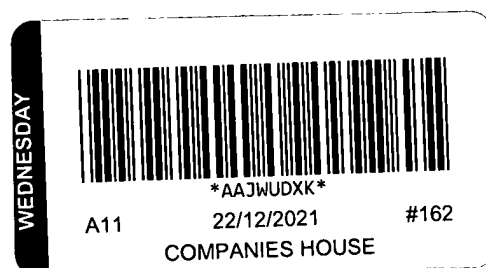


**THE ENGLISH STAGE COMPANY LIMITED**  
(A company limited by guarantee)  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

Registered Charity Number: 231242

Registered Company Number: 539332



**THE ENGLISH STAGE COMPANY LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**THE ENGLISH STAGE COMPANY LIMITED**

**TRUSTEES AND ADVISERS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**Principal Address**

Royal Court Theatre, Sloane Square, London, SW1W 8AS

**Trustees and advisors**

The Trustees, who are also the directors of the company for the purpose of the Companies Act, form the Council of the English Stage Company Limited:

Anthony Burton CBE (Chair)  
Graham Devlin CBE (Vice-Chair)  
Jeanette Arnold  
Judy Daish  
Pamela Jikiemi  
Mwenya Kawesha  
Emma Marsh  
James Midgley  
Winsome Pinnock  
Andrew Rodger  
Anita Scott  
Emma Tucker (resigned 21st May 2021)  
Lord Stewart Wood  
Mahdi Yahya

**Senior Management Team**

**Executive**

Artistic Director and CEO - Vicky Featherstone  
Executive Producer - Lucy Davies

**Senior Managers**

Finance Director - Helen Perryer  
General Manager - Catherine Thornborrow  
Head of Production - Marius Rønning

**Company Secretary**

Lucy Glynn

**Auditors**

Goodman Jones LLP, 29/30 Fitzroy Square, London, W1T 6LQ

**Principal Bankers**

Barclays Bank, United Kingdom House, 7<sup>th</sup> Floor, 180 Oxford Street, London, W1D 1EA

**Solicitors**

Simons Muirhead & Burton,  
8-9 Frith Street, Soho, London, W1D 3JB

**Other principal advisors**

Wrightsure Services Ltd, t/a Performers, Wrightsure House, 799 London Road, West Thurrock, Essex, RM20 3LH

THE ENGLISH STAGE COMPANY LIMITED

CHAIR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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**Chair's Report**

The coronavirus pandemic has been devastating for the cultural sector, and we will look back on 2020/21 as an incredibly difficult year in our theatre's history.

It is a remarkable achievement, therefore, that the Royal Court team immediately stepped into lobbying and fundraising, while also creating imaginative digital work and continuing to gather writers together online. The whole staff team played their part in steadying the organisation and ensuring that it weathered this dreadful storm intact. We were able to retain all staff in the charity, fundraising vigorously to protect jobs and support freelance artists. Although working remotely the team miraculously kept the spirit and vigour of the Royal Court alive.

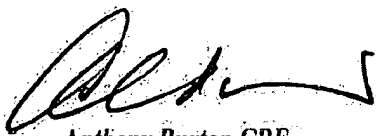
The Bar and Kitchen led by the incomparable Robert Smael was able to open a new outdoor offering, Court in the Square, which was a game-changing opportunity contributing so brilliantly to the identity and financial health of the theatre - for many years to come, we hope.

The Finance Committee met weekly and then fortnightly during the first months of this year to support the Executive team in financial decisions and resilience. The entire Board has been strategically critical in the wisdom, guidance and support they have brought and I am immensely grateful to them.

The charity has done all it can this year to support freelancers, with over 300 artists involved in Living Newspaper. We have also begun a multi-year partnership with consultants Sour Lemons to interrogate and reset our internal systems and culture through an anti-racist lens. Interestingly the pandemic has enabled us to reflect and embark on a period of radical change at the Royal Court.

Financially we ended the year with reserves intact and with funds to deliver the artistic activity we envisioned. Nonetheless the future - particularly in 2021/22 and 2022/23 - looks very uncertain and we know that recovering and rebuilding from this terrible crisis is going to demand even more of our collective imagination and adaptability.

The whole Board is indebted and grateful to the leadership of Vicky Featherstone, Lucy Davies and Helen Perryer and the extraordinarily dedicated team at Sloane Square for fighting so hard for the Court with such remarkable stamina and flair.



Anthony Burton CBE  
Chair

Date: 4/11/2021

# **THE ENGLISH STAGE COMPANY LIMITED**

## **REPORT OF THE COUNCIL**

**FOR THE YEAR ENDED 31 MARCH 2021**

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The following sections represent the strategic report for the year ended 31 March 2021.

**Structure, Governance and Management**  
**Objectives and Activities of the Charity**  
**Achievements, Performance and Future Plans**  
**Financial Review**  
**Reserves and Policy Statements**

### **Structure, Governance and Management**

The registered charity which is a company limited by guarantee incorporated on 16 October 1954, is governed by its memorandum and articles of association. As at 31 March 2021, there were 15 guarantors whose liability in the event of a winding up is limited to £10 each. These accounts are prepared in accordance with SORP 2015 and the Companies Act 2006.

There is a Council of between five and 20 Trustees. For the purpose of company law, the Trustees are the Directors of the company and are non-executive and unpaid. During the financial period under review, the Trustees met four times. There is one sub-committee for Finance and General Purposes and a Development Council. The Finance and General Purposes Sub-Committee and Development Council are made up of Directors and other professionals. Both operate under specific terms of reference with certain functions delegated by the Council. Each has its decisions discussed by the full Council. The trading subsidiary for the catering operation also has a Board, which meets quarterly made up of Directors, the Executive team, and other professionals.

The Chief Executive (and Artistic Director - not a director as defined by the Companies Act 2006) is appointed by the Council to manage the programming, operations and staff of the company working with the Executive Director / Producer. Together with the Finance Director, these three form the Executive Team.

Trustees are elected by the members of the company at the Annual General Meeting. The English Stage Company Ltd (ESC) Council opts to appoint its Trustees for an unlimited period but regards that appointment as being a three-year appointment, renewable for further terms of three years. The Council meets to review and agree all new appointments in order to secure the best industry and professional expertise. The Council has adopted a policy on governance that incorporates training and trustees' responsibilities.

The Council meets to review the activity of the company and to advise the Executives responsible for carrying out the day-to-day activity of the company.

### **Trustee induction and training**

New trustees undergo an orientation to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

### **Pay policy for senior staff**

The Chief Executive and Executive Director review the pay of the employees annually in line with peer organisations of a similar size and consider responsibility levels, London Living Wage and inflation as well as affordability. The recommended pay increases are included in the annual budget that is taken to Finance and General Purposes Committee for approval where salaries are discussed in more detail.

The Finance and General Purposes Committee review the pay of the Executive and other senior staff periodically.

# THE ENGLISH STAGE COMPANY LIMITED

## REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

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### Risk management

Covid-19 brought an entirely new chapter to the risk register and this continues to be adapted as the circumstances change. The risks associated with audiences, ticket income, and disruption to shows as a result of infection will be with us for some years.

The fundamental systemic risks that our risk review process has revealed are the ongoing challenges of managing standstill core funding and the deferred nature of Theatre Tax Relief payments. The latter in particular holds the risk of an impact on cash flow.

The other major risk for the charity is the unpredictable nature of fundraising income, particularly in uncertain political and world market times, which impact on corporate behaviours and investment portfolios. A balanced budget relies on an ambitious fundraising target, often before the detailed Production activity of the year has been decided.

Our Risk Management Policy includes building issues as a risk to the organisation: the renewal of the lease, the shared usage of the alleyway running beside the building giving access to our stage door and dock, and the dilapidation of the stage technology and building systems.

