

Company No. SC062065  
Charity No. SC010509

**THE ROYAL LYCEUM THEATRE COMPANY LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS AND TRUSTEES' REPORT**  
**FOR THE PERIOD**  
**7 APRIL 2019 TO 4 APRIL 2020**



COMPANIES HOUSE

**31 MAR 2021**

EDINBURGH MAILBOX

## THE ROYAL LYCEUM THEATRE COMPANY LIMITED

The trustees are pleased to present their report together with the financial statements of the charity for the period ended 4 April 2020.

### Reference and administrative details

<u>Charity number</u>	SC010509	
<u>Company number</u>	SC062065	
<u>Principal office</u>	Royal Lyceum Theatre 30B Grindlay Street Edinburgh EH3 9AX	
<u>Auditors</u>	Saffery Champness LLP Chartered Accountants and Statutory Auditor Edinburgh Quay, 133 Fountainbridge Edinburgh EH3 9BA	
<u>Bankers</u>	Bank of Scotland PO Box 1000 BX2 1LB	Royal Bank of Scotland 142-144 Princes Street Edinburgh EH2 4EQ
<u>Solicitors</u>	Shepherd & Wedderburn LLP 1 Exchange Crescent, Conference Square Edinburgh EH3 8UL  Anderson Strathern Solicitors 1 Rutland Court Edinburgh EH3 8EY	

### Directors and trustees

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

The trustees serving during the period and since the period end were as follows:

Shonaig Macpherson (Chair)  
Michael Attenborough (appointed 1 May 2019)  
Hedda Beeby (appointed 1 May 2019)  
Grant Bourbousson  
James Brining (appointed 1 August 2019)  
Mike Davidson (resigned 12 March 2020)  
Stephen Dunn  
David Greig  
Michael Griffiths (appointed 1 May 2019)  
Janet Hamblin (appointed 1 January 2020)  
Andrew Healy  
Jessica Hepburn (resigned 20 September 2019)  
Heather Macnaughton  
Iain Renwick (appointed 23 September 2020)  
Jen White (Board Pioneer) (appointed 1 July 2019 resigned 23 January 2020)  
Hillary Williams

### Audit and Risk Sub-Committee:

Andrew Healy (Chairman)  
Grant Bourbousson  
Mike Davidson (resigned 12 March 2020)  
Janet Hamblin (appointed to Audit Committee 27 January 2020)  
Jessica Hepburn (resigned 20 September 2019)  
Heather Macnaughton (appointed to Audit Committee 4 December 2020)  
Shonaig Macpherson (attendee)

**THE ROYAL LYCEUM THEATRE COMPANY LIMITED**  
**REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020**

Directors and trustees (continued)

Nominations Sub-Committee	Shonaig Macpherson (Chair) Grant Bourbousson (appointed to Nominations Committee 5 February 2020) Stephen Dunn Iain Renwick (appointed to Nominations Committee 2 December 2020) Hillary Williams
Remuneration Sub-Committee	Stephen Dunn (Chair) Jessica Hepburn (resigned 20 September 2019) Shonaig Macpherson Hillary Williams
Coronavirus Response Committee	Shonaig Macpherson (Chair) Grant Bourbousson Stephen Dunn David Greig Mike Griffiths Janet Hamblin
Joint Chief Executive Officer/ Artistic Director	David Greig
Joint Chief Executive Officer/ Executive Director	Michael Griffiths (appointed 1 May 2019)

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

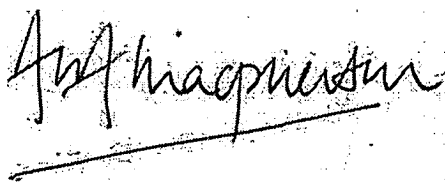
### STATEMENT FROM CHAIRMAN AND CHIEF EXECUTIVES

In March 2020 we were looking forward to the final productions in our 2019/2020 Season, our bold plans for Edinburgh's Festivals in August and the start of our 2020/2021 Season. Our plans were to continue to deliver David Greig's artistic vision, building on the momentum of our artistic and commercial success in Financial Year 19/20 which had promised to be and was an extraordinary year for the Royal Lyceum Theatre Company Limited. Our strategic objective has long been to be a leading regional UK theatre. We saw that objective made real as the company's production of *Touching the Void* opened in the West End in November 2019, audiences were able to enjoy our work in 10 other cities beyond Edinburgh, including Melbourne Australia, and industry recognition was achieved through our nomination by The Stage as Regional Theatre of the Year. We had delivered 3 World Premieres, one UK Premiere and a co-production that was due to complete a 20-week tour in mid to large scale venues across the United Kingdom.

As with everyone else, our world was turned upside down on 17<sup>th</sup> March 2020 as we entered into the first stage of restrictions required in response to the global Coronavirus COVID-19 pandemic and, as I write, our theatre remains dark and closed to our audience with continuing uncertainty as to when we can invite our audience to return. Our immediate response was to ensure that our staff and freelancers were safe and our building secure. We had to cancel all of our scheduled productions, while at the same time remaining determined to find ways to continue to produce theatre during lockdown and beyond. We achieved that but, in an environment where our income collapsed with no ticket sales or related commercial activity, it meant we had to undergo a radical restructure to ensure our survival which saw long standing and valued colleagues leave the company. We remain grateful to them for their contribution to the Lyceum.

Through the creativity and ingenuity of our staff and freelancers we were able to and continue to deliver a varied programme of work, learning to reach audiences in different ways and continuing our vitally important community engagement work with our youth and seniors' groups. None of this would have been possible without the continued support and generosity of our funders, Creative Scotland and City of Edinburgh Council, our Patrons, Donors and Subscribers, along with availability of Government support schemes, all of which we are grateful for. Throughout this period, we have carefully managed and forecast our cashflow requirements ensuring our plans can be funded to meet liabilities as they fall due.

So far, we have weathered the storm of COVID-19 and are planning for our Post COVID-19 future. At The Lyceum we have always believed that live theatre answers a deep human need for shared experience, bringing people together, embracing difference and respecting diversity, while inspiring audiences in Edinburgh and beyond. In our fractured and fragile world, there has never been a greater need for connection and understanding to heal our communities and restore our hope for the future. As the Lyceum prepares for that future, David Greig's artistic vision will be our guiding light, bringing world class, life affirming theatre to audiences old and new, wherever located, building on the new ways of working we have adopted during the last year. The Board of the Lyceum are confident that David Greig, Mike Griffiths and our staff are ready and able to deliver that future. I hope that our audience, donors, patrons, subscribers and funders will continue to support the Lyceum to realise that future of theatrical excellence, wherever, however and whenever performed.



**Shonaig Macpherson CBE, FRSE, DUniv**  
March 2021

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

### Objectives and Activities

#### Introduction

The Royal Lyceum Theatre Company Ltd ("the Company") is the leading producing theatre in Scotland and one of the United Kingdom's most prolific theatre companies. Our beautiful, intimate Victorian theatre was built in 1883 and has played a significant role in the cultural and creative life of the city and surrounding area for over 130 years.

Under Artistic leadership of David Greig, the Company has developed a reputation for innovative, high-quality theatre, drawing upon the considerable talent in Scotland as well as developing award-winning work with partners across the globe to make theatre in Edinburgh that can speak to the world.

We believe that making and watching theatre together is life enhancing. We are committed to being a theatre rooted in our community, a truly civic theatre entertaining, challenging and inspiring all the people of Edinburgh. To reach the widest possible audience we find new ways to open our doors and our stage to the public, as well as reaching out into Edinburgh's schools and neighbourhoods with a range of programmes taking place beyond our walls.

We are hugely grateful for the support we have received in the form of donations and ticket refunds being gifted back to the Company. We also gratefully acknowledge the generous and continued support of James and Morag Anderson, Stephen Dunn, David and Judith Halkerston, Claire and Mark Urquhart, Arts & Business Scotland, Baillie Gifford and The Edrington Group, as well as the members of our Lyceum Patron programme who have given so generously during this period.

We would like to thank our Board for their unstinting commitment and unwavering enthusiasm. During the 2019-20 financial year we bade a fond farewell to trustees Jessica Hepburn, Michael Davidson and Board Pioneer Jen White. During that period and since April 2020, we have been pleased to welcome new trustees Michael Attenborough, Hedda Beeby, James Brining, Janet Hamblin and Iain Renwick to the Board. The Board was also delighted to appoint Michael Griffiths as Executive Director in May 2019.

We also want to say a huge thank you to the seventeen hardworking and dedicated staff who left The Lyceum this year. Their years of faithful service, boundless creativity, unstinting enthusiasm and in-depth theatre knowledge have been instrumental in building and sustaining The Lyceum over the years, so they leave the organisation in a stronger and more prominent position amongst UK Theatres than ever before.

### Achievements and Performance

#### The Artistic Main Stage Programme 2019-20

In the financial year 2019/20, the Company produced another ambitious programme of artistic work for The Lyceum main stage. This was achieved by nourishing relationships with theatre makers, practitioners and artists from Edinburgh, around Scotland and throughout the UK and by creating productions with longer life through co-productions and touring.

In a year of strong financial performance, there were 95,005 tickets sold across 201 performances at The Lyceum (2018-19: 85,202 tickets sold across 188 performances) starting midway through the highly successful run of *Local Hero* in April 2019 and ending with the premature closure of *Mrs Puntila and Her Man Matti* on 16<sup>th</sup> March 2020.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

In the period, we were delighted to see significant growth in the number of unique bookers which rose to 25,531 in 2019/20 (compared to 18,250 unique bookers in 2018/19, 15,699 in 2017/18 and 20,138 in 2016/17). This is largely due to the success of *Local Hero* and *An Edinburgh Christmas Carol*.

The average attendance for the artistic season at The Lyceum was 67% theatre capacity which exceeds the UK Theatre benchmark by 10%.

However, the Company's work in 2019/20 was also seen by many more theatre-goers across the UK. There were performances of Lyceum co-productions in Melbourne Australia, London, Glasgow, Pitlochry, Bristol, Newcastle, Birmingham, Southampton, Oxford and Leeds.

During the 2019/20 artistic season, the Company was proud to work with co-producing partners Malthouse Theatre Company in Melbourne, Australia, The Tron Theatre in Glasgow, Blood of the Young, Birmingham Repertory Theatre, Bristol Old Vic, Leeds Playhouse, Royal Shakespeare Company, Northern Stage, Nuffield Southampton, Oxford Playhouse, The Lyric Hammersmith, Pitlochry Festival Theatre, Lung Ha Theatre Company, The Citizens Theatre in Glasgow, Fuel and DOT Theatre, Istanbul.

