



**PITLOCHRY
FESTIVAL
THEATRE**

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**Pitlochry Festival Theatre
(A company limited by guarantee)**

Consolidated Financial Statements and Trustee's Report

For the year ended 31 March 2022



Pitlochry Festival Theatre | +44 (0)1796 484626
Registered Office: Port-Na-Craig, Pitlochry PH16 5DR
Company Limited by Guarantee: Registered in Scotland SC029243
Regulated by the Scottish Charity Regulator (OSCR) SC013055

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Legal and Administrative Details

Board of Trustees

Crawford Gillies (Chair)
Heather Stuart (Vice-Chair)
Graeme Bissett
Malcolm Brown
William Douglas
Georgina Gordon
Gary Love
Jane Martin
Jane Wilson

Charity number

SC013055

Company registration number

SC029243

Company secretary

J & H Mitchell WS

Registered office

Pitlochry Festival Theatre
Port-Na-Craig
Pitlochry
Perthshire
PH16 5DR

Auditor

Chiene + Tait LLP
Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland Plc
76 Atholl Road
Pitlochry
PH16 5BW

HSBC UK Bank Plc
2 Queens Road
Aberdeen
AB15 4ZT

Solicitors

J & H Mitchell WS
51 Atholl Road
Pitlochry
PH16 5BU

Pitlochry Festival Theatre
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Report of the Trustees and Strategic Report

For the year ended 31 March 2022

The Trustees, who are also Directors for the purposes of company law, are pleased to present their report and the financial statements of the Group for the year ended 31 March 2022.

The legal and administrative information set out on page 1 forms part of our report. We have prepared our report in accordance with our Articles of Association and the Statement of Recommended Practice – *The Charities Statement of Recommended Practice* (SORP FRS 102).

Welcome

Welcome to this Annual Report which is intended to meet our statutory reporting obligations and to give our diverse stakeholders an update on our strategic direction and financial performance during 2021-22.

This year has been another extraordinary year for Pitlochry Festival Theatre. Having taken advantage of the enforced closure of our indoor facilities to progress the first phase of our *VISION* capital redevelopment project, we launched our online offering and took advantage of our beautiful location to present work outdoors. It was especially gratifying to see the way that these new channels helped us reach new audiences, bringing to life our aspiration to be a theatre for all.

All of this would not have been possible without exceptional contributions from a wide range of people. First and foremost, I would like to congratulate and thank our ambitious, talented executive team and all our staff. To have achieved what they did in the most trying of circumstances was truly remarkable. I would also like to thank my Board colleagues for their support and guidance, in particular Michael Dale and Kate Howie who stepped down after many years of service. Finally, I would like to recognise and thank our funders for the faith they have shown in us. Without their support, nothing would be possible.

Looking forward, it is clear we will be operating in an uncertain environment for some time to come. Whilst we are pleased to have £1,477k in unrestricted reserves at present, supported by free cash funds, and we can have a level of confidence that the Theatre is well prepared for the difficult current economic outlook, we continue to focus closely on our cash position. In the face of economic challenges, while many will pursue the dangerous path of ploughing on regardless, and others will retreat into their shells, I believe that Pitlochry Festival Theatre will continue to find its own path to success. Having focused on our organisational purpose and remaining nimble through the difficult years of the pandemic, I trust that our financial focus on our unrestricted reserves and free cash will continue to serve us well.

Difficult times call for greater innovation and more, not less, ambition. Building on the heritage of the last 70 years, with continued innovation, the highest levels of ambition, and the support of many, I am confident that we can continue to create something really special in Highland Perthshire.



Crawford Gillies
Chair

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

Objectives and Activities

The history of Pitlochry Festival Theatre is one of ambition and growth. When an extraordinary person put up a tent in their garden and created a theatre, the country was recovering from the damage of the Second World War.

In planning to welcome audiences back to live performance in Pitlochry, we returned to our post-war roots and celebrated together with seasons of work in unconventional spaces Online and Outside. Over the year, we gathered in the ways in which we were permitted and served audiences and communities with purpose.

We exist to improve lives by sharing Pitlochry with the world and the world with Pitlochry.

We do this:

- By creating theatre that excites, engages, and challenges.
- By inspiring imaginations, senses of adventure, and new levels of understanding that change worlds.
- By nurturing environments to encourage wellbeing, growth, connection, and a sense of belonging.
- By exploring new ways of seeing and collaborating.

This guiding objective is reflective of our longstanding charitable purposes which are:

1. to promote and encourage the study, practice and knowledge of dramatic art in Scotland and elsewhere including dramatic, literary, musical, educational, scientific, artistic and cultural events and for these purposes to establish, maintain and manage an international Festival Theatre and cultural centre in Pitlochry, Perthshire; and
2. to educate members of the public generally about botanical and horticultural diversity and heritage within the grounds and campus of the Festival Theatre.

We know that our activities make a substantial contribution to the economic well-being of Highland Perthshire and more widely in Scotland. Prior to the pandemic, we normally created a £9.3m net economic impact annually and, at full operation, were Highland Perthshire's biggest employer. We intend to achieve that and more as we move into our next phase of operation.

By reimagining how to deliver our programme, we have diversified how we achieve our main source of income. In summer 2021, we achieved critical and commercial success without being able to use our 538-seat auditorium, long home to our produced programme as well as a busy programme of visiting work. With support from private and public funders, we created work Online and Outside in a way that was unique in Scotland. Looking forward, we recognise there is a place for all this work, and the new and loyal audience members who are each part of the Theatre's communities.

We have been proud to be commercially robust in a way which is unique in Scotland, using every £1 of funding from Creative Scotland and Perth & Kinross Council to generate c. £5 in other revenue. In a time when business resilience is being tested by external factors, whether those are pandemics or wars or cost of living crises, we remain determined deliver on behalf of all our stakeholders.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

To ensure a sustainable future, our strategic goals are to:

- **Become a centre of production excellence** – by consistently creating and delivering the highest quality theatre, and balancing new and innovative productions with exciting interpretations of familiar and well-loved works
- **Raise our profile and extend our reach** – by working in partnership with theatre makers, artists, and creative groups throughout Scotland and across the UK
- **Invest in the future of our people** – by providing extraordinary training, facilities, and opportunities for theatre makers and artists alike
- **Contribute to Scotland's creative and tourism economies** – by taking inspiration from our environments and diverse communities to attract more visitors to Pitlochry and offer more to see and do when they are here
- **Remove barriers to attendance, participation, and engagement** – by delivering and maintaining a built and natural campus that is as accessible for as many people as possible

Achievements and Performance

We have an artistic vision to be Inside, Outside, and Online. Through the pandemic, we have worked to put in place the infrastructure and programme to serve audiences and communities in each space.

Early in 2021, we collaborated with the Royal Lyceum Theatre Edinburgh and Naked Productions to produce **Sound Stage**. This is an immersive audio theatre and in its first season we premiered eight new plays written by, amongst others, John Byrne, Mark Ravenhill, Roy Williams, Timberlake Wertenbaker, Frances Poet, and Lynda Radley. We first produced Jaimini Jethwa's **Hindu Times** on Sound Stage before staging it in a reading at the Edinburgh International Festival in August. Mark Ravenhill's **Angela** has been purchased by the BBC for Drama on 3. Our **Sound Stage** work has been reviewed across Europe and America, with interest in collaboration being expressed because of the project. **Sound Stage** was so successful that we produced a second season late in the year, taking the total productions in 2021 to ten. Cathy Forde's **Helping Hands** was our ninth production for **Sound Stage** and it will be fully staged in our new Studio in spring 2023.

As restrictions looked set to ease in the early spring 2021, we announced our summer outdoors programme of work across our campus. Welcoming audiences to a new bandstand by the river, and our refurbished amphitheatre in the garden, we confirmed 17 new productions over 174 performances between May and September 2021.

We committed to being the first Scottish theatre to welcome audiences back to live performance after the pandemic and made good on this commitment with a live performance in May of poet Kenneth Steven's new work, **Riversong**, created in collaboration with our local churches. We were pleased to be amongst the first theatres in the UK to offer live, ticketed performances following the national lockdowns.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

Our five-star sell-out run of **The Adventures with the Painted People** opened our reinstated amphitheatre, and a new musical version of **The Wind in the Willows** played on the lawns to all ages. Over 15,000 audience members attended live work in Pitlochry over the summer, and we finished the season with **The Covid Requiem**, a new work from Jo Clifford and Lesley Orr which explored loss and resilience.