Mitigating strategies are in place at the highest level to support and offset risks, including proactive stakeholder liaison, long-term contingency planning, and a flexible producing model that allows us to respond to external impacts. The trustees have a risk management strategy that comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face as laid out in the risk register
- the establishment of policies, systems and procedures to mitigate those risks as laid out in the risk register
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise

### Our objectives and activities

The Royal Court Theatre is the writers' theatre. It is the leading force in world theatre for finding writers and producing new plays that are original, contemporary and provocative. The Royal Court's mission is to be meaningfully engaged with civic, political, domestic and international life; giving writers a home in which to tackle big ideas and tell extraordinary stories, and to share their work with the widest possible audience.

The purposes of the charity are:

- to advance the education of the public in all aspects of world class contemporary playwriting
- to cultivate, train and develop new playwriting talent, diversifying pathways to writing for the stage
- the development of public appreciation of art by the provision of theatre and the presentation of public performances; and
- to further the social and cultural welfare of the communities in which we work throughout London

The vision that shapes our annual activities has been consistent for 60 years, and this year was Year Four of a four-year strategic and business plan approved by the Board and Arts Council England.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. The theatre relies on Arts Council England funding, fundraising income and the revenue from tickets and trading to cover its operating costs. Affordability and access is critical to us in setting pricing.

We endeavour to represent and encourage all those within London's communities to attend or take part. We work with local and Greater London schools and many higher education institutions across the UK.

# THE ENGLISH STAGE COMPANY LIMITED

## REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

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The strategies employed to achieve the charity's aims and objectives in the year ended 31 March 2021 were to:

- Sustain the workforce throughout the pandemic by using the CJRS and raising Cultural Recovery Fund support
- Continue a pipeline of talent through writer development activity
- Cultivate fund-raising support for innovative projects in a challenging context
- Create artistic content online and in the building for live audiences when legislation allows
- Support schools and young people stricken by Covid related isolation and frustrated learning
- Read up to 3,000 plays and continue commissioning new works
- Work in collaboration with the sector across the UK to disseminate our skills and share practice
- Actively promote and celebrate the diversity of cultures in our society by working with artists of different backgrounds, and supporting atypical artists to make work with us and for us

### **Achievements and Performance**

#### **Talent Development and Work on Stage**

Navigating 2020/21 operationally and artistically was a test for every cultural leader. It is an incredible credit to the 18 staff who continued working and the many more who were furloughed (or flexi-furloughed as the picture constantly changed) that the Royal Court produced some flagship works during the year and continued to make an impact on writers, artists and audiences, responding to the world in catastrophe.

Plans were made and unmade as the UK moved in and out of lockdowns over the Spring, Autumn and Winter. Social distancing remained in place throughout periods when we were permitted to open.

Our plan was to sustain a pipeline of talent, retain our global profile and partnerships, build on philanthropic relationships and nurture new and existing audiences. The projects and plays that we considered viable for this partially open, socially distant and digital model were built on a completely different economic premise than a standard production of a play. As a result they were lighter on income but had as much artistic and public impact and reach as a standard programme of work (if not more). Critically, this work appealed to funders and donors, crucially sustaining philanthropic relationships that would otherwise dwindle through ongoing closure.

We cancelled three plays which were in production for April 2020 and delayed a further seven programmed for later in the year. Instead we produced three flagship digital projects, in addition to putting CYPRUS AVENUE by David Ireland back online for a month.

CARETAKER by Hester Chillingworth - a 24-hour durational livestream from our empty stage with audio messages

MY WHITE BEST FRIEND and other letters left unsaid by Rachel De-lahey and Milli Bhatia

LIVING NEWSPAPER - a 7 week programme of weekly editions of a theatrical newspaper created across the whole building by over 68 writers and over 300 freelance artists in total

In addition, we initiated the feature film of debbie tucker green's ear for eye (produced at the Royal Court to great acclaim in 2018) produced by Fiona Lamptey for BBC Films.

The Court's development of writing talent is unsurpassed in the theatre ecology. Despite the pandemic, our writer development work continued online with no reduction in activity compared with a standard year. We ran writers groups, forged new partnerships, continued our Young Agitator and schools programmes and commissioned playwrights.

## THE ENGLISH STAGE COMPANY LIMITED

### REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

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#### Reach and Inclusion

The programme is deliberately diverse, expansive and broad - we are as ambitious for developing our audiences as we are for our artists. We look for shrewd ways to distribute the work across platforms and stages in the UK to reach many more people than we could in Sloane Square alone. We aim to draw an audience that is representative of London and increase attendance by those with access needs.

In 2019/20 55% of the writers whose plays we produced (23 writers) were Black and Global Majority. 74% identify as female. 4% were disabled. 45% of our cast and creative teams were Black and Global Majority. 61% identified as female and 0.5% were disabled. Our audience is younger and more diverse than the London theatre-going average, and around 30% of the audience for any show is new to the Royal Court.

50% of the writers we commissioned were Black and Global Majority. 69% were women. 9% were disabled. The work leads, and writers have a very important enfranchised voice in the culture of our organisation.

Our Board is 40% Black and Global Majority, 60% identify as female, 7% are disabled. Our workforce, however, is not yet representative of the city: 70% white.

George Floyd's murder in May 2020 led many theatres to share a deepened anti-racism plan. At the heart of our plan was forging a new two-year partnership with Sour Lemons to interrogate and reset our internal systems and culture. We wanted an external partner for facilitated third party organisational questioning, a Black-led partner, with fantastic theoretical and practical expertise in systems, processes and language. We knew, and it is proving so, that in looking at our organisation through the lens of race and making it fairer, we would make it fairer and better for everyone.

The impacts of Covid-19 will exacerbate inequalities and implement barriers for audiences which we have spent years dismantling. We know that working class theatre-makers are experiencing profound poverty and leaving the sector already - unprotected by the Equalities Act, this is an area where we are committed to action.

The critical role for cultural organisations is to rebuild a confident recovery with social justice and inclusion at the centre. As we enter ACE's Let's Create strategy, this crisis fast-tracks the principles of creativity and culture building better, fairer, more resilient communities. The provocative, contemporary, responsive mission of the Royal Court is the unique privilege of this organisation and why we must and will weather this devastating crisis for the arts so we can contribute and sustain the sector for another 60 years.

#### International Work

Digital working across the artistic team enabled international writers to join digital writers groups for the first time, and to participate in Living Newspaper and other core projects where being present was not essential (or even possible).

Understandably planned projects in Japan, Palestine and the Caribbean were all postponed but some were able to continue in a virtual format. We also forged new partnerships: developing a relationship with PuSh Festival in Canada and obtaining money from the High Commission to deliver a new project; with the Taiwan Cultural Division and the National Theatre of Taiwan; with the Norwegian cultural office paying to translate Norwegian plays into English with the idea of developing a new project; and with Pro Hevetia (Swiss Arts Council) running an online residency during lockdown.



# THE ENGLISH STAGE COMPANY LIMITED

## REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

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### Funders and Partners

Much of our activity in this unprecedented year continued to be supported by generous funders, partners, and supporters. A considerable amount of our play development work is underpinned through grants from Trusts & Foundations. Jerwood Arts continued to fund our Jerwood New Playwrights programme with Hester Chillingworth, Somalia Nonyé Seaton and Ross Willis the 2020 beneficiaries.

Our participatory work received funding from Trusts including The Backstage Trust, The Aurum Charitable Trust, John Lyon's Charity and Garfield Weston Foundation. Our Writer's Groups were supported by the Andrew Lloyd Webber Foundation. Support from individuals remained our largest fundraised income stream. We saw a slight decrease in membership income this year as a result of our extended closure period but an increase in gifts received from major donors. We also had significant success in raising funds following a public 'Support the Court' campaign in October 2020. Despite a decline in corporate membership income during our closed year, overall income from corporates increased thanks to donations from new partners within the film and television industry.

### Environmental sustainability

We are proud of our readiness to step into sector-leading work in this field. We were in the first cohort of cultural organisations to declare climate emergency in April 2019 and spent Autumn 2019 developing our credible plan for a just transition to net zero, as outlined in last year's report. This work was forestalled by the pandemic, but also deepened by it. During 2020/21 we contributed to the new Green Book for theatre production and adopted its principles as standard going forwards.