In the 2019/20 financial year, on the main stage in conjunction with its co-producing partners, the Company employed 72 actors. (2018-19: 65 actors). Of these actors, 43% were female and 57% were male (which included the tour of *Barbershop Chronicles* which had a cast of 12 men). Seeking to achieve gender parity across key creative roles has also been one of our objectives and in the 2019/20 financial year, there was a 50/50 gender split for Directors and Writers. There was a 60/40 gender split in the wider group of key Creatives, including Directors, Designers, Lighting Designers, Sound Designers and Writers. We will continue to prioritise equality, diversity and inclusion, across age, disability, gender, ethnicity and socio-economic deprivation, as we plan for future seasons.

In order to make The Company's work as accessible as possible, each production offers audio-described performances and touch tours for visually impaired audience members, BSL Interpreted performances for deaf audience members and captioned performances for the hard of hearing. For the first time this year we also offered relaxed performances of our Christmas show and of *Local Hero*.

We have maintained our commitment to accessible pricing to ensure the Company's work is within the reach of all. 11,680 full price tickets were offered at £10 or less to main stage shows through our previews and "secret seats" initiatives and across the financial year, a total of 35,738 tickets to shows, events and Creative Learning activities were issued at concession prices through bursaries and other initiatives specifically aimed at seniors, under 18s, people with disabilities, students, schools, people registered as unemployed and charity groups. This was a new record and represents 34% of all sales across the year.

To help support the Company's policy of accessible pricing, The Big Ticket campaign was launched in September 2019 and ran until January 2020 to raise money to offset the cost of tickets given to children as part of Project Humbug, subsidised tickets such as Secret Seats and under 26s, touch tours, signing, and relaxed performances. The appeal struck a nerve with donors and we raised more than £20,000. .

### The highlights of the 2019-20 artistic season include:

- *Local Hero* opened the 2019 -20 financial year (14<sup>th</sup> March to 4 May 2019) and proved to be an exceptional show and an extraordinary success. It sold 30,000 tickets to audiences from over 36 countries, with over 52% of theatre-goers completely new to The Lyceum. The production was seen by over 600 students, by more than 500 people attending for our relaxed, signed, captioned and audience described performances and by over 2,500 people for £10 or less through our access programme. Sadly, *Local Hero's* transfer to The Old Vic in London, planned for June 2020, has been postponed due to Covid-19.

## THE ROYAL LYCEUM THEATRE COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

- *The Duchess [of Malfi]*, (17<sup>th</sup> May to 8<sup>th</sup> June 2019) a new version by Zinnie Harris and a co-production with the Citizens Theatre, opened in Edinburgh to great reviews and audience feedback before transferring to Glasgow. The production was shortlisted in the Critics' Awards for Theatre in Scotland (CATS) 2020 for Best Female Performance for Kirsty Stuart (Duchess) and Best New Play for Zinnie Harris after John Webster.
- *Pressure*, first produced by the Company and performed at The Lyceum, featured in the D Day anniversary event held in Portsmouth in June 2019 to commemorate the 75<sup>th</sup> anniversary of the Normandy Landings.
- *Solaris* (12<sup>th</sup> September to 5 October 2019), a new play by David Greig adapted from Stanislaw Lem's novel, had its UK premiere at The Lyceum having enjoyed its world premiere in Melbourne, Australia. The production then transferred to The Lyric Hammersmith Theatre in October 2019. We were delighted that *Solaris* was recognised in the CATS 2020 winning the Best Design (Joint) award and the award for Best Technical Presentation, sponsored by BECTU. *Solaris* was also shortlisted for Best Director and Best Production.
- *Love Song to Lavender Menace*, (October 2019) which enjoyed a sell-out run in the Lyceum's rehearsal studio and a critically acclaimed run at the Edinburgh Fringe 2018, returned from a run in New York to present on The Lyceum's main stage.
- *Barber Shop Chronicles* (23<sup>rd</sup> October to 9<sup>th</sup> November 2019), Inua Ellam's new and critically acclaimed play, arrived at The Lyceum for its Scottish premiere as part of a national tour. *Barber Shop Chronicles* was a co-production between Fuel, National Theatre of Great Britain and Leeds Playhouse.
- *An Edinburgh Christmas Carol*, (28<sup>th</sup> November 2019 to 4<sup>th</sup> January 2020) was the Company's highest grossing Christmas show on record, with over 30,957 people seeing the show over its 60 performances, giving sales of 87% of theatre capacity. The production featured a community choir of 66 localsingers.
- *Pride & Prejudice\** (\*sort of) (23<sup>rd</sup> January to 15 February 2020), presented by the Company, The Tron and Blood of the Young, was hugely successful, garnering rave reviews and selling 81% capacity across its 24 performances in Edinburgh. The show went on to enjoy a 20-week tour in mid-to large scale venues across the UK in a 9-way co-production agreement.
- *Mrs Puntila and Her Man Matti* (28<sup>th</sup> February to 21<sup>st</sup> March 2020), the World Premiere of Denise Mina's adaptation of Brecht's play was directed by DOT Theatre's Murat Daltaban and the role of Mrs Puntila was taken by Scottish actor Elaine C. Smith.
- *Touching the Void*, The Company's hit show from 2018-19, transferred to The Duke of York's Theatre in London's West End on 14th November 2019. Having started life in Edinburgh and reached audiences of 40,000 in Scotland, England and China in 2018/19, the West End production enjoyed a limited run of 15 weeks, closing on 29th February 2020.

With regret, due to Covid-19 lockdown restrictions, we had to cancel the last 7 performances of *Mrs Puntila and Her Man Matti*, a co-production with the Citizens Theatre. We also cancelled upcoming performances of *Wind Resistance* (25<sup>th</sup> to 28<sup>th</sup> March), *Castle Lennox* (1<sup>st</sup> / 2<sup>nd</sup> May 2020) co-produced with Lung Ha theatre company, *Barefoot in the Park* (3<sup>rd</sup> to 25<sup>th</sup> April 2020), co-produced with Pitlochry Festival Theatre, and *Life's a Dream* (15<sup>th</sup> May to 6<sup>th</sup> June 2020).

## THE ROYAL LYCEUM THEATRE COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

#### Other Artistic Collaborations 2019-20

In 2019/20, in addition to the main stage productions, the Company has continued to explore opportunities to work with a range of Scottish cultural organisations to develop and present the Company's artistic work on different stages to reach new audiences.

##### Edinburgh International Festival (EIF) 2019:

In August 2019, the Company collaborated with EIF and Fuel to deliver a programme of work in The Lyceum's rehearsal room under the title of *The Departure Lounge*. This strand consisted of three daily programmes of performances and discussions: *Morning Manifesto*, *Call and Response* and *Breaking Bread*.

For the *Call and Response* programme, the Company produced a small scale scratch work entitled *Lament for Sheku Bayoh*, a spoken word piece for three actors written by Hannah Lavery which ran over three days. This show explored the experience of Scottish people of colour through the prism of the death in police custody of Kirkcaldy man Sheku Bayoh in 2015.

##### Edinburgh International Book Festival (EIBF) 2019:

Following the success of the *Playing with Books* strand in previous years, the Company once again collaborated with the EIBF to present 3 sessions, one on each Saturday afternoon of the festival. The books featured were *This is Memorial Device* by David Keenan, *Under Another Sky* by Charlotte Higgins and adapted by David Greig, and *Women Talking* by Miriam Toews and adapted by Linda McLean.

##### Playing with Tales 2020:

On the 15<sup>th</sup> March 2020, in a similar style of presentation to *Playing with Books*, and as part of the *Royal Shakespeare Company's Chinese Classics Translation Project* funded by Arts Council England, *Playing with Tales* took two classic Chinese texts and introduced a modern, Scottish slant, exploring and responding to the English translation of the texts and culminating in lively scratch performances of their works-in-progress.

##### Luminate Festival 2019:

In May 2019, as part of the Luminate Festival, the Company and Luminate Festival co-produced a rehearsed reading of Caryl Churchill's *Escaped Alone* and The Lyceum's 60+ group performed as The Lyceum Original Sixty company in a devised piece entitled *Harbour*, inspired by David Greig's adaptation of *Local Hero*.

##### Talk Show 2019-20:

We have continued to explore and develop the *Talk Show* format, generously supported by James and Morag Anderson. In the 2019-20 Artistic Season, we presented 5 Talk Shows events with a total of just under 1,000 attendees. The range of contributors this year have included Val McDermid, Hannah McGill, James Meek, Professor Chris French, Professor Tommy J Curry, Derek Owusu, Peter Atakpo, Mariella Frostrup, Helena Kelly, and Emma Claire Sweeney along with musicians including Siobhan Wilson, Faith Elliot and the Anji Darcy Band.

#### Creative Learning and Community Engagement 2019-20

Throughout the 2019/20 financial year, the Company has delivered a varied and ever more extensive programme of education events, classes and workshops that sat alongside and interacted with the company's main stage performances. These included: Lyceum Youth Theatre classes for 4 different age groups; the 60+ groups; the Edinburgh University Lifelong Learning course; half and full day workshops related to the main stage productions; backstage tours; international and school specific workshops; and Project Humbug that went into primary schools, SEN schools and community groups.

In total, in the financial period 2019/20, the engagement programme had 21,581 attendances by young people and adults: 13,005 attendances for the Lyceum Youth Theatre and 8,576 adult attendances.



## THE ROYAL LYCEUM THEATRE COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

Our flagship Creative Pathways Programme (CPP) ensures that we bring the benefits of participation in a high quality, professionally-led theatre project to those who would be least likely to have access to cultural activities. We offer participation in the programme free of charge to schools and community groups to remove all barriers of cost. In the period, our Creative Learning team took **Project Humbug** to 11 classes across six primary schools, 5 classes across two SEN schools and 4 groups across three community organisations for over eight weeks of drama and production sessions, working towards sharing events which took place in the last two weeks of November 2019.

Schools and community groups involved in Project Humbug included:

- Primary Schools: Craigour Park, Gilmerton, Clovenstone, Balgreen, Castlevue, Forthview
- SEN Schools: Pilrig Park, Woodlands
- Community Groups: Children 1st, Magdalene Community Centre, Edinburgh Women's Aid

In total, 655 participants took part across all the strands of Project Humbug with 4,090 attendances over 262 hours of drama and production workshops that were delivered by 12 artists. The sharing events took place during the week of 18th November and 25th November 2019 and were very well received, with BBC Radio Scotland visiting Craigour Park's sharing to record part of the performance and interview some of the participants.

The Lyceum Youth Theatre is one of Scotland's biggest youth theatre companies and has been running for over 20 years. In the period, the Youth Theatre had 330 members across 4 age groups covering Play, Minis, Juniors and Seniors. This year the Youth Theatre continued to present *Curtain Raisers* immediately before main stage performances of *Duchess of Malfi*, *Solaris*, *Barbershop Chronicles* and *Pride & Prejudice* which allow the Junior or Senior LYT groups to showcase their work and talents to the wider Lyceum audience. 18 members of the Lyceum Youth Theatre were also cast in main stage productions of *Duchess [of Malfi]*, *Solaris* and *An Edinburgh Christmas Carol*.

