

ANNUAL REPORT 2019-2020

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The Royal National Theatre

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THE YEAR TO 29 MARCH 2020 IN SUMMARY

- **We presented a world-class programme of theatre on the South Bank.**
Our theatres were 89% full, and 30% of tickets cost £20 or less, ensuring theatre remains accessible to all.
- **8.5 million people engaged with The Royal National Theatre through live, broadcast, participation, and digital activity.**
This included 1.74 million people who saw a live production in the UK, on Broadway, or on tour around the world.
1.57 million people saw an NT Live screening in 65 countries.
- **We continued to tour our work extensively across the UK.**
 - **NT Live:** we reached one million people with broadcasts in UK cinemas from Shetland to Penzance; a particularly successful year.
 - **Touring:** Five productions went to 22 towns and cities outside of London - including a version of *The Curious Incident of the Dog in the Night-Time* which toured into 60 secondary schools, reaching 12,500 pupils in areas of low arts engagement.
 - **Theatre Nation Partnerships (TNP):** we continued to provide strategic support to seven partner theatres through a programme of touring work, schools and community programmes.
- **We invested at scale in new work and talent development, playing a crucial role supporting the health of the sector and the wider creative industries.**
Over 1,000 artists worked in the New Work Department, and we partnered with a range of UK and international theatres and theatre companies.
- **Our theatre and community programme, Public Acts, worked with community partners and participants in London, Hornchurch and Doncaster to create moments of bravery, change and joy.**
Together, we created an ambitious new piece of participatory theatre, *As You Like It*, in summer 2019 at Queen's Theatre Hornchurch featuring 149 participants.
- **National learning programmes covering ages 5 to 18.**
 - **National Theatre Collection:** we launched our globally-available successor to streaming platform On Demand In Schools, with free access for UK state schools.
 - **Connections:** our annual nationwide youth theatre festival involved 6,000 young people and 31 professional venues across the UK.
 - **Let's Play:** we supported teachers to create 150 brilliant school plays in 18 counties, using theatre to inspire learning across the curriculum.
 - **New Views:** students from 92 schools submitted scripts to our annual nationwide playwriting course and competition for young people.

Impact of Covid-19

The preparation and completion of this 2019-2020 Annual Report has, inevitably, been delayed due to the Covid-19 global crisis.

Covid-19 has had, and continues to have, a long-lasting impact on The Royal National Theatre, our beneficiaries: such as our audiences, future audiences and young people, in particular, and also our other key stakeholders: such as our employees, our freelancers, and our donors and funders, who form the bedrock of our strategic plans.

Since the closure of The Royal National Theatre in March 2020, the Board of Trustees and Executive Management have been working on flexible plans, both operational and financial, for the continued viability of the organisation.

Detailed, yet adaptable, business plans have been prepared and financial budgets and cash flow models are aligned to those plans. These plans are clearly dependent upon a variety and number of key assumptions. For example, national and local Government decisions; rules and advice as to the opening of public venues; social-distancing; travel restrictions; capacity in our theatres; the demand from the general public; our ability to obtain sponsorship and donations; our fixed and variable cost structure; and any Government/Arts Council England funding and support for The Royal National Theatre; to note just a few.

In December 2020, for example, we successfully secured repayable finance of £19.7m from the Government to support our funding shortfall across 2020 to 2022, as part of our circa £80m Recovery Plan, details of which are set out on page 27.

Based on these plans, the Board of Trustees are confident, at this time, of The Royal National Theatre's ability to remain as a going concern and have, therefore, prepared the financial statements on a going concern basis of accounting. Nevertheless, the Board of Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some time, given the key assumptions and the financial modelling referred to above, alongside the reasonably plausible downside scenario which has been built into the models.

We are satisfied that the actions taken, so far, by Executive Management and the Board have been effective in ensuring sustainability and business continuity. We plan to work closely with all of our partners and supporters to seek to ensure that we continue to serve our beneficiaries and others in the most efficient and safe manner.

We currently remain confident about our future, but these are very challenging and unprecedented times for The Royal National Theatre, the cultural sector and society in general; and are likely to remain so for quite some time to come.

INTRODUCTION

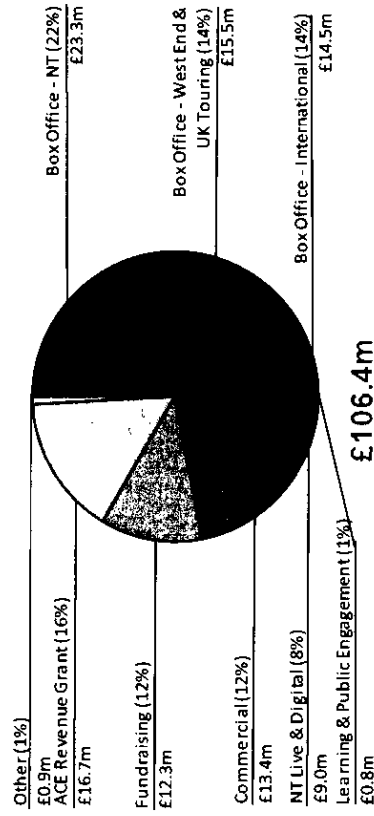
THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

FINANCIAL SUMMARY

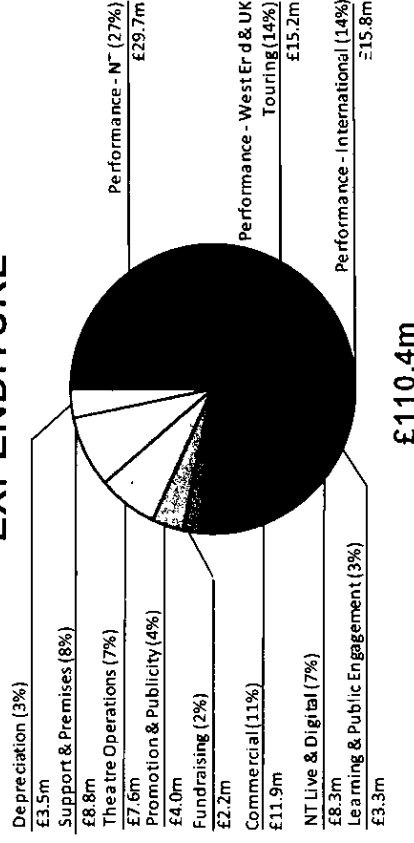
The charts below show total income and expenditure on group funds, excluding long-term restricted funds (which comprise The Royal National Theatre's building-related fundraising income and depreciation).

INCOME

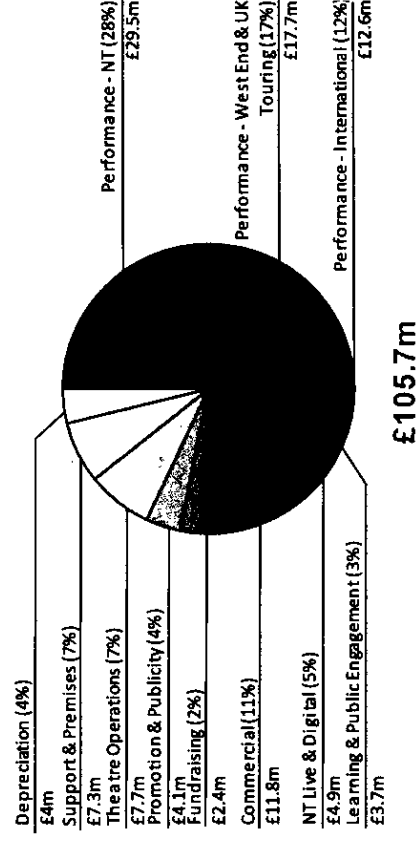
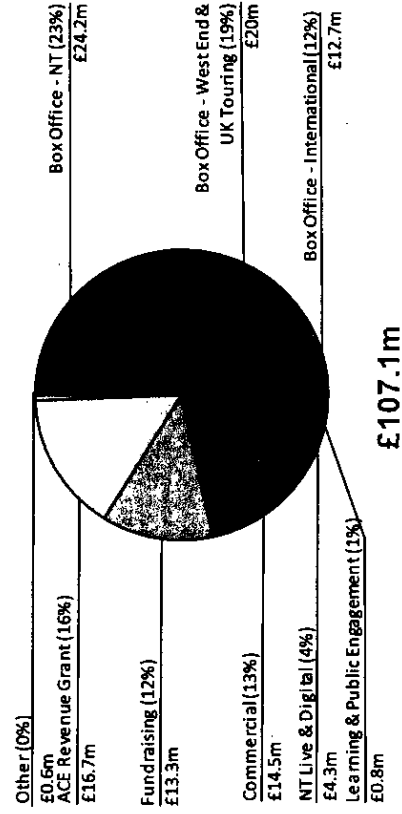
2019-2020



EXPENDITURE



2018-2019



CHAIR'S STATEMENT

It is impossible to look back at 2019-2020 without first acknowledging the year of unprecedented change that followed. Towards the end of March 2020, the coronavirus global pandemic caused the devastating and sudden closure of The Royal National Theatre, cutting off 75% of our income overnight. As the longer-term impact of the pandemic unfolded, The Royal National Theatre went through a traumatic period of crisis - including job losses for a number of the fantastic staff who helped create and deliver the work we celebrate in this review and the severe financial impact on the creative freelance community that threatens the lifeblood of the theatre sector.

This review of The Royal National Theatre's 2019-2020 financial year to 29 March is a snapshot of a thriving theatre with an extraordinary impact. The Royal National Theatre created artistic work which inspired and entertained, revealing more about the world we live in - from the epic production of *Small Island*, which met the moment of the Windrush scandal, to the creation of a new hit in the fantastical adventure *The Ocean at the End of the Lane*. It reached audiences, not only across the UK, but in New York and on tour around the world. The second Public Acts production celebrated the long-term relationships with communities in London and Hornchurch. The Royal National Theatre's work with children, young people and teachers went from strength to strength, with in-depth participation courses and productions touring into schools.

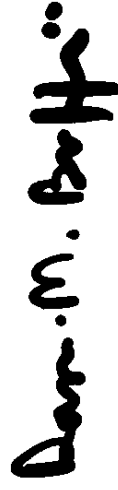
In the 12 months following the start of the pandemic to March 2021, and despite the enormous challenges presented by the pandemic, The Royal National Theatre team demonstrated their impressive capacity for innovation. The Royal National Theatre reached 9 million different households in 173 countries around the world over a 16-week period from April 2020, with the free National Theatre at Home streaming programme on YouTube. National Theatre at Home then became a paid streaming platform, designed to prioritise payments to the freelance artists who made each work. The Olivier Theatre was reconfigured to the round to enable socially distanced performances, and The Royal National Theatre staged and filmed two extraordinary productions against the odds. The Lyttelton Theatre became a film studio, celebrating the skills and versatility of The Royal National Theatre's technicians and craftspeople and producing its first title, *Romeo and Juliet*. Learning and community work continued to inspire and engage people across the country - online for Connections, New Views, Let's Play, the Young People's programme and Drama Teacher Conference, as well as through feats of coordination such as the delivery of pantomime activity packs to children in partnership areas.

In a normal year, everything The Royal National Theatre does relies on the generous support and enthusiasm of its donors, partners and audiences. But in this very difficult year to March 2021, this support has been truly essential to the survival of the theatre. In addition, The Royal National Theatre received a substantial £20m loan from the Government's Cultural Recovery Fund. Whilst the pandemic continues to cause significant uncertainty and will undoubtedly create challenges for the year ahead, taken together, these forms of support have helped steady the ship and set a course for recovery.

The future will be different from what came before, but it seems clear to me that crisis has strengthened and clarified The Royal National Theatre's mission: to create world-class theatre for everyone; to develop talent for the creative health of the nation, representing and celebrating our country's diversity; to change lives through participation and create opportunities for every child to experience theatre. Theatre has a vital role to play in the UK's economic and emotional recovery from the pandemic, and The Royal National Theatre is now looking forward to reimagining that future, rebuilding and reopening.

Sir Damon Buffini

Chair, The Royal National Theatre
29 March 2021



MISSION & STRATEGY

MISSION

At The Royal National Theatre, we make world-class theatre that is entertaining, challenging and inspiring. And we make it for everyone.

VISION

Theatre can lead to extraordinary moments of shared imagination. It enables us to stand in another's shoes to better understand ourselves and the world around us. It shows us who we are, who we have been, who we could be. The Royal National Theatre delivers on this promise through a world-class programme of performance, reinvigorating existing work and exploring progressive new voices and forms.

We make theatre with as wide a range of artists as possible, seeking always to find fresh perspectives on the stories that we tell. On our stages in London, and through tours, partnerships, digital and broadcast, we share this work with a large, diverse and evolving audience, throughout the UK and around the world.

We aim to provide leadership and advocacy for theatre across the country. Our work is shaped by the world around us, and we seek to be constantly engaged with the wider national conversation. Through the work we make and our world-leading learning programme, we want to engage all audiences with the power and potential of theatre.

We are a theatre for the whole nation, a theatre for everyone.

OUR STRATEGY

A four-year business plan for the period 2018-2022 marked the opportunity to set new strategic objectives for The Royal National Theatre with effect from 2018-2019. The hallmark of this is a continuing commitment to excellence and ambition in our artistic work, but sitting alongside this a growing social purpose for The Royal National Theatre.