We have continued to work co-operatively with fellow LTC theatres (Lucy remained LTC Chair for a sixth and final year) and Julie's Bicycle, to progress the shared strategy for the environmental impact of our work. With LTC, we are part of the Arts Council Accelerator programme with an ambitious roadmap of sustainable ambitions to 2025.

The Court was awarded 5\* in our Industry Green certification and Lucy Davies was awarded Creative Green Champion in the 2020 Creative Green Awards.

### Digital distribution

The pandemic demanded a digital offer and, appropriately at the Court, the direction and shape of our online offerings came from the writers. From a durational livestream with audio, to a live zoom festival with post-show decompression spaces for audiences, to Living Newspaper which released 15 short films a week, daily into your inbox, we tested new ways of creating and distributing work. We built a brilliant new artistic partnership with Tea Films, and created a new Cog Player to stream work.

We also partnered with Stuckemarkt Berlin to create a special series of Playwrights Podcasts, hosted by Simon Stephens.

### Financial Report and Risks

We successfully raised £1m in CJRS and just under £1m in two strands of DCMS support: Emergency Funds and CRF1. This combined support amounts to £2m of relief funds which have been a lifeline in sustaining our workforce and stabilising our business during a year when we have lost significant commercial and trading income. We have sought to protect a viable cash reserve position and adapt and explore other income generation strategies, for example vigorous fundraising and an entrepreneurial outdoor catering offer.

On April 1st 2020 our liquid reserves were at £590,000 (Designated and General Reserves excluding Capital Replacement Reserve) against an ideal level of £750,000. The impact of lockdown in March also left us carrying further potential liabilities of around £300,000. Our cash flow showed the business becoming very vulnerable by summer 2020.

## THE ENGLISH STAGE COMPANY LIMITED

### REPORT OF THE COUNCIL

#### FOR THE YEAR ENDED 31 MARCH 2021

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Emergency Funds from DCMS / ACE of £220,000 steadied us, and in August 2020 we successfully applied for a further £750,000 in the first round of CRF funding. We furloughed over 80% of our workforce during the deep period of lockdown and closures while the remaining staff continued to develop and create artistic work, support schools and young people, fundraise and strategise. We produced two digital projects over the summer of 2020 and in the Autumn created a huge Living Newspaper project employing over 300 freelancers, performed live and online. This project was disrupted by 2 further lockdowns and eventually became entirely digital between April and May 2021. The disruptions and migration online inflated the budget by over 25%.

At April 1st 2021 we were carrying forward restricted CRF and donated funds to support artistic activity between April and June 21 delayed by closures as well as designated reserves for the theatres recovery. We did not apply for CRF2 funds as our position was secure at that stage to protect reserves and deliver the programme of activity. Our fundraising efforts had proved successful and we were continuing to judiciously use the flexi-furlough scheme to retain staff.

A proven, sustainable and innovative business model supports the Royal Court's artistic programme, but it is undoubtedly tested by a decade of reduced and flat lining public funding - if our NPO grant had risen in line with inflation we would receive an additional £500,000 today. This gap, as costs rise, is acutely felt. The practice of well controlled expenditure, prudent forecasting, energetic fundraising, diverse partnership and robust commercial activity continues to be pushed to plug that gap.

#### Reserves

At the year-end date, ESC had total reserves of £2.87m (2020: £1.68m). The Redevelopment Fund set up using funds from Arts Council and other matched funds for the 1997-2000 theatre rebuild has now been fully drawn down in line with the length of the lease. There is an endowment fund of £137k (2020: £137k) established to support exploitation of the Charity's work; other funds restricted to use on particular projects and programmes amount to £1,211k (2020: £783k) with £378k being specific to delayed programme of works and to sustain the company while it continues to deal with the impact of the pandemic. The remaining funds of £1.45m include funds designated by the Board for capital replacement of £264k and £570k for new writing and future development with a further £615k designated to recovery. This leaves free reserves of £77k, which is a realistic figure given that the designated funds exist to support the objects of the Charity.

On a day-to-day basis, ESC monitors its financial position less in terms of free reserves, and more in terms of the availability of cash and cash flow in the business. Our cash-flow, like other theatres, results in peaks and troughs of cash at certain times of the year and through vigilant management of the finances and regular financial information provided to trustees ESC seeks to hold sufficient cash to ensure it can fulfil its short and medium term strategic objectives. The nature of the receipt of Theatre Tax Relief at one point in the year is challenging for the cash flow of the organisation. Although the Trustees are aware of the unprecedented current level of designated reserves, there is an awareness that through cash flow projections ESC will quickly deplete reserves and should continue to complete the accounts and corporation tax returns as early as possible to maximise a positive cash flow potential.

#### Fundraising

The Royal Court's fundraising activities include seeking and securing financial contributions from individuals, corporations and trusts, foundations and grant-making bodies towards the Royal Court's work. We run an Individual Giving scheme which offers various levels of split memberships which incorporate a benefits package and a charitable donation. This membership scheme ranges from £250 to £10,000 and donations made above this amount are considered Major Gifts. Our Annual Fund encourages low-level one-off donations from audience members outside of our regular giving schemes and these are often made in addition to ticket purchases. We claim Gift Aid on donations made by individuals who are eligible. We welcome legacy gifts and encourage supporters and audience members to remember the Royal Court in their will. We run a Corporate Membership scheme that offers companies different tiers of support ranging from £5,000-£15,000 plus VAT. In addition, we work with companies with whom we share values to create

**THE ENGLISH STAGE COMPANY LIMITED**

**REPORT OF THE COUNCIL**

**FOR THE YEAR ENDED 31 MARCH 2021**

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larger partnerships and offer sponsorship opportunities. Partnerships with companies can offer both financial and in-kind support. We seek funds from charitable Trusts and Foundations and apply for both general core support and funds

restricted to specific projects and purposes. Occasionally, we programme special fundraising events to generate additional income throughout the year and have introduced Production Circles for our supporters to join.

All fundraising is managed internally and delegated to the Development Director who is accountable to the Trustees via the Executive.

As well as being guided by our own internal ethical fundraising policy, the Royal Court is a member of the UK Fundraising Regulator to ensure our fundraising activity adheres to their code of conduct and follows best practice. No complaints were received during the year in relation to our fundraising.

**Future Developments**

These are very uncertain times. 2021/22 and 2022/23 will be very challenging years as the support cushions from the state ebb away and we try to rebuild audiences and trading income.

During 2021/22 we shall reinstate the postponed work from 2020, only reopening our Theatre Upstairs from December 2021 in order to mitigate losses in that smaller space. We will begin with Jasmine Lee-Jones' seven methods of killing kylie jenner in a reconfigured Downstairs auditorium to allow for socially distant audiences on both sides of the stage, The production has been invited to NY and Washington in Jan / Feb / Mar 2022 and we will film it for on-demand online viewing in the Winter of 2021/22. The Song Project follows in August 2021 and from September we resume full productions with full houses:

IS GOD IS by Aleshea Harris

WHAT IF IF ONLY by Caryl Churchill

MARYLAND by Lucy Kirkwood - script-in-hand

RARE EARTH METTLE by Al Smith - programmed to coincide with COP26

A FIGHT AGAINST by Pablo Manzi translated by William Gregory - filmed and streamed into Santiago a Mil Festival, Chile

THE GLOW by Alistair McDowall

PURPLE SNOWFLAKES AND TITTYWANKS by Sarah Hanly - co-produced with the Abbey Theatre, Dublin

TWO PALESTINIANS GO DOGGING by Sami Ibrahim

In addition we will present work by the Queer Upstairs writers group, host a week of plays and talks around our Living Archive enquiry, and co-produce ISLA by Tim Price with Theatr Clwyd, opening there in October 2021. We will produce our first play as part of our collaboration with Sister Pictures in Feb 2022 in the Theatre Upstairs.