In summer 2019, over one hundred young people took part in an intensive two / three-week process to create Summer On Stage 2019. Divided into three age groups, Minis, Juniors and Seniors, Summer on Stage presented three productions over two nights to an audience of 527 people.

As part of the Lyceum's adult offer in 2019-20, the 60+ group of 28 people continued to meet weekly during term times and were delighted to present their work *Harbour* to a sold-out audience at the Luminate Festival 2019. We also delivered an Adult programme of workshops related to the main stage shows, offering a range of acting, directing, and devising workshops on a Saturday which were open to the public. In 2019-20 we continued to deliver The Lyceum's *Introduction to Theatre* course in partnership with Edinburgh University and the College of Open Learning. In total, this adult programme of work delivered 2,039 attendances. On top of this, in August 2019, 118 participants took part in our International programme of 8 workshops. And in November / December 2019, 66 people from local community choirs took part in the 58 main stage performances of *An Edinburgh Christmas Carol*.

We continue to support and develop Scotland's young workforce by offering paid internships in the Creative Learning Department.

## Financial Review

Following the three-year period of reduced funding from Creative Scotland in 2015-18 which amounted to a reduction of £636,000 compared to the previous three year period, the Company received increased support from the Creative Scotland RFO funding round for the period 2018-2021 with a Regular Funding Award of up to a maximum of £3,630,000 over three years.

## THE ROYAL LYCEUM THEATRE COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

The securing of this increased grant for the period 2018-21 (albeit one which merely restores funding to a 2015 standstill level) rewarded the change in the strategic direction that the company has followed over the last three years.

At our request, Creative Scotland agreed to phase the RFO grant so that £150,000 more was drawn down in year one (2018-19) with the subsequent two years' grants being reduced by £75,000 annually, providing annual funding in year two (2019-20) of £1,135,000.

However, funding from City of Edinburgh Council was cut again in 2019-20, reducing to £328,830 in 19/20, down from £332,524 in 18/19 – a cut in funding of £3,694.

#### **This resulted in the following outturn for 2019/20 :**

- The group reported a loss of £71,906 in Unrestricted Funds for the period (2019: surplus £116,817).
- The group also reported a £136,902 loss in Restricted Funds for the period (2019: surplus £10,777).
- The group therefore reported a loss on ordinary activities for the period of £208,808 (2019: surplus £127,594).
- Depreciation costs of £nil (2019: £12,728) have been charged to Restricted Funds as the Capital Fund has been fully depreciated.
- The balance sheet in our financial statements shows an unrestricted general operating reserve deficit of £94,424 (2019: surplus £4,284).
- We will be aiming to return to a general operating reserve surplus in the next 12-24 months.
- The trustees, having regard to the liquidity requirements of the theatre, have operated a policy of keeping available funds in an interest bearing deposit account and seek to achieve the best rate of deposit interest available given the need to access funds without penalty when required.
- The cash resources of £493,106 at the balance sheet date were higher than in 2019 (£456,552).

#### **Fundraising**

We are very pleased to report that total fundraising income from all restricted and unrestricted sources in the financial period 2019/20 was £42,119 higher than the previous year. This marks the sixth consecutive year of increases in fundraising income.

Fundraising raised £527,766 for the period to 4<sup>th</sup> April 2020 (2019: £485,647) which comprised £245,614 (2019: £303,528) in unrestricted funds, from a combination of corporate sponsors, trusts and foundations and individual donations and £282,152 in restricted funds (2019: £182,119). The additional funds raised from public sources such as City of Edinburgh Council and Creative Scotland as reported in note 4 are not included in the Fundraising total.

#### **Reserves policy**

The Company believes that the re-establishment of an unrestricted reserve fund is essential for the continued health of the charity and the ongoing development of the artistic programme and audiences.

## **THE ROYAL LYCEUM THEATRE COMPANY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020**

The Board's policy was to have unrestricted free cash reserves of £125,000 at 2020-21 year end. However, in light of the impact of the Covid-19 pandemic and ongoing uncertainty about when the theatre will be able to reopen to audiences and generate earned income from its main stage productions, the Reserves Policy remains under review until such time as the reopening of theatres is permitted.

We continue to review our business model for when we are able to open the theatre and anticipate that, in the future, the Company and group will deliver a mix of live and streamed artistic work from different venues ensuring we can engage with as wide an audience as possible. We are modelling the financial implications of this in the context of Government guidance on when we can safely re-open and when audiences will be ready to return.

This will then inform the post-Covid Reserves Policy, with the aim for a general operating reserve surplus in the next 24-36 months.

The unrestricted reserves at 4<sup>th</sup> April 2020 were £82,415 prior to designation of an amount equal to fixed assets of £176,839 giving negative free reserves of £94,424. Our restricted reserves at that date were £8,220. We continue to regularly review our unrestricted cashflow levels, both current and future.

#### **Plans for future periods**

On Tuesday 17<sup>th</sup> March 2020 the UK Government issued COVID-19 advice that all non-essential contact with other people, specifically including theatre attendance, be avoided. This was followed by a country-wide lockdown on 30<sup>th</sup> March. In response, the Board discussed and agreed a three phase Business Resilience Plan and the establishment of a new Board sub-committee, The Coronavirus Response Committee, to support the Joint Chief Executives in managing the impact of COVID-19 on the Company. In May 2020, when analysis of the cashflow forecast showed the risk of a cash deficit by December 2020, the Board agreed to begin a Collective Consultation process with staff and trade unions which was concluded on 30<sup>th</sup> September 2020.

From the outset of the 2020-21 financial year under COVID-19 restrictions The Lyceum developed and presented a programme of digital work and engagement projects to stay connected and engaged with audiences and Creative Learning participants. The Covid closure period has allowed us to develop new strands of work and we expect these projects to form an important part of our programming in future. By extending our reach and broadening our horizons, we can expand our accessibility for a range of new audiences.

As soon as it is safe and financially prudent in a post-Covid world to re-open The Lyceum to the public, the Company will continue to deliver world class theatre, made in Edinburgh, worthy of a major European capital city and shared throughout Scotland, the UK and abroad, alone and with partners. We will do this because it will help us increase the diversity of work we create, increase the audiences who see our work and the diversity of that audience. It will provide opportunities to increase the investment in our work and the return on that investment.

Alongside these productions we will continue to deliver our extensive participatory programme, through our Lyceum Youth Theatre and through our schools programme which seeks to engage with Primary and Secondary schools across the City of Edinburgh and the Lothians, alongside our adult classes and university short courses.

Creative Scotland has confirmed that it will continue to operate its current RFO programme of which the Lyceum is a beneficiary for a further year in 2021-22. Creative Scotland have confirmed funding to The Lyceum in 2021-22 with an award of £1,210,000 for year 4. The Company was also pleased to benefit from Creative Scotland's Performing Arts Venue Relief Fund in August 2020.

## THE ROYAL LYCEUM THEATRE COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

Funding from Creative Scotland is an important component in our ability to offer world class theatre made in Scotland. Creative Scotland are reviewing their funding processes and will be publishing an updated application process for Regularly Funded Organisations once the review is complete in 2021. We look forward to working with Creative Scotland and intend to apply for further funding when their future plans are published.

The Lyceum's other major funder, The City of Edinburgh Council, implemented a Third Party Cultural Grants Review funding recommendation that strategic partners (the Company, Capital Theatres, The Traverse Theatre, Lung Ha Theatre Co and EPAD) be invited to submit a collaborative application for the recommended shared grant funding amount of up to £1m. The first joint application was submitted in November 2019 and the City of Edinburgh Council confirmed on 1<sup>st</sup> April 2020 that the Third Party Cultural Revenue Grant Award to the Company for 2020-21 was agreed at £328,830. The City have now confirmed that there are no plans to halt this 3-year agreement and we have received confirmation of the 2021-22 grant award of £328,830.

It should be noted that the Company's leases on three buildings will expire in 2027 and the Company is in conversations with the City of Edinburgh Council about the future of the buildings.

During the period, The City of Edinburgh Council was paid £104,886 (2019: £184,345) in rents, insurances and licenses.

#### Going Concern

The directors consider the company and group to be a going concern and the financial statements have been prepared on that basis.

The future operations of the company and group are dependent on the continued financial support of core funding bodies, receipt of Theatre Tax Relief, the generation of future operating surpluses and generating sufficient ongoing operating cash flow.

The company and group meets its day to day working capital requirements through available cash resources which include the Creative Scotland Regular Funding Agreement 2018-22, fundraising from donors, trusts and foundations, additional Government, City of Edinburgh Council and Creative Scotland Covid-19 support schemes along with receipts from ticket sales and the ability to work with core funders on flexible funding arrangements to ensure that the company and the group continue to meet obligations as they fall due. The company and group will continue to avail itself of Government Covid-19 support schemes that are available.

Against this background, the Board has considered and approved management prepared financial operating projections for the period to 30 April 2022 which include assumptions for anticipated costs and income which the Board consider reasonable and prudent.

At the date of approval, the directors are mindful of the unrestricted operating reserves position and the need to deliver operating surpluses in future financial years sufficient to meet the stated reserves policy of the group.

Having considered the matters above, the directors are of the view that, at the date of approval of the financial statements, the group will have sufficient resources to continue to operate and meet debts as they fall due for the foreseeable future. The financial statements have therefore been drawn up on a going concern basis.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

### Principal risks and uncertainties

The Trustees have a risk management strategy that comprises:

- The establishment of systems and procedures to identify, manage and monitor risks to the business and minimise any potential impact on the charity should those risks materialise.
- A regular review of the key risks facing the business is performed by the Board's Audit and Risk sub-committee. The committee provides updates on these reviews to the Board.

The Trustees have identified the following principal risks and uncertainties arising from the Covid-19 pandemic and have plans in place for the monitoring and mitigation of these (as set out in a detailed Risk Register which is reviewed every six months) and summarised below:

#### **Risk to Health and welfare of staff and audiences:**

Mitigation: The Joint Chief Executives closely monitor all public health, NHS and Scottish Government advice and guidance to ensure that risk assessments and H&S protocols and procedures are in place for both staff returning to the workplace and audiences to the auditorium when they are able to return to the theatre. PPE is provided in all company buildings, including signage, hand sanitiser, masks and gloves. The Joint Chief Executives and Senior Management Team have kept in close contact with their furloughed or working from home teams to ensure ongoing welfare. Through our community engagement and artistic programme with supporting communications strategy we have kept our audiences informed of our progress during COVID.

#### **Board Governance:**

Mitigation: Board Governance and support for the Joint Chief Executives was increased through the establishment of the Coronavirus Response Committee (CRC) which meets weekly or as required to monitor cashflow, going concern, and all actions arising from the Covid-19 Business Resilience Plan which was agreed by the Board in March 2020 and sets out a three phase approach to ongoing survival of the organisation. This Business Resilience Plan is reviewed by Board at every Board meeting. Formal notification was submitted to and accepted by OSCR regarding the expected loss of income in this financial year.