Over autumn 2021, we produced **Ghost Stories**, a new promenade experience through our grounds exploring shared Gaelic histories in new writing from some of Scotland's finest writers. And in December, L. Frank Baum's **The Life and Adventures of Santa Claus** arrived for audiences in Pitlochry and on-screen in a film version at Macrobert Arts Centre in Stirling.

After being awarded in London in summer 2021, **The Magic of Christmas** returned for audiences at Carnegie Hall as part of our partnership with Fife Cultural Trust.

For our tenth **Sound Stage** production, completing season 2, we were delighted to offer John Byrne's **Donald and Benoit** to family audiences in a new five-star version from Jeanine Byrne which The Guardian highlighted as a top pick for Christmas 2021.

Having met new audiences Online, first with **#LightHopeJoy** and then with **Sound Stage**, we have continued to produce digital work for all our audiences. We delivered the 2022 edition of **Winter Words** online, building on the success of the 2021 edition as we move toward a hybrid model in the future. As part of our current programme, we're now looking forward to announcing season 3 of **Sound Stage** soon.

When imagining our 2022-23 programme, we were determined to continue to bring our campus to life Outside with audiences. At the Bandstand, the same creative team who brought **The Wind in the Willows** to the banks of the Tummel have returned with a new production of **Around the World in 80 Days** for this summer. In the Amphitheatre, audiences have experienced a five-star production written by Lesley Hart of **Sherlock Holmes: A Study in Lipstick, Ketchup and Blood** and David Greig's **Under Another Sky** from Charlotte Higgins' book. With celebrations of musical theatre and opera in the open air, and the immersive audio **Peter Rabbit Experience** for families in Explorers Garden, we have remained firmly outside with audiences in 2022.

20 May 2022 was a special moment in the life of the Theatre. When the front doors opened after 795 days, a sell-out audience arrived for **Sunshine on Leith**, our new co-production with Capital Theatres in Edinburgh. The show played both in Pitlochry and Edinburgh to critical and commercial success and marked the return of live performance to our Auditorium. Productions of Michael Frayn's **Noises Off** and Noel Coward's **Private Lives** from our Associate Directors Ben Occhipinti and Amy Liptrott, respectively, followed with a new co-production of **Little Women** directed by Brigid Lamour, Artistic Director at Watford Palace. The Auditorium has come back to life with a programme filled with laughter and tears and we were delighted to welcome back audiences who hadn't been able to visit since summer 2019.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

As audiences returned, they've been able to experience the physical changes we delivered in the first phase of our *VISION* Project. With extended and improved front of house spaces available, we have also been able to share our new 172-seat Studio by opening our co-production of Sara Shaarawi's **Sister Radio** with Stellar Quines Theatre Company. The work is going on national tour after its run here in Pitlochry and we're pleased to have been able to bring our new space to life with this special Scottish story.

Looking to the autumn, we are delighted to be co-producing May Sumbwanyambe's **Enough of Him** with the National Theatre of Scotland in our Studio before it tours across Scotland. We are also looking forward to producing Willy Russell's **Shirley Valentine** in association with An Tobar and Mull Theatre, playing to audiences here in Highland Perthshire as well as through the Hebrides.

Finally, Janys Chambers' new adaptation of J.M. Barrie's **Peter Pan and Wendy** will finally fly into our Auditorium for Christmas, two years later than anticipated and to be a moment of real celebration for the Theatre and all our family audiences.

When we wrote our report last year, we were in the midst of construction for our first phase of works. Having now completed those works, we have the confidence and comfort of knowing that construction will not require extended closure going forward. We are pleased to acknowledge the generous support of The Gannochy Trust and Dunard Fund in helping invest in our future and look forward to sharing the next stages of work with all of our supporters.

We are now focused on the next phases of our *VISION* Project, the first of which we will deliver with The Scottish Government and their support of £10m through the Tay Cities Deal. As an organisation founded in ambition and growth, we are looking forward to a long journey of development with all our audiences.

Financial Review

The financial statements show a consolidated operating surplus of unrestricted funds of £239,089. This is remarkable given direct ticket sales of just over £200k, some 10% of what we would expect in normal circumstances. We are pleased that the Theatre has remained nimble and responsive to highly unusual trading circumstances in this second year of uncertainty and extremely curtailed operations. We have written previously of our satisfaction with the impact of significant change within the Theatre to remodel longstanding business operations and improve our financial picture. Although these changes were first planned long before the advent of Covid-19, we are confident that our strategic direction is strong.

2021-22 was a fourth year of Creative Scotland's current 3-year Regular Funding cycle in which we are thankful to be included. Because of the pandemic, Creative Scotland extended its 3-year Regular Funding cycle to a fourth year in 2020 and then a fifth year in 2021. Regular Funding provides important financial security on a year-to-year basis. Creative Scotland have indicated that 2023-24 will be a transition year in its Regular Funding cycle, and so we are looking forward to announcements in autumn 2022 about the development of this strategic funding mechanism going forward.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

We were also grateful that Perth and Kinross Council sustained their grant support to us in 2021-22, and that their support has remained in place into 2022-23. We continue to work closely with our Local Authority to ensure we deliver on their behalf to our shared communities.

We received significant financial support from a variety of sources which are presented in a more detailed summary at notes 3 and 4 to the Financial Statements. The Theatre continued to benefit from the Coronavirus Job Retention Scheme through which it received £558,748 in the year. Without this scheme, the Performing Arts Venues Relief Fund, the Cancellation Fund for Creative Organisations, the Recovery Fund for Creative Organisations, and other government-backed funds, the Theatre would not have been able to survive the pandemic.

We are incredibly fortunate to have so many supporters who collectively contributed £1,380,991 to us in unrestricted giving including converting their existing tickets to gifts. Our ticketholders further offered support through advance ticket purchases with us for future productions.

We were fortunate to receive £3.2m in restricted funding for our *VISION* Project in the year. Early pioneer giving has been critical to our ability to accelerate the first phase of our development project to build our new Studio and extend our front of house spaces for our audiences. We ended the year with just over £10m in restricted funds, of which £6.4m relates to the *VISION* project.

Future Plans

Whilst we continue to be impacted by Covid-19 amongst our teams and audiences, we are looking forward to delivering a full programme of work Inside, Outside and Online in all of our spaces going forward. With the generous support of our funders to deliver the first phase of our ambition to grow and reimagine our buildings, we are delighted that through unprecedented trading circumstances we have been able to look to our future.

Having successfully operated Outside and reopened our building to audiences following construction, we are confident in our plans to continue developing our spaces. We are already planning our next phases of work, hearing feedback and ideas from our all our communities for opportunities going forward. We have been satisfied to meet our ambition that our spaces are recognisable, with familiar faces at work and memorable productions on offer, and look forward to further work to ensure theatre in Pitlochry for the decades ahead.

We remain tempted to provide a detailed schedule of the productions that will light up our spaces next year. The pandemic continues to teach us the benefit and value of remaining agile and responsive though. And so, rather than looking ahead to detailed future plans, we can be sure that we will continue to be led by our organisational purpose.

The Theatre has proven its position as an innovator in these recent years. We have stayed close with our existing audiences and found new audiences, adamant that we will grow our overall community.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

Looking to the future, we'll continue to serve all, creating work Inside, Outside, and Online whilst we develop our physical and virtual infrastructure. The Trustees look forward to regrowing the business, with an enhanced brand and reputation, as we remain A Theatre for All and A Theatre for a Lifetime.

Details of our programme, activities, and capital works can be found at:

www.pitlochryfestivaltheatre.com.

Structure, governance and management

Pitlochry Festival Theatre ("the Company", "the Group", "the Theatre", "the Charity" or "the Parent Company") is registered in Scotland as a Company Limited by Guarantee and not having a share capital; we are governed by and in accordance with our Articles of Association (last updated on 10 November 2020).

We are registered as a charity in Scotland with registration number SC013055 and the Company is recognised by HM Revenue & Customs as a Charity for tax purposes.

The Directors of the Theatre are its Trustees for the purposes of the Charities and Trustee Investment (Scotland) Act 2005 and throughout this report are collectively referred to as "the Trustees".