We are hopeful of sustaining Court in the Square through the summer and the winter, and for many summers to come.

Our work with Sour Lemons will influence a review of our structures for looking after people, and the ongoing capital challenges to our building's fabric and systems will influence a review of the operational team and the development of a capital fundraising scheme while seizing on all potential grant opportunities. A new commercial income working group will be created to look at long-term income generation, and our net zero planning and Green Book work will be ramped up during this critical year. In Jan - Mar 2022 we will be applying for our next round of NPO funding from Arts Council England and a number of strategic days with Board and staff will take place in the run-up to that submission.

**THE ENGLISH STAGE COMPANY LIMITED**

**REPORT OF THE COUNCIL (continued)**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES**

The Council Members are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations.

Company law requires the Council Members to prepare financial statements for each financial year. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements the Council Members are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation

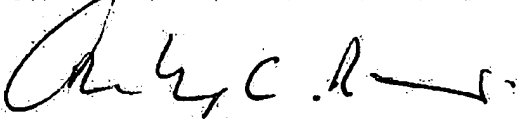
The Council Members are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council Members are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website. Legislation in England and Wales governing the preparation and dissemination of financial statements and other information included in trustees' reports may differ from legislation in other jurisdictions.

**AUDITORS**

The auditors will be proposed for re-appointment at the forthcoming Annual General Meeting.

Signed on behalf of the Council on ..... by:



Anthony C Burton CBE - Director

4.11.2021

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ENGLISH STAGE COMPANY LIMITED**

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### **Opinion**

We have audited the financial statements of English Stage Company Limited ('the parent charity') and its subsidiaries (together 'the group') for the year ended 31 March 2021 set out on pages 14 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 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 Act 2011.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and 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.

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ENGLISH STAGE COMPANY LIMITED**

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the group's and 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.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

Based on our understanding of the Charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF  
THE ENGLISH STAGE COMPANY LIMITED**

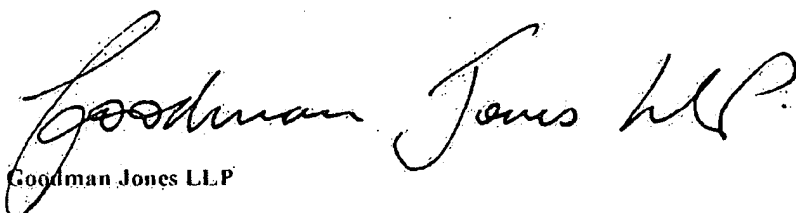
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There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware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

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

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Goodman Jones LLP

Statutory Auditors and Chartered Accountants

29/30 Fitzroy Square

London

W1T 6EQ

Date:

4.11.2021

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE ENGLISH STAGE COMPANY LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Designated and unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>INCOME FROM:</b>						
Voluntary income	3	4,280,051	1,067,644	-	5,347,695	3,671,856
Activities for generating funds	9	163,419	-	-	163,419	825,880
Investment income	4	1,695	-	-	1,695	5,163
<b>Total</b>		<b>4,445,165</b>	<b>1,067,644</b>	<b>-</b>	<b>5,512,809</b>	<b>4,502,899</b>
Incoming resources from charitable activities	5	42,940	-	-	42,940	1,719,246
Other incoming resources		45,456	-	-	45,456	412,817
<b>Total incoming resources</b>		<b>4,533,561</b>	<b>1,067,644</b>	<b>-</b>	<b>5,601,205</b>	<b>6,634,962</b>
<b>EXPENDITURE ON:</b>						
<b>Costs of raising funds</b>						
Costs of generating voluntary income	6	371,834	-	-	371,834	511,896
Trading costs	6	169,659	-	-	169,659	610,944
<b>Total costs of raising funds</b>		<b>541,493</b>	<b>-</b>	<b>-</b>	<b>541,493</b>	<b>1,122,840</b>
<b>Charitable activities</b>	5a	<b>3,229,538</b>	<b>638,984</b>	<b>-</b>	<b>3,868,522</b>	<b>6,049,154</b>
<b>Total resources expended</b>	6	<b>3,771,031</b>	<b>638,984</b>	<b>-</b>	<b>4,410,015</b>	<b>7,171,994</b>
<b>Net (expenditure)/income before redevelopment expenditure</b>		<b>762,530</b>	<b>428,660</b>	<b>-</b>	<b>1,191,190</b>	<b>(537,032)</b>
Redevelopment expenditure	21	-	-	-	-	(758,452)
<b>Net movement in funds</b>		<b>762,530</b>	<b>428,660</b>	<b>-</b>	<b>1,191,190</b>	<b>(1,295,484)</b>
Balances brought forward at 1 April 2020		<b>763,991</b>	<b>782,620</b>	<b>137,455</b>	<b>1,684,066</b>	<b>2,979,550</b>
<b>Balance carried forward at 31 March 2021</b>		<b>1,526,521</b>	<b>1,211,280</b>	<b>137,455</b>	<b>2,875,256</b>	<b>1,684,066</b>

The income and expenditure detailed above all arises from continuing operations. There were no discontinued operations in the year. The charity has no recognised gains and losses other than those above and therefore no separate Statement of Total Recognised Gains and Losses has been presented. There is no difference between the net movement in funds for the year stated above and its historical cost equivalent.

The notes on pages 17 to 35 form part of these financial statements.



THE ENGLISH STAGE COMPANY LIMITED

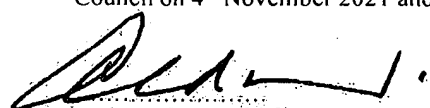
Company Number: 539332

CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31 MARCH 2021

	Notes	Group 2021 £	2020 £	Charity 2021 £	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	11a&b	574,286	746,860	574,286	743,850
Tangible assets - redevelopment	11c	-	-	-	-
Investments	12	-	-	101	101
		574,286	746,860	574,387	743,951
<b>CURRENT ASSETS</b>					
Stock	13	7,947	10,315	-	-
Debtors: amounts falling due within one year	14	338,295	664,104	357,107	667,986
Advance expenditure on productions		20,262	324,870	20,262	324,870
Cash and cash equivalents		2,457,480	1,215,180	2,446,852	1,192,873
		2,823,984	2,214,469	2,824,221	2,185,729
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	15	(490,329)	(514,723)	(470,438)	(483,074)
Deferred income	16	(32,685)	(762,540)	(32,685)	(762,540)
		(523,014)	(1,277,263)	(503,123)	(1,245,614)
<b>NET CURRENT ASSETS</b>		2,300,970	937,206	2,321,098	940,115
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,875,256	1,684,066	2,895,485	1,684,066
<b>NET ASSETS</b>		2,875,256	1,684,066	2,895,485	1,684,066
<b>CAPITAL AND RESERVES</b>					
<i>Unrestricted funds</i>					
Designated funds	17	1,449,433	704,698	1,449,433	704,698
General funds	18	97,317	59,293	97,317	59,293
Trading Subsidiaries	12	(20,229)	-	-	-
		1,526,521	763,991	1,546,750	763,991
Restricted funds	19	1,211,280	782,620	1,211,280	782,620
Endowment funds	20	137,455	137,455	137,455	137,455
<b>TOTAL FUNDS</b>		2,875,256	1,684,066	2,895,485	1,684,066

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements. The financial statements were approved and authorised for issue by the Council on 4<sup>th</sup> November 2021 and were signed below on its behalf by:

  
 Anthony Burton CBE  
 Chair

The notes on pages 17 to 35 form part of these accounts.