#### **Risk of Financial impact of theatre closure and loss of earned income (also reduction of box office income when theatre can reopen due to social distancing requirements):**

Mitigations: The Joint Chief Executives maintain regular contact with core funders, CS and CEC, providing assessments of expected financial losses as requested. The Joint Chief Executives are also in regular contact with Scottish Government with both the Artistic Director and Executive Director serving on Scottish Government advisory committees to inform strategic decisions going forward. Funding Applications were made to Covid-19 funds although mostly unsuccessful, other than the successful application made to Creative Scotland Performing Arts Venues Relief Fund which resulted in a grant award of £750K. Weekly monitoring of 12-month cashflow, income from fundraising, expenditure and overheads is undertaken, along with an ongoing review of staff required to deliver critical services and the artistic programme in 2020-21 with majority of employees on furlough. A Collective Consultation process was undertaken and completed in 2020 resulting in reduction of 17 full time posts and reduced working for a further 8 posts. The Joint Chief Executives assess and budget additional costs due to Covid 19 H&S provisions, i.e. cost of Covid Testing, additional cleaning, extra staff to ensure social distancing, sanitizing units and PPE

#### **Risk of reduced audience engagement during theatre closure:**

Mitigations: Audience engagement has been maintained during theatre closure through projects such as *Curtain Up* and *Letters to Lyceum*, along with LYT and 60+ classes on Zoom, and regular online Patron events. A new artistic programme of work for 2020-21 has been developed that includes video and audio work to offer to audiences and hopefully will allow some income generation.

#### **Risks of uncertainty of audience confidence about returning to the Theatre and any potential changes in audience behaviour related to the long closure and the health messages that accompanied the**

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

### **closure.**

Mitigation: We are planning for some trial performances with reduced audiences, onsite Lateral Flow Testing and compulsory wearing of face masks in addition to our recent Covid-19 related operational changes. This will also consider ingress and egress from auditorium, box office, bars and toilet facilities. We closely monitor public opinion surveys produced by the sector on audience attitudes to theatre re-opening.

### **Risk of increased competition from other theatres presenting digital work online:**

Mitigations: Marketing team tasked with effective use of social media platforms and press coverage to ensure best possible promotion and marketing of Lyceum's online video and audio work. Digital also presents opportunities for the Company to expand its audience and have greater community engagement, improving access to its work.

### **Safety & security of RLTC buildings during lockdown and theatre closure:**

Mitigations: Maintenance Manager was tasked with regular building checks to ensure ongoing safety, security, insurance cover and maintenance of Lyceum. Buildings Management continue to inspect and keep in good repair the fabric of the building while it is not being used by staff or audiences. Buildings Management and HODs keep all equipment in good working order during these extended periods of not being used, e.g. lifts, workshop equipment, stage equipment

### **Ongoing risk of significant reduction in public funding.**

Mitigations: Creative Scotland RFO funding has been extended to cover a fourth year 2021-22. The Joint Chief Executives take into account Creative Scotland's priorities as set out in our Funding Agreement in developing future plans. The Lyceum submits an annual review to CS which is discussed and approved. City of Edinburgh Third Party Cultural Grants Partnership funding is set up for a proposed three year period, starting 2020-21. The Development team have been tasked with targets to address any potential funding gap.

### **Budget and Reserves Management, Accounts and Financial Controls.**

Mitigations: Review of finance function to assess resource / capacity has been completed; Post-Covid cashflows are reviewed and updated weekly with all budget holders involved in setting and checking income / expenditure targets.

### **IT systems and Data Protection, covering information security weaknesses; data misuse; business interruption as a result of a disaster scenario.**

Mitigations: Internal systems: company-wide upgrade to Windows 365 has now been completed with all IT provision in place for employees to work from home. Policies in place for GDPR, email and internet security, user access controls. External systems: backups are taken regularly and stored securely, firewall controls prevent unauthorised access, anti-virus and anti-spam software in place. Cyber Security Audit to be commissioned as soon as Covid restrictions allow.

### **Health & Safety, Environmental and Premises Management. This covers a range of areas such as: harm to people; damage to property; HR management; Non-compliance leading to prosecution, fines and reputational damage; management of physical assets to avoid critical building failure; energy and environmental management.**

Mitigations: a Covid Working Group meets weekly to assess and update all Covid-related protocols, procedures and PPE requirements to ensure staff welfare. Risk Assessments, Safe Methods of Working and Procedures are in place for employees. Ongoing work into Covid H&S requirements for opening to general public when that is allowed and deemed safe is underway. More generally, H&S Policy, risk assessments, emergency procedures, PPE and first aid provision are all in place. H&S Audit carried out by external qualified H&S consultant in June 2019, with next audit due once Covid allows. Key employees are trained to IOSH level, with qualified First Aiders. H&S Consultative Committee and H&S HOD Committee meet quarterly and review policies and practice. Child Protection policy is reviewed annually and was approved by the Board in July 2019. Staff training and support is undertaken. Buildings Manager had Tech IOSH qualification and supervised Maintenance team to ensure safe upkeep of buildings and customer areas. Maintenance,

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

insurance inspections and surveys carried out by qualified subcontractors.

## Structure, Governance and Management

### Governing document

The Royal Lyceum Theatre Company Limited is a company limited by guarantee governed by its Memorandum and Articles of Association, incorporated on 28 March 1977 and as amended by Special Resolutions dated 20 June 1996, 24 October 2011, 1 June 2016, 28 June 2017, 15 February 2019, 22 July 2019 and 3<sup>rd</sup> June 2020. It is registered as a charity with OSCR (Office of the Scottish Charity Regulator). In accordance with the company's Memorandum of Association every Member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the assets of the company in the event of it being wound up.

### Appointment of trustees

As set out in the Articles of Association, the Chairman of the company is nominated by the Board of Trustees. Trustees hold office for a term of four years and must then step down (except the ex-officio trustees). A Trustee who has held office for one term is eligible for reappointment and, if so reappointed, holds office for a further term of four years. Any Trustee who has held office for two terms is not eligible for reappointment. The trustees have the power to co-opt additional members to the Board. The Nominations Committee appointed by the Board regularly reviews the structure, size and composition of the Board and makes recommendations to the board of candidates for trusteeship.

The Chair of The Board of Trustees was due to step down by rotation in November 2020 and therefore in January 2020 the Nominations Committee began a recruitment process to search for her replacement. The process has been completed and the successor has been identified and appointed as a Trustee.

However, given the unprecedented circumstances caused by the Covid-19 pandemic and the current Chair's outstanding eight years' leadership and in-depth knowledge of the company, the Nominations Committee made a formal recommendation to the Trustees at the Board Meeting on 25<sup>th</sup> March 2020 that the Trustees agree to extend, with her permission, her term for up to one year – with latest date for stepping down moved to November 2021 - to enable continuity of leadership through this difficult period and transition to whatever the post-pandemic crisis landscape looks like.

This recommendation was approved by the Board, with Trustees further approving the amendment made to the Royal Lyceum Theatre Company Limited Articles of Association to extend the term of Shonaig Macpherson by twelve months as follows: *"Article 34: A retiring Trustee who has held office for two terms shall not be eligible for reappointment as a Trustee. Notwithstanding the terms of this Article 43 the term of the Trustee who acts as chairman of the Board at the date of adoption of these Articles of Association shall be extended for a period of one year, with a final expiry date of November 2021"*

### Trustee induction and training

New trustees receive documentation briefing them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, delegated authorities, the business plan, copy of the previous year's Board papers and recent financial performance of the charity. Trustees are provided with updates on any changes in legislation that impacts on the company's activities as they arise.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

### Organisation

The Board of trustees administers the charity. The Board meets not less than four times per year: one meeting per annum considers strategic issues impacting upon the company's activities. While the Board of trustees remains responsible for all risk matters, it has established a sub-committee covering audit and risk matters, which meets regularly. The Chief Executive officers are appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executives have delegated authority, with terms of delegation approved by the trustees, for operational matters, including finance, employment and artistic performance related activity. The Board undertakes an ongoing review of existing processes and systems in order to ensure the company practices a fully integrated and robust approach to governance with the continued ambition to be considered a model organisation in all aspects of its operation. As detailed earlier a COVID Response Working Group was established by the Board to monitor risks to the Company and group on an ongoing basis. The Working Group continues to meet to support the Joint Chief Executives in preparations to re-open the theatre and return from working from home for staff.

### Related parties

Creative Scotland provides essential core funding in support of the company's role as a drama provider of strategic national importance. City of Edinburgh Council provides essential core funding and funding in support of the artistic and education programmes, and as an amenity for local residents and the public. Both organisations have the right to observe at Board meetings. The charity's wholly owned subsidiary Lyceum Theatre Trading Limited was established to operate the bar, catering and conferencing facilities within the company's theatre. Lyceum Theatre Trading Limited has a licence from the charity to operate those facilities and gift aids all of its profits to the charity. Grindlay Street Production Services Limited, a wholly owned subsidiary of the Company, acts as the vehicle for investment in productions of our work which are mounted in the West End and other theatres.

### Key management personnel and remuneration policy

The directors consider the board of directors, who are also the trustees, and the joint Chief Executives to comprise the key management personnel of the charity as they are in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year, with the exception of the Chief Executives who are *ex officio* directors.

The Board of Directors has a Remuneration Committee with defined terms of reference. This committee is made up of at least three members, all of whom are non-executive directors.

The Remuneration Committee's duties include:

- To recommend to the Board the framework or broad remuneration policy for the company as agreed with the Joint Chief Executives (Artistic Director and Executive Director);
- To set the remuneration package for the Chief Executives and agree with the Joint Chief Executives the remuneration package of the Joint Chief Executives' direct reports, ensuring no director or manager shall be involved in any decisions as to their own remuneration;
- To review and note at regular intervals the remuneration trends across the industry and similar competitive establishments;
- To review the ongoing appropriateness and relevance of the remuneration policy.



# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

### Equal Opportunities Policy

The Royal Lyceum Theatre Company is committed to a policy of equality of opportunity for its staff (existing and prospective) and customers. The aim of this policy is to eliminate unlawful or unfair discrimination on the grounds of gender, marital status, responsibility for dependents, disability (mental and/or physical), sexual orientation, race, colour, ethnicity, nationality, religious belief, politics, social background, part-time employment, age, trade union activity, employment status, HIV status or gender reassignment and to ensure that no person or group is disadvantaged by unjustifiable reasons or conditions.

### Environment and Energy Management Policy

Being one of Scotland's leading producing theatres we believe in reducing our negative impact on the environment and improving sustainability in all areas of our business operations across our three premises. The Lyceum monitors its carbon output and identifies areas for potential reduction. The Royal Lyceum Theatre has, through working with the Carbon Trust, Envirowise and Business Environment Partnership implemented steps that ensure the theatre is playing its part in ensuring a sustainable future. With these efforts the theatre has actively reduced both energy and water consumption and has diverted waste from landfill through recycling. The Lyceum will engage with environmental support agencies such as Resource Efficient Scotland and Creative Carbon Scotland to share good practice.

