories under an international spotlight and, by doing so, to celebrate and uplift the people and communities of Brent and Northwest London.

The three plays were:

- Moira Buffini's *Dance Floor* which was set in an Irish dance hall in Kilburn, exploring how Irish migrants created a home in what came to be known amongst the Irish community in London as "County Kilburn".
- Roy Williams' *Life of Riley* detailed a young woman called Paulette who connects with her estranged father Riley, a reggae musician who was part of the famous reggae record label Trojan Records, originally based in Willesden, Brent.
- Suhayla El-Bushra's *Waking/Walking* introduced us to Anjali, newly arrived from Uganda, who is torn between keeping her head down and taking a political stand as the Grunwick factory strike unfolds.

4. *The Wife of Willesden* adapted by Zadie Smith from Chaucer's *The Wife of Bath*, directed by Indhu Rubasingham

- ★★★★★ 'Glorious...Zadie Smith and Indhu Rubasingham have concocted a stunning piece of freewheeling stagecraft. Clare Perkins is magnificent.' The Times
- ★★★★★ 'Irresistibly rambunctious theatrical debut...Smith has said she will now return to novel-writing; on the evidence of [*The Wife of Willesden*], our theatre industry would be mad to let her get away.' The Telegraph
- ★★★★★ 'The Wife of Willesden is a celebration of community and local legends, of telling a good story and living a life worth telling.' The Observer

The Wife of Willesden became the fastest selling, highest grossing production in the venue's history, selling out before opening night (despite the ongoing impact of Covid-19 and the slow rise in audience confidence experienced as they returned). The debut play by world-renowned author Zadie Smith, this production had also originally been programmed as part of the Brent London Borough of Culture programme in 2020. In April 2022, Zadie Smith was awarded 'Most Promising Playwright' for *The Wife of Willesden* by The Critics' Circle Theatre Awards. Rob Jones' design transformed Kiln's auditorium into the Colin Campbell pub, utilising the new auditorium's flexibility created by the capital project. The production garnered local, national and international positive public reception and critical praise.

Audiences

"Thank you for creating the most diverse theatre I have yet to go to. In terms of race, culture, class, age – everything, not only in the selection of shows and the actors, but in the audience. I sometimes felt a wave of embarrassment going to the theatre with my mum, in her broken English, us dressed in nothing special. I see others like us at your shows. Many of the shows I've seen at Kiln have been the most touching for me."
Audience member, 2021

Kiln Theatre

Trustees' report For the year ended 31 March 2022

When budgeting for the 2021/22 season, we were cautious in our projections of box office income and our planning incorporated socially distanced performances for the first 5 months of the year. The levels of social distancing during the season were phased, from *Reasons You Should(n't) Love Me* where the audience was 1.5 metres socially distanced in household bubbles, building gradually up to the run of *The Wife of Willesden* which was full capacity. We offered two socially distanced performances during the run of *The Wife of Willesden* to accommodate our audiences who weren't able or didn't feel comfortable to return to a sold-out capacity auditorium. Mask-wearing and lateral flow testing prior to visits have been strongly recommended throughout, with high levels of adherence from our returning audiences. Feedback for the way that our operation and FOH teams have welcomed and managed audiences during this time has been extremely positive.

The Wife of Willesden was the first show of the year to be back to normal audience levels, and the run had completely sold out and reached £383k in revenue, which made it the highest grossing show in the venue's history. Unfortunately, we were forced to cancel 14 performances due to Covid-19 amongst the company and, when administering the cancelled performances, we finished the run on £292k but this was still in line with the original budget.

In the reopening season over 50% of bookers were from Brent (up 20% than usual). 2,000 tickets were sold at a reduced rate to Brent residents, 400 local students came with a school group (where we also offered onstage tours), 1,000 £10 tickets given to Under 26-year-olds, and 400 free tickets given to Brent NHS Frontline workers. 217 Brent students and young residents received free tickets as part of our City Bridge Trust free ticket scheme. Young Brent Foundation bought 200 tickets to distribute, and we worked with Ashford Place (a charity working with people with addiction, experiencing homelessness, and with those struggling with mental health, dementia and age-related issues) to offer free tickets to matinee performances. Our audience feedback about their experiences of productions during 2021/22 was overwhelming positive including the most common: 'entertaining', 'absorbing', 'thought provoking', and 'engaging'.

Initial data from our reopening season has shown that audiences were hyper local, c.60% audience from Brent & Camden (usually 35%), they are returning to the venue, with only 40% first-time attenders (previously 60%) and 18% are from lower engaged households (usually 12%) (Kaleidoscope Creativity demographic).

Artistic Development and Commissioning

During the pandemic, Kiln Theatre has continued to support and invest in pathways for emerging talent as well as helping theatre artists and other freelancers to find an inclusive and supportive home for their work. Covid's devastating consequences for freelancers have brought into sharper focus the importance of Kiln's links with the freelance community, and in 2021/22 we focused on creating working opportunities, new commissions and embedding freelancers in our staff team wherever possible.

During 2021/22 Kiln engaged 153 freelancers to work on our artistic and creative engagement programmes. We have continued to develop an exciting and diverse portfolio of 14 commissioned playwrights, offering full dramaturgical support through the commissioning cycle. In total, 80% of our commissioned writers identify as female or non-binary, and 80% are from the Global Majority. The commissioned writers include the Bertha-Kiln Writers: Chinonyerem Odimba, Nessah Muthy, Hannah Khalil, Amy Ng and Suhayla El-Bushra, initially commissioned in 2020. In addition, Zodwa Nyoni's commissioned play *The Darkest Part of the Night* will be staged as part of the 2022/23 season.

Kiln Theatre

Trustees' report For the year ended 31 March 2022

The Artistic team purposefully includes freelance creatives in direct response to the freelancer-based crisis the pandemic exacerbated. In 2021/22, we successfully piloted the Backstage Resident Designer Programme, welcoming multi award-winning theatre and heritage designer Tom Piper MBE to our team as Associate Designer for two years. In addition, two early career Resident Assistant Designers (Ruth Badila and Pip Terry) were consecutively appointed for eight/nine months each, Pip will conclude her residency in 2022/23.