**THE ENGLISH STAGE COMPANY LIMITED**

**CONSOLIDATED CASHFLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>	<b>1,242,441</b>	<b>150,890</b>
<b>Cash flows from investing activities</b>		
Dividends and interest	1,695	5,163
Purchase of property, plant and equipment	(1,836)	(28,561)
<b>Net cash provided by/(used in) investing activities</b>	<b>(141)</b>	<b>(23,398)</b>
 Change in cash and cash equivalents in the reporting period	 1,242,300	 127,492
Cash and cash equivalents at the beginning of the reporting period	1,215,180	1,087,688
 <b>Cash and cash equivalents at the end of the reporting period</b>	 <b>2,457,480</b>	 <b>1,215,180</b>

**NOTES TO THE CASH FLOW STATEMENT**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Reconciliation of Net income to Net Cash Flow from Operating Activities</b>		
Net income for the reporting period	1,191,190	(1,295,483)
Depreciation charges	174,410	936,792
Decrease/(increase) in debtors	630,417	34,486
(Decrease)/increase in creditors	(754,249)	476,557
Interest and dividends	(1,695)	(5,163)
Decrease/(increase) in stock	2,368	3,701
<b>Net cash provided by/(used in) operating activities</b>	<b>1,242,441</b>	<b>150,890</b>
 <b>Analysis of Cash and Cash Equivalents</b>		
Cash at bank and in hand	2,457,480	1,069,300
Short term deposits	-	145,880
<b>Total:</b>	<b>2,457,480</b>	<b>1,215,180</b>

## THE ENGLISH STAGE COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. GENERAL INFORMATION AND COMPANY STATUS

The English Stage Company is a charitable company limited by guarantee registered in England and Wales. The registered office Royal Court Theatre, Sloane Square, London, SW1W 8AS. The liability of each member in the event of winding-up is limited to £10. The main activities of the charity are to find, develop and produce new plays, creating the conditions for writers, nationally and internationally, to flourish.

#### 2. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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. A summary of the principal accounting policies, which have been applied consistently, are set out below. The charitable company is a public benefit entity under FRS102 and it is registered as a charity in England and Wales.

##### Going concern

After making appropriate enquiries, the Trustees have reasonable confidence that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees met the Executive team very regularly for 6 months to discuss what impacts the Covid-19 pandemic may have for the Charity. Actions for both the Charity and Catering Subsidiary were deliberated using key information such as cash flow and accessibility to financial support. The Trustees consider that the ongoing NPO funding and successful applications in July and October for Emergency funding will ensure the Charity can meet their commitments and liabilities for the foreseeable future. The Catering Subsidiary was able to re-open in the square this summer which provided financial security as the theatre re opened. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

##### Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

##### Consolidation

The financial statements consolidate those of the English Stage Company Limited and its non-charitable subsidiaries Royal Court Theatre Productions Limited and ESC Catering Limited. The results of these wholly-owned trading subsidiaries are incorporated on a line by line basis in these financial statements. A further wholly-owned subsidiary, ESC Productions Limited, has not been consolidated as it was dormant for the whole of the current and prior years.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006. The income and expenditure account for the year dealt with in the accounts of the Charity was a surplus of £1,269,561 (2020: £1,295,484 deficit).

##### Foreign currency

Transactions which are denominated in a foreign currency are translated at the rate prevailing at the date of the transaction. Balance sheet items are translated at the rate prevailing at year-end. All differences are taken to the Statement of Financial Activities.

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Council members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Council members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and Endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes in the financial statements.

**Income**

Income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**Sponsorship and donations**

Sponsorship and donations are credited to the Statement of Financial Activities in the year in which they are receivable or alternatively if sponsorship or donations are given for a specific play or project then they are credited in the year in which that play or project takes place.

**Grant funding**

Grants are credited to the Statement of Financial Activities in the year in which they are receivable. They are recognised when the above income recognition criteria are met and to the extent that any performance conditions attached to the grants have been met.

**Box office and associated income and expenditure**

Box office income comprises ticket sales for performances and events in the Jerwood Theatre Downstairs and the Jerwood Theatre Upstairs. For productions occurring wholly within one financial year, revenue is recognised as ticket sales are made and all associated costs are written off in that financial year. Where productions span the year-end costs and income are recognised in the year in which the press night of the related production takes place.

**Trading income**

Trading income is stated exclusive of value added tax.

**Gifts in kind**

Gifts in kind are recognised as incoming resources when received, at the cost to the donor, where the amount is material and quantifiable.

**Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Resources expended**

All expenditure is accounted for on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure has been classified under the headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with use of resources. Costs are attributed in proportion to the number of employees directly engaged in each area of activity. All expenditure is inclusive of any irrecoverable VAT.

**Support costs**

Support costs comprise the indirect costs, including staff costs, relating to the charitable activities and are attributed in proportion to the directly associated activity.

**Redundancy and termination costs**

The charity recognises employee redundancy and termination costs in full on the date the redundancy or termination is confirmed.

**Governance Costs**

Governance costs are stated as a sum total of the audit fee and any Board related costs in the year.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Operating leases**

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease terms.

**Tangible Fixed Assets (including redevelopment)**

All assets are included at their purchase price together with any incidental costs of acquisition. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Assets with a value below £300 are not capitalised. Assets which are co-dependent and have a combined value of £300 and above are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation and amortisation of tangible fixed assets is carried out using the straight line method over the following periods:

Leasehold Premises/Improvements	Lifetime of the lease
Stage and Lighting Equipment	3-10 years
Plant Equipment, Fixtures and Fittings	3-10 years

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

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**2. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Stock**

Stock in the consolidated accounts represents food, liquor, disposable items, books, play texts, programmes, and merchandise held for resale and is valued at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Advance expenditure on productions**

These consist of expenditure incurred in respect of productions in the future period and are carried forward on the balance sheet until they are expensed in the period that the related production has its press night.

**Cash at Bank and in hand**

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

**Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**Deferred income**

Income received in the year is deferred where the event to which the income relates is happening in a future period or where the performance conditions attached to the funding have not been met.

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

**Critical accounting judgements and estimates**

In the application of the accounting policies, the Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

**3. VOLUNTARY INCOME**

	Unrestricted Funds £	Restricted funds £	Total 2021 £
<b>Sponsorship and donations</b>			
<b>Performance</b>			
Trusts and Foundation	-	5,000	5,000
Individual donations	46,468	149,113	195,581
Corporate Sponsorship	-	100,262	100,262
	46,468	254,375	300,843
<b>General activity including Capital</b>			
Trusts and Foundation	67,000	7,500	74,500
Individual donations	500,315	-	500,315
Corporate Sponsorship	105,104	-	105,104
	672,419	7,500	679,919
<b>Writer and Play Development</b>			
Trusts and Foundation	-	40,000	40,000
Individual donations	-	25,910	25,910
Corporate Sponsorships & Events	-	-	-
	-	65,910	65,910
<b>Participation</b>			
Trusts and Foundation	-	5,000	5,000
Individual donations	-	31,000	31,000
Corporate Sponsorships & Events	-	-	-
	-	36,000	36,000
<b>Total sponsorships and donations</b>	718,887	363,785	1,082,672
<b>Public Funding</b>	3,561,164	703,859	4,265,023
<b>Total Voluntary income</b>	4,280,051	1,067,644	5,347,695

Public Funding relates to grants received from Arts Council, British Council, Great London Authority and income received from the Corona Virus Job Retention Scheme.

Corporate sponsorships includes £205,366 (2020: £144,331) of corporate membership and corporate sponsorship fees. This disclosure allows income to be consistent and in line with the costs to generate this income, which is included in fundraising costs within note 6.