The Lyceum has a voluntary 'Green Team' who work together to identify areas of improvement across the organisation. The team meets quarterly to review progress, share ideas and lead on innovation. The Lyceum also participates in a 'Green Team' that includes the organisation's cultural tenants to share information, learning and ideas.

### Reference and Administration Details

Information about the charity is set out on pages 1 and 2.

### Statement of trustees' responsibilities

The trustees (who are also directors of The Royal Lyceum Theatre Company Limited 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any 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 charitable company will continue in operation.

## THE ROYAL LYCEUM THEATRE COMPANY LIMITED

### REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 4 APRIL 2020

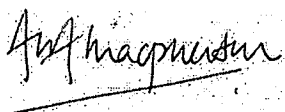
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The trustees are also responsible for safeguarding the assets of the charitable company and 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.

#### ON BEHALF OF THE BOARD OF TRUSTEES



**Shonaig Macpherson CBE,FRSE, DUniv**

31st March

2021 (DATE of SIGNATURE)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF  
THE ROYAL LYCEUM THEATRE COMPANY LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF  
THE ROYAL LYCEUM THEATRE COMPANY LIMITED**

**Opinion**

We have audited the financial statements of The Royal Lyceum Theatre Company Limited for the period ended 4 April 2020 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Company Balance Sheets, the Statement of Cashflows and Consolidated Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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 4 April 2020 and of the group and parent charitable company's incoming resources and application of resources, including their income and expenditure, for the period 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**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**

Subject to our Emphasis of Matter, we have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Matter of Emphasis – COVID 19, subsequent events and going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of disclosures in note 19 to the financial statements concerning the impact of COVID 19 on the activities of the company and group and the company's and the group's ability to continue as a going concern. As disclosed in note 19, the charitable company and the group rely on the continued financial support of core funding bodies and the generation of future operating surpluses to meet obligations as they fall due and to address the reserve policy shortfall. Owing to the significance of these disclosures and the Board's ongoing funding assumptions at the date of approval we draw these matters to the readers' attention however reiterate that our opinion is not modified in this regard.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE ROYAL LYCEUM THEATRE COMPANY LIMITED**

## **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.

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

We have nothing to report in this regard.

## **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees, which includes the Directors' Report, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees, which includes the Directors' Report, has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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 auditor under the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE ROYAL LYCEUM THEATRE COMPANY LIMITED**

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 charitable company, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Kenneth McDowell (Senior Statutory Auditor)**  
**For and on behalf of Saffery Champness LLP**  
**Chartered Accountants**  
**Statutory Auditors**  
**Edinburgh Quay**  
**133 Fountainbridge**  
**Edinburgh**  
**EH3 9BA**

Date: 31 March 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating a consolidated income and expenditure account)

FOR THE PERIOD ENDED 4 APRIL 2020

	Note	Restricted Funds	Un-restricted Funds	Total Funds Period Ended 4 April 2020	Total Funds Period Ended 6 April 2019
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and Legacies	4	208,152	1,692,276	1,900,428	2,114,925
Charitable activities	5	74,000	2,644,343	2,718,343	2,224,949
Other Trading Activities		-	478,360	478,360	503,285
Investments –Bank Interest		-	659	659	650
<b>Total income</b>	<b>8</b>	<b>282,152</b>	<b>4,815,638</b>	<b>5,097,790</b>	<b>4,843,809</b>
<b>Expenditure</b>					
<b>Raising funds:</b>					
Costs of sponsorship and fundraising events		-	169,976	169,976	149,891
Commercial trading operations		-	223,312	223,312	198,786
		-	393,288	393,288	348,677
<b>Charitable activities:</b>					
Box office/production		345,048	4,486,937	4,831,985	4,457,480
Creative learning		74,006	211,327	285,333	267,355
		419,054	4,698,264	5,117,318	4,724,835
<b>Total Expenditure</b>	<b>8</b>	<b>419,054</b>	<b>5,091,552</b>	<b>5,510,606</b>	<b>5,073,512</b>
<b>Net (expenditure)/income before taxation</b>		<b>(136,902 )</b>	<b>(276,914 )</b>	<b>(412,816 )</b>	<b>(229,703)</b>
<b>Taxation credit</b>		<b>-</b>	<b>204,008</b>	<b>204,008</b>	<b>357,297</b>
<b>Net (expenditure)/income after taxation and net movement in funds</b>		<b>(136,902)</b>	<b>(71,906)</b>	<b>(208,808)</b>	<b>127,594</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		145,122	154,321	299,443	171,849
<b>Total funds carried forward</b>		<b>8,220</b>	<b>82,415</b>	<b>90,635</b>	<b>299,443</b>
		=====	=====	=====	=====

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 27 to 43 form part of these financial statements

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an income and expenditure account)

FOR THE PERIOD ENDED 4 APRIL 2020

	Note	Restricted Funds	Un-restricted Funds	Funds Period Ended 4 April 2020	Funds Period Ended 6 April 2019
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and Legacies	4	208,152	1,692,276	1,900,428	2,114,925
Charitable Activities		74,000	2,644,343	2,718,343	2,091,220
Other Trading Activities		-	331,153	331,153	503,285
Investments –Bank Interest		-	519	519	473
<b>Total income</b>		<b>282,152</b>	<b>4,668,291</b>	<b>4,950,443</b>	<b>4,709,903</b>
<b>Expenditure</b>					
<b>Raising funds:</b>					
Costs of sponsorship and fundraising events		-	169,976	169,976	149,891
Commercial trading operations		-	75,965	75,965	64,880
		-	245,941	245,941	214,771
<b>Charitable activities:</b>					
Box office/production		345,048	4,486,937	4,831,985	4,457,480
Creative learning		74,006	211,327	285,333	267,355
		419,054	4,698,264	5,117,318	4,724,835
<b>Total Expenditure</b>		<b>419,054</b>	<b>4,944,206</b>	<b>5,363,259</b>	<b>4,939,606</b>
<b>Net expenditure before taxation</b>		<b>(136,902)</b>	<b>(275,914)</b>	<b>(412,816)</b>	<b>(229,703)</b>
<b>Taxation credit</b>		<b>-</b>	<b>204,008</b>	<b>204,008</b>	<b>357,297</b>
<b>Net (expenditure)/income after taxation and net movement in funds</b>		<b>(136,902)</b>	<b>(71,906)</b>	<b>(208,808)</b>	<b>127,594</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		145,122	154,319	299,441	171,847
<b>Total funds carried forward</b>		<b>8,220</b>	<b>82,413</b>	<b>90,633</b>	<b>299,441</b>

The statement of financial activities includes all gains and losses recognised in the year.

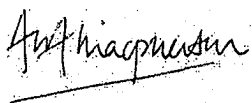
All income and expenditure derive from continuing activities.

**THE ROYAL LYCEUM THEATRE COMPANY LIMITED**  
**CONSOLIDATED AND CHARITY BALANCE SHEET**  
**AS AT 4 APRIL 2020**

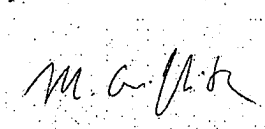
	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Fixed assets</b>					
Tangible assets	9	176,839	150,037	171,971	143,397
<b>Current assets</b>					
Stocks	11	27,849	27,770	22,525	22,552
Debtors	12	501,480	919,094	510,927	1,031,769
Cash at bank and in hand		493,106	456,552	485,364	326,877
		1,022,435	1,403,416	1,018,816	1,381,198
<b>Liabilities</b>					
Creditors: amounts falling due within one year	13	(1,108,639)	(1,254,010)	(1,100,154)	(1,225,154)
<b>Net current (liabilities)/assets</b>		(86,204)	149,406	(81,338)	156,044
<b>Total assets less current liabilities</b>		90,635	299,433	90,633	299,441
<b>Net assets</b>		90,635	299,443	90,633	299,441
		=====	=====	=====	=====
<b>The funds of the charity</b>					
Unrestricted income funds:					
<u>Free Reserves</u>					
General operating	15	(94,424)	4,284	(89,558)	10,922
<u>Designated Reserves</u>					
Designated capital	15	176,839	150,037	171,971	143,397
		82,415	154,321	82,413	154,319
<u>Restricted Reserves</u>					
Restricted studio upgrade	15	-	10,482	-	10,482
Restricted Enlightenment	15	-	84,640	-	84,640
Restricted Stephen Dunn fund	15	8,220	50,000	8,220	50,000
<b>Total charity funds</b>		90,635	299,443	90,633	299,441
		=====	=====	=====	=====

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

Approved by the Board of Trustees on 31 March 2021 and signed on its behalf by:



Shonaig Macpherson- Trustee



Mike Griffiths - Trustee

Company No. SC062065

The notes on pages 27 to 43 form part of these financial statements



**THE ROYAL LYCEUM THEATRE COMPANY LIMITED**

**STATEMENT OF CASHFLOWS AND CONSOLIDATED STATEMENT OF CASHFLOWS  
FOR THE PERIOD ENDED 4 APRIL 2020**

	Note	Period ended 4 April 2020		Period ended 6 April 2019	
		Group £	Charity £	Group £	Charity £
<b>Cash flows from operating activities:</b>					
Net cash provided by operating activities	16	147,330	268,875	243,895	151,605
		<u>147,330</u>	<u>268,875</u>	<u>243,895</u>	<u>151,605</u>
<b>Cash flows from investing activities:</b>					
Interest received		659	519	650	473
Purchase of tangible fixed assets		(111,435)	(110,907)	(54,428)	(50,381)
Net cash used in investing activities		<u>(110,776)</u>	<u>(110,388)</u>	<u>(53,778)</u>	<u>(49,908)</u>
<b>Increase in cash and cash equivalents in the year</b>		<b>36,554</b>	<b>158,487</b>	<b>190,117</b>	<b>101,697</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>456,552</b>	<b>326,877</b>	<b>266,435</b>	<b>225,180</b>
<b>Total cash and cash equivalents at the end of the year</b>		<b><u>493,106</u></b>	<b><u>485,364</u></b>	<b><u>456,552</u></b>	<b><u>326,877</u></b>
<b>Analysis of changes in net debt</b>					
		Period ended 4 April 2020		Period ended 6 April 2019	
		Group £	Charity £	Group £	Charity £
<b>At start of period</b>					
Cash		456,552	326,877	266,435	225,180
Net cash at start of period		<u>456,552</u>	<u>326,877</u>	<u>266,435</u>	<u>225,180</u>
<b>Cash-flows</b>		<b>36,554</b>	<b>158,487</b>	<b>190,117</b>	<b>101,697</b>
<b>At end of period</b>					
Cash		493,106	485,364	456,552	326,877
Net cash at end of period		<u>493,106</u>	<u>485,364</u>	<u>456,552</u>	<u>326,877</u>

The notes on pages 27 to 43 form part of these financial statements

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 1. Company information

The Royal Lyceum Theatre Company Limited is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC062065. The registered office is 30B. Grindlay Street, Edinburgh, EH3 9AX. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the company.