Taio Lawson and Susie McKenna were joint Associate Directors from July 2019 to January 2022. Both of these artists enriched the Artistic team with their experience and perspective, exemplified in their co-direction of *NW Trilogy*. Susie also represented Kiln as part of the Freelancers' Task Force during the Covid-19 pandemic.

In February 2022, Amit Sharma joined Kiln Theatre as our new Associate Director. He joins the Artistic team alongside our Playwright-in-Residence (Amy Trigg), New Work Associate (Tom Wright), Associate Designer (Tom Piper) and Pip Terry (Resident Assistant Designer)– in terms of protected characteristics one of the strongest teams in British Theatre. Both Amit and Amy are two of the disabled artists' communities' leading figures. Tom Piper's and Amit's membership of the Senior team has ensured the continued presence of the freelancer voice right at the heart of the organisation's management and strategic planning.

Creative Engagement programme

Our extensive Creative Engagement work sits at the heart of our organisation, fully integrated with the work on our stage. The programme continued online for the first part of the 2021/22 financial year, with workshops and activity returning in person from September 2021 onwards. Over the year, we worked with hundreds of young people and adults from our local area each year to devise and deliver creative projects. We also provided free or subsidised tickets to ensure that cost is no barrier, and that everyone can see themselves in the stories on stage and in the audience around them.

Highlights over the year included:

- **Minding the Gap:** 58 drama sessions for 102 children and young people aged 14-19 who are newly arrived in the country, with lived experience of migration or who identify as refugees and asylum seekers. Working with two partner schools and a partner college, we delivered a programme of workshops for EAL students (English as an Additional Language) to develop their creativity, confidence and spoken English skills. The school groups created a short film based on their own ideas, which were shared in a celebratory event in the Kiln Cinema. Our college groups devised short live performances which were shared on the Kiln Cinema stage to an audience of peers and Kiln staff.
- **Youth Theatre:** Feb – July 2021, 32 participants across both 7-11 and 12-15 age groups participated online through weekly Zoom sessions as they could not meet in person due to Covid-19 restrictions. They created two digital productions, *An Unexpected Adventure* and *Returning the Fire*, which were screened in-person at Kiln Cinema before their family and friends. Session focuses included storytelling, becoming a theatre technician, physical characterisation, and designing your Zoom space.

From September 2021 – Feb 2022, we delivered weekly in-person workshops for the 7-11 and 12-15 age groups. They devised two original theatre productions, *The Forest Awakens* and *Code & Dagger* which were performed on the Kiln stage in February 2022. Session focuses included puppetry, ensemble skills, vocal projection and movement and body language.

Kiln Theatre

Trustees' report

For the year ended 31 March 2022

- **Young Company:** April – August 2021, we delivered a project that supported 20 young people aged 16-18 to write, direct and perform their own production. On the 19 August 2021, the cohort performed their show *A New Beginning* on the Kiln Theatre stage. Session focuses include sharing your artistic voice, creating dialogue, moving from page to stage, dialogue rehearsal techniques, and exploring audience experience.
- **Listen Local Writers' Programme:** this programme provided 10 writers aged 18-30 with a paid training opportunity to write their first short play. These were then performed by professional actors on the Kiln Theatre stage on 26 and 27 February 2022. The writers were selected from a cohort of 55 who took part in taster workshops delivered across Brent in September 2021. They were all paid the London Living Wage for their participation
- **Emerging Writers' Workshops:** an open access and free programme for people living, working or learning in North West London and aimed at mid-career writers. Across two workshops in January and February 2022, 40 people attended our workshops 'What's the Form' and 'What's the Story'. Both workshops were led by our New Work Associate, Tom Wright, and allowed participants to explore their own creativity and develop their understanding of the playwrighting form.
- **Free theatre tickets for schools:** 217 young people from Brent Schools and Youth Groups received free tickets to attend productions at Kiln Theatre during 2021/22.

Cinema

In 2021/22 we invested in staffing, infrastructure, and positioning of the Cinema to improve its financial sustainability. Functionality was improved with automated projection, rewiring and a brand-new screen and masking.

Kiln Cinema reopened at the end of September 2021. Despite a slow start, current sales remain relatively healthy within industry context. Our advance sales have increased, but our door sales which our cinema relies upon have not increased. We remain focused on improving the visitor experience and further local promotion of the venue.

We continue to largely sell out on NT Live broadcasts, with over 280 people attending Tom Stoppard's *Leopoldstadt*, and hosted screenings as part of the Irish Film Festival and Irish Film London, including screening the UK premier of Stacey Gregg's *Here Before*, a special Q&A with Damien Dempsey following a screening of *Love Yourself Today* and worked with the International Asian Film Festival. We work with BFI and Into Film to offer special screenings for school groups and are working with Ashford Place to develop a new programme of Dementia Friendly screenings.

The Cinema is also used for our Creative Engagement projects ranging from our Minding The Gap film screenings, to being used as a flexible space for Youth Theatre and Young Company work. We also gave the space to Phosphoros Theatre for their production of *All The Beds I have Slept In*. This was seen by over 250 local students, all of whom had recently arrived to the UK. We also supported The Mono Box to run workshops for freelancers using the Cinema.

Fundraising

Despite the ongoing impact of the Covid-19 pandemic, our fundraising efforts in 2021/22 continued. During this time, and as we welcomed audiences back through our building, we received donations totaling almost

Kiln Theatre

Trustees' report

For the year ended 31 March 2022

£999,912 from a range of individuals, companies, trusts and foundations. Our heartfelt thanks to everyone who supported us during the year.

Individuals

We give grateful thanks to a small group of major donors for their continued support as we reopened and welcomed audiences and artists back to the building. We also received donations from a growing portfolio of individual supporters, raising £173,209 across the year. In addition, 2,786 ticket bookers made a booking donation across the season, or donated their ticket income following cancellations of performances of *The Wife Of Willesden* in December 2021 and January 2022, contributing £18,359 across the year in total. Throughout the year, 1,490 sponsored a ticket for those who might not otherwise be able to attend, providing £14,348 of income towards this. The Kiln Community campaign finally closed in June 2021 and raised an additional £2,207 in this financial year, and our *NW Trilogy* campaign, which was launched in support of a production platforming local histories about Brent, raised over £1,000. We also remain grateful to the 105 individual regular giving supporters whose monthly and annual donations (totalling £18,270 in 2021/22) provided crucial core income during 2021/22.