The Trustees who served from 1 April 2021 to the date of approval of this report were:

- Crawford Gillies (Chair)
- Heather Stuart (Vice-Chair)
- Graeme Bissett
- Malcolm Brown
- Michael Dale (resigned 8 November 2021)
- William Douglas
- Georgina Gordon
- Kathleen Howie (resigned 8 November 2021)
- Colin Liddell WS (resigned 20 May 2022)
- Gary Love
- Jane Martin (appointed 1 September 2021)
- Gail Pallin (resigned 8 September 2022)
- Jane Wilson (appointed 1 September 2021)

The liability of each Trustee in the event of a winding up is limited to £1.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

Recruitment and appointment of new Trustees

Under the terms of our Articles of Association, the number of Trustees of the Theatre shall not be fewer than five and not more than twelve individuals, appointed by the Board from time to time.

Trustees are appointed for terms of three years. A Trustee who has served their term must retire at the next Trustees' Annual Meeting that occurs nearest to the expiry of their term. A retiring Trustee is eligible to be re-appointed for a maximum of three consecutive terms of office including their initial term, after which they may not serve again without at least one year out of office.

The Trustees review the skills and composition of the Board annually. The Nominations & Recruitment Committee oversees the recruitment process where new or replacement skills are required. Candidates are required to submit their curriculum vitae as part of recruitment processes.

Induction and training of Trustees

New Trustees receive a comprehensive induction pack with information about their legal responsibilities as well as information about financial and procedural matters and the activities of the Theatre. In addition, they meet with the Chair and Executive Director to be apprised of the Company, its structure, governance, Articles of Association, committee remits, strategic plan, and current financial performance. They receive a tour of our buildings and broader campus, meet with other senior staff, and are invited to attend performances.

Board committees

The Trustees have appointed four standing committees to manage the affairs of the Theatre in an appropriate way and with suitable corporate governance. They are:

1. Audit & Risk, chaired by Jane Martin
2. Capital Projects, chaired by William Douglas
3. Finance, chaired by Graeme Bissett
4. Nominations & Remuneration, chaired by Crawford Gillies

The Trustees meet to manage the Group's affairs and to set strategic objectives, with day-to-day leadership of the Group's business delegated to Kris Bryce, its Chief Executive and Executive Director. The Chief Executive is accountable to the Board of Trustees for corporate performance, financial health and wellbeing, and overall management of the Group.

Through the pandemic, the Trustees met as scheduled via Zoom. From November 2021, Board meetings took place in person with individuals joining via Zoom where appropriate.

Pitlochry Festival Theatre is part of a group of companies ("the Group") which also comprises Pitlochry Theatre Trading Limited.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

Pitlochry Theatre Trading Limited operates our catering and retail facilities, donating its taxable surplus to the Theatre using Gift Aid. This subsidiary made a loss in the year, and the Trustees have provided a Letter of Comfort to its two Directors in recognition of the trading circumstances created by the pandemic.

Related Parties

The Theatre was under the control of the Trustees throughout the current and previous year.

As detailed above, we have a wholly owned subsidiary whose Board members comprise our Chair and Chief Executive.

Key Management Personnel and remuneration policy

The Company's Trustees and the senior staff comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the company on a day-to-day basis.

Alongside the Chief Executive and Executive Director, we consider the senior staff to be:

Deborah Dickinson	Producer (from 4 April 2022)
Michael Ives	Head of Operations (from 1 January 2022)
Joanna Lochhead	Head of Shared Services (until 31 August 2022)
Elizabeth Newman	Artistic Director
Emma Stewart	Head of Project Development
Nick Trueman	Head of Production
Claire Webster	Head of Executive Office (until December 2021)

Trustees give freely of their time and no Trustee received any remuneration in the year for acting as a Trustee. There were Directors' expenses of £nil (2021: £338) (note 9) in the year.

The pay of the senior staff is reviewed and set by the Nominations & Remuneration Committee which considers the financial performance of the Company together with benchmarking to salary levels within the industry and the local environment in which the Theatre operates. We were pleased to be accredited by the Living Wage Foundation earlier this year, becoming Living Wage Employer from 1 April 2022. As the Theatre continues to recover from the pandemic, we will continue to focus on our organisational shape and capacity going forward.

Reserves policy

We believe that holding meaningful unrestricted reserves supported by cash funds to meet known funding requirements and where possible unforeseen expenditure is essential for the continued health of the Theatre. With the level of economic uncertainty faced in the country now and an expected refocusing of national funding priorities going forward, we recognise that our unrestricted reserve position and the availability of free cash to us are vital to our ongoing operations.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

When earned, unrestricted surplus is added to unrestricted reserves to meet requirements, costs, and losses. The Theatre has a current policy to designate all unrestricted legacies to reserves as well so that legators are contributing to the financial sustainability of the theatre. The Trustees consider that the target for unrestricted reserves, including designated legacy funds, should normally be equivalent to at least three months' operating costs and supported by free cash funds of a similar level. The Trustees are satisfied that that these targets are met at 31 March 2022.

The key management personnel are aware that maintenance of unrestricted reserves supported by adequate cash resources is critical to the theatre's financial sustainability in the current challenging environment and forms an area of significant focus in the current year.

In an exceptional period for all businesses which depend upon the attendance of audiences, the Trustees have remained focused on the cautious management of the Theatre's cashflows and carefully targeted investment in future programmes of work. We are satisfied that this approach has secured the Theatre whilst normal trading has not been possible. We intend to continue a similar approach in our near future trading.

In addition to the funding of continuing theatre activities, the Group has embarked upon an ambitious investment programme, the VISION project, which has already transformed the facilities at Port-na-Craig, providing new Studio performance space and an enhanced front of house, hospitality and retail environment. The funding for this project and the achievement of value for money in expenditure is carefully monitored and is maintained separately from the funding required for theatre activities. Funding for the project is restricted for that use and the generous contributions from our donors have resulted in a substantial Restricted Reserve related to the project of £6.4m at 31 March 2022. Of this reserve, some £4.9m has already been invested in the new facilities by 31 March 2022, leaving us with a balance to carry forward into future phases of the project.

The Trustees have reviewed financial scenarios for 2022-23 and 2023-24. These scenarios are based on revenue projections derived from current customer behaviour, market trends tested in benchmarking, and programme and operating plans that the Trustees consider reasonable.

The Trustees have considered the Group's prospects in these financial scenarios, including cash flow forecasts and potential future unknowns, against actions taken to date. We are confident that the Theatre and Group will continue to meet debts as they fall due going forward.

As a result, these financial statements have been drawn up on a going concern basis.

Investment Policy

Under our Articles of Association, the Theatre has the power to make any investment which the Trustees see fit.

Principal Risks and Uncertainties

The Board of Trustees conducts a risk review annually for the next twelve-month period. This review focuses on the top risks to the Theatre which we identify from a long list of around thirty perceived risks.

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

The Trustees review and consider risks to the Theatre through the Audit & Risk Committee. The Audit & Risk Committee has oversight of strategic processes for risk and compliance, and responsibility for assurance relating to the management of risk. Risks which the Trustees see as related to the pandemic appear in the list below in italics.

In autumn 2022, the key management personnel identified the following as the highest risks to the Theatre:

1. Failure to meet income targets / *Inability to generate income through sales*
2. Closure of theatre due to e.g. fire *or coronavirus*
3. Inadequate cash flow

We have developed key mitigations for our top risks which include:

- Income targets developed through data analysis;
- Close communication and engagement with audiences to maintain buyer loyalty over an extended period; and
- Budgeting for extended period of low customer confidence in attending performing arts venues.

and

- Investment in and testing of infrastructure;
- Business continuity planning; and
- Operating plans in place and reviewed.

and

- Build up cash reserves in line with PFT's Reserves' Policy;
- Careful scenario planning with available information; and
- Design of new creative programmes which help attract new funding to core costs.

These risks and the Theatre's performance against its strategic plans are monitored on a day-to-day basis by senior staff and are reported to Trustees through our normal meetings.

Statement of Trustees' responsibilities

As Trustees (who are also Directors of Pitlochry Festival Theatre for the purposes of the company law), we 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).

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Report of the Trustees and Strategic Report (continued)

For the year ended 31 March 2022

Company law requires us 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 net income and expenditure, of the charitable group for the year. In preparing the financial statements, we are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 charity will continue in operation. The going concern basis of preparation is disclosed in note 1.1, Principal Accounting Policies, of the financial statements.

We are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable us 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).

We 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.