Our plan came at a time when we saw declining opportunities for children and young people to participate in drama at school, a falling off in audiences for drama at many venues around the country, a decline in local authority funding and uncertainty around other public funding. However, it is striking that individual creativity and ambition for what theatre can achieve remains strong. Digital presents new ways of making work as well as a channel for wide distribution, and internationally there is a growing audience for our work as well as a strong appetite to collaborate and make work at The Royal National Theatre.

Against this backdrop of challenge and opportunity we saw a leading role for The Royal National Theatre as the largest producer of theatre in the UK, and with the real possibility of changing lives through our work. This is a role which we relish and has driven our business planning.

We set ourselves five key aims:

1. **To make theatre that resonates with contemporary audiences, by developing new voices and forms and reinvigorating existing work**
2. **To increase opportunities for all to experience the transformative power of theatre**
3. **To use The Royal National Theatre's leadership position to advocate for the importance of the arts in society and support the health of the sector**
4. **To expand The Royal National Theatre's international reach and impact**
5. **To deliver in a financial and socially sustainable way**

Clearly, since the on-set of lockdown in March 2020, we have had to reassess our aims and what we can and cannot deliver. We believe, however, that these aims remain largely appropriate in any post-Covid environment; although clearly they will need to be flexed as differing circumstance prevail. We are in the process of adapting as to how we seek to deliver our strategy in the months and years ahead and further details will be provided in the 2020-2021 Annual Report.

AIM 1. TO MAKE THEATRE THAT RESONATES WITH CONTEMPORARY AUDIENCES, BY DEVELOPING NEW VOICES AND FORMS AND REINVIGORATING EXISTING WORK

DEVELOPING A BROAD RANGE OF AMBITIOUS WORK

In 2019-20, the work on our stages on the South Bank spoke clearly to contemporary themes and questions through a mixture of new work, adaptations and fresh approaches to classic work.

We staged six pieces of original new writing. In the Dorfman, *Death of England* by Roy Williams and Clint Dyer was a compelling portrait of a man coming to terms with the flaws of his late father and his own complicity in racism in contemporary Britain; *Faith, Hope and Charity* concluded Alexander Zeldin's inequality triptych with the story of a community centre facing closure; *Jellyfish* was about first love, independence, and coming of age with Down's Syndrome; and Ella Hickson's Cold War thriller *ANNA* used binaural sound to transport audiences into the life of Soviet Berlin. In the Lyttelton, Simon Woods' blistering debut play *Hansard* depicted a relationship destroyed by a painful secret, while Lucy Kirkwood's *The Welkin* explores how female bodies are regulated and failed by the law.

Some of the most popular works of the year were new adaptations of well-loved novels. Helen Edmundson adapted Andrea Levy's *Small Island* charting the epic journey of the Windrush Generation. April de Angelis adapted *My Brilliant Friend* by Elena Ferrante in a two-part epic following a life-long friendship between two women. Meanwhile, in the Dorfman, Joel Horwood's adaptation of *The Ocean at the End of the Lane* by Neil Gaiman thrilled audiences with its fantastical exploration of grief and memory, and Andy Stanton's *Mr Gum and the Dancing Bear* was delightfully disgusting fun for children. Adaptations of plays also featured strongly in the programme. Inua Ellams' reworking of Chekhov's *Three Sisters* re-set the story in the Nigeria-Biafran War. David Hare created a new version of *Peter Gynf* for the Olivier and the Edinburgh International Festival, and Tony Kushner created a new version of Frederick Durrenmatt's *The Visit*.

UK premieres of the best of international writing included Annie Baker's *The Antipodes*. In the Lyttelton, *Master Harold... and the boys* by Athol Fugard explored the stain of colonialism, as well as a tale about power and family with *Rutherford and Son* by Githa Sowerby. Our popular production of Brian Friel's *Translations* returned for a second run in the Olivier. We also welcomed two visiting productions – Robert LePage's epic production of *The Seven Streams of the River Ota* (first staged at the NT in 1996) and Sydney Theatre Company's powerful *The Secret River*.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NO. 749504)

Number of productions played (new in brackets)	2019-20		2018-19		2017-18		2016-17		2015-16	
Olivier	7	(6)	8	(6)	7	(5)	7	(6)	8	(6)
Lyttelton	8	(6)	9	(7)	7	(5)	7	(6)	9	(7)
Dorfman	9	(8)	11	(9)	8	(7)	11	(10)	7	(5)
Temporary Theatre	-	-	-	-	-	-	1	(1)	11	(9)
TOTAL	24	(20)	28	(22)	22	(17)	26	(23)	35	(27)

SUPPORTING THE CREATIVE CASE FOR DIVERSITY

We believe that a successful theatre is a theatre for everyone, where inclusivity and accessibility are paramount. This begins with the work on our stages and our responsibility to tell stories that represent the whole country, that resonate with the wider national conversation and from a broad and diverse range of voices. Our 2019-20 season of work saw The Royal National Theatre continue to close the gap in representation on our stages. In addition, the year saw us confirm the programme of our planned 2020-21 season, which would have exceeded our five-year targets. This programme of work was, in the event, not delivered due to impact of the Covid-19 global pandemic.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NO. 749504)

Targets for core programme	2021 targets	2019-20 (delivered)	2020-21 (as programmed)
% female living writers	50%	33%	60%
% female directors	50%	50%	50%
% female performers	50%	47%	n/a
% writers BAME ¹	20%	22%	22%
% directors BAME ¹	20%	10%	30%
% performers BAME ¹	>25%	35%	n/a

DEVELOPING NEW VOICES FOR OUR STAGES

We want The Royal National Theatre to offer a broad, world-leading programme, and to significantly increase the diversity of the artists making the work by 2021. The New Work Department (NWD) plays an instrumental role in helping us meet both ambitions.

The cohort of directors, actors, creatives and other freelancers who were contracted by the New Work Department in 2019-20 exceeded the diversity targets set for our programme, with 52% identifying as female, 34% BAME¹, and 17% as disabled. This diversity was reflected among the lead creatives on our active commissions in 19-20 - 55% female, 33% BAME¹, 9% disabled.

The New Work Department runs several artist development programmes, including staff directors and attachments for artists and writers. One aim of these programmes is to continue to improve the diversity of the cohort of established artists being commissioned to create work for The Royal National Theatre's stages. This group therefore featured strong representation of artists with protected characteristics under our diversity targets - 74% female, 55% BAME¹, 24% disabled. 2019-20 also saw the inaugural year of the Chanel Women of Tomorrow Directors Award, which was awarded to Grace Gummer.

¹ We are reviewing our use of the acronym BAME but refer to it throughout this historic report to monitor progress again our targets to grow the diversity of the work on our stages, our creative teams, our governance, our workforce and our audience.

AIM 2. TO INCREASE OPPORTUNITIES FOR ALL TO EXPERIENCE THE TRANSFORMATIVE POWER OF THEATRE

REACHING AUDIENCES NATIONWIDE THROUGH TOURING AND PARTICIPATION

We continued to deliver a substantial UK touring programme, with performances out-of-London of *War Horse*, *Barber Shop Chronicles*, *A Taste of Honey* and *Home I'm Darling*, as well as two titles adapted for schools, *Hamlet* and *The Curious Incident of the Dog in the Night-Time*. Across the year we reached 185,414 people through touring outside of London.

We also toured several productions within London to non-West End venues, as part of our work to increase the diversity of our audiences. *Barber Shop Chronicles* played at The Roundhouse in Camden, drawing audiences of 36,871, *Peter Pan* ran at Troubadour Theatre in White City reaching 25,248 people, and *War Horse* played at Troubadour Wembley Park, reaching 46,843. The performances at Wembley Park included several dedicated performances for 38 state primary and secondary schools from the borough of Brent, introduced by author Michael Morpurgo, as part of the run up to Brent's 2020 London Borough of Culture festival.

We also entered the third year of the Theatre Nation Partnerships (TNP); a three-year project that focuses aspects of our nationwide work into areas where there are challenges to arts engagement, working with local theatres to build a lasting audience for drama – and drawing on combined expertise and resources, and each partner's deep community links. Our partners are Cast in Doncaster, The Lowry in Greater Manchester, Queen's Theatre in Hornchurch, The Empire and The Fire Station in Sunderland, Theatre Royal in Wakefield and The Grand in Wolverhampton.

DEVELOPING PUBLIC ACTS, OUR THEATRE AND COMMUNITY PROGRAMME

Public Acts is The Royal National Theatre's nationwide initiative to create extraordinary acts of theatre and community. The programme creates ambitious new works of participatory theatre and is built on sustained partnerships with theatres and community organisations across the UK who share our vision of theatre as a force for change.

2019-20 saw the Public Acts programme hit its stride. In the first half of the year, we continued to work with the fantastic community partner organisations in London, including with many individuals who had worked on the first production, *Pericles*. In August 2019, this activity culminated in the performance of a musical version of *As You Like It* at Queen's Theatre Hornchurch.

In the second half of the year, workshops began in Doncaster with participants at five new community partner organisations. The groups took part in workshops which supported the aims of each organisation and began working towards the scheduled production of *The Caucasian Chalk Circle* at CAST in August 2020.

The new community partner organisations are:

- *Edlington Community Organisation*, which supports the local community in a huge variety of ways including through breakfast clubs, foodbanks, older people's clubs and choirs
- *The Conversation Club* is a Doncaster charity which supports people seeking asylum and refugees through friendship.
- *B:Friend*, a Doncaster charity working to combat social isolation for older people in the Borough through befriending and activity groups.
- *Creative Directions at darts (Doncaster Community Arts)*, which is a drop-in session for adults who may have experienced mental ill health or who would benefit from being part of a group.
- *Cast Young Company*, which is made up of older young people from our youth theatre and Doncaster LGBTQ young people's support group.

INCREASING PARTICIPATION IN DRAMA AND THEATRE-MAKING IN UK SCHOOLS

National Programmes: Connections, Let's Play & New Views

Our nationwide Learning programmes continued to be an important way to engage children and young people through in-depth experiences at school.

- **Connections**
Our nationwide youth theatre festival saw school and youth theatre companies from Inverness to Cornwall produce one of 10 newly commissioned plays and perform at 31 partner theatres across the country. In 2019-20 300 companies and 6,000 young people took part.
- **Let's Play**
The programme supported Primary Schools and teachers to create brilliant schools plays – and to use drama and theatre to inspire learning across the curriculum. 152 schools took part in 2019-20, of which 102 schools were from 18 counties outside of London and the Southeast.
- **New Views**
The Royal National Theatre's playwriting programme for 14-19 year olds inspired students across the UK, who were mentored through the course by a

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

diverse team of The Royal National Theatre writers. 92 schools took part in 2019-20. The winning play, *If Not Now, When?* by Isabel Hague of CAPA College in Wakefield was produced in the Dorfman Theatre, alongside a further 8 shortlisted plays which received rehearsed readings.

As well as our nationwide programmes, we ran an extensive programme for young people at The Royal National Theatre, including training courses for young people aged 14-21 in technical theatre, stage management and producing, events for primary and secondary students offering insights into The Royal National Theatre repertoire and careers in theatre, and a programme of professional development for teachers including our annual Drama Teacher Conference.

REACHING MORE PEOPLE THROUGH DIGITAL DISTRIBUTION

National Theatre Live

NT Live seeks to broadcast the best of British theatre to cinemas throughout the UK and around the world, overcoming many geographical and logistical barriers to attendance. 2019-20 was a bumper year for NT Live, with a global audience of 1.57m, more than doubling our 2018-19 audience of 0.78m. We broadcast nine new titles, including *The Lehman Trilogy* and *Small Island* from the National Theatre, The Bridge's promenade production of *A Midsummer Night's Dream*, *Present Laughter* and *All My Sons* from the Old Vic, and *Cyrano de Bergerac* from the West End. The immense success of NT Live in 2019-20 boosted by the unprecedented popularity of *Fleabag* in the UK, which saw many cinema venues scheduling multiple screenings.

National Theatre Collection

In June 2019, we launched the successor to our free schools streaming service On Demand In Schools: the National Theatre Collection. The Collection expands access to schools, universities, libraries and the education sector worldwide, and facilitates the licensing of a growing list of titles from our archive. The Collection remains free to UK state schools. In 2019-20 30 titles were watched across both platforms by an estimated audience of 0.7m.

Social Media

Last year we uploaded 128 pieces of new high-quality video content to our YouTube channel, which were viewed 1.8 million times. Overall, our wider content received 4.1 million views in total, in line with our target and up on the previous year of 3.3 million.

Immersive Storytelling Studio

The Immersive Storytelling Studio enables us to explore and test new forms of storytelling through digital technology. In 2019-20, we presented *All Kinds of Limbo* – an immersive VR experience starring Nubiya Brandon, who sings a musical narration of her life in limbo that spans the genres of reggae, grime, classical, and calypso. The piece was commissioned to appear at The Royal National Theatre alongside performances of *Small Island*, and it charts a musical journey inspired by the influence of Caribbean culture on the UK's music scene. This production also went to the Sundance Festival, and was shown at the Tate Modern.