Events and Companies

We ran two fundraising events in aid of Kiln Theatre in 2021/22. In December, we held a Gala performance of *The Wife of Willesden*. In February, our exciting Q&A fundraiser, *Jim Carter in Conversation with the cast of Bridgerton*, was held in the Cinema. Between them, these events raised a total of £15,016.

We also received a corporate donation from local company Synergy Vision in support of our work and impact in our local communities. We were awarded £135,000 (some of which was received in the 21/22 year) to establish a Bloomberg Philanthropies Tech Fellow to work with Bloomberg and the Arts Council to improve digital technologies as part of their Digital Accelerator Programme. We remain grateful to Bloomberg Philanthropies for this support of our organisational development at this critical time

Trusts

During the year, we received support from trusts and foundations in support of our artistic programme, our core costs, artistic development initiatives and training, and our Creative Engagement projects. Support from Backstage Trust saw the first year of the Backstage Designer Residencies (including the support of our Associate Designer and Resident Assistant Designer roles), and work with the Bertha Foundation on the Bertha Kiln Writers programme (the commission and dramaturgical development of five new plays from an extraordinary group of Global Majority female playwrights, ensuring that we were able to open up pathways for emerging talent and develop new writing) continued. Other donors include 29th May 1961 Charitable Trust, The Austin and Hope Pilkington Charitable Trust, BBC Children in Need, Boris Karloff Charitable Foundation, City Bridge Trust, Esmée Fairbairn Foundation, Foyle Foundation, John Lyon's Charity, John Thaw Foundation, The Marie-Louise von Motesiczky Charitable Trust, Pears Foundation, The Stanley Thomas Johnson Foundation, Vanderbilt Family Foundation, Wellington Management UK Foundation and the Young Londoners Fund.

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. Kiln Theatre has an Acceptance of Donations Policy, a Whistleblowing and Anti-Bribery Policy which outline the standards and practices for all theatre representatives to follow. We are a paid member of the Fundraising Regulator and we subscribe to

Kiln Theatre

Trustees' report For the year ended 31 March 2022

the Fundraising Preference Service. We follow the Code of Fundraising Practice and we stay up to date with compliance and regulation around fundraising.

The Board of Trustees is regularly updated on fundraising progress. Our Acceptance of Donations Policy outlines the process for accepting and soliciting donations to ensure that fundraised income is raised in accordance with the theatre's ethics as well as other policies and the Code of Fundraising Practice. In the year ended 31 March 2022 no complaints were received in respect of fundraising.

The Executive Director, Finance Director and Fundraising Director have reviewed and monitored all fundraising activity in 2021/22 and can report that there is no evidence of any negligence or non-compliance with the charity's policies.

Other Activities

Sustainability

Following the post-lockdown reopening in May 2021, the Kiln Theatre reaffirmed its participation in Julie's Bicycle and the London Theatre Consortium partnership. We submitted 2020/21 carbon-tracking data to Creative Green despite the building being closed to the public for much of the year. No Creative Green ratings/certification were issued for 2020/21 due to the pandemic disruption. Under our new Head of Operations & Front of House, we refreshed our approaches to environmental responsibility, utilised our Building Management System (BMS) and energy tracking software to limit wastage, set up our Green Team, and carried out a sustainability awareness campaign. In early 2022/23 our Environmental Responsibility Policy and Action Plan will be refreshed, and carbon data will be issued to Creative Green.

Health and Safety

Throughout 2021/22 the coronavirus pandemic played a key role in our health and safety management and planning. A comprehensive Covid-19 risk assessment was maintained throughout this period. This was managed and adapted in accordance with changes to government guidance/legislation. Despite the disruption we maintained key service contracts, PPM (planned preventative maintenance), and routine checks. A full Fire Risk Assessment was carried out by a competent person and recommendations actioned. Our Health and Safety committee met regularly throughout the year to review our practices and procedures.

The Staff

The organisation is run day to day by the Executive Team, supported by a senior management team who lead a skilled, experienced and highly committed permanent team of 34 staff. In 2021 a small number of staff remained on furlough and Kiln Theatre received £38,560 (2020/21 £355,210) in support from the Coronavirus Job retention scheme which enabled redundancies to be kept to a minimum and for us to retain the majority of our highly skilled and committed staff team through the pandemic.

Remuneration of Key Management Personnel

Key management personnel are those that the Trustees have delegated the day-to-day running of the charity to. During the year the Trustees considered the Artistic Director and Executive Director to be the key management personnel. Their remuneration is reviewed annually by the Nominations and Remuneration Committee with reference to industry standards.

Kiln Theatre

Trustees' report For the year ended 31 March 2022

5. FINANCIAL REVIEW

The results for the year show net expenditure of £153,231 (2021: net income £813,227). The Theatre received substantial support in the year from the Arts Council England and DCMS in the form of two additional grants. The first was the Culture Recovery Fund grant (round 2) and the second was the Culture Recovery Fund Continuity Grant both amounting to £182,000 each. This funding alongside our NPO grant (we are grateful to Arts Council England for our continued NPO funding which amounts to £844,782 in the year), the funding from the Coronavirus Job Retention scheme of £38,560 and an £24,000 grant from Brent Council to support businesses coming out of the pandemic was crucial to support the reduced box office as a result of continuing social distancing and the impact of the pandemic on audience confidence. We also received £27,583 from Heritage Lottery Fund (now the National Lottery Heritage Fund) to complete the ongoing legacy of the *A Friendly Society* project which concluded in 2021.

Reserves of £1,202,000 have been designated at 31 March 2022. These are £452,000 to support 3 months operating costs, £650,000 designated to support the 2022/23 budget and a £100,000 fund to support capital improvements to the building.