#### 2. Accounting policies

##### (a) Basis of accounting

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 (FRS102) (effective 2019) – Charities SORP (FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Royal Lyceum Theatre Company Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

##### (b) Going concern

The financial statements have been prepared on a going concern basis. The directors have reviewed the cashflow forecast for the next 12 months and taken account of the continuing effect of Covid-19 in determining the Group and Company's ability to continue as a going concern and have reasonable expectation that the Group and Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements. Full details of the going concern basis of preparation are disclosed on Page 12 in the Trustee's Report covering Going Concern and in Note 19 on page 40.

##### (c) Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiaries on a line-by-line basis.

##### (d) Significant judgements and estimation uncertainty

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As 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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### (i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for carrying amounts of tangible assets.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 2. Accounting policies (continued)

##### (ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for carrying amount of debtors.

##### (e) Donations, legacies and similar income

Donations, legacies and similar income is included in the year in which it is receivable, which is when the charity becomes entitled to the income, it is probable that it will be received and the amount can be measured reliably.

##### (f) Investment income

Income from all investments is included in the year in which it is receivable.

##### (g) Grants receivable

Grants received, including capital grants, are reflected in the Statement of Financial Activities when relevant conditions for entitlement have been met, it is probable they will be received, and the amounts can be quantified with sufficient reliability. Where donors specify that grants are for particular purposes, this income is included in incoming resources within restricted funds when receivable. Where grants are specifically made for the performance of charitable activities in a period subsequent to the year-end they are deferred and excluded from the Statement of Financial Activities.

Capital grants and other funding received towards the cost of the auditorium refurbishment and other capital projects are credited to a restricted capital fund. Depreciation on funded assets is charged to the restricted capital fund in the consolidated Statement of Financial Activities. Capital grants releases are recognised as transfers to the income and expenditure account.

##### (h) Allocation of expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. The allocation of expenses between costs of activities in furtherance of the charitable objectives, costs of raising funds and resources expended on management and administration is based on the nature of the expenditure involved. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

##### (i) Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised if it is appropriate to do so. Below this value, assets are not capitalised. Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Auditorium refurbishment	-	over economic life of assets
Leasehold improvements	-	over 15 years
Stage machinery and equipment	-	over 5 years
Furniture and office equipment	-	over 5 years
Wardrobe and props	-	over 3 years
Motor vehicles	-	over 5 years

##### (j) Stocks

Stocks are stated at the lower of cost and net realisable value.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 2. Accounting policies (continued)

##### (k) Future productions expenditure

Future productions expenditure represents the costs of productions in progress or not commenced at the year end.

##### (l) Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

##### (m) Pensions

The company makes contributions to 2 defined contribution pension schemes which are charged to the income and expenditure account when paid.

The company has no other pension liabilities.

##### (n) Taxation

The Royal Lyceum Theatre Company's charitable activities fall within the exemptions afforded by part 11 of the Corporation Tax Act 2010. Accordingly, there is no Corporation Tax charge in these financial statements.

The subsidiary undertaking is not a charity. It has, however, made provision to pay its taxable income to the company through the gift aid provisions.

##### (o) Debtors

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

##### (p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### (q) Creditors

Creditors are recognised where the charitable company 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

##### (r) 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.

##### (s) Funds

Unrestricted general and designated funds are the funds which can be used in accordance with the charitable objects at the discretion of the trustees. Restricted funds are the funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 3. Turnover

Theatre group turnover includes box office receipts, rental income, programmes, bar and catering receipts and is stated net of VAT. The turnover and operating surplus/deficit is wholly attributable to the group's principal activities performed in the United Kingdom.

#### 4. Income from Donations and Legacies

	2020 £	2019 £
Creative Scotland – revenue grant	1,135,000	1,360,000
Creative Scotland – Organisational grant	-	100,000
The City of Edinburgh Council – revenue grant	328,830	332,524
Donations	236,446	172,401
<i>Project grants:</i>		
Enlightenment Fund (restricted)	100,152	100,000
Stephen Dunn (restricted)	100,000	50,000
	<u>1,900,428</u>	<u>2,114,925</u>

The income from donations and legacies for the group was **£1,900,428** (2019: £2,114,925) of which **£1,692,276** was unrestricted (2019: £1,932,806) and **£208,152** restricted (2019: £182,119).

#### 5. Income from Charitable Activities

	2020 £	2019 £
Box office	1,848,281	1,295,705
Programmes and other production	460,595	574,516
Creative Learning	145,495	140,572
Income from Trading Company	263,972	214,156
	<u>2,718,343</u>	<u>2,224,949</u>

The income from charitable activities for the group was **£2,718,343** (2019: £2,224,949) of which **£2,644,343** was unrestricted (2019: £2,224,949) and **£74,000** restricted (2019: £Nil).

#### 6. Operating deficit

	2020 £	2019 £
This is stated after charging:		
Chief Executive/Artistic Director remuneration	64,611	65,520
Chief Executive/Executive Director remuneration	57,497	54,804
Auditor's remuneration:		
- Audit of Group financial statements	14,100	11,625
- Audit of subsidiary financial statements	1,800	1,750
- Non-audit services	5,915	1,500
Depreciation - owned assets	84,633	82,366

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 7. Staff costs

	2020 £	2019 £
Wages and salaries	1,995,423	1,887,314
Short term compensated absences	32,923	43,031
Social security costs	172,065	164,695
Other pension costs	57,635	36,163
	<u>2,258,046</u>	<u>2,131,203</u>

The average monthly number of employees during the period was made up as follows:

Theatre staff, administration and production	94	90
	<u>94</u>	<u>90</u>

Bar staff - all staff are employed by the Royal Lyceum Theatre Company.

The number of employees who earned greater than £60,000 during the year (including employers pension contribution) is as follows:

	2020	2019
£60,001-£70,000	<u>2</u>	<u>1</u>

Two directors/trustees received remuneration in the band £60,001-£70,000 for the year.

The key management personnel of the parent charity and the group comprise the Trustees, the Artistic Director and the Executive Director of Royal Lyceum Theatre Company. The Artistic and Executive Directors are jointly the Chief Executive Officers of Royal Lyceum Theatre Company. The total employee benefits of the key management personnel of the theatre were **£124,638** (2019: £121,963).

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 8. Analysis of incoming resources and resources expended

	Artistic program £	Fund- raising £	Creative learning £	Trading operations & other £	Total 2020 £	Total 2019 £
<b>Incoming resources</b>						
Earned income	2,496,641	245,614	145,495	464,058	3,351,808	2,869,166
Grants unrestricted	1,463,830	-	-	-	1,463,830	1,792,524
Grants restricted	-	282,152	-	-	282,152	182,119
	<u>3,960,471</u>	<u>527,766</u>	<u>145,495</u>	<u>464,058</u>	<u>5,097,790</u>	<u>4,843,809</u>
<b>Direct costs</b>						
Production costs	2,029,700	-	-	-	2,029,700	1,933,836
Production staff costs	1,319,204	-	-	-	1,319,204	1,219,590
Theatre and box office	72,607	-	-	-	72,607	79,375
Marketing	219,807	-	-	-	219,807	188,734
Programmes	14,208	-	-	-	14,208	17,009
Fundraising	-	24,131	-	-	24,131	28,834
Fundraising staff	-	107,793	-	-	107,793	88,617
Creative learning	-	-	17,036	-	17,036	51,064
Creative learning staff	-	-	143,554	-	143,554	140,919
Visiting companies/touring	22,597	-	-	-	22,597	-
External projects	179,117	-	74,006	-	253,123	139,433
Workshop	11,517	-	-	-	11,517	11,465
Trading company	-	-	-	147,207	147,207	133,906
	<u>3,868,757</u>	<u>131,924</u>	<u>234,596</u>	<u>147,207</u>	<u>4,382,484</u>	<u>4,032,782</u>
<b>Net contribution/(deficit) before overheads</b>	<u>91,714</u>	<u>395,842</u>	<u>(89,101)</u>	<u>316,851</u>	<u>715,306</u>	<u>811,027</u>
<b>Overheads/support costs</b>						
General management	97,400	6,957	9,276	13,914	127,547	100,198
Admin staff (including CEO)	339,672	24,262	32,350	48,525	444,809	385,994
Rent and utilities:						
- theatre	118,833	-	-	-	118,833	144,372
- workshop	64,168	-	-	-	64,168	64,931
- admin including insurance	47,691	3,407	4,542	6,813	62,453	65,690
Repairs and maintenance:						
- theatre	140,260	-	-	-	140,260	139,579
- workshop	24,901	-	-	-	24,901	17,076
- admin including IT	47,970	3,426	4,569	6,853	62,818	42,853
Depreciation	82,333	-	-	-	82,333	80,037
Total overheads	<u>963,228</u>	<u>38,052</u>	<u>50,737</u>	<u>76,105</u>	<u>1,128,122</u>	<u>1,040,730</u>
<b>Total costs</b>	<u>4,831,985</u>	<u>169,976</u>	<u>285,333</u>	<u>223,312</u>	<u>5,510,606</u>	<u>5,073,512</u>
<b>Net contribution/(deficit) after all costs before tax</b>	<u>(871,514)</u>	<u>357,790</u>	<u>(139,838)</u>	<u>240,746</u>	<u>(412,816)</u>	<u>(229,703)</u>

Restricted expenditure in direct costs is £419,054 (2019: £158,614) and in overhead costs is £Nil (2019: £12,728). All other expenditure shown above relates to unrestricted funds.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 8. Analysis of incoming resources and resources expended *(continued)*

Incoming resources definitions:

**Artistic program** includes admission charges from Lyceum and visiting companies, programme sales, contra charges, theatre classes and workshop facilities fees.

**Fundraising** includes all donations, sponsorship and income raising events.

**Creative learning** includes participation fees from Lyceum Youth Theatre, holiday workshops/programmes, schools workshops, Connections and individual annual projects.

**Other income** includes all turnover from the trading company which runs bar and room hire facilities, ice cream and confectionery sales. The theatre is also in receipt of rental income from Zucca restaurant. Other rental is received from letting the theatre to the Edinburgh International Festival plus ad hoc rentals of theatre/rehearsal space, office rental from Stellar Quines, FST, Imagine and Lung Ha's and income from the mobile mast situated on the theatre roof. All interest received is from interest bearing deposit and current accounts.

#### Overheads/support costs:

These costs are allocated on a basis consistent with the use of resources whether that be staff numbers per department or actual space used.