INCREASING ATTENDANCE BY UNDERREPRESENTED GROUPS ON THE SOUTH BANK

Audience diversity

- 12% of our audience were from BAME backgrounds, up from 9% in the previous year – and above our 2023 target of 10%.
- 28% of audiences were first time bookers, just under our 30% target.
- 15% were under 35 – a drop year on year against our 20% target. This swing is due in particular to the popularity of work in our largest space, the Olivier theatre, with older people – such as the adaptation of Elena Ferrate's *My Brilliant Friend*.
- Accessible ticket pricing remains an important part of sharing our work in London with broad audiences, and we maintained our commitment to ensure that 30% of tickets cost £20 or less. In January 2020, we launched a new pricing scheme which increased by 25% the quantity of £20 and £10 tickets available across the year.
- Over 120,000 people deepened their engagement by attending talks, events and free exhibitions. The free River Stage festival attracted a young and diverse audience of 25,000 for a month of celebration and fun including record-breaking attendance on London Pride weekend with our partner company The Glory. We also presented *Courage Everywhere*, a series of rehearsed readings of plays written and directed by women in celebration of the 100th anniversary of women's suffrage.

Access

17,908 concessionary tickets were sold to disabled people and their companions for The Royal National Theatre productions on the South Bank (2018-19: 17,309). These included 2,762 patrons using captioning and 471 audience members accessing audio-described performances (2018-19: 1,412 and 407, respectively).

We launched our revolutionary Smart Caption Glasses in Autumn 2018. When wearing the glasses users see a transcript of the dialogue and descriptions of the sound in a performance displayed on the lenses. For the first-time service users can experience our productions from any seat, in any theatre, on any date. In 2019-20, the glasses were available on 100% of productions at the South Bank and at 80% of performances. The glasses were used over 2,200 times during this year.

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THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

AIM 3. TO USE THE ROYAL NATIONAL THEATRE'S LEADERSHIP POSITION TO ADVOCATE FOR THE IMPORTANCE OF THE ARTS IN SOCIETY AND SUPPORT THE HEALTH OF THE SECTOR

ADVOCATING FOR THE IMPORTANCE OF THE ARTS AND STORYTELLING ECONOMY

Supporting our objectives around policymaking and funding

The public affairs landscape continued to be challenging in 2019-20, with frequent changes to political appointments and schedules. In this context, we were effective in repeatedly reaching out to new ministers, shadow ministers and special advisers, and building new relationships around key areas of shared interest, such as opportunities for young people.

As part of a more pragmatic programme of building public affairs relationships, we invested strongly in building friendly and co-operative relationships with senior civil servants throughout the Department of Culture, Media and Sport and No.10 Downing Street. These individuals offer the benefit both of greater longevity in role, as well as detailed knowledge around government decision-making and priorities – this is therefore likely to be a strategy that we continue with into the future.

We also took time to build relationships with a wider group of Members of Parliament (MPs) and members of the House of Lords through targeted invitations to cultivation evenings. In February 2020, we hosted an immersion day for a cross-party group of 12 MPs, including then Shadow Minister for Culture Tracy Brabin, in partnership with the Industry and Parliament Trust. Introduction to programming and new work, a tour of backstage and production spaces, opportunity to try VR experience *All Kinds of Limbo*, and a whistle stop tour through our national and international work.

We worked with the Mayor of London on a key case study in a report on creative supply chains in London and their wider economic impact. We joined the steering committee for the new All Party Parliamentary Group for Theatre, which was established in 2019. We also submitted evidence to several committees, including the Oracy All Party Parliamentary Group and inquiries by the House of Lords Communications Select Committee.

ADVOCATING FOR AND SUPPORTING THEATRE, DRAMA, AND CREATIVE EDUCATION IN SCHOOLS

Advocacy for Creative Education

Our advocacy work on the arts and storytelling economy highlighted the charitable mission behind our education work, seeding the importance of Creative Education within our wider messaging. For example, the Industry and Parliamentary Trust immersion day illustrated our approach to supporting a throughflow of talent and audiences from schools and touched on the context for teachers when delivering our work; meanwhile, our evidence to the Oracy All Party Parliamentary Group included findings from our primary school programme Let's Play.

Supporting Creative Education in Schools

We continue to collaborate with partners including other national cultural organisations, Arts Council England and the regionally focused Bridge organisations on strategies to support drama teachers in schools and colleges. Alongside more granular work The Royal National Theatre runs four national cultural education programmes for schools, and each offers bursaries and support for teachers.

Teachers and youth theatre leaders took part in our annual Continual Professional Development (CPD) programme, meeting our target of 1,125. 400 high priority schools (those with nationwide high levels of free school meals, English as an additional language or in areas of low arts engagement) engaged directly with The Royal National Theatre activity during the year, ahead of our target of 200 schools.

SHARING LEARNING AND EXPERTISE WITH THE SECTOR

Theatre Nation Partnerships (TNP) - Sharing skills and leading change

The TNP meetings held during the year at Queen's Theatre Hornchurch and at The Royal National Theatre proved invaluable forums for collaboration and knowledge exchange. The meetings brought together Executive Directors, learning, marketing, programming & audience development teams from our seven partner theatres across England, with topics including engaging schools, digital marketing and access. We have helped these theatres develop joined-up approaches to programming and audience development and to plan and test audience development strategies locally. Leeds University are assessing the TNP programme and their report will inform the way we share our learnings with the wider sector.

Formal sector guidance

Our senior staff sit on over 30 major industry boards including Lyric Hammersmith, Bush Theatre, Battersea Arts Centre, High Tide, Eclipse and Nottingham Playhouse. We take part in industry mentoring schemes like Stage One and Momentum. Momentum is run by The Royal National Theatre, Barbican, the Royal Opera House, and the Southbank Centre.

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THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

AIM 4. TO EXPAND THE ROYAL NATIONAL THEATRE'S INTERNATIONAL REACH AND IMPACT

DEEPENING OUR PRESENCE IN KEY INTERNATIONAL TERRITORIES AND INCREASING INTERNATIONAL AUDIENCES

In 2019-20 we saw 8.55 million engagements with The Royal National Theatre worldwide; this included 1.74 million ticketed attendances for live theatre around the world. NT Live broadcasts reached 1.57 million people in the UK and internationally, taking the very best of British theatre to a wide audience in 65 countries.

We worked closely with international partners in co-productions at The Royal National Theatre. We welcomed Robert Le Page and French-Canadian company Ex Machina's production of *The Seven Streams of the River Ota* back to The Royal National Theatre for the first time since 1996 with the production to mark the 75 years since the bombing of Hiroshima. We presented *The Secret River* from Sydney Theatre Company, as part of a group of producers who made a transfer to London and the Edinburgh International Festival possible. Our production of *Peter Gynt* also transferred to the Edinburgh International Festival.

It was another significant year for The Royal National Theatre's activity in New York. Our production of *Network* continued to play at the Belasco Theatre after extending to June 2019 due to critical and box office success. *Network* was nominated for five Tony Awards, and picked up the Tony Award for Best Actor in a Play. The year also saw the Broadway transfer of *Hadestown*, which opened at the Walter Kerr on 22 March 2019 and went on to win eight Tony awards (of 14 nominations) including Best New Musical. Finally, the hit production of *The Lehman Trilogy* transferred to Broadway's Nederlander theatre after a sold-out run at the Park Avenue Armory; sadly, this production only saw four performances before Broadway was shut down due to Covid-19.

Beyond the US, *War Horse* toured to Ireland, France, New Zealand and Australia, with planned dates in Hong Kong canceled due to the protest movement. In addition, the Mandarin language production of *War Horse* continued to play in China.

AIM 5. TO DELIVER IN A FINANCIAL AND SOCIALLY SUSTAINABLE WAY

ORGANISATIONAL RESILIENCE AND CAPACITY

Governance & Risk Management

During the year, the Board reviewed the Board rolling annual agenda and frequency and sequencing of Board, Subsidiary Boards and Board Committee meetings, in order to ensure that the Trustees were fully engaged in all areas of The Royal National Theatre's business and that the framework for considering recommendations and taking decisions was appropriate and robust.

A review of the current Chair of the Board was conducted by the Nominations Committee and the Board were delighted to agree the recommendation that the current Chair, Sir Damon Buffini, be appointed for a second term of 4-years at the end of his first term in June 2020.

Following the outbreak of the Covid-19 pandemic in March 2020, the Board received weekly updates from the Executive to ensure that they were kept fully appraised and updated on the continual changes in the internal and external operating environment. The Board also moved to a cycle of more frequent - monthly - Board meetings to ensure they had oversight and governance of all scenario planning and risk mitigation and were kept up to date on the impact of Covid-19 on The Royal National Theatre's activities, staff, freelancers, audiences, beneficiaries and other stakeholders, assets and reputation and finances.

Compliance

Progress was made to strengthen The Royal National Theatre's compliance arrangements; we continued to update our Health and Safety policy and procedures with a focus on Fire Policy and Evacuation Plans, and the implementation of new software for the management of the control of substances hazardous to health (COSHH). The new Safeguarding Group has been monitoring compliance and reporting issues to the Finance and Audit Committee and staff have been trained to ensure that safeguarding is considered at the planning stage of The Royal National Theatre activities. We have begun an update to our starter induction process to integrate e-learning modules on key The Royal National Theatre policies and compliance training.

IT Strategy

We have embedded our new IT governance arrangements with the IT Strategy Group and three new steering groups: Audiences & Digital; Production & Planning and Operations & Security meeting regularly. Our new IT Director joined in October 2019 and has re-structured the department and its priorities to strengthen IT resilience and security. Updates to the website in the previous year to support online ticket sales have ensured that the site has been stable through 2019-20. We have identified a new purchase pathway that will increase our resilience and ability to cope with large on sales; this project will be completed in 2021-22.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

Security

Our security environment has been significantly strengthened with a fully embedded new CCTV monitoring room (staffed 24/7), which provides a much greater ability to monitor, follow-up incidents and share intelligence with our neighbours and the police. We increased resource to strengthen the management of our security function. We carried out police-led terrorism awareness training for our officers and front of house, non-security, staff.

Major Incident Response Planning

Progress was made towards finalising our Major Incident Response Plan during the year. Planning took place in the period January to March when the risk of disruption to our activities as a result of the Covid-19 virus became a likelihood. This planning was successfully put to the test when the building closed on 16th March 2020 and all staff were required to work remotely from 23rd March 2020.

STAFF RESILIENCE AND CAPACITY

Staff Resilience

We ran Managing Health at Work training for over 70 senior and middle managers and a continual programme of wellbeing and mental health at work events for all staff. We continued to supplement the work of our in-house Welfare Counselling service with the appointment and training of 18 Mental Health First Aiders, covering all areas of the business, and continued to promote our external Employee Assistance Programme for all workers, giving access to 24/7, 365-day support.

Staff Training

All staff were encouraged to take training courses via our e-learning platform. We have been developing 14 new internally created courses for the platform and host a further 160 external courses. Several mandatory compliance training courses were rolled out via this platform, including PCI and safeguarding, and were accessed by at least 75% of the target staff groups.

Training was carried out to enable staff to promote and use new software, particularly Microsoft teams and Office 365, which enabled the organisation to make a relatively quick and effective transition to remote working, where possible, during the Covid-19 lockdowns and working restrictions.

Management Apprenticeships were launched in conjunction with White Hat, which enabled 20 junior managers and supervisors to complete a 12-month apprenticeship programme, to be completed in 2021.

The Work Placement scheme was revised to focus more directly on reaching young people who are under-represented within the sector. The target was met of ensuring that 30% of placements were people from a BAME background, or from a lower socio-economic group or had a disability. We also supported 5 workers with learning Disabilities into paid placements, one of whom was given a further fixed term contract.

Technical skills and compliance

An ongoing training and refreshment programme is in place in order to ensure that our 250 technical staff are kept up to date in key competencies, including core compliance and safety training, and specific training licences.

EMBEDDING ENVIRONMENTAL SUSTAINABILITY AT THE HEART OF OUR PRACTICE

In October 2019, The Royal National Theatre declared a climate emergency, saying that we recognise that climate change needs to be tackled urgently and making commitments as an organisation to address it.

The key themes of our Environmental strategy are: People, Place and Production.

People

- We continue to encourage and embed environmental thinking amongst staff which we progress via our staff intranet and company meetings.
- We launched an Environmental Handbook, shared with all staff, that is designed to help drive change in our working areas and at home.
- We set up a series of regular Environmental Town Hall meetings. The aim of these is to provide time for us to come together as individuals to discuss issues around environmental sustainability, beyond the work going on at a strategic and departmental level. These meetings are a space for questions and discussion, as well as opportunities for people leading on sustainability across The Royal National Theatre to update us on their work.

Place

- We have met our targets to increase the amount of waste we recycle to 56% on productions and 72% on non-production activity.
- We replaced all disposable cold drink cups in our food and beverage outlets with recyclable cups.
- We have met our 2021-22 target to reduce energy and water carbon emissions by 20%, two years ahead of schedule; this has been achieved through initiatives including:
 - A project to fit LED lighting in the Olivier and Lyttelton theatres and front of house areas; this major project will continue into 20/21.
 - Improvements to the management of our Building Management System.
 - Upgrading pump and fan controls for our heating and ventilation systems.