Kiln Theatre continues to strive to achieve its mission of bringing unheard voices to the stage at a challenging time as the country and the theatre industry continue to recover from the pandemic. Audience levels at the start of 2022-23 have been lower than expected and so the Trustees are monitoring the situation cautiously. They designated £650,000 of reserves at the end of 2021/22 to be used to support the budget for the 2022-23 financial year. Trustees are focussing on improving Kiln's financial sustainability as the organisation navigates the significant challenges in the months and years ahead.

Investment Powers and Policy

Under the Articles of Association, the charity has the power to invest in any way the Trustees wish for the long-term benefit of the theatre. All surplus funds are currently held in cash deposits and are largely held with HSBC on deposit.

Reserves Policy

At 31 March 2022 the company held total reserves of £11,692,128. Of this reserve £10,232,066 was restricted, £258,062 was held in the general funds and £1,202,000 in designated funds. Within restricted funds there is a capital reserve of £10,015,734, largely as a result of improvements to the leasehold property. This is being amortised over the life of the asset. At the year end, £216,332 was held in restricted income funds for use in Creative Engagement projects, the Bloomberg Digital Accelerator project, commissions through the Bertha Foundation and to support future productions.

The reserves policy of the company is to maintain reserves to cover the costs of 3 months' operating expenses. At the yearend, £452,000 was calculated as 3 months operating expenses and was designated as a separate fund by Trustees for the purpose of the reserve policy. £100,000 was set aside as a capital maintenance fund for use for emergency repairs to the building. At the end of 2021/22 the Trustees agreed to designate a further £650,000 to support the 2022/23 budget as the organisation recovers from the pandemic. In addition to these designated reserves totalling £1,202,000, at 31 March 2022 free reserves stood at £258,062.

6. PLANS FOR THE FUTURE

Whilst Chinonyerem Odimba's 'beautiful ode to Black culture (The Stage)' *Black Love* was produced in 2021/22, the majority of its running went into the 2022-23 financial year. This will be followed by Marina Carr's Kiln commission and first new play in over 15 years, *Girl on an Altar*, a re-telling of the Clytemnestra myth produced in partnership with the Abbey Theatre; Zodwa Nyoni's beautiful and ground-breaking Kiln commission, *The Darkest Part of the Night*; and a timely revival of Moira Buffini's acclaimed play *Handbagged*, a comedy which imagines what Margaret Thatcher and Her Majesty The Queen Elizabeth II would have talked about behind closed palace doors. Towards the end of the year, we have announced a return of Amy Trigg's brilliant debut *Reasons You Should(n't) Love Me* and Zadie Smith's smash hit, *The Wife of Willesden*.

We will build on our work with local communities into 2022-23 and beyond. If possible financially, planned projects include supporting members of our communities at risk of diabetes, projects to support people suffering with dementia, co-curating projects with care experienced young people in Brent, and a continuation of our writing programmes for local people wanting to develop their writing skills.

We also plan to continue to build on our cinema and the café and bar activities to ensure they are financially successful and can provide a source of income to continue to provide a support to our core activities.

We are currently waiting for the decision on the next round of Arts Council England funding, as the 2023 – 2026 National Portfolio is set to be announced at the end of October 2022. The main challenge facing us in the context of this funding is the expected cut in funding from Arts Council England to London from 2023 onwards. In total, across the next three-year period, arts and culture funding in London will be reduced by £24m (representing a 15% cut to public funding for the arts in London) and so this could have an impact on our funding. As we plan ahead into 2023 and beyond we will be dependent on the results of this decision in our planning for our activities into 2023/24 and beyond.

7. TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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

Kiln Theatre

**Trustees' report
For the year ended 31 March 2022**

the charitable company and the group 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 auditor is 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 auditor is 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 reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

8. AUDITORS

Saffery Champness LLP were re-appointed as auditors. A resolution was passed at the Annual General Meeting that Saffery Champness LLP continue as auditors to the charity for the ensuing year.

The Trustees' Report, which incorporates the Strategic Report, has been approved by the Board of Trustees.



**Sita McIntosh
Chair of the Trustees
13 October 2022**

Kiln Theatre

Independent auditors' report to the members For the year ended 31 March 2022

Opinion

We have audited the financial statements of Kiln Theatre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable to 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 affairs of the group and the parent charitable company as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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.

Conclusions relating to going concern

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

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

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

Other information

The 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit

Independent auditors' report to the members (continued)
For the year ended 31 March 2022

or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 12, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Independent auditors' report to the members (continued)
For the year ended 31 March 2022

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may

Kiln Theatre

Independent auditors' report to the members (continued)
For the year ended 31 March 2022

involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company'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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants	71 Queen Victoria Street
Statutory Auditors	London
	EC4V 4BE

Date: 15 November 2022

Kiln Theatre

Consolidated statement of financial activities (Incorporating an income and expenditure account) For the year ended 31 March 2022

	Notes	General Fund £	Designated Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income and endowments from:						
Donations and legacies	4	1,124,000	-	1,147,254	2,271,254	2,875,554
Charitable activities	5	822,060	-	-	822,060	97,742
Other trading activities	6	217,539	-	-	217,539	2,433
Investments	7	5,520	-	-	5,520	266
Total income		<u>2,169,119</u>	<u>-</u>	<u>1,147,254</u>	<u>3,316,373</u>	<u>2,975,995</u>
Expenditure on:						
Raising funds	8	446,783	-	-	446,783	221,452
Charitable activities	8	1,147,748	-	2,007,106	3,154,854	1,941,316
Total expenditure		<u>1,594,531</u>	<u>-</u>	<u>2,007,106</u>	<u>3,601,637</u>	<u>2,162,768</u>
Net income / (expenditure) for the year		574,588	-	(859,852)	(285,264)	813,227
Taxation – Theatre tax credit	9	132,033	-	-	132,033	-
Transfers between funds	10	(744,209)	755,000	(10,791)	-	-
Net movements in funds		<u>(37,588)</u>	<u>755,000</u>	<u>(870,643)</u>	<u>(153,231)</u>	<u>813,227</u>
Funds brought forward		295,650	447,000	11,102,709	11,845,359	11,032,132
Funds carried forward	10	<u>258,062</u>	<u>1,202,000</u>	<u>10,232,066</u>	<u>11,692,128</u>	<u>11,845,359</u>

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

All activities relate to continuing operations.