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

**3a. PRIOR YEAR VOLUNTARY INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted funds £</b>	<b>Total 2020 £</b>
<b>Sponsorship and donations</b>			
<b>Performance</b>			
Trusts and Foundation	-	104,833	104,833
Individual donations	54,425	49,385	103,810
Corporate Sponsorship	-	-	-
	<b>54,425</b>	<b>154,218</b>	<b>208,643</b>
<b>General activity including Capital</b>			
Trusts and Foundation	24,100	7,000	31,100
Individual donations	476,637	-	476,637
Corporate Sponsorship	144,331	-	144,331
	<b>645,068</b>	<b>7,000</b>	<b>652,068</b>
<b>Writer and Play Development</b>			
Trusts and Foundation	-	37,500	37,500
Individual donations	-	87,640	87,640
Corporate Sponsorships & Events	-	-	-
	<b>-</b>	<b>125,140</b>	<b>125,140</b>
<b>Participation</b>			
Trusts and Foundation	-	111,864	111,864
Individual donations	-	35,918	35,918
Corporate Sponsorships & Events	-	-	-
	<b>-</b>	<b>147,782</b>	<b>147,782</b>
<b>Total sponsorships and donations</b>	<b>699,493</b>	<b>434,140</b>	<b>1,133,633</b>
<b>Public Funding</b>	<b>2,311,234</b>	<b>226,989</b>	<b>2,538,223</b>
<b>Total Voluntary income</b>	<b>3,010,727</b>	<b>661,129</b>	<b>3,671,856</b>



**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

<b>4. INVESTMENT INCOME</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Interest bearing deposits	1,695	5,163
	<u>1,695</u>	<u>5,163</u>

All investment income in the current and the prior year relates to unrestricted funds.

<b>5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Box office and associated income</b>		
<i>Box office income</i>		
Jerwood theatre downstairs	-	1,369,937
Jerwood theatre upstairs	-	266,246
Royalties/fees	35,490	32,013
Outside contributions to productions	7,450	51,050
	<u>42,940</u>	<u>1,719,246</u>
<b>By geographical segment:</b>		
United Kingdom	42,940	1,719,246
	<u>42,940</u>	<u>1,719,246</u>

All incoming resources from charitable activities in the current and the prior year relates to unrestricted funds.

<b>5a COSTS OF CHARITABLE ACTIVITIES</b>	<b>Direct Costs</b>	<b>Support Costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Performances</b>				
Restricted	313,975	-	313,975	181,151
Unrestricted/designated	1,287,677	638,901	1,926,578	4,234,473
<b>Play development</b>				
Restricted	115,219	-	115,219	354,755
Unrestricted/designated	448,906	143,584	592,490	371,006
<b>General activity</b>				
Restricted	7,500	146,204	153,704	153,204
Unrestricted/designated	214,589	247,105	461,694	319,486
<b>Education and writer development</b>				
Restricted	56,086	-	56,086	272,478
Unrestricted/designated	144,765	104,011	248,776	162,601
<b>Total costs of charitable activity</b>	<u>2,588,717</u>	<u>1,279,805</u>	<u>3,868,522</u>	<u>6,049,154</u>
<i>Total costs of charitable activity in 2020</i>	<u>4,806,323</u>	<u>1,242,831</u>	<u>6,049,154</u>	

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

<b>6. RESOURCES EXPENDED</b>	<b>Staff Costs £</b>	<b>Other Costs £</b>	<b>Depreciation £</b>	<b>2021 £</b>
<b>Costs of generated funds:</b>				
Trading costs (unrestricted)	151,648	15,001	3,010	169,659
	151,648	15,001	3,010	169,659
<b>Costs of generating voluntary income:</b>				
Fundraising costs (unrestricted)	180,435	5,184	-	185,619
Marketing and publicity (unrestricted)	156,626	29,589	-	186,215
	337,061	34,773	-	371,834
<b>Costs of charitable activities:</b>				
Production costs (unrestricted)	1,462,332	239,278	-	1,701,610
Production costs (restricted)	-	485,280	-	485,280
Support costs (unrestricted)	986,796	515,934	25,198	1,527,928
Support costs (restricted)	-	7,500	146,204	153,704
	2,449,128	1,247,992	171,402	3,868,522
<b>Total resources expended</b>	<b>2,937,837</b>	<b>1,297,766</b>	<b>174,412</b>	<b>4,410,015</b>

<b>6a. PRIOR YEAR RESOURCES EXPENDED</b>	<b>Staff Costs £</b>	<b>Other Costs £</b>	<b>Depreciation £</b>	<b>2020 £</b>
<b>Costs of generated funds:</b>				
Trading costs (unrestricted)	350,914	257,908	2,122	610,944
	350,914	257,908	2,122	610,944
<b>Costs of generating voluntary income:</b>				
Fundraising costs (unrestricted)	209,600	20,006	-	229,606
Marketing and publicity (unrestricted)	206,422	75,868	-	282,290
	416,022	95,874	-	511,896
<b>Costs of charitable activities:</b>				
Production costs (unrestricted)	2,270,925	1,222,514	-	3,493,439
Production costs (restricted)	64,918	743,466	-	808,384
Support costs (unrestricted)	834,159	729,950	30,018	1,594,127
Support costs (restricted)	-	7,000	146,204	153,204
	3,170,002	2,702,930	176,222	6,049,154
<b>Total resources expended</b>	<b>3,936,938</b>	<b>3,056,712</b>	<b>178,344</b>	<b>7,171,994</b>

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

<b>7. NET INCOMING RESOURCES</b>	<b>2021 £</b>	<b>2020 £</b>
Net incoming resources is stated after crediting:		
Interest receivable	1,695	5,163
Net incoming resources is stated after charging:		
Depreciation	174,412	178,344
Depreciation - redevelopment	-	758,453
Auditors' remuneration	16,000	16,000

Indemnity insurance for Council members' liability has been purchased by the charity. The Auditor's remuneration includes costs of auditing the charity and group.

<b>8. EMPLOYEE INFORMATION</b>	<b>2021 Number</b>	<b>2020 Number</b>
The average weekly number of full-time equivalent persons employed during the year was:		
Performances	43	70
Play development	10	10
General activity	16	15
Education	4	4
ESC Catering Ltd	7	14
	<b>80</b>	<b>113</b>

**Key management salary and pension**

The following staff comprise key management and their remuneration is as follows:

The five members of the Senior Management team received a total remuneration package of £358,939 (Salaries and NI: £346,316, Pension: £12,623). In the prior year these costs were £389,560 (Salaries and NI: £337,018, Pension: £13,360).

Redundancy payments of £12,629 were made in the year to three employees (2020: £nil), which is included within wages and salaries.

One employee received emoluments between £60,000 and £70,000, one employee received emoluments between £70,000 and £80,000, and one employee between £80,000 and £90,000 during the current period (2020: One employee received emoluments between £60,000 and £70,000, one employee received emoluments between £70,000 and £80,000, and one employee between £90,000 and £100,000).

None of the Trustees received emoluments in that capacity during the current or previous period. The Charity has not reimbursed expenses incurred by any Trustee.

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

**8. EMPLOYEE INFORMATION (continued)**

	2021 £	2020 £
<b>Total staff costs</b>		
Wages and salaries	2,667,028	3,602,189
Social security costs	205,430	249,196
Pension costs	65,379	85,553
	<u>2,937,837</u>	<u>3,936,938</u>

**9. ACTIVITIES FOR GENERATING FUNDS**

	2021 £	2020 £
<b>Summary</b>		
Trading and catering sales	163,419	825,880
Less: Trading and catering purchases	(18,011)	(260,030)
Catering staffing	(151,648)	(350,914)
<b>Net (deficit)/contribution from trading activities</b>	<u>(6,240)</u>	<u>214,936</u>
ESC Catering Limited - Note 12	149,167	682,705
Royal Court Theatre Productions Limited - Note 12	2,412	308
	<u>151,579</u>	<u>683,013</u>
Other trading activities	11,840	142,867
<b>Total income</b>	<u>163,419</u>	<u>825,880</u>
Less: Trading costs	(169,659)	(610,944)
<b>Net contribution from trading activities</b>	<u>(6,240)</u>	<u>214,936</u>

All income and expenditure for activities for generating funds in the current and the prior year relates to unrestricted funds.