Production

- The Production Environmental Group continues to work on a series of environmental initiatives.
- Creative teams are encouraged to work in a sustainable way, creating productions with consideration to environmental sustainability.
- We continue to use our off-site storage capacity to reduce scenery waste and improve re-cycling.
- The Royal National Theatre contributed to an industry wide "Green Book" on environmental sustainability, due to be published in 2021-22.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

Streamlined Energy and Carbon Reporting (SECR)

In accordance with the requirements of Streamlined Energy and Carbon Reporting (SECR) imposed by the 2018 SECR Regulations, we are required to disclose the following energy and carbon information:

Scope 1: Emissions from combustion of Gas tCO ₂ e: 1,389 (Energy consumption: Gas 7,553,239 Kwh)
Methodology: tCO ₂ e calculated from the product of the invoiced gas consumption in kWh during the reporting period and the 2019 UK Government GHG Conversion Factors for Company Reporting (version 1.3) for 'Natural Gas'
Scope 2: Emissions from purchased electricity tCO ₂ e: 1,370 (Energy consumption: Electricity 5,360,427 Kwh)
Methodology: tCO ₂ e calculated from the product of the above stated electricity consumption in kWh during the reporting period and the 2019 UK Government GHG Conversion Factors for Company Reporting (version 1.3) for 'Electricity Generated/Electricity: UK'
Scope 3: Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing for fuel tCO ₂ e: 9.2
Methodology: tCO ₂ e calculated from the total mileage expenses claimed during the reporting period (68,557 miles) multiplied by the 2019 UK Government GHG Conversion Factors for Company Reporting (version 1.3)
Scope 4: Intensity ratio: tCO ₂ e gross figure based from mandatory fields (tCO ₂ e/m ²): 0.048
Methodology: The intensity ratio stated above has been calculated as Tonnes of CO ₂ e per total square metres of useful floor area (57,141m ²)

FINANCIAL SUSTAINABILITY

Unrestricted income of £100.4 million was in line with the previous year (£102.3 million), reflecting continued high levels of box office income achieved for The Royal National Theatre productions at the South Bank and significant UK and international touring activity.

There was a negative movement in unrestricted operational funds of £2.8 million, reducing operational reserves to £9.4 million; equivalent to nearly two months of core, normalised operating expenditure. Our target is to hold a minimum of the equivalent of three months of core, normalised operating expenditure in operational reserves, which is circa £15 million.

The Royal National Theatre's Arts Council England core revenue grant funding, which in 2019-20 was £16.7 million, is critical to support the risk inherent within, and the breadth of, our artistic aims. The Strategic Touring grant of £1.2 million over three years is fundamental to support one of The Royal National Theatre's key aims, our Theatre Nation programme. The Royal National Theatre has also become increasingly dependent in recent years on Theatre and Film tax credits, which in 2019-20 amounted to £4.5 million.

Pre-Covid-19 Financial Position

The Royal National Theatre had a four-year business plan for the period 2018-22 which identified our strategic aims and objectives and looked in detail at potential opportunities and challenges for the organisation, with a plan to support financial sustainability.

Over this four-year plan period, our ACE grant contributed 17% of our income (having declined over the past 10 years by over 30%), and 47% of the net funding (contribution) required to support our activities; the balance of funding required being self-generated, including fundraising net income at 32%, net income from trading activities at 9%, and net contributions from NT Live and our commercial transfers and touring activities each at 6%.

We responded to the challenge of reduced ACE funding by diversifying income streams and commercial exploitation of breakout productions, as well as developing digital initiatives to reach new audiences, substantially growing philanthropic support and restructuring the business for cost efficiency.

Fundraising growth has been underpinned by box office success and our expanded nationwide commitment to education, work with communities and long-term talent development. Increased income from individual, corporate and trust sectors in 2019-20 delivered £13m/12% of income.

Diversification was a successful approach which enabled us to grow operating reserves and increase audience reach/activity. However, it has not reduced the inherent volatility and risk in our business model – instead substantially growing numbers of staff employed to deliver commercial/self-generated income.

Our challenge was to find a way to bridge the gap between the real term decline in ACE funding and the additional investment we require to strengthen our operational resilience – in recognition of the challenges to further growth in box office, development and commercial trading income and within a climate of expected inflationary pressure on all our costs. In particular we were concerned about our ability to keep pace with pay inflation given that circa 60% of our cost base related to payments to individuals.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

We sought to address this challenge by finding new income streams, with focus on international and digital development opportunities, and investment in our on-site commercial catering and hospitality facilities.

Progress was made in 2019-20 to address financial sustainability concerns, including:

- Implementation of box office pricing recommendations following an independent review to address accessibility and income generating objectives.
- The start of a review of further commercial exploitation of our food & drink, retail and events offers.
- Implementation of opportunities to grow revenue and improve cost efficiencies within our NT Live offer.
- Implementation of recommendations arising from three internal working groups to review cost efficiency and revenue generating initiatives:
 - Operating & administration costs
 - Producing cost model
 - Space optimisation in relation to commercial and mission growth opportunities

Our ability to deliver shows to the standards of excellence to which we aspire requires a technical infrastructure that is reliable and fit for purpose. We benefited from the technical refurbishment of the Dorfman Theatre as part of NT Future and recognise that a similar capital spend is necessary in our two larger theatres. In 2019-20 we reviewed our stage's technical infrastructure needs, together with those of our building, with a focus on environmental sustainability in both areas. This identified a total investment need of £35m in excess of our capital allocation of £3.4m per annum, across the next five years. Given its scale we determined this should form part of a major fundraising campaign, together with funding to support our Theatre Nation Partnership objectives over the next five years. We undertook an independent fundraising feasibility review and had planned to launch this campaign in late Spring 2020. This has been superseded by a Major Funding Campaign of £40m to cover our revenue funding gap across 2020-21 and 2021-22 following the impact of Covid-19 on our finances, with the inclusion of some limited capital funding. Our aim is to return to the £35m additional capital need in 2022-23.

Covid-19 impact on financial position

On 16 March 2020, the UK Government issued an emergency statement to the general public, telling them to avoid assembly in public places, including theatres. That evening our theatres fully closed. By the end of the week, the Government's advice became a general closure order.

Pre-Covid-19, we had a largely fixed cost model, with variable income levels, relying heavily on the popularity of our productions on the South Bank to generate income and deliver work for commercial transfer. High reliance on box office and related income to fund productions and charitable activity has meant that The Royal National Theatre's finances have been severely impacted by Covid-19.

Since March 2020, we have carefully considered reopening scenarios, looking at short and longer-term opportunity and risk. We considered how reopening or remaining closed provided The Royal National Theatre's best chance for long-term survival in the context of our finances, our mission, our audiences, our donors, the future health of the sector and our role as a sector leader.

Performances are the bedrock of our relationships with artists, audiences, members, donors and corporate partners. Were our theatres to remain closed and activity stop, we would put at risk a significant proportion of our philanthropic income. We believe that we have a responsibility to return to employing freelance

artists and craftspeople, on whom the theatre industry depends to create and present work, and who are facing great uncertainty, at the earliest possible opportunity.

Furthermore, as one of the UK's leading theatres, we believe that we would damage relationships with artists, peers, funders and audiences were we not to recommence live performances when we are able to do so in a Covid-secure (and, if necessary, a socially-distanced) environment. The medium-term risks stemming from such a scenario are, we believe, severe – given The Royal National Theatre's reputation for quality, leadership and social responsibility.

We also recognise the role theatre plays in developing skills, mental health and employability for young people, improving health and social wellbeing outcomes in disadvantaged groups and the use of our public buildings as a community hub. We believe that closure of our building for a prolonged period would undermine the trust built within these groups.

Our revised 2020-2021 financial model was based on plans to perform to a socially-distanced audience in the Olivier theatre from mid-October 2020 and the Dorfman theatre in early 2021; this activity required stage 4 in the Government's then roadmap of permitted activity, initially granted in August 2020.

We opened two productions in the Olivier theatre before Christmas 2020, both of which had to close within a week of opening due to changing Covid-19 restrictions. The Lyttelton theatre became a studio to produce innovative filmed theatre work to be made available to audiences digitally. All this activity is supported by additional philanthropy and corporate sponsorship.

As at March 2021, with the current national lockdown measures expected to be in place until, at least, May/June 2021, we are not expecting to perform again to live audiences, in a limited capacity, before June 2021 at the earliest.

Our revised 2021-2022 flexible financial plan assumes that we can perform, as usual, without social distancing from September 2021, but considers likely reduced audience demand driven by ongoing Covid-19 concerns. We have considered the further mitigations necessary to ensure financial sustainability in the event of extended social-distancing measures until March 2022. This is further covered under the Going Concern section of this report.

Based on these activity plans, The Royal National Theatre requires an additional circa £80m of funding support across 2020-2021 and 2021-2022 to support The Royal National Theatre's long-term survival and to enable us to meet the needs of our beneficiaries by continuing with activity where we can: by extending our digital offers to audiences, presenting live socially-distanced performances when Covid-19 restrictions allow, and converting our Learning programmes into digital offerings to support both students/young people and teachers.

In addition to taking immediate actions from March 2020 to reduce our costs, and maximise the benefit of the Government's furlough scheme (which is on-going), we considered all forms of financial support available to us including the Government's loan schemes, philanthropy, using our own resources, developing new income streams and seeking exceptional grants and commitments from The Royal National Theatre Foundation.

Recovery Plan

In the summer of 2020, we implemented an £80m Recovery Plan to address this funding shortfall, comprising three planks:

- Self-help (excluding Philanthropy) - £20m – 25%
- Philanthropy - £40m – 50%
- Government Loan - £19.7m – 25%

Self-help - £20m

- Staff costs – of c£17.5m
 - Staff pay cuts in 2020-2021 (£2.5m). The Executive took a 25% pay cut across 2020-2021. All other staff took a 20% pay cut from May 2020 until September 2020, with a minimum payment equivalent to the London Living Wage and moved to a graduated pay cut from October 2020 to March 2021 for those staff earning £25k or above.
 - Contracted staff not able to work were put on the Government's furlough scheme (£7m).
 - A significant redundancy programme was completed in October 2020 (£6m-net), and the holding of staff vacancies (£2m). Permanent contracted staff numbers have reduced by circa 150, a reduction of 23%.
- Support costs – total saving of c£1m
 - Service contracts were re-negotiated or terminated, where possible, generating savings in respect of outsourced security, housekeeping, IT and other contracts.
- Revenue-generating digital activity – c£1.5m
 - We offered 12 popular NT Live recordings to cinemas in the UK and other territories where cinemas were open, although revenues are currently low.
 - We launched a new digital home streaming service, NT at Home, which went live in December 2020; initial revenue figures are encouraging.

Philanthropy – £40m

In late 2020, we launched a Major Funding Campaign seeking £40m to cover our funding gap across 2020-2021 and 2021-2022, net of our self-help measures and Government loan support. This target is a significant increase on our usual fundraising of circa £12m to £13m per annum.

As a result of significant efforts to raise additional funding, our philanthropic income has held up well, in aggregate, although the usual spread of income (corporates 40%, trusts 10%, and individual giving 50%) has seen a significant decline in corporate support, which has been almost compensated by an increase in individual giving and trusts and foundations, in an unprecedented response to this crisis.

- On closure in March 2020, we pivoted quickly to digital communications with members and donors, with a series of special on-line events. This has helped to maintain good renewal rates.

- Audiences have responded well to our first iteration of NT at Home – our provision of 16 The Royal National Theatre titles available on YouTube at no charge for a week at a time, during the first national lockdown. This served as a bedrock from which we launched a public campaign which raised over £2.5m.
- The corporate landscape is extremely challenging, and several six figure partnerships have terminated since March 2020; these will take several years to replace.
- Several trusts and foundations have allowed us to apply for emergency funding. We have unrestricted grants confirmed for 2020-2022.
- Major donors have responded generously to our activity plans and many have made their largest gift so far.
- The Royal National Trust Foundation is a separate charity with long-term objectives to support The Royal National Theatre, provide benevolent support for individuals who work or have worked at The Royal National Theatre and support drama in the UK through The Royal National Theatre. The RNT Foundation holds circa £8m in investments; of which £3m is restricted to support The Royal National Theatre and £1.5m designated for benevolent grants. The Foundation has agreed support to The Royal National Theatre of £3m in cash and £3m to underwrite the box office risk of the socially-distanced performances during 2020-2022.

Government Loan Support - £19.7m

- In December 2020, we successfully secured repayable finance of £19.7m from the Government, via its Cultural Recovery Fund, to support The Royal National Theatre's funding shortfall across 2020-2021 and 2021-2022, net of the self-help and philanthropy measures identified above (£16.7m), and to replenish unrestricted reserves to their target level of £15m representing 3 months of core operating expenditure (£3m). The finance agreement was signed in February 2021.

Progress against the Recovery Plan

The self-help measures and Government support are secured as at March 2021. The philanthropy fundraising target remains a significant challenge over the coming 12 months, but we are encouraged by the level of donor support to date. To date, the Major Fundraising Campaign has raised circa £26m. The risks in meeting this overall target are discussed further in the Going Concern section of this report.

Future financial sustainability

In support of our Government loan application process, we were required to produce a new five-year financial plan demonstrating how, among other things, we could return to financial sustainability by March 2022 and also support loan repayments of circa £1.5m per annum by 2024-2025.

This plan is predicated on continued staff cost and efficiency savings, the growth of new digital income streams, growth in trading net income, and continued strong philanthropic support.

The Royal National Theatre has a track record of strong financial resilience and has demonstrated its ability to adapt to changing financial circumstances. We have achieved considerable entrepreneurial success over recent years, including the growth of commercial transfers and the success of NT Live and NT Collection. However, this is not without risk.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

We currently remain confident about our future, but these are very challenging and unprecedented times for The Royal National Theatre, the cultural sector and society in general; and are likely to remain so for quite some time to come.