The notes on pages 22 to 42 form part of these financial statements.

Kiln Theatre

Balance sheets
As at 31 March 2022

	Notes	Charity only		Consolidated		Charity only		Consolidated	
		2022	2022	2022	2022	2021	2021	2021	2021
		£	£	£	£	£	£	£	£
Fixed assets									
Tangible fixed assets	11		10,004,371		10,004,371		10,436,321		10,436,321
Intangible fixed assets	12		11,363		11,363		22,687		22,687
Investments	13		200		-		200		-
			<u>10,015,934</u>		<u>10,015,734</u>		<u>10,459,208</u>		<u>10,459,008</u>
Current assets									
Debtors	14	475,013		372,802		368,383		360,762	
Cash		1,806,109		1,895,080		1,596,733		1,598,681	
Stock	15	-		7,539		-		-	
		<u>2,281,122</u>		<u>2,275,421</u>		<u>1,965,116</u>		<u>1,959,443</u>	
Creditors: amounts falling due in less than one year	16	(586,906)		(599,027)		(569,185)		(573,092)	
Net current assets			<u>1,694,216</u>		<u>1,676,394</u>		<u>1,395,931</u>		<u>1,386,351</u>
Net assets			<u>11,710,150</u>		<u>11,692,128</u>		<u>11,855,139</u>		<u>11,845,359</u>

Kiln Theatre

Balance sheets (continued)
As at 31 March 2022

		Charity only		Consolidated		Charity only		Consolidated	
		2022	2022	2022	2022	2021	2021	2021	2021
	Notes	£	£	£	£	£	£	£	£
Represented by:									
General fund	10		276,084		258,062		305,430		295,650
Designated funds	10		1,202,000		1,202,000		447,000		447,000
Restricted funds:	10								
- Capital funds		10,015,734		10,015,734		10,459,008		10,459,008	
- Income funds		<u>216,332</u>		<u>216,332</u>		<u>643,701</u>		<u>643,701</u>	
			<u>10,232,066</u>		<u>10,232,066</u>		<u>11,102,709</u>		<u>11,102,709</u>
Net assets	20		<u>11,710,150</u>		<u>11,692,128</u>		<u>11,855,139</u>		<u>11,845,359</u>

As permitted by s408 Companies Act 2006, the charity has not presented its own profit and loss account and related notes. The charity's net expenditure as defined by the Companies Act 2006 for the year was £144,989 (2021: Net income of £813,934).

The notes on pages 22 to 42 form part of these financial statements

The financial statements were approved by the Board on 13 October 2022.



Sita McIntosh
Chair

Kiln Theatre

Consolidated statement of cash flows
For the year ended 31 March 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities:					
Net income (expenditure) for the reporting period		(285,264)		813,227	
Tax credit receivable		132,033		-	
Depreciation		421,159		331,119	
Amortisation of intangible fixed asset		11,324		11,323	
Increase in stock		(7,539)		-	
Disposal of fixed assets		17,193		8,791	
Decrease/(increase) in debtors		(12,040)		127,183	
(Decrease)/increase in creditors		25,935		(403,357)	
Net cash provided by operating Activities			302,801		888,286
Cash flows from investing Activities					
Purchase of fixed assets		(6,402)		-	
Net cash used in financing Activities			-		-
Net cash movement			296,399		888,286
Cash at 1 April 2021			1,598,681		710,395
Cash at 31 March 2022			1,895,080		1,598,681
Net cash movement	20		296,399		888,286

**Notes to the financial statements
For the year ended 31 March 2022**

1. Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in the operational existence for the foreseeable future. The Trustees have prepared financial plans to 31 March 2023, and while there is some unpredictability to the level of earned income in financial year 2022/23, Trustees will ensure that activity plans sit within the resources available. The company has come out of the pandemic in a strong financial position due to the support of the Arts Council and the generosity of its donors which has enabled a stable financial position as we rebuild after the pandemic. The Trustees therefore confirm that it is appropriate to continue to produce the accounts on a going concern basis.

1.3 Income

Income from donations and grants, including capital grants, is included in income when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Production Income is included in income in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

All income is recorded net of VAT.

Notes to the financial statements (continued)
For the year ended 31 March 2022

1. Accounting policies (continued) (continued)

1.4 Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is recognised when a liability is incurred. Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds. Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as the creative engagement programme (educational and outreach). Cost of charitable activities includes both the direct cost of activities and related support costs. Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Where performances of a production straddle the balance sheet date, production costs are apportioned in relation to the number of performances falling within each period and the amount relating to performances after the balance sheet date are treated as debtors.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

Leasehold improvements	Over the life of the lease
Leasehold land	Over the life of the lease
Fixtures, fittings and equipment	25% straight line*

* In the year ended 31 March 2022 the depreciation policy for fixtures, fittings and equipment was changed from reducing balance to straight line. This led to an additional £47,012 of depreciation charged in the year ended 31 March 2022 relating to previous financial years.

1.6 Intangible fixed assets and amortisation

Intangible fixed assets are stated at costs less amortisation. Intangible fixed assets held on the balance sheet relate to the costs associated with the website. This is amortised over five years as this is the period deemed to be the life of the website and ensure the costs are reflected over the useful life of the asset.

1.7 Leasing

Rent payable under operating leases is charged against income on a straight-line basis over the lease term.

Notes to the financial statements (continued)
For the year ended 31 March 2022

1.	Accounting policies (continued)	(continued)
1.8	Investments	
	The Statement of Recommended Practice requires investments to be stated at market value. The investments of Kiln Theatre consist of two subsidiaries, Tricycle Screen Limited and Kiln London Productions Limited. Both companies are not quoted and the directors consider it appropriate to include the investments at cost.	
1.9	Stock	
	Stock is held in the balance sheet and is valued at the lower of cost and net realisable value.	
1.10	Pensions	
	The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.	
1.11	Consolidation	
	The consolidated financial statements present information about the company and its wholly owned subsidiary companies Tricycle Screen Limited and Kiln London Productions Limited.	
1.12	Fund accounting	
	Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred.	
	All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report.	
1.13	Financial instruments	
	The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. 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.	
1.13.1	Impairment of financial assets	
	Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.	
	Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.	
1.13.2	Derecognition of financial assets	
	Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.	