Insofar as we are aware:

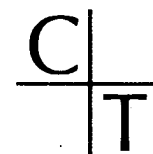
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- we have taken all steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Report of the Trustees and Strategic Report have been approved by the Board and are signed on our behalf by:



Crawford Gillies
Chair
Pitlochry Festival Theatre
Port-na-Craig
Pitlochry
Perthshire
PH16 5DR
Date: 03 October 2022

Pitlochry Festival Theatre
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Independent auditor's report to the Members and Trustees

For the year ended 31 March 2022

Opinion

We have audited the financial statements of Pitlochry Festival Theatre for the year ended 31 March 2022 which comprise consolidated statement of financial activities, company statement of financial activities, consolidated balance sheet, company balance sheet, group and company statement of changes in equity, consolidated and company statement of cash flows 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 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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

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

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

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

Pitlochry Festival Theatre
(A company limited by guarantee)



Independent auditor's report to the Members and Trustees (continued)

For the year ended 31 March 2022

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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the 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 and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 12 and 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Pitlochry Festival Theatre
(A company limited by guarantee)



Independent auditor's report to the Members and Trustees (continued)

For the year ended 31 March 2022

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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

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

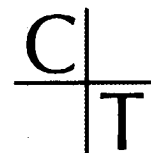
We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and considered the risks of acts by the charitable company which were contrary to applicable laws and regulations, included fraud. These included but were not limited to the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of Board meetings throughout the period;
- review of legal correspondence or invoices; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Board that represented a material misstatement due to fraud.

Pitlochry Festival Theatre
(A company limited by guarantee)



Independent auditor's report to the Members and Trustees (continued)

For the year ended 31 March 2022

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

Use of our report

This report is made solely to the 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.

Jeremy M Chittleburgh (Senior Statutory Auditor)

Chiene + Tait LLP
Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

03 October 2022

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Pitlochry Festival Theatre
(A company limited by guarantee)

Consolidated Statement of Financial Activities
(incorporating a consolidated income and expenditure account)

For the year ended 31 March 2022

	Notes	Un- restricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	1,380,991	3,234,347	4,615,338	2,822,116
<i>Income from charitable activities:</i>					
Operation of Theatre and Garden	4	782,270	-	782,270	1,220,900
<i>Income from other trading activities:</i>					
Commercial trading operations	12	26,039	-	26,039	19,167
<i>Other income</i>	5				
Investment income	6	269	-	269	1,119
Job Retention Scheme income		48,478	-	48,478	558,748
Total income		2,238,047	3,234,347	5,472,394	4,622,050
		=====	=====	=====	=====
Expenditure					
<i>Costs of raising funds:</i>					
Commercial trading operations	12	(114,275)	-	(114,275)	(227,928)
<i>Expenditure on charitable activities:</i>					
Operation of Theatre and Garden	7	(1,884,683)	(184,961)	(2,069,644)	(2,230,349)
Total expenditure	9	(1,998,958)	(184,961)	(2,183,919)	(2,458,277)
		=====	=====	=====	=====
Net income before tax		239,089	3,049,386	3,288,475	2,163,773
Fair value movement on investments		-	3,528	3,528	15,114
Taxation credit	5	-	-	-	15,022
		-----	-----	-----	-----
Net income after tax and net movement in funds for the year		239,089	3,052,914	3,292,003	2,193,909
<i>Reconciliation of funds</i>					
Total funds brought forward		1,237,897	7,172,717	8,410,614	6,216,705
Total funds carried forward		1,476,986	10,225,631	11,702,617	8,410,614
		=====	=====	=====	=====

The Consolidated statement of financial activities includes all gains and losses in the year. All of the above amounts relate to continuing activities.

The notes on pages 24 to 48 form part of these financial statements.

Pitlochry Festival Theatre
(A company limited by guarantee)

Company Statement of Financial Activities
(incorporating a consolidated income and expenditure account)

For the year ended 31 March 2022

	Notes	Un- restricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	1,380,991	3,234,347	4,615,338	2,822,116
Income from charitable activities:					
Operation of Theatre and Garden	4	782,270	-	782,270	1,220,900
Other income	5				
Investment income	6	269	-	269	1,119
Job Retention Scheme income		24,106	-	24,106	398,071
Total income		2,187,636	3,234,347	5,421,983	4,442,206
Expenditure					
Expenditure on charitable activities:					
Operation of Theatre and Garden	7	(1,884,683)	(184,961)	(2,069,644)	(2,230,349)
Total expenditure	9	(1,884,683)	(184,961)	(2,069,644)	(2,230,349)
Net income before tax		302,953	3,049,386	3,352,339	2,211,857
Taxation credit	5	-	-	-	15,022
Fair value movement on investments		-	3,528	3,528	15,114
Net income after tax and net movement in funds for the year		302,953	3,052,914	3,355,867	2,241,993
Reconciliation of funds					
Total funds brought forward		1,285,981	7,172,717	8,458,698	6,216,705
Total funds carried forward		1,588,934	10,225,631	11,814,565	8,458,698

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

All of the above amounts relate to continuing activities.

The notes on pages 24 to 48 form part of these financial statements.

Pitlochry Festival Theatre
(A company limited by guarantee)

Consolidated balance sheet

As at 31 March 2022

	Notes	31 March 2022 £	31 March 2021 £
Fixed assets			
Tangible assets	11	9,303,031	5,033,387
Investments	12	66,412	62,884
		-----	-----
		9,369,443	5,096,271
		-----	-----
Current assets			
Stock	13	1,868	-
Debtors	14	456,351	285,937
Cash at bank and in hand		3,215,958	4,165,032
		-----	-----
		3,674,177	4,450,969
		-----	-----
Liabilities			
Creditors: amounts falling due within one year	15	(1,271,166)	(1,105,943)
		-----	-----
Net current assets		2,403,011	3,345,026
Liabilities			
Creditors: amounts falling due over one year	16	(69,837)	(30,681)
		-----	-----
Net assets		11,702,617	8,410,616
		=====	=====
The funds of the group			
Restricted funds	17	10,225,631	7,172,717
Unrestricted funds	18	1,476,986	1,237,897
		-----	-----
Total funds	19	11,702,617	8,410,616
		=====	=====

These financial statements were approved by the Trustees on 03 October 2022 and are signed on their behalf by:



Crawford Gillies
Chair of Trustees

Registered in Scotland No. SC029243

The notes on pages 24 to 48 form part of these financial statements.

Pitlochry Festival Theatre
(A company limited by guarantee)

Company balance sheet

As at 31 March 2022

	Notes	31 March 2022 £	31 March 2021 £
Fixed assets			
Tangible assets	11	9,286,964	5,025,736
Investments	12	66,417	62,889
		-----	-----
		9,353,381	5,088,625
		-----	-----
Current assets			
Stock	13	-	-
Debtors	14	573,925	342,687
Cash at bank and in hand		3,210,261	4,149,796
		-----	-----
		3,784,186	4,492,483
		-----	-----
Liabilities			
Creditors: amounts falling due within one year	15	(1,253,165)	(1,091,729)
		-----	-----
Net current assets		2,531,021	3,400,754
		-----	-----
Liabilities			
Creditors: amounts falling due over one year	16	(69,837)	(30,681)
		-----	-----
Net assets		11,814,565	8,458,698
		=====	=====
The funds of the group			
Restricted funds	17	10,225,631	7,172,717
Unrestricted funds	18	1,588,934	1,285,981
		-----	-----
Total funds	19	11,814,565	8,458,698
		=====	=====

These financial statements were approved by the Trustees on 03 October 2022 and are signed on their behalf by:



Crawford Gillies
Chair of Trustees

Registered in Scotland No. SC029243

The notes on pages 24 to 48 form part of these financial statements.