Our Approach to Fundraising

We are committed to fundraising best practice and abide by the Fundraising Regulator's key principles and behaviours of a fundraising organisation: to be legal, open, honest and respectful. We have complied with relevant laws and regulations, including the Proceeds of Crime Act, Data Protection, Tax and Gift Aid legislation, and Charity Commission guidance, as well as The Royal National Theatre's corporate policies, such as Anti-Bribery. The Royal National Theatre voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. Two minor issues of non-compliance with this code occurred during the year (2018-2019 - none). Two of our supporters received material that contained the name and address of another supporter in error; in both cases these details were already in the public domain so there was no requirement to report to the Information Commissioner's Office. All affected individuals were notified.

All our fundraising activity is delivered in-house and we ensure our fundraising staff are trained in our fundraising policies and procedures, supported with controls to ensure compliance. We raise money from a range of sources including corporate partnerships (cash and in-kind), corporate memberships, major gifts, individual memberships, legacies, audience appeals, special events and gifts from trusts and foundations. We operate according to an agreed strategy and report back to Trustees at regular board meetings. There are processes in place to manage and identify risks to protect The Royal National Theatre's income, assets and reputation.

An internal audit review of fundraising was undertaken in 2018-19 with no substantive control issues raised. Other than the two incidents referred to above, no complaints with regard to our fundraising practices were received during the year (2018-19 – none).

It is possible that our fundraisers may come into contact with vulnerable people. We are especially careful and sensitive when engaging with vulnerable people, and have a safeguarding policy, procedures and processes in place to ensure we are doing all we can to protect vulnerable people. This area was subject to Internal Audit in 2018-19 and no substantive issues were raised.

SELF EVALUATION

We are committed to rigorously evaluating and assessing the quality and impact of our work. We measure this through surveys, qualitative research and data analysis. We measure audience response to The Royal National Theatre productions and feed this audience insight into the production planning process. We also commission bespoke evaluations into other areas including NT Live, NT Learning and our Membership schemes. The Associates group meets regularly to discuss and objectively assess the strengths and weaknesses of the repertoire, to hold ourselves up to the highest possible standards and to develop a forward-looking creative strategy.

We conduct detailed press campaign reports for every production as well as a wide variety of audience feedback research. We are constantly seeking feedback from all stakeholders and audiences and use the learning to try and improve the quality of the work on our stages.

The diversity targets we have set for writers, directors, and performers on our stages help us approach programming with a greater degree of self-awareness. We look across current and future programming, assess our current performance against these targets and make appropriate adjustments to our programme decision-making.

On the South Bank, the repertoire is planned with the twin objectives of retaining existing audiences and building new ones. Over the past five years we have dramatically increased our understanding of audiences by expanding our programme of insight and analysis. Our bespoke audience segmentation, which draws together attitudinal and behavioural factors, has been used for several years to aid understanding of audience groups. In tandem, our Audience Insight programme, comprising quantitative and qualitative research, is used to examine who is attending and inform audience projections for our future programme. We currently collect and analyse over 25,000 qualitative and quantitative responses from audiences every year, the results of which are monitored and shared across the organisation. In addition, we began using Arts Council England's Impact and Insight Toolkit, bringing together audience and peer feedback to evaluate responses against stated objectives for productions.

Across the Learning programme we run a rigorous quarterly reporting process which reviews progress against objectives, strengths and challenges and feedback from participants for each strand of activity. In addition, we continued with a number of external research studies into the impacts of our programme. Professor Helen Nicholson from Royal Holloway, University of London, has led a team of researchers exploring the impact of the first two years of Public Acts on participants and partner organisations; Dr Ben Walmsley of the University of Leeds and Dr Maria Barrett, University of Warwick, are evaluating Theatre Nation Partnerships.

FUTURE PLANS

2020-21 Financial Year

The objectives detailed further below were set for the 2020-21 financial year before the impact of Covid-19 was known. Whilst the pandemic had an immediate effect on our ability to deliver our core activities of live performance, artistic development and learning and participation, we continued to aspire to these goals and quickly pivoted to digital public performance and learning programmes:

- We launched NT at Home in April 2020 - screening 16 past productions to view for free via You Tube, supported with a fundraising appeal. This provided a useful test of the public's appetite for pay to view and gave us the confidence to invest in a pay to view streaming service which launched in December 2020.
- We switched most of our face-to-face Learning programmes to digital offerings, to support both students/ young people and teachers.
- We converted the Lyttelton Theatre (the seating configuration of which makes it our most challenging space for socially distanced performances), into a film studio, to produce an innovative form of theatre work devised for the camera. We produced and filmed one film in 2020, for distribution in early 2021-22. We plan to produce at least one more film in 2021.

We converted the Olivier Theatre, our largest space, into an 'in the round' configuration to improve the financial viability of socially distanced performances. As soon as we were legally permitted to do so, we rehearsed and opened two productions, one in October 2020 and one in December 2020; both of which had to close within a week due to changes to Covid-19 restrictions. As at March 2021, we are in the third national lockdown and do not envisage re-opening for performances to the public until June 2021 at the earliest.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

We implemented a Recovery Plan to support the £80m funding gap in our 2020-21 and 2021-22 finances as detailed at the Financial Sustainability section of this report, which included the launch a £40m Major Funding Campaign and securing a Government loan of £19.7m.

We produced a new outline 5-year Financial Plan (2020-21 to 2024-25) to support our Government loan application, and continue to work on this in light of changing assumptions regarding the impact of Covid-19 restrictions in 2021-22 and the longer term impact on our stakeholders and beneficiaries, and to develop detailed plans to support the activity and income growth assumptions within this model.

Pre-COVID-19 2020-21 Objectives:

Our pre-Covid-19 objectives as agreed by our Board as part of our Strategic Planning process and by ACE under our funding agreement are set out below and grouped based on our ability to achieve them in light of the pandemic.

➤ Those we were unable to achieve, except for opening two productions for limited periods in October and December:

- To present a diverse and popular repertoire to reach the widest possible audience through around 22 productions at the South Bank, to include:
 - at least two original world premieres across the Olivier and Lyttelton programme;
 - at least one major co-production with an international partner and two co-productions with British partners;
 - to present one musical production;
 - at least one piece of main stage programming specifically aimed at younger audiences;
 - at least one major reimagining of a classic text by an emerging voice;
 - continue to work towards our diversity targets and ensure the whole of society is reflected in the voices and artists in The Royal National Theatre repertoire.
- On the South Bank, to continue to grow The Royal National Theatre's reputation as a building where all are welcome and attendance by under-represented groups through programming of ticketed and free events, and quality of front of house experience.
- To reach audiences nationwide through touring and participation, including six areas of low arts engagement where we will work with local partners to engage new audiences: our Theatre Nation Partnerships programme. Our UK touring programme to include *Romeo and Julie* and *Wuthering Heights*
- To report on the research project undertaken to monitor the impact of our Theatre Nation engagement programme.

➤ Those where some progress was made, largely through digital delivery and engagement

- To present a diverse and popular repertoire to reach the widest possible audience through around 22 productions at the South Bank, to include:
 - to make one major new piece of programming which integrates new digital storytelling form;
- To continue to increase participation in drama and theatre-making in UK schools through creative programmes, touring, resources, training and partnership work.
- To continue to engage all our staff and colleagues in our Diversity and Inclusion strategy through an on-going series of workshops and seminars and to make progress against our diversity targets – they are published on our web site.
- To reach more people through digital distribution by growing UK audiences for NT Live in cinemas, creating content in partnership with broadcasters, and developing new forms of digital storytelling.

- To continue to be an effective advocate for the importance of arts in society, including theatre, arts and creativity in education and the creative industries; supporting our objectives around policymaking and funding.
 - To continue to share learning and expertise within the theatre and arts sectors.
 - To increase awareness of The Royal National Theatre internationally and build on international work.
 - To extend the reach and impact of The Royal National Theatre in the education sector via *The National Theatre Collection*, utilising the filmed assets from NT Live and other digital content.
 - To continue work to deliver a financially sustainable business model that supports our 2018-22 business plan objectives, balances income and costs, and builds our unrestricted reserves.
 - To continue to strengthen organisational resilience and capacity, with a focus on:
 - Strengthening our IT systems support, to include:
 - Increase the use of Office 365 across the business
 - New website for NT Live
 - Full Cybersecurity review and implementation of the outcomes
 - Continue to deliver our Health, Safety and Risk Management strategy to strengthen our culture of compliance.
- **Those that are delayed into 2021-22**
- To continue to strengthen organisational resilience and capacity, with a focus on:
 - Strengthening our IT systems support, to include:
 - Implementation of a new purchase pathway for online ticket sales
 - Migration of our ticketing sales and CRM software (Tessitura) to the cloud
 - Continue to strengthen our regulatory compliance, with a continuing focus on General Data Protection Requirements and our internal assurance framework.
 - Continue to strengthen the resilience and capabilities of our staff, including the leadership and management capabilities and a re-launch of our staff induction programme.
 - Finalise and test the Major Incident Response plan.
 - To continue to embed environmental sustainability at the heart of The Royal National Theatre's practice and continue to engage all our staff and colleagues in our Environmental Sustainability strategy.
- **Those that are delayed into 2022-23**
- One major community production at Cast, Doncaster as part of our new community programme, Public Acts.
 - To launch a Major Capital Funding Campaign to support:
 - longstanding issues with our buildings and stages technical infrastructure needs, with a focus on environmental sustainability.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

2021-2022 Financial Year

High level plans for 2021-22 include (subject to the impact of Covid-19):

- To present a diverse and popular repertoire to reach the widest possible audience through 12 productions at the South Bank, to include:
 - at least two original world premieres;
 - at least one major co-production;
 - to present one musical production;
 - at least one piece of main stage programming specifically aimed at younger audiences;
 - at least one major by an emerging voice;
 - continue to work towards our diversity targets and ensure the whole of society is reflected in the voices and artists in The Royal National Theatre repertoire.
- To make at least one more film from the converted Lyttelton theatre – a new innovative form of theatre work made solely and specifically for film.
- To reach audiences nationwide through touring and digital engagement, including six areas of low arts engagement where we work with local partners and their communities: our Theatre Nation Partnerships programme. We aim to present a national tour of *The Curious Incident of the Dog in the Night-time* in Autumn 2021.
- To continue to increase participation in drama and theatre-making in UK schools through creative digital programmes, training and partnership work.
- To continue to engage all our staff and colleagues in our Diversity and Inclusion strategy through an on-going series of workshops and seminars and to make progress against our diversity targets.
- To further invest in and grow engagement with our new pay to view streaming service – NT at Home – to reach new national and international audiences.
- To continue to be an effective advocate for the importance of arts in society, including theatre, arts and creativity in education and the creative industries; supporting our objectives around policymaking and funding.
- To continue to share learning and expertise within the theatre and arts sectors.
- To continue to strengthen organisational resilience and capacity, with a focus on environmental sustainability.
- To develop a new Five-Year Strategic Plan for the period 2022-2027 and supporting business model.

Trustees' duty to promote the success of the Charity – Section 172 Statement

Section 172 of the Companies Act 2006 requires the directors/trustees to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes.

The Companies Act 2006 requires The Royal National Theatre, as a large company, to report on how directors/trustees have complied with Section 172 and other linked matters:

1. Section 172: Directors/Trustees must promote the charity towards its charitable objectives, considering:

a) The likely consequence of any decision in the long term

Trustees developed The Royal National Theatre's strategic objectives (pages 7 and 8 of this report) as part of a long-term strategy to create world-class theatre for everyone; to develop talent for the creative health of the nation, representing and celebrating our country's diversity; to change lives through participation and create opportunities for every child to experience theatre. The needs of our beneficiaries: our audiences, future audiences and especially young people and those of our other key stakeholders: our employees, our freelancers, the Arts Council England and donors, form the bedrock of our strategic plans.

Decisions regarding our 2019-20 artistic programme were informed by our long-term aims to increase the diversity of artists making the work on our stages and to attract a wide and diverse audience. To further support our audience diversity aim, we toured several productions within London to non-West End venues.

Trustees routinely review the external landscape, including the political environment, and seek and evaluate feedback from our various stakeholders, in order to ensure that our plans are adapted, as necessary, to meet changing circumstances. Trustees keep under review the charity's principal risks and opportunities, consider emerging risks and ensure that our plans are adapted in response as appropriate. More information on our risks can be found on pages 48 to 51 of this report.

Trustees' response to the Covid-19 pandemic in 2020-21 was informed by the needs to all our stakeholders. Trustees carefully considered the needs of our employees balanced against the needs of the creative freelancers who make and present the work on our stages, our audiences, other beneficiaries and key stakeholders. Despite the financial difficulties of performing with social distancing measures in place, it was within this context that Trustees made the decision to recommence performances as soon as legally permissible, and to implement a major staff redundancy programme to reduce our cost base in light of expected lower activity levels for a period of time. Details of our response and recovery plan to the pandemic can be found at pages 24 to 27 of this report.

b) The interests of the charity's employees

Our staff are crucial to our success. Trustees consider and protect the interests of our staff to support The Royal National Theatre's on-going success. Trustees and Executive Management ensure, through regular staff engagement, that we maintain an understanding of employee needs to inform our strategy and aims. Our decision-making process considers the impact of potential decisions on our staff. For example, careful consideration was given to the redundancy programme undertaken in 2020-21 as part of our Covid-19 Recovery Plan in relation to (1) its impact on those staff directly affected and those to be retained, and (2) the financial impact of settlement terms on affected staff and the NT's finances.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

We recognise three trade unions whom we regularly consult with on key aspects of business planning. For example, our annual cost of living employee pay award is agreed in consultation with those unions. Management consulted with the unions regarding the redundancy programme undertaken in 2020-21 as part of our Covid-19 Recovery Plan.