#### 9. Tangible fixed assets

Group	Auditorium refurb- ishment £	Leasehold improve- ments £	Stage machinery & equipment £	Furniture & office equipment £	Wardrobe & props £	Motor vehicles £	Total £
<b>Cost</b>							
At 6 April 2019	1,294,752	941,428	271,813	194,943	438,877	8,758	3,150,571
Additions	-	20,430	23,806	21,748	45,451	-	111,435
<b>At 4 April 2020</b>	<b>1,294,752</b>	<b>961,858</b>	<b>295,619</b>	<b>216,691</b>	<b>484,328</b>	<b>8,758</b>	<b>3,262,006</b>
<b>Depreciation</b>							
At 6 April 2019	1,294,752	858,870	248,545	174,668	414,941	8,758	3,000,534
Charge for period	-	27,797	6,525	9,847	40,464	-	84,633
<b>At 4 April 2020</b>	<b>1,294,752</b>	<b>886,667</b>	<b>255,070</b>	<b>184,515</b>	<b>455,405</b>	<b>8,758</b>	<b>3,085,167</b>
<b>Net book value</b>							
At 4 April 2020	-	75,191	40,549	32,176	28,923	-	176,839
At 6 April 2019	-	82,558	23,268	20,275	23,936	-	150,037



**THE ROYAL LYCEUM THEATRE COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**FOR THE PERIOD ENDED 4 APRIL 2020**

**9. Tangible fixed assets**

Charity	Auditorium refurb- ishment £	Leasehold improve- ments £	Stage machinery & equipment £	Furniture & office equipment £	Wardrobe & props £	Motor vehicles £	Total £
<b>Cost</b>							
At 6 April 2019	1,294,752	941,428	271,813	126,211	438,877	8,758	3,081,839
Additions	-	20,430	23,806	21,220	45,451	-	110,907
<b>At 4 April 2020</b>	<b>1,294,752</b>	<b>961,858</b>	<b>295,619</b>	<b>147,431</b>	<b>484,328</b>	<b>8,758</b>	<b>3,192,746</b>
<b>Depreciation</b>							
At 6 April 2019	1,294,752	858,870	248,545	112,576	414,941	8,758	2,938,442
Charge for period	-	27,797	6,525	7,547	40,464	-	82,333
<b>At 4 April 2020</b>	<b>1,294,752</b>	<b>886,667</b>	<b>255,070</b>	<b>120,123</b>	<b>455,405</b>	<b>8,758</b>	<b>3,020,775</b>
<b>Net book value</b>							
<b>At 4 April 2020</b>	<b>-</b>	<b>75,191</b>	<b>40,549</b>	<b>27,308</b>	<b>28,923</b>	<b>-</b>	<b>171,971</b>
<b>At 6 April 2019</b>	<b>-</b>	<b>82,558</b>	<b>23,268</b>	<b>13,635</b>	<b>23,936</b>	<b>-</b>	<b>143,397</b>

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

10. Investments	2020 £	2019 £
<b>Group</b>		
Investment in subsidiary undertakings:		
Cost	3	3
Amount written off	(3)	(3)
	-----	-----
Net book value	-	-
	=====	=====

Details of the subsidiary undertakings, which are registered in Scotland, are as follows:-

Name	Principal activity	Proportion of ordinary shares held
Lyceum Theatre Trading Limited	Provision of bar and catering facilities	100%

The subsidiary is a company limited by shares and is governed by its Memorandum and Articles of Association. It is registered in Scotland with Company Number SC125708 and has its Registered Office at Grindlay Street, Edinburgh EH3 9AX. The Lyceum Theatre Trading Company's main objects are to provide bar, merchandising and catering facilities at the Royal Lyceum Theatre. It gift aids its taxable profits to the company and pays management charges for its share of general overheads. It is a wholly owned subsidiary of the Company. Sales in 2020 were **£263,927** (2019: £214,156) with gift aid amounting to **£116,163** (2019: £80,427). Net assets of the subsidiary at 4 April 2020 totalled **£2** (2019: £2) which comprised fixed assets of **£4,868** (2019: £6,640), current assets of **£13,305** (2019: £136,379) and liabilities of **£18,171** (2019: £143,017).

Name	Principal activity	Proportion of ordinary shares held
Grindlay Street Production Services Limited (GSPS)	Company was incorporated on 3 March 2015 and began trading in 2019/20 investing in Touching Void in the West End of London.	100%

The subsidiary is a private company limited by shares and is governed by its Memorandum and Articles of Association. It is registered in Scotland with Company Number SC491399 and has its Registered Office at Grindlay Street, Edinburgh EH3 9AX. Its main objectives are: to make and manage investments in commercial and semi-commercial theatre productions of The Royal Lyceum Theatre Company Limited including co-productions; to raise funds for commercial theatre productions; to promote commercial theatre productions; to commission commercial theatre productions. GSPS is a wholly owned subsidiary of the Company. Expenses in the year were **£25** (2019: £Nil). Net assets of the subsidiary at 4 April 2020 totalled **£75** (2019: £2) which comprised current assets of **£60,075** (2019: £2) and current liabilities of **£60,000** (2019: £Nil).

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

11. Stocks	2020 £	Group 2019 £	2020 £	Charity 2019 £
Raw materials and consumables	22,525	22,552	22,525	22,552
Goods for resale	5,324	5,218	-	-
	<u>27,849</u>	<u>27,770</u>	<u>22,525</u>	<u>22,552</u>

12. Debtors	2020 £	Group 2019 £	2020 £	Charity 2019 £
Trade Debtors:	121,507	184,322	121,352	182,835
Amounts owed by subsidiary undertaking	-	-	9,686	114,162
Other debtors	114,511	34,282	114,427	34,282
Prepayments and accrued income	265,462	437,455	265,462	437,455
Future productions expenditure	-	263,035	-	263,035
	<u>501,480</u>	<u>919,094</u>	<u>510,927</u>	<u>1,031,769</u>

13. Creditors: amounts falling due within one year	2020 £	Group 2019 £	2020 £	Charity 2019 £
Grants received in advance	165,083	-	165,083	-
Trade creditors	243,419	310,398	241,900	293,989
Social security and other taxes	47,548	42,340	42,466	34,742
Other creditors	458,818	33,897	458,818	33,897
Accruals	193,771	252,672	191,887	247,823
Deferred income	-	614,703	-	614,703
	<u>1,108,639</u>	<u>1,254,010</u>	<u>1,100,154</u>	<u>1,225,154</u>

#### 14. Obligations under operating leases

Total future minimum lease payments under non-cancellable operating leases at the period end are analysed as follows:-

	Group and Charity	
	2020 £	2019 £
Property leases which expire in 7 years (2019: 8 years)	<u>616,000</u>	<u>704,000</u>

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 15. Capital and reserves

##### Group and Company

The Company is limited by guarantee and accordingly has no share capital. In accordance with the Company's Memorandum of Association every Member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the assets of the company in the event of it being wound up.

##### For the period ended 4 April 2020

Restricted funds	Start of	Group and Charity		End of
	period	Income	Expenditure	period
	£	£	£	£
Creative Pathways	-	69,000	(69,000)	-
Rehearsal Studio	10,482	-	(10,482)	-
Enlightenment Programme	84,640	100,152	(184,792)	-
Stephen Dunn Creative Fund	50,000	100,000	(141,780)	8,220
LYT Bursaries	-	5,000	(5,000)	-
Brenda Rennie Barbershop Sponsorship	-	6,000	(6,000)	-
Williams & Duffy Sponsorship	-	2,000	(2,000)	-
	<u>145,122</u>	<u>282,152</u>	<u>(419,054)</u>	<u>8,220</u>

##### For the period ended 6 April 2019

Restricted funds	Start of	Group and Charity		End of
	period	Income	Expenditure	period
	£	£	£	£
Capital fund	12,728	-	(12,728)	-
Creative Pathways	-	24,936	(24,936)	-
LYT Discover	-	7,183	(7,183)	-
Rehearsal Studio	10,482	-	-	10,482
Enlightenment Programme	61,135	100,000	(76,495)	84,640
Stephen Dunn Creative Fund	50,000	50,000	(50,000)	50,000
	<u>134,345</u>	<u>182,119</u>	<u>(171,342)</u>	<u>145,122</u>

The Creative Pathways Programme ensures that we bring the benefits of participation in a high quality, professionally-led theatre project to those who would be least likely to have access to cultural activities. We offer participation in the programme free of charge to schools and community groups across Edinburgh.

LYT Discover provided weekly youth theatre groups in three specific Edinburgh communities: Craigmillar, Criagroyston, and Wester Hailes.

Rehearsal Studio improvements have been generously supported by James and Morag Anderson.

The Enlightenment Programme is a series of events and activities which encourage debate, discussion and discourse at The Lyceum, supporting our ambitions to make the theatre a civic space for the people of Edinburgh. Generously supported by James and Morag Anderson.

Stephen Dunn Creative Fund. This donation is to support the development of the Artistic Programme by enabling enhancement to individual productions, R&D activities in production development processes, development of artistic talent or other related activities as identified by the Artistic Director.

LYT Bursaries provides free and subsidised places for youngsters from disadvantaged backgrounds to attend the Lyceum Youth Theatre classes.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 15. Capital and reserves (continued).

Capital grants and other funding received towards the cost of the auditorium refurbishment and other capital projects are credited to a restricted capital fund as required by the Charities SORP (FRS 102).

In accordance with the requirements of the SORP, depreciation on funded assets is charged to the restricted capital fund in the consolidated statement of financial activities. Capital grants releases are recognised as transfers to the income and expenditure account.

Designated capital funds represent amounts that the charitable company has elected to use on capital projects and as such have been separated from the unrestricted general funds.