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Statement of Changes in Equity

For the year ended 31 March 2022

	Unrestricted Funds £	Restricted Funds £	Total £
Group			
Balance at 1 April 2020	895,804	5,320,901	6,216,705
Net income	342,093	1,851,816	2,193,909
Balance at 31 March 2021	1,237,897	7,172,717	8,410,616
Net income	239,089	3,052,914	3,292,003
Balance at 31 March 2022	1,476,986	10,225,631	11,702,617
	=====	=====	=====

	Unrestricted Funds £	Restricted Funds £	Total £
Company			
Balance at 1 April 2020	895,804	5,320,901	6,216,705
Net income	390,177	1,851,816	2,241,993
Balance at 31 March 2021	1,285,981	7,172,717	8,458,698
Net income	302,953	3,052,914	3,355,867
Balance at 31 March 2022	1,588,934	10,225,631	11,814,565
	=====	=====	=====

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Consolidated and Company Statement of Cash Flows

For the year ended 31 March 2022

	Consolidated		Company	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	£	£	£	£
Net cash inflow from operating activities (see below)	3,513,924	3,783,311	3,509,604	3,935,142
Cashflows from investing activities				
Interest received	269	1,119	269	1,119
Payments to acquire tangible fixed assets	(4,520,386)	(585,382)	(4,506,529)	(585,382)
Loss on disposal of tangible fixed assets	57,119	-	57,121	-
Net cash used in investing activities	(4,462,998)	(584,263)	(4,449,139)	(584,263)
(Decrease)/increase in cash	(949,074)	3,199,048	(939,535)	3,350,879
Cash at 1 April 2021	4,165,032	965,984	4,149,796	798,917
Cash at 31 March 2022	3,215,958	4,165,032	3,210,261	4,149,796
Net income	3,292,003	2,193,909	3,355,867	2,241,993
Interest received	(269)	(1,119)	(269)	(1,119)
Depreciation	193,624	183,606	188,183	179,812
Increase in investment	(3,528)	(15,114)	(3,528)	(15,114)
Increase in stocks	(1,868)	-	-	-
(Increase)/decrease in debtors	(170,414)	1,394,768	(231,238)	1,442,850
Increase in ordinary creditors	210,223	33,105	206,436	92,564
(Decrease) in funding creditors	(5,847)	(5,844)	(5,847)	(5,844)
Net cash inflow from operating activities	3,513,924	3,783,311	3,509,604	3,935,142

Accounting Standards require the Cash Flow Statement to be accompanied by an 'Analysis of Changes in Net Debt'. 'Net Debt' means debt finance less cash. The group had no debt finance during 2022 or 2021 and therefore its net debt is simply the negative of its cash balances. Accordingly, the change in net debt is apparent from the Statement of Cash Flows.

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements

For the year ended 31 March 2022

1.1 Accounting convention and accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Pitlochry Festival Theatre 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).

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

Going concern

The Trustees consider the charitable company and group to be a going concern and the financial statements have been prepared on that basis. The future operations of the charitable company and group are dependent on sufficient ongoing operating cash flow.

The coronavirus pandemic has created extraordinarily challenging circumstances in the world and a severe effect on the group. When considering the Theatre's circumstances twelve months ago, the Trustees were confident that, through a combination of Government support, curtailment of all but essential expenditure, and the use of Reserves, it would be able to survive until it was possible to reopen again. This confidence, and the Theatre's resilience in the face of highly unusual trading circumstances, is validated in the Theatre's performance as detailed in the Trustees Report and Strategic Report above.

The Trustees have reviewed financial scenarios for 2022-23 and 2023-24. These scenarios are based on revenue projections derived from current customer behaviour, market trends tested in benchmarking, and programme and operating plans that the Trustees consider reasonable.

The Trustees have considered the Group's prospects in these financial scenarios, including cash flow forecasts and potential future unknowns, against actions taken to date. We are confident that the Theatre and Group will continue to meet debts as they fall due going forward.

As a result, these financial statements have been drawn up on a going concern basis.

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

1.1 Accounting convention and accounting policies

Significant judgements and estimation uncertainty

When applying the 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 could differ from such estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a higher degree of judgement or areas where assumptions and estimates are significant to the financial statements are:

- **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, future investment, economic utilisation, and the physical condition of the assets. The Trustees are aware of c. £3m in outstanding maintenance matters (last significantly reviewed in 2014) which will all be addressed during the *Vision 2021* capital project. As such, the Board's policy is to respond to maintenance repairs and renewals on a reactive basis. See note 11 for carrying amounts of tangible assets.

- **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 consider factors including the current credit rating of the debtor, the substance of the deferred production costs and historical experience. See note 14 for carrying amounts of debtors.

1.2 Consolidation

The consolidated financial statements consolidate the financial statements of Pitlochry Festival Theatre and its subsidiary undertakings, Pitlochry Theatre Trading Limited and Pitlochry Theatre Production Services Limited (dormant), drawn up to 31 March 2022.

1.3 Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the company and entities (including special purpose entities) controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Group Statement of Financial Activities from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

1.4 Investments and investment income

Fixed asset investments are stated at original cost and revalued for any increase or decrease in the market value of the investments in the year. Any gain or loss in the year is recognised in the Statement of Financial Activities.

Income from investments is accounted for on a receivable basis. Gains or losses realised over the previous year end valuation on sale of investments are credited or charged to the Statement of Financial Activities.

1.5 Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Assets costing under £500 are considered to be renewals and are charged directly to the Statement of Financial Activities.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	- 0-5% straight line (Theatre)
Plant & machinery	- 5-33% straight line (Theatre)
Plant & machinery	- 10-20% straight line (Catering)
Motor vehicles	- 20% straight line (Theatre)

Restricted funds received from grant aiding bodies and from donations, as a contribution to capital expenditure, are amortised to the Statement of Financial Activities over the estimated useful lives of the assets to which they relate, in line with depreciation.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the Statement of Financial Activities.

1.6 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply.

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through the Statement of Financial Activities, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

1.8 Taxation

The company is a charity for the purposes of Section 505 ICTA 1988 and is exempt from taxation on the whole of its income. The subsidiaries are not charities. The trading subsidiary has, however, agreed to donate to Pitlochry Festival Theatre any surplus profit.

Following specialist advice, the Trustees have determined that Theatre Production Tax Relief, the Treasury-led policy innovation conceived to enable greater investment and experimentation in theatre production, will be treated as an accrual for the year to which it relates as opposed to cash for the year in which it is received. As the company evolves its operating structure in relation to the *VISION project*, this change in policy will help to clearly link income and expenditure with tax credits.

1.9 Incoming resources from charitable activities

Income from Theatre admission fees is included in incoming resources in the period in which the relevant show takes place. Income from Garden admission fees is included in incoming resources in the period in which the visitors attend the Garden.

1.10 Commercial trading activities

Income from commercial trading activities is included in the period in which the Group is entitled to receipt

1.11 Donations and Grants

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:

When donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods.

When donors impose conditions which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources in restricted funds when receivable.

1.12 Interest receivable

Interest is included when receivable by the Group.

1.13 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax which cannot be recovered.

1.14 Future production costs

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

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

1.15 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.16 Pension costs

The company makes pension contributions to employees' personal pension plans which are charged to the Statement of Financial Activities account when paid.

1.17 Restricted Funds

These are funds from a donor or grant body that can only be used for a particular restricted purpose within the objects of the charity.

1.18 Unrestricted Funds

These are funds which can be used in accordance with the charitable objects at the discretion of the Trustees. In particular circumstances the Board will designate reserves as appropriate.

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

2. Comparative statement of financial activities

Group	Unrestricted funds	Restricted funds	Total funds year to 31 March 2021	Total funds year to 31 March 2020
	£	£	£	£
Income and Endowments from:				
Donations and legacies	309,776	2,512,340	2,822,116	2,226,661
<i>Income from charitable activities:</i>				
Operation of Theatre and Garden	1,220,900	-	1,220,900	2,532,365
<i>Income from other trading activities:</i>				
Commercial trading operations	19,167	-	19,167	886,232
<i>Other income</i>				-
Investment income	1,119		1,119	932
Job Retention scheme income	558,748	-	558,748	-
Total income	2,109,710	2,512,340	4,622,050	5,646,190
	=====	=====	=====	=====
Expenditure				
<i>Costs of raising funds:</i>				
Commercial trading operations	(227,928)	-	(227,928)	(748,657)
<i>Expenditure on charitable activities:</i>				
Operation of Theatre and Garden	(1,554,711)	(675,638)	(2,230,349)	(3,591,581)
Total expenditure	(1,782,639)	(675,638)	(2,458,277)	(4,340,238)
	=====	=====	=====	=====
Net income / (expenditure) before tax	327,071	1,836,702	2,163,773	1,305,952
Fair value movement on investments	-	15,114	15,114	-
Taxation credit	15,022	-	15,022	202,080
	-----	-----	-----	-----
Net income after tax and net movement in funds for the year	342,093	1,851,816	2,193,909	1,508,032
	=====	=====	=====	=====
Reconciliation of funds				
Total funds brought forward	895,804	5,320,901	6,216,705	4,708,673
	-----	-----	-----	-----
Total funds carried forward	1,237,897	7,172,717	8,410,614	6,216,705
	=====	=====	=====	=====