Our employee strategy reflects concerns raised by employees during annual staff surveys. In response to concerns raised in our summer 2018 employee survey and by our unions, in 2019-20 we ran Managing Mental Health at work training for our managers, provided our employees with a continual programme of wellbeing and mental health at work events and supplemented our in-house Welfare Counselling service with the appointment and training of 18 Mental Health First Aiders.

c) The need to foster the charity's business relationships with suppliers, customers and others.

Engagement with our customers: such as our audiences, participants in our Learning programmes and teachers, is essential to ensure we understand and meet their needs.

Executive Management regularly seeks and evaluates feedback from our audiences through a rolling programme of audience insight gathered through surveying. This takes place for every staged production and periodically for digital initiatives, including NT Live cinema broadcasts and online streaming. We are thus able to build a detailed picture of how the theatre's output is received by different audience groups, including those traditionally under-represented, and to understand motivations for attendance and engagement. We communicate, on a personalised and regular basis, with our audiences and our membership base in accordance with their communication preferences.

We regularly seek and evaluate feedback from the young people and teachers who engage in our Learning programmes; this feedback is fed into the development of these programmes and future activity plans. Examples include regular consultation with teachers which have informed the development of learning resources alongside the productions on NT Collection.

More information on how we seek feedback from our beneficiaries can be found at pages 28 and 29 of this report.

We have developed strong relationships with certain key suppliers who support our stages technical infrastructure, to develop mutually beneficial relationships that support the technical advancement of our stages and those across the theatre sector. We ensure that our day to day business interactions with all suppliers are conducted in a professional, fair and respectful manner.

d) The impact of the charity's operations on the community and the environment

Trustees and Executive Management recognise our responsibility to care for the environment and aim to minimise the environmental impact of all our activities.

More information on how we care for the environment can be found on page 21 and 22 of this report.

We are respectful of our local community and its needs. We are represented on a number of local community groups to ensure effective two-way engagement and, where relevant, we consider the needs of our community in our decision making.

e) The desirability of the charity maintaining a reputation for high standards of business conduct

Our reputation is fundamental to our future success.

Trustees have in place a range of policies that promote corporate responsibility and ethical behaviour. Areas covered include fundraising (our fundraising practices are discussed on page 28 of this report), conflicts of interest, safeguarding, bullying and harassment, and whistleblowing.

We use our organisational values in our recruitment and training for employees and our induction of freelancers to ensure these are understood and maintained. Our procurement and ethical policies and procedures ensure that our values are also part of our selection of partners and suppliers.

f) The need to act fairly as between members of the charity

Trustees and Executive Management believe that a successful theatre is a theatre for everyone, where inclusivity and accessibility are paramount: we aim to be a fully inclusive organisation which is relevant and accessible for everyone. We will not unfairly discriminate against anyone.

A Diversity Working Group ensures that all areas of the Theatre are represented. We have active staff networks relating to Race and Ethnicity, Parents and Carers, staff with disabilities, LGBT+ staff and Female staff. Every 12 months under the heading “We Need To Talk” a month long internal talks programme, curated by staff, enables discussion on the full range of inclusion issues. All managers are trained in diversity and inclusion.

2. How directors/trustees have engaged with employees and taken account of their interests

Our staff are crucial to our success, and we regard ongoing, regular engagement with them as a top priority.

Trustees are updated at each Board meeting on any substantive matters of staff concern. Trustees hold an annual meeting to which all staff are invited to raise concerns and ask questions directly of trustees. Our HR Director attends the Trustee Board meeting on an annual basis to provide an update on progress against our Employee Strategy, including diversity and inclusion, and key issues arising from the annual staff survey. Trustees are advised of any Health and Safety issues at each Trustee Board meeting, and our Head of Health and Safety attends the meeting on an annual basis to provide a full report on progress and issues.

Executive Management provide staff with information on matters of concern to them and encourage feedback through various channels of communication, including weekly all staff briefings on current activity and upcoming events, quarterly all staff briefings on progress against our strategic plans, including our financial performance, regular departmental team meetings and our staff intranet. Executive Management consult with staff and measure employee engagement and satisfaction through regular surveys and address any issues raised as quickly as possible.

We have a number of staff networks, set up to bring together and represent specific groups of employees, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social networks. This includes groups representing protected characteristics and they are consulted on equality, diversity and inclusion matters.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

3. How directors/trustees have engaged with other stakeholders, for example service users, beneficiaries, funders and the wider community

Our relationships with partners, suppliers and other key stakeholders are key to our effectiveness.

Trustees and Executive Management ensure through regular engagement with key stakeholders that we maintain an understanding of their needs to inform our strategy and aims. Our decision-making process considers the impact of potential decisions on relevant stakeholders.

As part of our aims to support the health of the theatre sector and be as accessible as possible, we have established strategic partnerships with six regional theatres under our Theatre Nation Partnership initiative. More information on this can be found on pages 12 and 13 of this report.

Our Associates, a group of 10 freelancers attached to The Royal National Theatre, meet regularly to discuss and objectively assess the strengths and weaknesses of our repertoire, to support the Artistic Director (and Joint Chief Executive) in developing forward looking creative strategy, and to represent the interests of the creative freelance community on whom we depend to create and present the work on our stages.

Our donors are fundamental to our ability to achieve our aims and mission. We engage on a regular basis with all our donors and seek their feedback, in accordance with their communication preferences.

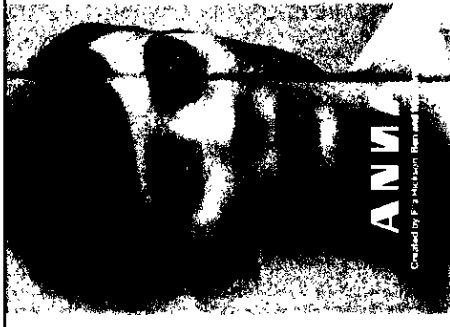
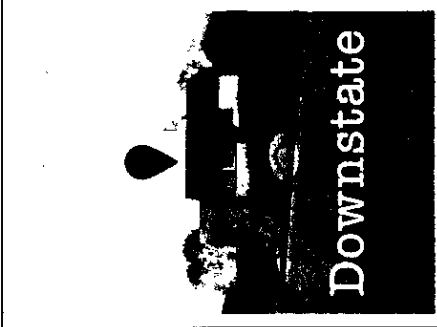
Our funding relationship with the Arts Council England (ACE) is crucial to the delivery of our mission. We ensure our aims meet those of ACE, and report to them our progress against these aims and KPIs on an annual basis. An ACE representative attends our Trustee Board meetings.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

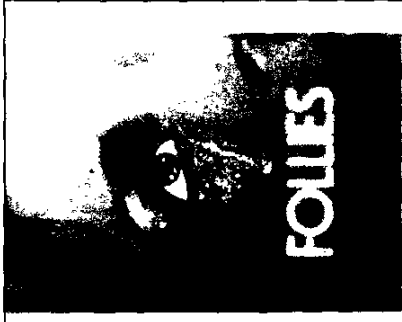
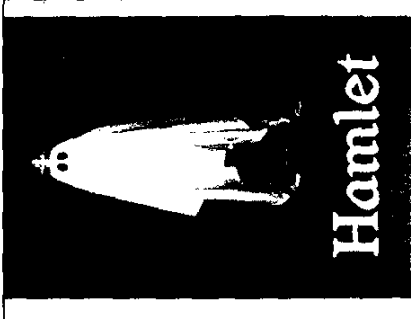
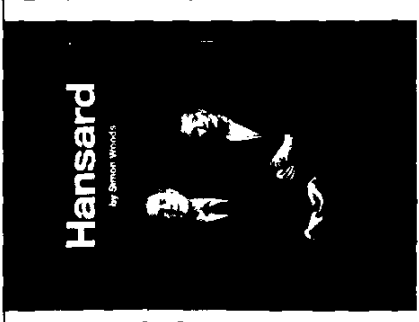
PRODUCTIONS PRESENTED IN 2019/2020

ALPHABETICAL ORDER

	ANNA by Ella Hickson and Ben & Max Ringham <i>Dorfmán Theatre, 11 May 2019</i> Director Natalie Abrahami Composition & Sound Designers Ben & Max Ringham Set & Costume Designer Vicki Mortimer Lighting Designer Jon Clark Movement Director Anna Morrissey Associate Lighting Designer Ben Jacobs Associate Movement Director Laura Cubitt Company Voice Work Stevie Rickard Staff Director Anthony Lau		DEATH OF ENGLAND by Clint Dyer and Roy Williams <i>Dorfmán Theatre, 31 January 2020</i> Director Clint Dyer Set & Costume Designer Sadeysa Greenaway-Bailey Set & Costume Designer ULTZ Lighting Designer Jackie Shemesh Co-Sound Designer Pete Malkin Co-Sound Designer Benjamin Grant Movement Lucy Cullingford Staff Director Sian Ejiwunmi-Le Berre Dialect Coach Hazel Holder Production Design Assistant Shanko Chaudhuri
	DOWNSTATE by Bruce Norris <i>Dorfmán Theatre, 1 April 2019 (cont.)</i> Director Pam MacKinnon Scenic Designer Todd Rosenthal Costume Designer Clint Ramos Lighting Designer Adam Silverman Sound Designer Carolyn Downing Company Voice Work Gigi Buffington Staff Director Eva Sampson		FAITH, HOPE & CHARITY by Alexander Zeldin <i>Dorfmán Theatre, 9 September 2020</i> Director Alexander Zeldin Set & Costume Designer Natasha Jenkins Lighting Designer Marc Williams Movement Director Marcin Rudy Sound Designer Josh Anio Grigg Rehearsal Music Director Laurie Blundell Associate Director Diyan Zora Company Voice Work Jeannette Nelson

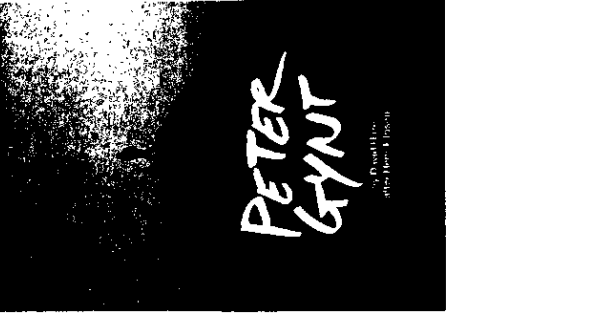
STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

	FOLLIES by Stephen Sondheim and James Goldman <i>Olivier Theatre, 1 April 2019 (cont.)</i> Director Dominic Cooke Designer Vicki Mortimer Choreographer Bill Deamer Music Supervisor Nicholas Skillbeck Orchestrations Jonathan Tunick with Josh Clayton Music Director Nigel Lilley Lighting Designer Paul Constable Sound Designer Paul Groothuis Company Voice Work Jeannette Nelson Company Dialect Work Penny Dyer Associate Director Josh Seymour Associate Designer Matt Heliyer Associate Choreographer Kylie Anne Cruikshanks Associate Music Director Jennifer Whyte Associate Sound Designer Alexander Caplen		HAMLET by William Shakespeare, adapted for younger audiences <i>on tour & Dorfman Theatre, 30 March 2020</i> Director Tinuke Craig Adaptor Jude Christian Designer Frankie Bradshaw Lighting Designer Paul Knott Sound Designer Clark Henry-Brown Movement Director Morgann Runacre-Temple
	HANSARD by Simon Woods <i>Lyttelton Theatre, 22 August 2019</i> Director Simon Godwin Set and Costume Designer Hildegard Bechtler Lighting Designer Jackie Shemesh Music Michael Bruce Sound Designer Christopher Shutt Movement Director Shelley Maxwell Company Voice Work Jeannette Nelson Video Content Isaac Madge Associate Director Emily Burns		JELLYFISH by Ben Weatherill <i>Dorfman Theatre, 5 July 2019</i> Director Tim Hoare Designer Amy Jane Cook Lighting Designer Jamie Platt Sound Designer Ella Wahlstrom Assistant Director Hana Pascal Keegan

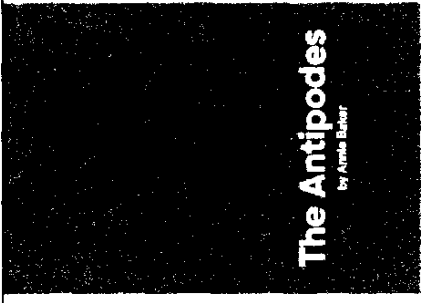
STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