Notes to the financial statements (continued)
For the year ended 31 March 2022

1. Accounting policies (continued)

1.13.3 Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors 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.

The directors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

3. Status of company

The company is a registered charity, limited by guarantee. The total of such guarantees at 31 March 2022 was £9 (2021: £8).

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

4. Income from donations and legacies

	Unrestricted	Restricted	Total 2022
	£	£	£
Creative engagement grant income	-	235,504	235,504
Grant income	11,500	391,803	403,303
Donations	205,158	128,364	333,522
Arts Council England income	844,782	364,000	1,208,782
London Borough of Brent	24,000	-	24,000
Heritage Lottery Fund	-	27,583	27,583
Coronavirus job retention scheme grant	38,560	-	38,560
	<u>1,124,000</u>	<u>1,147,254</u>	<u>2,271,254</u>

The Arts Council supported the Theatre with 2 additional grants (the Culture Recovery Fund and the Emergency Funding Grant) to the value of £362,000 which was in excess of the £844,782 received in National Portfolio Organisation Grant. In total Kiln Theatre received £1,208,782 in funding from the Arts Council. In addition to this £90,143 was received from Brent Council, Heritage Lottery Fund and from the Coronavirus Job Retention Scheme. This means that total government grant funding was £1,296,925.

4. Income from donations and legacies

	Unrestricted	Restricted	Total 2021
	£	£	£
Creative engagement grant income	-	234,256	234,256
Grant income	130,100	361,000	491,100
Donations	203,338	102,529	305,867
Arts Council England income	844,782	644,338	1,489,120
Coronavirus job retention scheme grant	355,210	-	355,210
	<u>1,533,430</u>	<u>1,342,123</u>	<u>2,875,553</u>

5. Income from charitable activities

	Unrestricted	Restricted	Total 2022
	£	£	£
Production income	820,320	-	820,320
Workshops and courses	1,740	-	1,740
	<u>822,060</u>	<u>-</u>	<u>822,060</u>

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

5. Income from charitable activities (continued)

Unrestricted	Restricted	Total 2021
£	£	£
Production income	-	36,887
Workshops and courses	-	55,216
Theatre Tax Relief from co-producers	-	5,639
<u>97,742</u>	<u>-</u>	<u>97,742</u>

6. Income from other trading activities

Total/ Unrestricted 2022	Total/ Unrestricted 2021
£	£
Sales and merchandising	69
Sundries	2,364
<u>217,539</u>	<u>2,433</u>

7. Investment income

Unrestricted/ Total 2022	Unrestricted/ Total 2021
£	£
Exchange movement	-
Interest received	266
<u>5,520</u>	<u>266</u>

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

8.	Expenditure	Direct costs £	Support costs £	Total 2022 £
	Raising funds			
	Raising donations	115,229	74,685	189,914
	Trading	155,854	101,015	256,869
		<u>271,083</u>	<u>175,700</u>	<u>446,783</u>
	Charitable activities			
	Production	1,587,014	1,028,615	2,615,629
	Creative engagement	278,452	180,477	458,929
	A Friendly Society project	10,957	7,102	18,059
	Cinema	37,762	24,475	62,237
		<u>1,914,185</u>	<u>1,240,669</u>	<u>3,154,854</u>
		<u>2,185,268</u>	<u>1,416,369</u>	<u>3,601,637</u>
	Support costs			
	Advertising, publicity and Marketing			221,718
	Administrative staff			185,668
	Premises costs			356,929
	Office costs			119,069
	Professional and financial			45,927
	Governance			1,125
	Audit fee			16,178
	Other fees paid to auditors			5,163
	Depreciation and amortisation			432,483
	Operating lease payments			32,109
				<u>1,416,369</u>

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

8. Expenditure (continued)

	Direct costs £	Support costs £	Total 2021 £
Raising funds			
Raising donations	119,160	101,586	220,746
Trading	706	-	706
	<u>119,866</u>	<u>101,586</u>	<u>221,452</u>
Charitable activities			
Production	726,401	619,263	1,345,664
Creative engagement	305,787	260,687	566,474
A Friendly Society Project	12,063	10,284	22,347
Cinema	3,687	3,143	6,830
	<u>1,047,938</u>	<u>893,377</u>	<u>1,941,315</u>
	<u>1,167,804</u>	<u>994,963</u>	<u>2,162,767</u>
Support costs			
Advertising, publicity and Marketing			113,906
Administrative staff			208,138
Premises costs			176,498
Office costs			84,368
Professional and financial			17,735
Governance			2,994
Audit fee			13,881
Other fees paid to auditors			4,589
Depreciation and amortisation			342,442
Operating lease payments			28,358
Loss on exchange			2,054
			<u>994,963</u>

9. Taxation

The company is registered as a charity under the Charities Act 2011 and as such is entitled to the exemptions under Income and Corporation Taxes 1988. The tax credit of £132,033 (2021: £nil) recognised in the Statement of Financial Activities represents the amount receivable for Theatre Tax Relief.