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

2. Comparative statement of financial activities (continued)

Company	Unrestricted funds	Restricted funds	Total funds year to 31 March 2020	Total funds year to 31 March 2019
	£	£	£	£
Income and Endowments from:				
Donations and legacies	309,776	2,512,340	2,822,116	2,226,661
<i>Income from charitable activities:</i>				
Operating of Theatre and Garden	1,220,900	-	1,220,900	2,532,365
<i>Other income</i>				
Investment income	1,119	-	1,119	138,507
Job Retention scheme income	398,071	-	398,071	-
	-----	-----	-----	-----
Total income	1,929,866	2,512,340	4,442,206	4,897,533
	=====	=====	=====	=====
Expenditure				
<i>Expenditure on charitable activities:</i>				
Operation of Theatre and Garden	(1,554,711)	(675,638)	(2,230,349)	(3,591,581)
	-----	-----	-----	-----
Total expenditure	(1,554,711)	(675,638)	(2,230,349)	(3,591,581)
	=====	=====	=====	=====
Net income/(expenditure) before tax	375,155	1,836,702	2,211,857	1,305,952
Fair value movement on investments	-	15,114	15,114	-
Taxation credit	15,022	-	15,022	202,080
	-----	-----	-----	-----
Net income after tax and net movement in funds for the year	390,177	1,851,816	2,241,993	1,508,032
Reconciliation of funds				
Total funds brought forward	895,804	5,320,901	6,216,705	4,708,673
	-----	-----	-----	-----
Total funds carried forward	1,285,981	7,172,717	8,458,698	6,216,705
	=====	=====	=====	=====

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

3. Donations and legacies

	Unrestricted funds	Restricted funds	Total funds year to 31 Mar 2022	Total funds year to 31 Mar 2021
	£	£	£	£
Group and Company				
Other donations				
- Legacies	41,544	-	41,544	-
- Revenue donations	1,095,914	36,447	1,132,361	604,957
- <i>Vision 2021</i>	-	3,197,900	3,197,900	2,150,595
Other donations	243,533	-	243,533	66,564
	1,380,991	3,234,347	4,615,338	2,822,116

Comparative information	Unrestricted funds	Restricted funds	Total funds year to 31 Mar 2021	Total funds year to 31 Mar 2020
	£	£	£	£
Group and Company				
Other donations				
- Legacies	-	-	-	56,278
- Revenue donations	243,212	361,745	604,957	770,481
- <i>Vision 2021</i>	-	2,150,595	2,150,595	1,302,720
Garden projects	-	-	-	300
Other donations	66,564	-	66,564	96,882
	309,776	2,512,340	2,822,116	2,226,661

4. Income from charitable activities

	Unrestricted funds	Restricted funds	Total funds year to 31 Mar 2022	Total funds year to 31 Mar 2021
	£	£	£	£
Group and Company				
Creative Scotland	318,500	-	318,500	825,750
Perth & Kinross Council	220,150	-	220,150	220,150
Scottish Government	-	-	-	139,550
Operation of Theatre	229,709	-	229,709	35,450
Kickstart Grant	13,911	-	13,911	-
	782,270	-	782,270	1,220,900

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

4. Income from charitable activities (continued)

Comparative information	Unrestricted funds	Restricted funds	Total funds year to 31 Mar 2021	Total funds year to 31 Mar 2020
	£	£	£	£
Group and Company				
Creative Scotland	825,750	-	825,750	425,000
Perth & Kinross Council	220,150	-	220,150	220,150
Scottish Government	139,550	-	139,550	-
Operation of Theatre	35,450	-	35,450	1,871,117
Operation of Garden	-	-	-	16,098
	1,220,900	-	1,220,900	2,532,365

The operation of the Theatre and the Garden together with associated grant income constitute the income arising from the Charity's principal activity of artistic performances. Associated fundraising income is disclosed in note 3.

5. Other incoming resources and taxation credit

	Unrestricted funds	Restricted funds	Total funds year to 31 Mar 2022	Total funds year to 31 Mar 2021
	£	£	£	£
Group and Company				
Theatre tax credit	-	-	-	15,022
	-	-	-	15,022
Comparative information				
	Unrestricted funds	Restricted funds	Total funds year to 31 Mar 2021	Total funds year to 31 Mar 2020
	£	£	£	£
Group and Company				
Theatre tax credit	15,022	-	15,022	202,080
	15,022	-	15,022	202,080

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

6. Investment income

	Unrestricted funds	Restricted funds	Total funds year to 31 Mar 2022	Total funds year to 31 Mar 2021
	£	£	£	£
Group				
Bank interest received	269	-	269	1,119
Company				
Income from subsidiary undertakings	-	-	-	-
Bank interest received	269	-	269	1,119
	269	-	269	1,119
Comparative information	Unrestricted Funds	Restricted funds	Total funds year to 31 Mar 2021	Total funds year to 31 Mar 2020
	£	£	£	£
Group				
Bank interest received	1,119	-	1,119	932
Company				
Income from subsidiary undertakings	-	-	-	137,575
Bank interest received	1,119	-	1,119	932
	1,119	-	1,119	138,507

7. Charitable activities

	Unrestricted funds	Restricted funds	Total funds year to 31 Mar 2022	Total funds year to 31 Mar 2021
	£	£	£	£
Group and Company				
Provision of charitable services:				
Staff costs	905,178	-	905,178	1,138,998
Depreciation	44,300	143,883	188,183	179,812
Operating expenses	923,455	41,078	964,533	900,539
Auditor's remuneration	11,750	-	11,750	11,000
	1,884,683	184,961	2,069,644	2,230,349

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2021

7. Charitable activities (continued)

Analysis of expenditure on charitable activities

	Total	Performances	Education	Fundraising
	£	£	£	£
Performance expenses	442,580	442,580	-	-
Marketing	183,394	183,394	-	-
Depreciation	188,183	188,183	-	-
Central wages and salaries	667,062	590,727	76,355	-
Central overheads	576,675	576,675	-	-
Governance	11,750	11,750	-	-
	<u>2,069,644</u>	<u>1,993,289</u>	<u>76,355</u>	<u>-</u>

Governance costs have been allocated wholly to the company's principal charitable activity on the grounds of materiality whilst central wages, salaries and overheads have been allocated on a pro rata basis to other costs incurred. Central overheads include administration, building costs utilities, human resources and IT related costs which are not considered material for separate disclosure. The Directors consider this to be a fair summary of the charitable activities incurred in accordance with the requirements of the SORP.

Comparative information	Unrestricted Funds	Restricted Funds	Total funds year to 31 Mar 2021	Total funds Year to 31 Mar 2020
	£	£	£	£
Group and Company				
Provision of charitable services:				
Staff costs	1,138,998	-	1,138,998	1,971,822
Depreciation	45,115	134,697	179,812	179,382
Operating expenses	359,598	540,941	900,539	1,427,778
Auditor's remuneration	11,000	-	11,000	12,600
	<u>1,554,711</u>	<u>675,638</u>	<u>2,230,349</u>	<u>3,591,581</u>

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

7. Charitable activities (continued)

Analysis of expenditure on charitable activities

	Total	Performances	Education	Fundraising
	£	£	£	£
Performance expenses	356,651	356,651	-	-
Marketing	126,644	126,644	-	-
Depreciation	179,812	179,812	-	-
Central wages and salaries	996,821	883,137	110,905	2,779
Central overheads	559,844	559,844	-	-
Governance	11,000	11,000	-	-
	<u>2,230,349</u>	<u>2,117,088</u>	<u>110,905</u>	<u>2,779</u>

8. Governance costs

	Unrestricted	Restricted	Total funds	Total funds
	Funds	Funds	Year to	Year to
	£	£	31 Mar 2022	31 Mar 2021
	£	£	£	£
Group				
Auditor's remuneration	<u>14,150</u>	<u>-</u>	<u>14,150</u>	<u>13,250</u>
Company				
Auditor's remuneration	<u>11,750</u>	<u>-</u>	<u>11,750</u>	<u>11,000</u>
Comparative information	Unrestricted	Restricted	Total funds	Total funds
	funds	funds	year to	year to
	£	£	31 Mar 2021	31 Mar 2020
	£	£	£	£
Group				
Auditor's remuneration	<u>13,250</u>	<u>-</u>	<u>13,250</u>	<u>14,700</u>
Company				
Auditor's remuneration	<u>11,000</u>	<u>-</u>	<u>11,000</u>	<u>12,600</u>