	MASTER HAROLD AND THE BOYS by Athol Fugard <i>Lyttelton Theatre, 21 September 2019</i> Director Roy Alexander Weise Set and Costume Designer Rajha Shakiri Lighting Designer Paule Constable Movement Director and Choreographer Shelley Maxwell Sound Designer Giles Thomas Company Voice Work Simon Money Dialect Coach Joel Trill Staff Director Anthony Simpson Pike		MR GUM AND THE DANCING BEAR by Andy Stanton, music by Jim Fortune <i>Dorfman Theatre, 25 July 2019</i> Director Amy Hodge Set and Costume Designer Georgia Lowe Music Director Tarek Merchant Lighting Designer Lee Curran Choreographer Fleur Darkin Sound Designer Carolyn Downing Puppetry Jimmy Grimes Staff Director Hannah Noone
	MY BRILLIANT FRIEND by Elena Ferrante, adapted for the stage by April de Angelis <i>Olivier Theatre, 12 November 2019</i> Director Melley Still Set and Costume Designer Soutra Gilmour Composer Jim Fortune Lighting Designer Malcolm Rippeth Sound Designer Jon Nicholls Movement Director Sarah Dowling Video Designer Tal Yarden Fight Director John Sanderman Puppetry Designer and Director Toby Olie Casting Charlotte Sutton and Bryony Jarvis Taylor Company Voice Work Jeannette Nelson Company Voice Work Victoria Woodward Associate Costume Designer Ryan Laight Associate Video Designer Mikaela Liakata Staff Director Nicky Allpress		PETER GYNT by David Hare <i>Olivier Theatre, 27 June 2019</i> Director Jonathan Kent Set and Costume Designer Richard Hudson Lighting Designer Mark Henderson Composer Paul Englishby Music Director Kevin Amos Sound Designer Christopher Shutt Movement Director Polly Bennett Video Designer Dick Straker Fight Director Paul Benzing Illusions Chris Fisher Associate Director Harry Mackrill Associate Set and Costume Designer Cara Newman Company Voice Work Jeannette Nelson Company Voice Work Victoria Woodward Dialect Coach Charmian Hoare Staff Director Cara Nolan

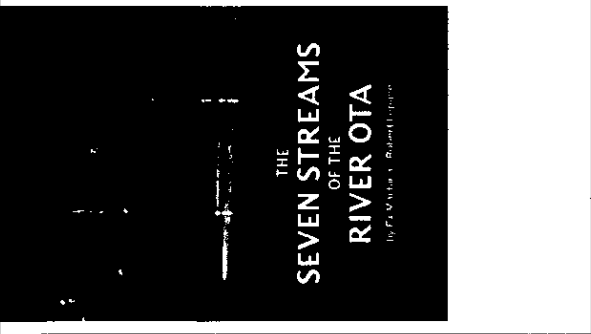
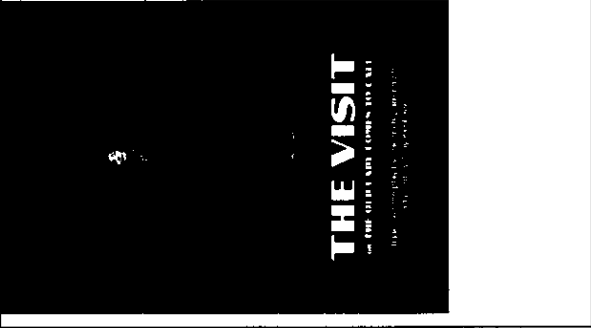
STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

 RUTHERFORD AND SON by Githa Sowerby <i>Lyttelton Theatre, 16 May 2019</i> Director Polly Findlay Set and Costume Designer Lizzie Clachan Lighting Designer Charles Balfour Movement Director Polly Bennett Sound Designer Paul Arditti Music and Music Direction Kerry Andrew Music and Music Direction Sarah Dacey Dialect Coach Daniele Lydon Company Voice Work Simon Money	 SMALL ISLAND by Andrea Levy, adapted by Helen Edmundson <i>Lyttelton Theatre, 17 April 2019</i> Director Rufus Norris Set and Costume Designer Katrina Lindsay Projection Designer Jon Driscoll Lighting Designer Paul Anderson Composer Benjamin Kwasi Burrell Sound Designer Ian Dickson for Autograph Movement Director Coral Messam Fight Director Kate Waters Music Consultant Gary Crosby Dialect Coach Hazel Holder Associate Set & Costume Designer Sadeysa Greenaway Bailey Associate Projection Designer Gino Ricardo Green Staff Director Anna Himali Howard Associate Music Director Shiloh Coke	 SMALL ISLAND by Andrea Levy, adapted by Helen Edmundson <i>Lyttelton Theatre, 17 April 2019</i> Director Rufus Norris Set and Costume Designer Katrina Lindsay Projection Designer Jon Driscoll Lighting Designer Paul Anderson Composer Benjamin Kwasi Burrell Sound Designer Ian Dickson for Autograph Movement Director Coral Messam Fight Director Kate Waters Music Consultant Gary Crosby Dialect Coach Hazel Holder Associate Set & Costume Designer Sadeysa Greenaway Bailey Associate Projection Designer Gino Ricardo Green Staff Director Anna Himali Howard Associate Music Director Shiloh Coke
 TARTUFFE by John Donneley, after Moliere <i>Lyttelton Theatre, 1 April 2019 (cont.)</i> Director Blanche McIntyre Set and Costume Designer Robert Jones Lighting Designer Oliver Fenwick Composition and Sound Design Ben and Max Ringham Physical Comedy Director Toby Park Staff Director Ed Madden	 The Antipodes by Annie Baker <i>Dorfmán Theatre, 21 October 2019</i> Director Annie Baker Director & Set and Costume Designer Chloe Lamford Lighting Designer Natasha Chivers Sound Designer Tom Gibbons Movement Director Sasha Milavic Davies Illusion Designer Steve Cuiffo Dialect Coach Charmian Hoare Staff Director Nimmo Ismail	THE ANTIPODES by Annie Baker <i>Dorfmán Theatre, 21 October 2019</i> Director Annie Baker Director & Set and Costume Designer Chloe Lamford Lighting Designer Natasha Chivers Sound Designer Tom Gibbons Movement Director Sasha Milavic Davies Illusion Designer Steve Cuiffo Dialect Coach Charmian Hoare Staff Director Nimmo Ismail

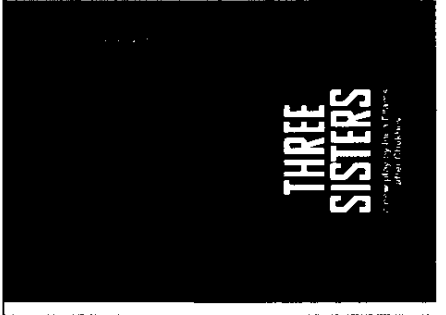
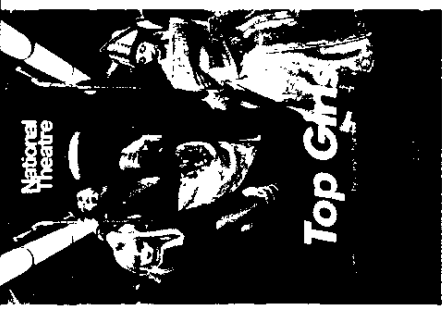
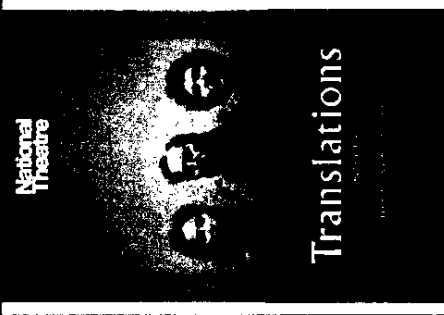
STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

	THE OCEAN AT THE END OF THE LANE by Neil Gaiman, adapted by Joel Horwood <i>Dorfmán Theatre, December 2019</i> Director Katy Rudd Set Designer Fly Davis Costume and Puppet Designer Samuel Wyer Movement Director Steven Hoggett Composer Jherék Bischoff Lighting Designer Paule Constable Sound Designer Ian Dickinson for Autograph Puppetry Director Finn Caldwell Magic and Illusions Director and Designer Jamie Harrison		THE SECRET RIVER by Kate Grenville, adapted for the stage by Andrew Bovell <i>Olivier Theatre, 23 August 2019</i> Director Neil Armfield Artistic Associate Stephen Page Set Designer Stephen Curtis Costume Designer Tess Schofield Lighting Designer Mark Howett Composer Iain Grandage Musical Director Isaac Haywood Sound Designer Steve Francis Tour Director Geordie Brookman
	THE SEVEN STREAMS OF THE RIVER OTA an Ex Machina production <i>Lyttelton Theatre, 6 March 2020</i> Director and Designer Robert Lepage Creative Director Steve Blanchet Dramaturg Gerard Bibeau Translator – English Subtitles Louisa Blair Music and Sound Michel F Cote Set Designer (original) Carl Fillion Set Designer (adaptation) Arianne Sauve Lighting Designer Sonoyo Nishikawa Images Designer Keven Dubois Costume Designer Verginie Leclerc Properties Designer Claudia Gendreau		THE VISIT by Friedrich Dürrenmatt, in a new version by Tony Kushner <i>Olivier Theatre, February 2019</i> Director Jeremy Herrin Set Designer Vicki Mortimer Costume Designer Moritz Junge Lighting Designer Paule Constable Movement Director Aletta Collins Composer Paul Englishby Sound Designer Paul Arditti Dialect Coach Daniele Lydon Dialect Coach William Conacher Choir Leader Clare Wheeler Company Voice Work Victoria Woodward Company Voice Work Jeannette Nelson Staff Director Eva Sampson Staff Director Sophie Monirani

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

	THE WELKIN by Lucy Kirkwood <i>Lyttelton Theatre, January 2019</i> Director James Macdonald Set and Costume Designer Bunny Christie Lighting Designer Lee Curran Sound Designer Carolyn Downing Movement Imogen Knight Fight Director Rachel Bown-Williams of RC-ANNIE Ltd Fight Director Ruth Cooper-Brown of RC-ANNIE Ltd Vocal Arranger & Music Director Osnat Schmool Company Voice Work Simon Money Dialect Coach Michaela Kennen Staff Director Sara Joyce		THREE SISTERS by Inua Ellams, after Chekhov <i>Lyttelton Theatre, 3 December 2019</i> Director Nadia Fall Set and Costume Designer Katrina Lindsay Lighting Designer Peter Mumford Sound Designer Donato Wharton Movement Director Jack Murphy Fight Director Rachel Bown-Williams of RC-ANNIE Ltd Fight Director Ruth Cooper-Brown of RC-ANNIE Ltd Composer Femi Temowo Music Director Michael Henry Staff Director Moji Elufowaju
	TOP GIRLS by Caryl Churchill <i>Lyttelton Theatre, 1 April 2019 (cont.)</i> Director Lyndsey Turner Set Designer Ian MacNeil Costume Designer Marle Hensel Lighting Designer Jack Knowles Sound Designer Christopher Shutt Composer Cassie Kinoshi Company Voice Work Simon Money Staff Director Sita Thomas		TRANSLATIONS by Brian Friel <i>Oliver Theatre, 22 May 2018</i> Director Ian Rickson Designer Rae Smith Lighting Designer Neil Austin Music Stephen Warbeck Sound Designer Ian Dickinson Movement Anna Morrissey Voice Work Charmian Hoare / Jeannette Nelson Dialect Coach Majella Hurley Staff Director Shane Dempsey Associate Sound Designer Alexander Caplen

FINANCIAL SUMMARY

FINANCIAL REVIEW – 2019-2020

In 2019-2020 income £106.9 million and expenditure of £114.8 million generated a negative net movement in total group funds of £7.9 million. The net movement in group funds excluding long term restricted funds (which comprise fundraising income and depreciation in respect of our buildings) was a decrease of £4.1 million. This compares to an increase of £1.4 million in 2018-19. This decrease of £4.1 million was £3.5m greater than planned. The impact of Covid-19 on our financial position, which affected audience confidence from early March before our theatres were forced to close on 16th March and cut short our international tour of *War Horse*, accounts for circa £1.2 million of this. A lower than expected return regarding the 2019-20 element of our *War Horse* international tour accounts for the remaining £2.3 million adverse impact on our finances; and comprises two unforeseen elements: (1) the bankruptcy of the promoter responsible for part of this tour and (2) a number of cancelled performances and lower than expected ticket sales regarding the Australian leg of the tour, which occurred during the period Australia was suffering extensive and devastating bush fires.

Strong box office income for The Royal National Theatre productions at the South Bank was at 72% financial capacity, driven by the popularity of a number of productions, continued high levels of UK touring activity and a growth to international transfers.

PRINCIPAL FUNDING SOURCES

The Royal National Theatre maintains a balance between self-generated income – box office and exploitation of The Royal National Theatre productions in UK and internationally (59%), catering and front-of-house trading (13%), fundraising support from our donors, including individuals, trusts, foundations, corporate donations and sponsorship (12%) and public subsidy from Arts Council England (ACE) (16%).

The funding received from the Arts Council and our donors is vitally important to maintain the innovation, accessibility and reach of which The Royal National Theatre is proud.

ARTS COUNCIL FUNDING

Arts Council revenue funding at £16.7 million (2018-2019 £16.7 million), in addition to touring grants totalling £0.6 million (2019: £0.5 million), represents 16.2% of the income received by The Royal National Theatre (2019: 16%).

The Royal National Theatre took a 3% ACE funding cut for the four-year funding period 2018-2022 alongside Southbank Centre, RSC, and Royal Opera House, in order to support the diversification of the National Portfolio Organisations and the investment of funds outside London. With effect from 2018-2019 the grant has been cut by £2.9 million since 2010-2011, a real-terms reduction of 33%.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

FUNDRAISING

The Development department had a strong year raising £14.2 million (vs £13.8 million in 2018-2019), which comprised £13.7 million for revenue activity (vs £13.3 million in 2018-2019) and £0.5 million for capital projects (vs £0.5 million in 2018-2019). £0.6 million of revenue activity in both years was in relation to commercial Sponsorship and is recorded within income from other trading activities.

BOX OFFICE INCOME

Box office income on the South Bank as well as the UK tour of *War Horse* and *A Taste of Honey*, together with limited season transfers of *The Lehman Trilogy*, *The Curious Incident of the Dog in the Night-Time*, *At Taste of Honey* and *Home, I'm Darling* in the West End and NT Live amounted to £45.7 million (2018-2019: £48.5 million).

