

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Company registration number SC492495

Directors' Report and Financial Statements

For the period ended 31 March 2021



NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Contents

Directors

S Armitage
C Newall
G Swallow
J Wylie
S Litchfield
B Hobson
C Gross
S Duffield
P Fitzpatrick

Company secretary Brenna Hobson (appointed 30 September 2020)
Alyson Hagan (resigned 30 September 2020)

Registered number SC492495

Registered office Rockvilla
125 Craighall Road
Glasgow
G4 9TL

Independent auditor Azets Audit Services
Statutory Auditor
Titanium 1
King's Inch Place
Renfrewshire
United Kingdom
PA4 8WF

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Contents

| | Page |
|--|----------------|
| Directors' Report | 1 - 2 |
| Independent Auditor's Report | 3 - 6 |
| Statement of Income and Retained Earnings | 7 |
| Balance Sheet | 8 |
| Notes to the Financial Statements | 9 - 12 |
| The following pages do not form part of the statutory financial statements: | |
| Detailed Profit and Loss Account and Summaries | 13 - 14 |

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Directors' Report

For the period ended 31 March 2021

The directors present their report and the financial statements for the period ended 31 March 2021.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Armitage (appointed 08 January 2021)
P Fitzpatrick (appointed 08 January 2021)
A Hagan (resigned 30 September 2020)
L Clark (resigned 23 September 2020)
C Newall
G Swallow
J Wylie
S Litchfield
B Hobson
C Gross
S Duffield

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activities of the company are the commissioning, development, production and promotion of theatrical works and performances.

Results and dividends

The profit for the year, after taxation, amounted to £nil. There were no dividends paid or proposed for the period.

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Directors' Report

For the period ended 31 March 2021

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

Auditor

Azets Audit Services have expressed their willingness to continue in office as auditor and will be proposed for reappointment at the forthcoming Annual General Meeting.

Small Company Exemption

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within part 15 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



Jackie Wylie
Director

22 September 2021

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Independent Auditor's report to the Members of National Theatre of Scotland Productions Limited

Opinion

We have audited the financial statements of National Theatre of Scotland Productions Limited (the 'company') for the year ended 31 March 2021 which comprise the statement of income and retained earnings, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Independent Auditor's report to the Members of National Theatre of Scotland Productions Limited

Other information

The directors 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Independent Auditor's report to the Members of National Theatre of Scotland Productions Limited

Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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. This description forms part of our Auditor's Report.

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with management, and from our commercial knowledge and experience of the theatre industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Independent Auditor's report to the Members of National Theatre of Scotland Productions Limited

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the Company's legal advisors.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Azets Audit Services

Allison Gibson, Senior Statutory Auditor
For and on behalf of Azets Audit Services, Statutory Auditor
Titanium 1
King's Inch Place
Renfrewshire
PA4 8WF

Date: 24 September 2021

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Statement of Income and Retained Earnings

For the period ended 31 March 2021

| | Note | Year ended 31 March 2021 £ | Year ended 31 March 2020 £ |
|---|-------------|---|---|
| Turnover | 4 | 750,340 | 1,644,799 |
| Cost of sales | | (807,030) | (2,015,710) |
| Gross loss | | (56,690) | (370,911) |
| Administrative expenses | | - | - |
| Operating loss | 5 | (56,690) | (370,911) |
| Loss on ordinary activities before theatre tax | | (56,690) | (370,911) |
| Theatre tax relief | 6 | 56,690 | 370,911 |
| Profit for the financial period | | - | - |
| Retained earnings at the beginning of the period | | - | - |
| Profit for the financial period | | - | - |
| Retained earnings at the end of the period | | - | - |

The notes on pages 9 to 12 form part of these financial statements.

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Balance Sheet

As at 31 March 2021

| | Note | 2021 £ | 2020 £ |
|--|------|-----------------|------------------|
| Current assets | | | |
| Debtors: amounts falling due within one year | 7 | 807,032 | 2,177,641 |
| | | <u>807,032</u> | <u>2,177,641</u> |
| Creditors: amounts falling due within one year | 8 | (807,030) | (2,177,639) |
| Net current assets | | <u>2</u> | <u>2</u> |
| Total assets less current liabilities | | <u>2</u> | <u>2</u> |
| Net assets | | <u><u>2</u></u> | <u><u>2</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 2 | 2 |
| Profit and loss account | | - | - |
| | | <u>2</u> | <u>2</u> |
| | | <u><u>2</u></u> | <u><u>2</u></u> |

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

Jacqueline M. Wylie

Company Number: SC492495

Jackie Wylie
Director

22 September 2021

The notes on pages 8 to 11 form part of these financial statements.