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

9. Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total funds Year to 31 Mar 2022 £	Total funds Year to 31 Mar 2021 £
Group					
Direct charitable expenditure	905,178	188,183	964,533	2,057,894	2,219,349
Governance costs	-	-	11,750	11,750	11,000
	905,178	188,183	976,283	2,069,644	2,230,349
Commercial trading activities	80,567	5,441	28,267	114,275	227,928
Group	985,745	193,624	1,004,550	2,183,919	2,458,277

	Group		Company	
	Year to 31 Mar 2022 £	Year to 31 Mar 2021 £	Year to 31 Mar 2022 £	Year to 31 Mar 2021 £
The aggregate payroll costs were:				
Staff costs	899,281	1,249,607	820,782	1,043,377
Social security costs	61,219	73,767	61,219	69,727
Pension costs	19,663	22,503	17,840	20,430
Other staff costs	5,582	5,743	5,337	5,464
	985,745	1,351,620	905,178	1,138,998

The average number of employees during the year was:

	Group		Company	
	Year to 31 Mar 2022 No.	Year to 31 Mar 2021 No.	Year to 31 Mar 2022 No.	Year to 31 Mar 2021 No.
Production staff	17	19	17	19
Administrative staff	24	34	24	34
Trading	21	28	-	-
	62	81	41	53

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

9. Total resources expended (cont'd)

No employee received emoluments of more than £60,000 during the year (2021: Nil). No Trustee received remuneration during the year or the previous year (but see note 21). Expenses totalling £nil (2021: £338) were paid to a Trustee for travelling costs.

The key management personnel employed by the Theatre comprise the Artistic and Executive Directorate. The total employee benefits of the key management personnel of the Theatre were £120,880 (2021: £116,790).

10. Net incoming resources

Net incoming resources are stated after charging:

	Group		Company	
	Year to 31 Mar 2022	Year to 31 Mar 2021	Year to 31 Mar 2022	Year to 31 Mar 2021
	£	£	£	£
Depreciation	193,624	183,606	188,183	179,812
Auditor's remuneration	<u>14,150</u>	<u>13,250</u>	<u>11,750</u>	<u>11,000</u>

11. Tangible fixed assets

	Freehold Property £	Plant and Machinery £	Motor Vehicles £	Total £
Group				
Cost or deemed cost				
At 1 April 2021	7,894,276	1,971,251	16,604	9,882,131
Additions	4,338,639	181,747	-	4,520,386
Disposals	<u>(162,740)</u>	<u>(1,454,140)</u>	<u>-</u>	<u>(1,616,880)</u>
At 31 March 2022	<u>12,070,175</u>	<u>698,858</u>	<u>16,604</u>	<u>12,785,637</u>
Depreciation				
At 1 April 2021	3,092,342	1,739,798	16,604	4,848,743
Charge for the year	143,883	49,741	-	193,624
Disposals	<u>(144,994)</u>	<u>(1,414,768)</u>	<u>-</u>	<u>(1,559,762)</u>
At 31 March 2022	<u>3,091,231</u>	<u>374,771</u>	<u>16,604</u>	<u>3,482,606</u>
Net book value				
At 31 March 2022	<u>8,978,944</u>	<u>324,087</u>	<u>-</u>	<u>9,303,031</u>
At 31 March 2021	<u>4,801,934</u>	<u>231,453</u>	<u>-</u>	<u>5,033,388</u>

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

11. Tangible fixed assets (continued)

	Freehold Property £	Plant and Machinery £	Motor Vehicles £	Total £
Company				
Cost or deemed cost				
At 1 April 2021	7,894,276	1,819,423	16,604	9,730,303
Additions	4,338,639	167,890	-	4,506,529
Disposals	(162,740)	(1,321,055)	-	(1,483,795)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	12,070,175	666,258	16,604	12,753,037
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2021	3,092,342	1,595,621	16,604	4,704,567
Charge for the year	143,883	44,300	-	188,183
Disposals	(144,994)	(1,281,683)	-	(1,426,677)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	3,091,231	358,238	16,604	3,466,073
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2022	8,978,944	308,020	-	9,286,964
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	4,801,934	223,802	-	5,025,736
	<hr/>	<hr/>	<hr/>	<hr/>

12. Investments

Group and Company	Unlisted Investment £
Cost	
At 1 April 2021 and 31 March 2022	30,000
	<hr/>
Revaluation	
At 1 April 2021	32,884
Revaluation in year	3,528
At 31 March 2022	36,412
	<hr/>
Net book value	
At 31 March 2022	66,412
	<hr/>
At 31 March 2021	62,884
	<hr/>

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

12. Investments (continued)

Unlisted investments are held primarily as long-term investments.

Company

In addition to the above unlisted investments, Pitlochry Festival Theatre has 2 (2021: 2) wholly-owned subsidiaries, one of which is dormant.

			2022	2021
			£	£
Cost as at 1 April 2021 and 31 March 2022			<u>5</u>	<u>5</u>
	Unrestricted Funds	Restricted Funds	Total funds Year to 31 Mar 2022	Total funds Year to 31 Mar 2021
	£	£	£	£
Shares in subsidiaries				
Undertakings at cost	<u>5</u>	<u>-</u>	<u>5</u>	<u>5</u>

Pitlochry Theatre Trading Limited, a company incorporated in Scotland, operates the bars, restaurant and all commercial trading operations carried on at Pitlochry Festival Theatre. Pitlochry Festival Theatre owns the entire issued share capital of 3 Ordinary Shares of £1 each and all of the profits are paid to the Theatre by way of covenanted donation.

Pitlochry Theatre Trading Limited (SC082496):

	2022	2021
	£	£
Turnover	26,039	19,167
Expenditure	<u>(114,275)</u>	<u>(227,928)</u>
Net loss	(88,236)	(208,761)
Other operating income	24,372	160,677
Amount gift aided to charity	<u>-</u>	<u>-</u>
Retained in subsidiary	<u>(63,864)</u>	<u>(48,084)</u>
Assets	32,325	32,990
Liabilities	<u>(144,270)</u>	<u>(81,071)</u>
Aggregate capital and reserves	<u>(111,945)</u>	<u>(48,081)</u>

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Notes to the Financial Statements (continued)

For the year ended 31 March 2021

12. Investments (continued)

Included within expenditure are stock purchases treated as an expense totalling £9,356 (2021: £2,373).

Pitlochry Theatre Production Services Limited was set up in 2015 and has remained dormant since. Pitlochry Festival Theatre owns the entire issued share capital of 2 Ordinary Shares of £1 each.

Pitlochry Theatre Production Services Limited (SC489595):

	2022 £	2022 £
Aggregate capital and reserves	<u>2</u>	<u>2</u>

13. Stocks

	Group		Company	
	Year to 31 Mar 2022 £	Year to 31 Mar 2021 £	Year to 31 Mar 2022 £	Year to 31 Mar 2021 £
Stock	<u>1,868</u>	<u>-</u>	<u>-</u>	<u>-</u>

14. Debtors

	Group		Company	
	Year to 31 Mar 2022 £	Year to 31 Mar 2021 £	Year to 31 Mar 2022 £	Year to 31 Mar 2021 £
Trade debtors	39,668	3,972	39,668	3,972
Amounts owed by Group undertakings	-	-	126,267	66,858
Other debtors	177,518	96,896	168,825	87,261
Theatre tax credit	-	-	-	-
Prepayments	<u>239,165</u>	<u>185,069</u>	<u>239,165</u>	<u>184,597</u>
	<u>456,351</u>	<u>285,937</u>	<u>573,925</u>	<u>342,687</u>

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

15. Creditors: amounts falling due within one year

	Group		Company	
	Year to 31 Mar 2022	Year to 31 Mar 2021	Year to 31 Mar 2022	Year to 31 Mar 2021
	£	£	£	£
Trade creditors	172,185	88,272	162,850	85,577
Deferred income	795,327	504,756	795,327	499,764
Taxation and social security	27,244	16,977	26,659	13,525
Other creditors	17,867	65,240	17,867	65,240
Accruals	258,543	430,698	250,462	427,623
	1,271,166	1,105,943	1,253,165	1,091,729

16. Creditors: amounts falling due in over one year

	Group		Company	
	Year to 31 Mar 2022	Year to 31 Mar 2021	Year to 31 Mar 2022	Year to 31 Mar 2021
	£	£	£	£
Other creditors	69,837	30,681	69,837	30,681

17. Restricted funds – Group and Company

	Balance at 1 Apr 2021	Incoming	Movement in resources: outgoing and transfer	Balance at 31 Mar 2022
	£	£	£	£
Capital grants	3,718,098	-	(143,883)	3,574,215
Leon Sinden Award	62,884	3,528	-	66,412
Vision 2021	3,224,601	3,197,900	-	6,422,501
Organisational Development	167,134	36,447	(41,078)	162,503
	7,172,717	3,237,875	(184,961)	10,225,631

Capital Grants: Capital grants and other funding received towards capital projects are credited to a restricted capital fund as required by the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities (FRS 102). In accordance with the requirements of the SORP, depreciation on funded assets is charged to the restricted capital fund in the company and consolidated statement of financial activities.