#### Unrestricted funds

As at 4 April 2020

	2020 £	Group 2019 £	2020 £	Charity 2019 £
At beginning of period	154,321	37,504	154,319	37,502
(Loss)/surplus for the period	(71,906)	116,817	(71,906)	116,817
At end of period	<u>82,415</u>	<u>154,321</u>	<u>82,413</u>	<u>154,319</u>

As at 6 April 2019

	2019 £	Group 2018 £	2019 £	Charity 2018 £
At beginning of period	37,504	322,036	37,502	322,034
(Loss)/surplus for the period	116,817	(284,532)	116,817	(284,532)
At end of period	<u>154,321</u>	<u>37,504</u>	<u>154,319</u>	<u>37,502</u>

#### Analysis of net assets between funds

As at 4 April 2020

Group	Unrestricted general funds £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	-	176,839	-	176,839
Net current (liabilities)/assets	(94,424)	-	8,220	(86,204)
	<u>(94,424)</u>	<u>176,839</u>	<u>8,220</u>	<u>90,635</u>
Charity				
Tangible fixed assets	-	171,971	-	171,971
Net current (liabilities)/assets	(89,558)	-	8,220	(81,338)
	<u>(89,558)</u>	<u>171,971</u>	<u>8,220</u>	<u>90,633</u>

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 15. Capital and reserves (continued)

As at 6 April 2019	Unrestricted general funds £	Designated funds £	Restricted funds £	Total £
<b>Group</b>				
Tangible fixed assets	-	150,037	-	150,037
Net current assets	4,284	-	145,122	149,406
	<u>4,284</u>	<u>150,037</u>	<u>145,122</u>	<u>299,443</u>
<b>Charity</b>				
Tangible fixed assets	-	143,397	-	143,397
Net current assets	10,922	-	145,122	156,044
	<u>10,922</u>	<u>143,397</u>	<u>145,122</u>	<u>299,441</u>

#### 16. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 Group £	Charity £	2019 Group £	Charity £
Net Movement in Funds	(208,808)	(208,808)	235,186	235,186
Add back depreciation	84,633	82,333	82,366	80,037
Investment income	(659)	(519)	(650)	(473)
(Increase) / Decrease in stocks	(79)	27	(4,409)	(3,462)
(Increase) / Decrease in debtors	417,614	520,842	(542,283)	(615,469)
Increase / (Decrease) in creditors	(145,371)	(125,000)	473,685	455,786
Net cash provided by operating activities	<u>147,330</u>	<u>268,875</u>	<u>243,895</u>	<u>151,605</u>

#### 17. Pension commitments

The company contributes to two different pension schemes:-

- (i) A defined contribution scheme operated by the Company. The assets of this scheme are held separately from those of the company in an independently administered fund.  
The pension charge payable by the company was **£13,741** (2019: £15,324). Contributions outstanding at the year-end amounted to £nil (2018: £nil).
- (ii) Auto enrolment scheme – a defined contribution scheme operated by the Company. The assets of this scheme are held separately from those of the company in an independently administered fund.  
The pension charge payable by the company was **£43,893** (2019: £25,070). Contributions outstanding at the year-end amounted to **£8,740** (2019: £4,302).

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 18. Related party transactions and ultimate controlling party

The trustees received no emoluments in the period (2019: £nil), except as detailed below.

Expenses of **£2,342** (2019: £1,825) were paid to trustees in the period for travel and accommodation.

During the period David Greig invoiced the company £nil (2019: £23,543) for writers' royalty payment. David Greig is the Artistic Director/ Chief Executive.

At the period end the company owed **£106,477** to its subsidiary, Lyceum Theatre Trading Limited (2019: £33,735 owed by its subsidiary). The company was owed **£116,163** (2019: £80,427) representing the contribution of the subsidiary's profits for the period under gift aid, making a total balance owed of **£9,686** (2019: £114,162). The total balance was subsequently paid by cash transfer in August 2020.

During the period, the company received grant income totalling **£100,000** (2019: £50,000) from Stephen Dunn, a director of the company.

In the trustees' opinion, there is no ultimate controlling party.

#### 19. COVID 19, subsequent events and going concern

The COVID-19 pandemic continues to cause significant disruption to societies and economies across the globe.

Although the charitable company and group has been significantly affected, the accounts for the year ended 4 April 2020 will not capture the financial impact that COVID-19 has had and continues to have on the activities and finances of the company and group.

In March 2020, and in accordance with government advice, the company closed its premises to all but essential staff and suspended operations. At the time of writing in March 2021 the company's premises remain closed. Measures taken to contain the spread of the virus, including social distancing, travel restrictions and closures of non-essential services have triggered significant disruptions to our ongoing activities.

The company furloughed staff and entered into the Coronavirus Job Retention Scheme for government support for eligible employees and other government support packages relevant to the ongoing activities of the company and group.

As disclosed in the Trustees' Annual Report, the future operations of the charitable company and group are dependent on the continued financial support of core funding bodies, artistic programming which plans to break even, ongoing benefit from the Coronavirus Job Retention Scheme and Theatre Tax credits and generating sufficient surpluses from charitable operations to meet obligations as they fall due.

Against this background, the trustees have prepared and approved up to date management accounts which reflect successful public and private grant applications and a cost reduction and restructuring programme implemented post year end. The Trustees have also prepared and approved budgets and cash flow projections which include key income and cost assumptions including ongoing support from funding bodies and the timely settlement of COVID and Theatre Tax credit claims that the trustees consider reasonable and prudent.

Having considered the above matters, the Trustees are of the view that, at the date of approval of the financial statements, the company will have sufficient resources to continue to operate and meet debts as they fall due for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

**THE ROYAL LYCEUM THEATRE COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**FOR THE PERIOD ENDED 4 APRIL 2020**

**20. Comparative consolidated statement of financial activities**

	Restricted Funds	Un-restricted Funds	Total Funds Period Ended 6 April 2019	Total Funds Period Ended 31 March 2018
	£	£	£	£
<b>Income and endowments from:</b>				
Donations and Legacies	182,119	1,932,806	2,114,925	1,540,867
Charitable activities	-	2,224,949	2,224,949	1,672,043
Other Trading Activities	-	503,285	503,285	430,176
Investments –Bank Interest	-	650	650	118
<b>Total income</b>	<b>182,119</b>	<b>4,661,690</b>	<b>4,843,809</b>	<b>3,643,204</b>
<b>Expenditure</b>				
<b>Raising funds:</b>				
Costs of sponsorship and fundraising events	-	149,891	149,891	145,190
Commercial trading operations	-	198,786	198,786	189,920
	-	348,677	348,677	335,110
<b>Charitable activities:</b>				
Box office/production	139,223	4,318,257	4,457,480	3,470,069
Creative learning	32,119	235,236	267,355	254,334
	171,342	4,553,493	4,724,835	3,724,403
<b>Total Expenditure</b>	<b>171,342</b>	<b>4,902,170</b>	<b>5,073,512</b>	<b>4,059,513</b>
<b>Net income/(expenditure) before taxation</b>	<b>10,777</b>	<b>(240,480)</b>	<b>(229,703)</b>	<b>(416,309)</b>
<b>Taxation credit</b>	<b>-</b>	<b>357,297</b>	<b>357,297</b>	<b>173,188</b>
<b>Net movement in funds</b>	<b>10,777</b>	<b>116,817</b>	<b>127,594</b>	<b>(243,121)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	134,345	37,504	171,849	414,970
<b>Total funds carried forward</b>	<b>145,122</b>	<b>154,321</b>	<b>299,443</b>	<b>171,849</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.



THE ROYAL LYCEUM THEATRE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE PERIOD ENDED 4 APRIL 2020

21. Comparative charity statement of financial activities.

	Restricted Funds	Un- restricted Funds	Total Funds Period Ended 6 April 2019	Total Funds Period Ended 31 March 2018
	£	£	£	£
<b>Income and endowments from:</b>				
Donations and Legacies	182,119	1,932,806	2,114,925	1,540,867
Charitable activities	-	2,091,220	2,091,220	1,545,556
Other Trading Activities	-	503,285	503,285	430,176
Investments –Bank Interest	-	473	473	100
<b>Total income</b>	<b>182,119</b>	<b>4,527,784</b>	<b>4,709,903</b>	<b>3,516,699</b>
<b>Expenditure</b>				
<b>Raising funds:</b>				
Costs of sponsorship and fundraising events	-	149,891	149,891	145,190
Commercial trading operations	-	64,880	64,880	63,415
	-	214,771	214,771	208,605
<b>Charitable activities:</b>				
Box office/production	139,223	4,318,257	4,457,480	3,470,069
Creative learning	32,119	235,236	267,355	254,334
	171,342	4,553,493	4,724,835	3,724,403
<b>Total Expenditure</b>	<b>171,342</b>	<b>4,768,264</b>	<b>4,939,606</b>	<b>3,933,008</b>
<b>Net income/(expenditure) before taxation</b>	<b>10,777</b>	<b>(240,480)</b>	<b>(229,703)</b>	<b>(416,309)</b>
<b>Taxation credit</b>	<b>-</b>	<b>357,297</b>	<b>357,297</b>	<b>173,188</b>
<b>Net movement in funds</b>	<b>10,777</b>	<b>116,817</b>	<b>127,594</b>	<b>(243,121)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	134,345	37,502	171,847	414,968
<b>Total funds carried forward</b>	<b>145,122</b>	<b>154,319</b>	<b>299,441</b>	<b>171,847</b>
	=====	=====	=====	=====

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE ROYAL LYCEUM THEATRE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### FOR THE PERIOD ENDED 4 APRIL 2020

#### 22. Comparative analysis of incoming resources and resources expended

	Artistic program £	Fund- raising £	Creative learning £	Trading operations & other £	Total 2019 £
<b>Incoming resources</b>					
Earned income	1,921,131	303,528	140,572	503,935	2,869,166
Grants unrestricted	1,792,524	-	-	-	1,792,524
Grants restricted	-	182,119	-	-	182,119
	<u>3,713,655</u>	<u>485,647</u>	<u>140,572</u>	<u>503,935</u>	<u>4,843,809</u>
<b>Direct costs</b>					
Production costs	1,933,836	-	-	-	1,933,836
Production staff costs	1,219,590	-	-	-	1,219,590
Theatre and box office	79,375	-	-	-	79,375
Marketing	188,734	-	-	-	188,734
Programmes	17,009	-	-	-	17,009
Fundraising	-	28,834	-	-	28,834
Fundraising staff	-	88,617	-	-	88,617
Creative learning	-	-	51,064	-	51,064
Creative learning staff	-	-	140,919	-	140,919
Visiting companies/touring	-	-	-	-	-
Other (restricted)	107,314	-	32,119	-	139,433
Workshop	11,465	-	-	-	11,465
Trading company	-	-	-	133,906	133,906
	<u>3,557,323</u>	<u>117,451</u>	<u>224,102</u>	<u>133,906</u>	<u>4,032,782</u>
<b>Net contribution/(deficit) before overheads</b>	<u>156,332</u>	<u>368,196</u>	<u>(83,530)</u>	<u>370,029</u>	<u>811,027</u>
<b>Overheads/support costs</b>					
General management	76,515	5,465	7,287	10,931	100,198
Admin staff (including CEO)	294,760	21,054	28,072	42,108	385,994
Rent and utilities:					
- theatre	144,372	-	-	-	144,372
- workshop	64,931	-	-	-	64,931
- admin including insurance	50,163	3,584	4,777	7,166	65,690
Repairs and maintenance:					
- theatre	139,579	-	-	-	139,579
- workshop	17,076	-	-	-	17,076
- admin including IT	32,724	2,337	3,117	4,675	42,853
Depreciation	80,037	-	-	-	80,037
Total overheads	<u>900,157</u>	<u>32,440</u>	<u>43,253</u>	<u>64,880</u>	<u>1,040,730</u>
<b>Total costs</b>	<u>4,457,480</u>	<u>149,891</u>	<u>267,355</u>	<u>198,786</u>	<u>5,073,512</u>
<b>Net (deficit)/contribution after all costs before tax</b>	<u>(743,825)</u>	<u>335,756</u>	<u>(126,783)</u>	<u>305,149</u>	<u>(229,703)</u>