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Notes to the Financial Statements

For the period ended 31 March 2021

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated. They comprise the financial statements of the company drawn up for the period ended 31 March 2021.

The principal activities of the National Theatre of Scotland Productions Limited ('the company') are the commissioning, development, production and promotion of theatrical works and performances.

The company is a private company limited by shares and is incorporated and registered in Scotland. The company's registered number is SC492495.

The address of the company's registered office is Rockvilla, 125 Craighall Road, Glasgow, G4 9TL.

2. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to Companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

Going concern

The accounts have been prepared on a going concern basis. The directors anticipate that a break-even position to 31 March 2022 and beyond will be achieved. The directors have assessed the impact of COVID-19 on the entity and are satisfied that the company can meet its liabilities as they fall due for the foreseeable future, and on this basis consider it appropriate to prepare the financial statements on a going concern basis.

Cash flow statement

National Theatre of Scotland Productions Limited is a 100% owned subsidiary of National Theatre of Scotland. Exemption has been taken from preparing a statement of cash flows on the grounds that a consolidated statement of cash flows is prepared within the publicly available financial statements of National Theatre of Scotland. These financial statements may be obtained from Rockvilla, 125 Craighall Road, Glasgow, G4 9TL.

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Notes to the Financial Statements

For the period ended 31 March 2021

Accounting policies (continued)

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding value added tax.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The directors do not consider there to be any accounting judgements required in preparing these accounts. The directors are satisfied that accounting policies are appropriate and applied consistently.

4. Turnover

The turnover is attributable to the one principal activity of the company and was generated wholly within the United Kingdom.

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Notes to the Financial Statements

For the period ended 31 March 2021

5. Operating loss

During the period, no director received any emoluments (2020: none).

There is no corporation tax charge due to losses incurred in the period (2020: no charge).

The average number of employees, per head count, during the period was nil (2020: nil).

6. Theatre tax credit

| | 2021 £ | 2020 £ |
|--------------------|---------------|----------------|
| Theatre tax credit | 56,690 | 370,911 |
| | <u>56,690</u> | <u>370,911</u> |

7. Debtors

| | 2021 £ | 2020 £ |
|------------------------------------|----------------|------------------|
| Amounts owed by group undertakings | 748,680 | 1,879,837 |
| Theatre tax credit | 58,352 | 297,804 |
| | <u>807,032</u> | <u>2,177,641</u> |

8. Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|----------------|------------------|
| Amounts owed to group undertakings | 807,030 | 2,177,639 |
| | <u>807,030</u> | <u>2,177,639</u> |

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Notes to the Financial Statements

For the period ended 31 March 2021

9. Related party transactions

The company has taken advantage of the exemption under FRS 102 from the requirement to disclose the information of transactions with entities which are part of the group on the basis that it is a wholly owned subsidiary and consolidated group financial statements are publicly available.

10. Controlling party

The company is a wholly owned subsidiary of the National Theatre of Scotland Limited, a charitable company registered in Scotland (No. SC234270). The registered office of the National Theatre of Scotland Limited is Rockvilla, 125 Craighall Road, Glasgow, G4 9TL. The ultimate controlling party is National Theatre of Scotland Limited.

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Detailed Profit and Loss Account

For the period ended 31 March 2021

| | 31 March 2021 | 31 March 2020 |
|----------------------------|----------------------|----------------------|
| | £ | £ |
| Turnover | 750,340 | 1,644,799 |
| Cost of sales | (807,030) | (2,015,710) |
| Loss for the period | (56,690) | (370,911) |

NATIONAL THEATRE OF SCOTLAND PRODUCTIONS LIMITED

Schedule to the Detailed Accounts

For the period ended 31 March 2021

Turnover

| | 31 March 2021 | 31 March 2020 |
|-------------------|-----------------------------|-----------------------------|
| | £ | £ |
| Commission income | 750,340 | 1,644,799 |
| | <u> </u> | <u> </u> |

Cost of sales

| | 31 March 2021 | 31 March 2020 |
|------------------------|-----------------------------|-----------------------------|
| | £ | £ |
| Subcontractor payments | 807,030 | 2,015,710 |
| | <u> </u> | <u> </u> |