**10. TAXATION**

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

English Stage Company Limited and its subsidiaries are standard rated for VAT.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

11a. TANGIBLE FIXED ASSETS

Group	Leasehold premises & improvement £	Stage and lighting equipment £	Plant, equipment fixtures & Fittings £	Total £
<b>Cost</b>				
At 1 April 2020	2,535,181	469,780	290,287	3,295,248
Additions	-	-	1,836	1,836
Disposals	-	-	(56,668)	(56,668)
At 31 March 2021	<b>2,535,181</b>	<b>469,780</b>	<b>235,455</b>	<b>3,240,416</b>
<b>Depreciation</b>				
At 1 April 2020	1,996,874	297,845	253,667	2,548,386
Charge for the year	123,691	39,451	11,270	174,412
Eliminated on disposals	-	-	(56,668)	(56,668)
At 31 March 2021	<b>2,120,565</b>	<b>337,296</b>	<b>208,269</b>	<b>2,666,130</b>
<b>Net Book Value</b>				
At 31 March 2021	414,616	132,484	27,186	574,286
At 31 March 2020	538,307	171,935	36,618	746,860

11b. TANGIBLE FIXED ASSETS

Charity	Leasehold premises & improvement £	Stage and lighting equipment £	Plant, equipment fixtures & Fittings £	Total £
<b>Cost</b>				
At 1 April 2020	2,497,842	469,779	286,957	3,254,578
Additions	-	-	1,836	1,836
Disposals	-	-	(56,668)	(56,668)
At 31 March 2021	<b>2,497,842</b>	<b>469,779</b>	<b>232,125</b>	<b>3,199,746</b>
<b>Depreciation</b>				
At 1 April 2020	1,958,802	299,623	252,301	2,510,726
Charge for the year	120,681	39,451	11,270	171,402
Eliminated on disposals	-	-	(56,668)	(56,668)
At 31 March 2021	<b>2,079,483</b>	<b>339,074</b>	<b>206,903</b>	<b>2,625,460</b>
<b>Net Book Value</b>				
At 31 March 2021	418,359	130,705	25,222	574,286
At 31 March 2020	539,042	170,156	34,654	743,850

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

11c. TANGIBLE FIXED ASSETS

Redevelopment – Group & Charity	Leasehold premises £	Stage and lighting equipment £	Plant & machinery, fixtures & fittings £	Office & computer equipment £	Total £
<b>Cost</b>					
At 1 April 2020	18,349,196	548,167	3,076,233	1,195,291	23,168,887
<b>Depreciation</b>					
At 1 April 2020	18,349,196	548,167	3,076,233	1,195,291	23,168,887
Charge for the year	758,453	-	-	-	758,453
At 31 March 2021	18,349,196	548,167	3,076,233	1,195,291	23,168,887
<b>Net Book Value</b>					
At 31 March 2021	-	-	-	-	-
At 31 March 2020	-	-	-	-	-

12. FIXED ASSET INVESTMENTS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Interest in group undertakings:				
Cost	-	-	101	101
Net book value	-	-	101	101

Name of undertaking and country of incorporation and registration	Description of shares held	Proportion of nominal value of issued share capital
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Royal Court Theatre Productions Limited (UK)	100 Ordinary shares of £1 each	100%
ESC Catering Limited	1 Ordinary share of £1 each	100%

The normal activity of Royal Court Theatre Productions Limited is the commercial exploitation of plays produced by the English Stage Company Limited.

The activity of ESC Catering Limited is to serve food and drink to Royal Court patrons and the general public in the Royal Court Cafe Bar in the basement and Balcony Bar.

The charity also owns 100% of the issued share capital (1 ordinary share of £1 each) in ESC Productions Limited. This company is dormant and has not traded in either the current or the prior year.

THE ENGLISH STAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

12. FIXED ASSET INVESTMENTS (continued)

	ESC Catering Limited		Royal Court Theatre Productions Limited	
	2021	2020	2021	2020
	£	£	£	£
<b>Profit and loss account</b>				
Turnover	149,167	682,705	2,412	308
Cost of sales	(162,992)	(561,059)	-	-
<b>Gross profit</b>	(13,825)	121,646	2,412	308
Other operating expenses	(6,404)	(107,501)	(47)	(46)
<b>Operating (loss)/profit</b>	(20,229)	14,145	2,365	262
Net interest receivable	-	-	1	68
<b>Profit/(loss) for the financial year before tax</b>	(20,229)	14,145	2,366	330
Tax on profit for the year	-	-	-	-
<b>Profit/(loss) for the financial year after tax</b>	(20,229)	14,145	2,366	330
Payments under deed of covenant to parent charity	-	(14,145)	(2,366)	(330)
Profit and loss account carry forward	(20,229)	-	-	-

	ESC Catering Limited		Royal Court Theatre Productions Limited	
	2021	2020	2021	2020
	£	£	£	£
<b>Fixed assets</b>				
Tangible assets	-	3,010	-	-
<b>Current assets</b>				
Stock	7,947	10,315	-	-
Debtors and prepayments	7,547	11,252	-	-
Cash at bank and in hand	6,895	20,623	3,733	1,684
	22,389	42,190	3,733	1,684
Creditors: amounts falling due within one year	(42,617)	(45,199)	(3,633)	(1,584)
Total assets less current liabilities	(20,228)	1	100	100
<b>Net assets/(liabilities)</b>	(20,228)	1	100	100
<b>Capital and Reserves</b>				
Called up share capital	1	1	100	100
Profit and loss account	(20,229)	-	-	-
<b>Equity shareholders' funds</b>	(20,228)	1	100	100

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

**13. STOCKS**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Catering stock	7,947	10,315	-	-
	<b>7,947</b>	<b>10,315</b>	<b>-</b>	<b>-</b>

**14. DEBTORS: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	82,553	95,760	80,264	95,760
Due from subsidiary undertakings	-	-	23,993	15,134
Other taxation and social security	23,806	12,248	23,806	12,248
Other debtors	85,512	427,185	87,878	422,256
Prepayments	146,424	128,911	141,166	122,588
	<b>338,295</b>	<b>664,104</b>	<b>357,107</b>	<b>667,986</b>

**15. CREDITORS: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	239,641	292,555	239,641	290,597
Taxation	15,467	15,580	-	-
Other taxation and social security	56,333	73,694	55,976	63,660
Other creditors	23,996	19,524	23,002	19,524
Accruals	154,892	113,370	151,819	109,293
	<b>490,329</b>	<b>514,723</b>	<b>470,438</b>	<b>483,074</b>

**16. DEFERRED INCOME**

The movement in deferred income is analysed below:

	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>
Deferred income brought forward at 1 April 2020	762,540	762,540
Amounts released from previous years	(762,540)	(762,540)
Incoming resources deferred in the year	32,685	32,685
<b>Deferred income carried forward to 31 March 2021</b>	<b>32,685</b>	<b>32,685</b>

The charity received income relating to production sponsorship and other activities in advance of the upcoming year.



**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

**17. UNRESTRICTED FUNDS - DESIGNATED FUNDS**

Group and Charity	Capital Replacement Fund £	Theatre Writing Fund £	Future Developments Fund £	COVID Recovery Fund £	Total £
At 1 April 2020	174,152	267,840	262,706	-	704,698
Sponsorship, donations and other income	-	-	-	-	-
Transfers	100,000	40,000	-	615,000	755,000
Expenditure	(10,265)	-	-	-	(10,265)
At 31 March 2021	<b>263,887</b>	<b>307,840</b>	<b>262,706</b>	<b>615,000</b>	<b>1,449,433</b>

The Capital Replacement Fund is used to service the depreciation charge on capital purchases not funded elsewhere and matches net book value of the relevant group of tangible assets.

The Theatre Writing Fund is used to cover commission payments, liabilities arising through timing of script delivery and expenditure on shows and play development.

The Future Development Fund is held for future work and activity. This fund is considered by the Trustees when looking at the reserves policy.

The COVID Recovery Fund will ensure donations received for the recovery of the theatre's activities and fabric are used accordingly.