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

17. Restricted funds – Group and Company

Leon Sinden Award: Restricted fund investment from which an Annual Award is made for best Actress and Actor for the Summer Season.

Vision 2021: Development plans for improving and enlarging the facilities and name of Pitlochry Festival Theatre.

Organisational Development: Ongoing programme of work to invest in the development of organisational systems and resources.

Comparative information	Balance at 1 Apr 2020	Incoming	Movement in resources: outgoing and transfer	Balance at 31 Mar 2021
	£	£	£	£
Capital grants	3,852,795	-	(134,697)	3,718,098
Leon Sinden Award	47,770	15,114	-	62,884
Vision 2021	1,132,911	2,150,595	(58,905)	3,224,601
Organisational Development	287,425	361,745	(482,036)	167,134
	<u>5,320,901</u>	<u>2,527,454</u>	<u>(675,638)</u>	<u>7,172,717</u>

18. Unrestricted funds

Group	Balance at 1 Apr 2021	Total income including tax credit	Movement in expenditure: outgoing and transfers	Balance at 31 Mar 2022
	£	£	£	£
General unrestricted funds	1,137,916	2,238,047	(1,898,977)	1,476,986
Designated reserves:				
Vision 2021	99,981	-	(99,981)	-
	<u>1,237,897</u>	<u>2,238,047</u>	<u>(1,998,958)</u>	<u>1,476,986</u>

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

18. Unrestricted funds

Company	Balance at 1 Apr 2021 £	Total income including tax credit £	Movement in expenditure: outgoing and transfers £	Balance at 31 Mar 2022 £
General unrestricted funds	1,186,000	2,187,636	(1,784,702)	1,588,934
Designated reserves: <i>Vision 2021</i>	99,981	-	(99,981)	-
	<u>1,285,981</u>	<u>2,187,636</u>	<u>(1,884,683)</u>	<u>1,588,934</u>

Vision 2021: Development plans for improving and enlarging the facilities and name of Pitlochry Festival Theatre.

Comparative information

Group	Balance at 1 Apr 2020 £	Total income including tax credit £	Movement in expenditure: outgoing and transfers £	Balance at 31 Mar 2021 £
General unrestricted funds	795,823	2,124,732	(1,782,639)	1,137,916
Designated reserves: <i>Vision 2021</i>	99,981	-	-	99,981
	<u>1,285,981</u>	<u>2,124,732</u>	<u>(1,782,639)</u>	<u>1,237,897</u>

Company	Balance at 1 Apr 2020 £	Total income including tax credit £	Movement in expenditure: outgoing and transfers £	Balance at 31 Mar 2021 £
General unrestricted funds	795,823	1,944,888	(1,554,711)	1,186,000
Designated reserves: <i>Vision 2021</i>	99,981	-	-	99,981
	<u>895,804</u>	<u>1,944,888</u>	<u>(1,554,711)</u>	<u>1,285,981</u>

PITLOCHRY FESTIVAL THEATRE
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Notes to the Financial Statements (continued)

For the year ended 31 March 2022

19. Analysis of net assets (between restricted and unrestricted funds)

Group	Tangible fixed assets £	Investments £	Cash £	Other net Liabilities £	Total 2022 £
Capital grants	3,574,215	-	-	-	3,574,215
Leon Sinden Award	-	66,412	-	-	66,412
<i>Vision 2021</i>	4,922,676	-	1,584,455	(84,630)	6,422,501
Other	-	-	162,503	-	162,503
Restricted funds	8,496,891	66,412	1,746,958	(84,630)	10,225,631
Unrestricted funds	806,140	-	1,469,000	(798,154)	1,476,986
	9,303,031	66,412	3,215,958	(882,784)	11,702,617

Company	Tangible fixed assets £	Investments £	Cash £	Other net Liabilities £	Total 2022 £
Capital grants	3,574,215	-	-	-	3,574,215
Leon Sinden Award	-	66,412	-	-	66,412
<i>Vision 2021</i>	4,922,676	-	1,584,455	(84,630)	6,422,501
Other	-	-	162,503	-	162,503
Restricted funds	8,496,891	66,412	1,746,958	(84,630)	10,225,631
Unrestricted funds	790,073	5	1,463,303	(664,447)	1,588,934
	9,286,964	66,417	3,210,261	(749,077)	11,814,565

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

19. Analysis of net assets (between restricted and unrestricted funds) (continued)

Comparative information

Group	Tangible fixed assets £	Investments £	Cash £	Other net Liabilities £	Total 2022 £
Capital grants	3,718,098	-	-	-	3,718,098
Leon Sinden Award	-	62,884	-	-	62,884
Vision 2021	584,037	-	2,640,564	-	3,224,601
Other	-	-	167,134	-	167,134
Restricted funds	4,302,135	62,884	2,807,698	-	7,172,717
Unrestricted funds	731,252	-	1,357,334	(850,689)	1,237,897
	5,033,387	62,884	4,165,032	(850,689)	8,410,616

Company	Tangible fixed assets £	Investments £	Cash £	Other net Liabilities £	Total 2021 £
Capital grants	3,718,098	-	-	-	3,718,098
Leon Sinden Award	-	62,884	-	-	62,884
Vision 2021	584,037	-	2,640,564	-	3,224,601
Other	-	-	167,134	-	167,134
Restricted funds	4,302,135	62,884	2,807,698	-	7,172,717
Unrestricted funds	723,601	5	1,342,098	(779,723)	1,285,981
	5,025,736	62,889	4,149,796	(779,723)	8,458,698

20. Contingencies

Certain of the capital grant contributors have required the Theatre to treat their grants as partly or wholly refundable in the event of the theatre buildings ceasing to be used for the purposes of a theatre. The unamortised portion of these grants amount to £1,152,598 (2020: £1,026,585). Amortised amounts are being allocated from restricted funds over the estimated useful life of the assets to which they relate. Pitlochry Festival Theatre has securities granted to Creative Scotland.

PITLOCHRY FESTIVAL THEATRE
(A company limited by guarantee)

Notes to the Financial Statements (continued)

For the year ended 31 March 2022

21. Related party transactions

The company was under the control of the Trustees throughout the current and previous year.

During the financial year, the Charity received donations from Trustees, without conditions, totalling £nil (2021: £5,641).

22. Company limited by guarantee

Pitlochry Festival Theatre is a company limited by guarantee and has no share capital. It is registered in Scotland and is a charity for tax purposes.

The liability of each Trustee in the event of a winding up is limited to £1.

23. Going concern

The Trustees believe that the Theatre's resilience in the face of highly unusual trading circumstances further validates their strategic decision to introduce significant change within the Theatre, remodelling longstanding business operations over the past four years to deliver an ever-improving financial picture. In the face of ongoing general uncertainty regarding public sector funding, the Trustees have carefully considered the Group's financial prospects.

The Trustees have reviewed financial scenarios for 2021-22 and 2022-23. These scenarios are based on revenue projections derived from current customer behaviour, market trends tested in benchmarking, and programme and operating plans that the Trustees consider reasonable.

The Trustees have considered the Group's prospects in these financial scenarios, including cash flow forecasts and potential future unknowns, against actions taken to date. The Trustees are confident that the Theatre and Group will continue to meet debts as they fall due going forward.

The financial statements have therefore been drawn up on a going concern basis.