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

10. General, restricted and designated funds

	Balances brought forward	Income	Expenditure	Transfers	Taxation	Balances carried forward
	£	£	£	£	£	£
Restricted income funds						
Creative engagement	131,410	268,807	328,306	-	-	71,911
National Lottery Heritage Fund	-	27,583	10,957	-	-	16,626
Productions	120,000	322,257	442,257	-	-	-
Arts Council England	-	364,000	364,000	-	-	-
Other	392,291	164,607	429,103	-	-	127,795
	<u>643,701</u>	<u>1,147,254</u>	<u>1,574,623</u>	<u>-</u>	<u>-</u>	<u>216,332</u>
Restricted capital funds						
Leasehold improvements	9,543,995	-	274,896	(17,193)	-	9,251,906
Freehold land	350,000	-	-	-	-	350,000
Leasehold premises	360,663	-	5,099	-	-	355,564
Fixtures, fittings and equipment	181,663	-	141,164	6,402	-	46,901
Website	22,687	-	11,324	-	-	11,363
	<u>10,459,008</u>	<u>-</u>	<u>432,483</u>	<u>(10,791)</u>	<u>-</u>	<u>10,015,734</u>
Total restricted funds	<u>11,102,709</u>	<u>1,147,254</u>	<u>2,007,106</u>	<u>(10,791)</u>	<u>-</u>	<u>10,232,066</u>
	295,650	2,169,119	1,594,531	(744,209)	132,033	258,062
General fund						
Designated funds						
Capital improvement	50,000	-	-	50,000	-	100,000
Three months operating costs	397,000	-	-	55,000	-	452,000
Investment in 2022/23 programme	-	-	-	650,000	-	650,000
Total designated fund	<u>447,000</u>	<u>-</u>	<u>-</u>	<u>755,000</u>	<u>-</u>	<u>1,202,000</u>
Total	<u>11,845,359</u>	<u>3,316,373</u>	<u>3,601,637</u>	<u>-</u>	<u>132,033</u>	<u>11,692,128</u>

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

10. General, restricted and designated funds (continued)

	Balances Brought Forward 2020 £	Income £	Expenditure £	Transfers £	Taxation £	Balances Carried forward 2021 £
Restricted income funds						
Creative engagement	44,418	224,256	137,264	-	-	131,410
Productions	5,000	25,000	10,000	-	-	20,000
Other	150,259	1,113,045	771,013	-	-	492,291
	<u>199,678</u>	<u>1,362,301</u>	<u>918,277</u>	<u>-</u>	<u>-</u>	<u>643,701</u>
Restricted capital funds						
Leasehold improvements	9,792,482	-	274,257	25,770	-	9,543,995
Freehold land	350,000	-	-	-	-	350,000
Leasehold premises	365,762	-	5,099	-	-	360,663
Fixtures, fittings and equipment	242,217	-	60,554	-	-	181,663
Website	34,010	-	11,323	-	-	22,687
	<u>10,784,471</u>	<u>-</u>	<u>351,233</u>	<u>25,770</u>	<u>-</u>	<u>10,459,008</u>
Total restricted funds	<u>10,984,149</u>	<u>1,362,301</u>	<u>1,269,510</u>	<u>25,770</u>	<u>-</u>	<u>11,102,709</u>
General fund	<u>47,983</u>	<u>1,613,694</u>	<u>893,258</u>	<u>(472,770)</u>	<u>-</u>	<u>295,650</u>
Designated funds						
Capital improvement	-	-	-	50,000	-	50,000
Three months operating costs	-	-	-	397,000	-	397,000
Total designated fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>447,000</u>	<u>-</u>	<u>447,000</u>
Total	<u>11,032,132</u>	<u>2,975,995</u>	<u>2,162,768</u>	<u>-</u>	<u>-</u>	<u>11,845,359</u>

Kiln Theatre

**Notes to the financial statements (continued)
For the year ended 31 March 2022**

10. General, restricted and designated funds (continued)

Restricted funds

Restricted funds can only be spent on the projects they were given to support. The income funds held at the 31 March 2022 are primarily to support creative engagement activity, commissions, the Bloomberg Digital Accelerator programme and productions.

Restricted capital funds represent the fundraising carried out for the major capital projects. Covenants in place governing the future use of the building mean that these funds remain restricted even when the work is complete.

Designated Funds

The Trustees have established 3 designated funds. £452,000 is set aside as 3 months operating expenses in line with its reserves policy. There is a fund for £100,000 was set aside as a capital maintenance fund to ensure funds are available for capital repairs to the building. In 2022 the Trustees have designated £650,000 to support the budget for 2022/23 as the organisation recovers from the pandemic.

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

11. Fixed assets

Charity and Group

	Leasehold improvements	Freehold land	Leasehold premises	Fixtures, fittings and equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2021	11,010,347	350,000	593,024	484,211	12,437,582
Additions	-	-	-	6,402	6,402
Disposal	(17,193)	-	-	-	(17,193)
At 31 March 2022	10,993,154	350,000	593,024	490,613	12,426,791
Depreciation					
At 1 April 2021	1,471,451	-	227,262	302,548	2,001,261
Charge for the year	274,896	-	5,099	141,164	421,159
Removed on disposal	-	-	-	-	-
At 31 March 2022	1,746,347	-	232,361	443,712	2,422,420
At 31 March 2022	9,246,807	350,000	360,663	46,901	10,004,371
At 31 March 2021	9,538,896	350,000	365,762	181,663	10,436,321

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

12. Intangible fixed assets

Charity and Group

Website

£

Cost

Cost brought forward

56,616

Additions

-

At 31 March 2022

56,616

Amortisation

Amortisation brought forward

33,929

Charge for the year

11,324

At 31 March 2022

45,253

At 31 March 2022

11,363

At 31 March 2021

22,687

Kiln Theatre**Notes to the financial statements (continued)**
For the year ended 31 March 2022**13. Investments****Shares in
subsidiary
undertakings
£****Cost**

At 1 April 2021 and 31 March 2022

200**Net book value**

At 1 April 2021 and 31 March 2022

200**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

Company	Country of corporation	Class	Shares held	%
Tricycle Screen Limited (03077972)	England and Wales	Ordinary	100	100
Kiln London Productions Limited (04807399)	England and Wales	Ordinary	100	100

The result of these companies in the year ended 31 March 2022 have been consolidated into these accounts and are as follows:

Company	Income	Expenditure	Profit/loss	Reserves at 31 March 2022
Tricycle Screen Limited (03077972)	147,611	156,078	(8,467)	(£482)
Kiln London Productions Limited (04807399)	-	264	(264)	(£7,888)

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

14. Debtors

Charity	2022	2021
	£	£
Trade debtors	77,349	39,915
Amounts due from subsidiaries	105,291	7,621
Prepayments and accrued income	267,529	267,925
VAT	-	33,953
Other debtors	24,844	18,969
	<u>475,013</u>	<u>368,383</u>
Group	2022	2021
	£	£
Trade debtors	77,349	39,915
Prepayments and accrued income	270,609	267,925
VAT	-	33,953
Other debtors	24,844	18,969
	<u>372,802</u>	<u>360,762</u>