**18. UNRESTRICTED FUNDS - GENERAL FUNDS**

	Group £	Charity £
At 1 April 2020	59,293	59,293
Incoming resources	4,533,561	4,384,347
Transfer to designated funds	(755,000)	(755,000)
Resources Expended	(3,760,766)	(3,591,323)
At 31 March 2021	<b>77,088</b>	<b>97,317</b>

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

<b>19. RESTRICTED FUNDS</b>	<b>Balance 1 April 2020 £</b>	<b>Income £</b>	<b>Transfers £</b>	<b>Expenditure £</b>	<b>Balance 31 March 2021 £</b>
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre Fund	9,838	1,400	-	-	11,238
ACE Capital Project Fund	369,260	-	-	(93,108)	276,152
Participation Fund	57,931	36,000	-	(56,086)	37,845
International Play Development	15,777	28,859	-	(28,859)	15,777
Capital Matched Funding	210,574	7,500	-	(60,596)	157,478
Writer Development	51,500	60,000	-	(85,000)	26,500
Legacy Fund	31,658	4,510	-	(1,360)	34,808
New Playwrights	20,000	5,000	-	(5,000)	20,000
Reopening Fund	-	249,375	-	(12,000)	237,375
Cultural Recovery Fund	-	675,000	-	(296,975)	378,025
	<b>782,620</b>	<b>1,067,644</b>	<b>-</b>	<b>(638,984)</b>	<b>1,211,280</b>

The Neville Blond Fund was set up in 1987 to commemorate Neville Blond and is used to provide bursaries for young writers.

The Clare McIntyre Fund was set up in 2010 to support writers' attachments to the theatre.

The Royal Court Development ACE fund was set up in 1995/96. It represents the Arts Council England's contributions to the capital redevelopment of the theatre at Sloane Square and it is released to the Statement of Financial Activities over the life the assets it has funded.

The ACE Capital Project Fund is the grant awarded for the refurbishment project and will be depreciated proportionally.

The Participation Fund is dedicated to encouraging and developing young writers. We aim to show-case the work by putting on a bi-annual Young Writers Festival.

The International Play Development and Performance is dedicated to developing and nurturing playwriting talent outside the UK.

The Capital Matched Fund was set up to provide a matched contribution as part of the capital.

The Writer Development initiative supports the play development work of the Royal Court Theatre.

Legacy Fund relates to donations in memory of a member of staff that is to be put towards a project in the next year.

The New Playwrights initiative supports the development and production of plays at the Royal Court Theatre.

The Reopening Fund is made up of restricted funds donated to support the theatre and cultural recovery when the doors re-opened and we were able to stage work.

The Cultural Recovery Fund is a restricted fund from the Arts Council which enabled us to re-open with a programme of work under social distancing measures. The timetable for this work changed after theatres had to close in the first part of 2021 but we were able to carry funds forward.

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

<b>20. ENDOWMENT FUNDS</b>	<b>2021 £</b>	<b>2020 £</b>
Balance at 1 April 2020	137,455	137,455
Investment income	-	-
Expenditure - management costs	-	-
Net gain/(loss) on revaluation	-	-
Balance at 31 March 2021	137,455	137,455

The endowment fund was received in 2008 and is used to support new commissions.

<b>21. REDEVELOPMENT</b>	<b>2021 £</b>	<b>2020 £</b>
Depreciation on redevelopment capital	-	758,452
Restricted ACE grant released	-	(758,452)
	-	-

**22. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>Tangible fixed assets £</b>	<b>Investments £</b>	<b>Net current assets/ (liabilities) £</b>	<b>Long term liabilities £</b>	<b>2021 Total £</b>	<b>2020 Total £</b>
Restricted funds	-	-	1,211,280	-	1,211,280	782,620
Unrestricted funds	574,286	-	952,235	-	1,526,521	763,991
Endowment funds	-	-	137,455	-	137,455	137,455
	574,286	-	2,300,970	-	2,875,256	1,684,066

**PRIOR YEAR ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>Tangible fixed assets £</b>	<b>Investments £</b>	<b>Net current assets/ (liabilities) £</b>	<b>Long term liabilities £</b>	<b>2020 Total £</b>
Restricted funds	-	-	782,620	-	782,620
Unrestricted funds	746,860	-	17,131	-	763,991
Endowment funds	-	-	137,455	-	137,455
	746,860	-	937,206	-	1,684,066

**22. CAPITAL**

The charity is a company limited by guarantee. Each Council member has undertaken to contribute £10 to the assets of the charity to meet its liabilities if called to do so. The total amount guaranteed by Council members at 31 March 2021 is £140 (2020: £140).

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

**23. RELATED PARTY TRANSACTIONS**

The following transactions took place between the charity and council members during the year:

Anthony Burton is a solicitor whose firm, Simons, Muirhead & Burton, receives fees paid by the charity for ad hoc legal work separate from the work carried out by him in his capacity as a Council member for which he receives no remuneration. During the year, SMB received remuneration for their services of £9,262 (2020: £nil). At the balance sheet date, £nil due to Simons, Muirhead & Burton (2020: £nil).

Judy Daish is a theatrical agent who receives commission from her clients, when contracted to the charity. During the year her agency received commissions of £4,615 (2020: £20,900).

During the year, Trustees made donations of £2,392 in aggregate (2020: £19,310).

All these transactions have been disclosed net of VAT.

**24. OPERATING LEASE COMMITMENTS**

At 31 March 2021 the total of the Group's and Charity's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£	£
<b>Amounts payable:</b>		
Within 1 year	-	-
After 1 year but not more than 5 years	-	-
After 5 years	-	-
<b>Total</b>	-	-

The current theatre lease expired in January 2020. English Stage Company agreed a new 15 year lease with Cadogan Estates in November 2020 but as yet the head lease remains unsigned due to a delay with the under lease.

**25. FINANCIAL INSTRUMENTS**

Financial assets measured at fair value through profit or loss comprise trade debtors and cash at the balance sheet date. Financial Liabilities measured at amortised cost comprise trade creditors at the balance sheet date.

	2021	2020
	£	£
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	2,540,033	1,310,940
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	239,641	292,555

**26. CONTINGENT LIABILITY**

English Stage Company Limited are aware of a potential personal injury claim for exposure to asbestos between 1968 and 1975 following the sad loss of Allan Olsen a stage technician at this time. The English Stage Company have an appointed Solicitor dealing with the case which remains at the pre issue stage.

**THE ENGLISH STAGE COMPANY LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2021**

**27. PRIOR YEAR GROUP AND CHARITY UNRESTRICTED FUNDS - DESIGNATED FUNDS**

	Capital Replacement Fund £	Theatre Writing Fund £	Future Developments Fund £	Total £
At 1 April 2019	193,087	362,840	347,706	903,633
Sponsorship, donations and other income	-	-	-	-
Transfers	(8,669)	(95,000)	(85,000)	(188,669)
Expenditure	(10,266)	-	-	(10,266)
At 31 March 2020	174,152	267,840	262,706	704,698

**28. PRIOR YEAR UNRESTRICTED FUNDS - GENERAL FUNDS**

	Group £	Charity £
At 1 April 2019	96,931	96,931
Incoming resources	5,973,834	5,415,563
Transfers from restricted funds	188,669	188,669
Resources Expended	(6,200,141)	(5,641,870)
At 31 March 2020	59,293	59,293

**29. PRIOR YEAR GROUP AND CHARITY RESTRICTED FUNDS**

	Balance 1 April 2019 £	Income £	Transfers £	Expenditure £	Balance 31 March 2020 £
Neville Blond Fund	16,082	-	-	-	16,082
Clare McIntyre Fund	5,888	3,950	-	-	9,838
Royal Court Redevelopment: ACE Fund (note 21)	758,452	-	-	(758,452)	-
ACE Capital Project Fund	462,368	7,000	-	(100,108)	369,260
Participation Fund	45,205	290,204	-	(277,478)	57,931
International Play Development	169,284	84,567	-	(238,074)	15,777
Capital Matched Funding	263,670	-	-	(53,096)	210,574
Writer Development	110,000	97,501	-	(156,001)	51,500
Legacy Fund	10,582	23,689	-	(2,613)	31,658
New Playwrights	-	154,218	-	(134,218)	20,000
	1,841,531	661,129	-	(1,720,040)	782,620