15. Stock

Charity	2022	2021
	£	£
Stock in hand	-	-
Group	2022	2021
	£	£
Stock in hand	<u>7,539</u>	<u>-</u>

Kiln Theatre**Notes to the financial statements (continued)**
For the year ended 31 March 2022**16. Creditors**

Charity	2022	2021
	£	£
Trade creditors	64,278	87,347
Other tax and social security	38,573	26,331
Accruals	93,322	122,712
Deferred income	118,887	103,459
VAT provision	174,696	174,696
Other creditors	97,150	54,640
	<u>586,906</u>	<u>569,185</u>

Group	2022	2021
	£	£
Trade creditors	70,501	91,256
Other tax and social security	41,458	26,331
Accruals	95,250	122,710
Deferred income	118,887	103,459
VAT provision	174,696	174,696
Other creditors	98,235	54,640
	<u>599,027</u>	<u>573,092</u>

Deferred income of £118,887 relates to ticket sales for productions taking place after the year end and co production payments received in respect of productions due to take place in 2022/23.

Kiln Theatre

Notes to the financial statements (continued) For the year ended 31 March 2022

17. Financial commitments

17.1 Operating leases

As at 31 March 2022, the company had annual commitments under non-cancellable operating leases as follows:

	Land and building		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Expiry date:				
Within 1 year	30,001	30,001	2,108	2,108
Within 1 – 2 years	30,001	30,001	176	2,108
Within 2 – 5 years	90,003	90,003	-	176
In more than 5 years	750,025	780,096	-	-
	<u>900,030</u>	<u>930,101</u>	<u>2,284</u>	<u>4,392</u>

Kiln Theatre has 2 leases. The landlords of the first lease are The Trustees of Court Abbey 1940 Branch of the Ancient Order of Foresters and the lease term is until 11 April 2052. The second lease is with Brent Council and is for a period of 125 years from 1995 so will end in 2120.

17.2 Capital commitments and contingent liabilities

On 29 February 2016 the Arts Council of England took out a legal charge over the property at 269 Kilburn High Road in respect of the use of its funding for the capital project that runs for 20 years.

Notes to the financial statements (continued)
For the year ended 31 March 2022

18. Employees**Number of employees**

The average number of employees during the year was 66 (2021: 66).
This is split as follows:

	2022	2021
	No	No
Number of staff		
Finance and Administration	7	6
Production	4	4
Artistic	2	3
Fundraising	3	4
Front of House Staff	23	23
Creative engagement	17	17
Operations	10	9
	<u>66</u>	<u>66</u>
	2022	2021
	£	£
Employment costs		
Wages and salaries	1,252,811	1,042,979
Social security costs	108,182	81,035
Other pension costs	27,582	24,353
	<u>1,388,575</u>	<u>1,148,367</u>

No Directors of the company were employed or received any remuneration or reimbursement of expenses.

Salaries over £60,000

	2022	2021
		
Between £60,000 and £70,000	2	-

Key management personnel is defined as the Executive Team. Total remuneration of key management personnel in the period was £125,740 (2021: £116,426).

Included within wages and salaries costs are redundancy and termination payments of £1,000 (2021: £36,609).

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

19. Analysis of funds

	General funds	Designated funds £	Restricted funds £	Total 2022 £
Group				
Fixed assets	-	-	10,015,734	10,015,734
Current assets	857,089	1,202,000	216,332	2,275,421
Current liabilities	(599,027)	-	-	(599,027)
	<u>258,062</u>	<u>1,202,000</u>	<u>10,232,066</u>	<u>11,692,128</u>
Charity				
Fixed assets	200	-	10,015,734	10,015,934
Current assets	862,790	1,202,000	216,332	2,281,122
Current liabilities	(586,906)	-	-	(586,906)
	<u>276,084</u>	<u>1,202,000</u>	<u>10,232,066</u>	<u>11,710,150</u>
	General Funds	Designated Funds £	Restricted Funds £	Total 2021 £
Group				
Fixed assets	-	-	10,459,008	10,459,008
Current assets	868,742	447,000	643,701	1,959,443
Current liabilities	(573,092)	-	-	(573,092)
	<u>295,650</u>	<u>447,000</u>	<u>11,102,709</u>	<u>11,845,359</u>
Charity				
Fixed assets	200	-	10,459,008	10,459,208
Current assets	874,415	447,000	643,701	1,965,116
Current liabilities	(569,185)	-	-	(569,185)
	<u>305,430</u>	<u>447,000</u>	<u>11,102,709</u>	<u>11,855,139</u>

20. Analysis of net debt

	Cash at 1 April 2021 £	Cash movement £	Cash at 31 March 2022 £
Cash held	<u>1,598,681</u>	<u>296,399</u>	<u>1,895,080</u>

21. Related party transactions

At the year end, the company was owed £99,176 (2021: £1,663) from Tricycle Screen Limited and £6,114 (2021: £5,958) from Kiln London Productions Limited. In the year costs of £nil (2021 £nil) were recharged.

No Trustees received any remuneration during the year.

The charity received an aggregate amount of £2,914 in donations from Trustees during the year. (2021: £11,339)

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2022

22. Comparative statement of financial activities

	Unrestricted funds £	Designated Funds £	Restricted Funds £	2021 Total £
Income and endowments from:				
Donations and legacies	1,513,253	-	1,362,301	2,875,554
Charitable activities	97,742	-	-	97,742
Other trading activities	2,433	-	-	2,433
Investments	266	-	-	266
Total income	1,613,694	-	1,362,301	2,975,995
Expenditure on:				
Raising funds	211,452	-	-	211,452
Charitable activities	671,806	-	1,269,510	1,941,316
Total expenditure	893,258	-	1,269,510	2,162,768
Net income for the year	720,436	-	92,791	813,227
Taxation – theatre tax credit	-	-	-	-
Transfers between funds	(472,770)	447,000	25,770	-
Net movements in funds	247,666	447,000	118,561	813,227
Funds brought forward	47,984	-	10,984,148	11,032,132
Funds carried forward	295,650	447,000	11,102,709	11,845,359