Theatre and Film Tax Credits are a significant contributor to The Royal National Theatre's financial model. Total tax credits, which are offset against expenditure, in 2019-2020 amounted to £4.5 million (2019: £4.1m).

TRADING AND OTHER INCOME

Trading operations, including food and drink, venue hire, publications and retail, programmes, car park, costume hire and commercial promotion, are conducted through The Royal National Theatre's wholly-owned subsidiary Royal National Theatre Enterprises Limited. The car park is operated under a franchise and the Green Room restaurant was operated by the National but under a joint arrangement with Coin Street Community Builders. However, this arrangement ended at the end of 2019. All the other businesses are operated directly by The Royal National Theatre.

The total income generated by Royal National Theatre Enterprises in 2019-2020 was £14.9 million (2018-2019: £15.8 million). The total profit before the management charge payable to The Royal National Theatre was £2.9 million (2018-2019: £3.4 million). Trading income also includes licensing fees generated by National Theatre Productions Limited and National Theatre North America LLC, and box office and other income generated by Curious Incident National Tour LP and The Great Works Begins LP.

Other income included bank interest receivable and income from education activities.

The Royal National Theatre continues to benefit from its culturally-exempt VAT status, which means that there is no VAT on ticket income at The Royal National Theatre but that a proportion of VAT on expenditure is irrecoverable.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

REVENUE EXPENDITURE

PRODUCTION COSTS

Production expenditure at The Royal National Theatre, in the West End and on tour totalled £67.2 million (£61.0 million in 2018-2019) and represented 59% of total expenditure for the year.

NT LEARNING AND PUBLIC ENGAGEMENT

Total expenditure for the year for the NT Learning (education) and public engagement programme was £4.0 million (£4.2 million in 2018-2019). £1.4 million was covered by fundraising, £0.8 million generated through ticket and fee income and the remainder covered by core funding.

RESEARCH AND DEVELOPMENT

Expenditure on research and development totalled £1.9 million (£2.4 million in 2018-2019), including £1.7 million expenditure in the NT New Work Department.

SUPPORT COSTS

Support costs cover expenditure on front of house staff responsible for contact with the audience; marketing, box office and press; management and maintenance of the building including insurance and energy costs; and finance, governance, HR and IT. These costs are allocated against the activities listed above. Total support costs were £19.1 million (£18.4 million in 2018-2019).

STAFF COSTS

Staff costs, including social security and pension costs, totalled £50.3 million (£51.3 million in 2018-2019). Staff numbers decreased marginally on the previous year to 1,188 (1,213 in 2018-2019).

CAPITAL EXPENDITURE

Total capital expenditure for the year was £4.0 million (£6.3 million in 2018-2019). This comprises investment in our stages' lighting infrastructure and equipment of £1.3 million and in our sound and video infrastructure and equipment of £0.2 million; building-wide infrastructure projects including PC & IT hardware refresh & network switch replacements of £0.7 million and £1.4 million on a number of relatively small building refurbishment projects, technical equipment upgrade projects, investment in catering equipment and IT projects. Irrecoverable VAT capitalised in the year was £0.4 million (£0.7 million in 2018-2019).

The transfer from the operations fund to the designated fund for capital was £3.4 million (£5.7 million in 2018-2019).

RESERVES

UNRESTRICTED OPERATIONS FUND

The policy for budgeting annual income and expenditure is directed towards enabling The Royal National Theatre to continue its current level and quality of activity. In order to avoid accumulating a deficit, The Royal National Theatre seeks each year to match income and expenditure, whilst taking into account the level of grant receivable from the Arts Council.

The Royal National Theatre's unrestricted reserves target is set, in recognition of its inherently risky business model, to ensure it provides adequate resources to enable the continuity of The Royal National Theatre's operations in the event of an unexpected fall in income or some other unforeseen event, and in recognition of the volatility of box office revenue and the knock-on impact of a reduction in box office attendance on trading and fundraising, and economic uncertainty. Following a risk assessed impact review of income and expenditure we determined that a target equivalent to three months core operating expenditure is appropriate, of £15 million. This target has been set for the past 5 years. As at 29 March 2020, we held £9.4m in unrestricted reserves and of our designated reserves £10m as held in cash.

As part of the review to address the impact of Covid-19 on our financial sustainability, we considered the funds held in designated cash reserves. Of the £10m, we determined £2.6m could be released to support unrestricted reserves, the balance of £7.4m being required to address urgent capital works and future potential VAT liabilities under the Capital Goods scheme relating to the NT Future project.

We expect our unrestricted reserves to be replenished to circa £15m by March 2021 (£9.4m as at March 2020, plus £2.6m of designated reserves, plus Government loan support to reflate reserves of £3m). The expected deficit for 2020/21 and 2021/22, after self-help measures, will be supported by the Government loan and philanthropy income.

BUILDINGS AND EQUIPMENT DESIGNATED FUND

The policy is to ensure that sufficient money is set aside in the reserve so that over a three-year period the National is able to maintain and renew the building in accordance with its rolling capital plan. Over time, these reserves will reduce to zero as the assets are fully depreciated.

NT FUTURE DESIGNATED FUND

This represents NT Future assets funded by the National. NT Future was a major project largely completed by 2014 which included new building and refurbishment works, and technical infrastructure upgrades. Over time, these reserves will reduce to zero as the assets are fully depreciated.

RESTRICTED FUNDS

These are funds which have been earmarked by the donor for specific purposes within the overall aims of the organisation. The funds are analysed between long-term and short-term – long-term being mostly for capital purposes, and short-term for project activity, as set out in Note 18 of the financial statements.

Short-term funds will be spent in full in the next 18 months. The balance on the long-term capital funds represents funds received from donors to purchase fixed assets less the depreciation charged on an annual basis. Over time, these reserves will reduce to zero as the assets are fully depreciated.

INTERNAL CONTROL AND RISK MANAGEMENT

The Trustees are responsible for ensuring that The Royal National Theatre has effective risk management and control systems and processes in place. Agreed processes are in place by which the Trustees review, identify and assess major risks and agree with management the controls that already are, or will be, put in place to manage those risks. The details form part of the Risk Register, which Trustees review on a regular basis. Senior management has responsibility for managing resources, monitoring performance and establishing and maintaining effective internal control systems. The system of internal control and risk management is designed to:

- Identify and prioritise strategic and operational risks to the achievement of The Royal National Theatre's aims and objectives;
- Evaluate the likelihood of those risks being realised and their potential impact;
- Manage these risks efficiently, effectively and economically.

The Trustees are satisfied that appropriate internal control systems and risk management processes are in place.

The key components of The Royal National Theatre's risk management include:

- A four-year strategic plan and annual budget approved by the Trustees, against which progress is reported regularly, including monthly financial reporting of results;
- Regular consideration by the Trustees of financial results and variance from budgets;
- Delegation of authority and segregation of duties;
- Clear policies on health and safety, and safeguarding children and vulnerable adults, to ensure compliance with statutory requirements;
- Trustees review of The Royal National Theatre's Risk Register on a regular basis;
- Senior management review of key strategic and operational risks on a regular basis. Consideration is given to progress on mitigating actions, new and emerging risks and opportunities;
- The Internal Auditor reviews risks and internal controls on a regular basis and reports findings to the Finance and Audit Committee.

The system is designed to manage rather than to eliminate the risks faced by The Royal National Theatre and it must be recognised that such a system can provide only reasonable and not absolute assurance.

PRINCIPAL RISK AND UNCERTAINTIES

The Covid-19 pandemic is the most significant risk impacting The Royal National Theatre since its formation. The rapid spread of Covid-19 has caused governments to implement policies to restrict travel, close businesses and put in place social distancing rules to prevent the spread of the virus. These measures have significantly affected the lives of our employees, freelancers, audiences, learning participants, customers and other beneficiaries, resulting in disruption to our activities, and had a devastating impact on The Royal National Theatre's finances.

The Royal National Theatre responded quickly in response to this unprecedented challenge:

- We launched NT at Home in April 2020 - screening 16 past productions to view for free via You Tube. Following its success, we launched a paid for streaming service in December 2020.
- We switched our face-to-face Learning programmes to digital offerings, to support both students/ young people and teachers.
- We converted the Olivier Theatre, our largest space, into an 'in the round' configuration to improve the financial viability of socially distanced performances and opened two productions to socially distanced audiences in the Olivier in late 2020.
- We converted the Lyttelton Theatre into a film studio, to produce an innovative form of theatre work devised for the camera. We produced and filmed one film in 2020, for distribution in early 21/22. We plan to produce at least one more film in 2021.
- Employees who could carry out their roles from home have been working remotely since the theatre first closed on 16 March 2020.
- Those staff who could not carry out their duties have been put on furlough to maximise the benefit of the Government's Coronavirus Job Retention Scheme.
- A Financial Recovery Plan was established in 2020, including Government loan support of £19.7m as a result of sector wide lobbying, heavily supported by The Royal National Theatre's Executive, and the launch of a £40m Major Funding Campaign in Autumn 2020.
- We implemented policies and procedures, supported by risk assessments, extensive staff training and briefings, to provide a Covid-19 safe working environment for those staff and freelance teams who need to attend the building to support our operations and performances.

The Royal National Theatre continues to monitor and take necessary actions to ensure that we come through this period with sufficient reserves to continue to operate on an on-going basis; whilst ensuring we are able to support the needs of our staff, freelancers, donors, audience and other beneficiaries, including in particular students/ young people and teachers, and the theatre sector.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

The Royal National Theatre faces the following other principal risks and challenges as at March 2021:

Risk	Area of concern	Mitigation
Financial sustainability	Financial Risk impacts The Royal National Theatre as follows: - Insufficient funding to invest adequately in the repertoire, and/or to support current activity levels and/or annual capital replacement requirements as a result of a fall to one or more of our revenue streams, which could be caused by reputational issues, an economic downturn or other political factors. - We are concerned about the impact of Brexit on the London workforce supply chain and our cost base, given 60% of our cost base represents payments to individuals. - Our financial model is highly dependent on Arts Council funding, fundraising revenue and box office income; all of which are dependent to a large extent on maintaining high artistic standards, achieving our artistic ambitions and attracting close to capacity audiences for our productions. - The longer-term impact of Covid-19 on the economy and the knock-on impact to our audiences, customers and other beneficiaries, and to our donors and corporate sponsors.	This risk is mitigated through a number of means including: - Our four-year business and financial planning process - Annual revenue and longer-term capital budgeting - Monthly management reporting against budget and KPIs - On-going evaluation of processes and expenditure - Our audience development and pricing strategy - Customer relationship management and fundraising strategies - Strong stakeholder relations
Reputation	Our reputation can be impacted by: - Negative critical or audience response to the repertoire - Inability to invest adequately in the repertoire resulting in a drop in the quality of output - Health and safety/safeguarding/security/major incident response planning failure - Failure of key customer facing business systems - A data protection breach - Negative publicity arising from an association with a donor, artist, creative or member of staff who attracts negative media attention All of which could impact one or more income streams and our ability to attract talent.	We aim to mitigate this risk by: - Maintaining high artistic standards - Our advocacy activity - Maintaining best practice in - health and safety - customer care - fundraising - HR policies & practices including staff training and expectation setting, particularly with regard to staff conduct, bullying & harassment - Capital planning to ensure adequate investment in our key business systems
Artistic ambition	Presenting new writing on our two main stages can be challenging given: The size and associated challenges of these theatres	We aim to mitigate this risk through: Seeking and developing talent

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

	- Our reliance on strong box office - Our aim to grow our audience reach	- On-going development work within our New Work department - Effective customer relationship management and marketing
Attraction and retention of staff and artists	The risk that we will be unable to recruit and retain staff and artistic/production talent of the calibre required to support our standards of excellence and innovation in our work and/or our wide-ranging support and commercial operations, owing to: - The impact of Covid-19 and the limitations to government financial support on the freelance creative community. This is likely to result in a loss to the industry in respect of those who retrain or switch their careers to more lucrative film and TV work - Impact of the 2020 redundancy programme on staff capacity once normal levels of activity can resume - Impact of redundancies, furloughing and remote working on staff once they return to work in the building - Insufficient or inadequate training pathways - Our inability to pay competitive fees and salaries - The impact of Brexit on the London workforce - Reputational concerns	This risk is mitigated through: - Continued government lobbying to better financially support the creative freelance community - A range of talent development initiatives - Creative and workforce diversity strategies - Fair pay - Internal communication, with increased staff communication and 1-1 engagement with line managers during the pandemic - Increased provision and awareness of mental health support available to staff during the pandemic
Health, safety, security and major incident response planning	Risk arises from: - The inherent risks involved in theatre production and presentation (e.g. working at height, noise, manual handling), combined with - The challenges of operating an open and popular public venue in a tourist and cultural hot spot in central London - The potential for a terrorist attack on London	This risk is mitigated through: - A robust management structure for safety and security issues - Staff training and awareness raising - Investigation of near misses and incidents - Close liaison with, and advice from, counter terrorism police and other specialists - An updated Major Incident Response plan and communications protocol is being rolled out in 2021.
Organisational capacity	There is a risk that we fail to support our growing organisational and artistic ambitions with: - Sufficiently robust support structures: - planning - risk management - decision making	This is mitigated through: - Our business planning processes - Staff communication - Training and development

	• Adequately trained and/or informed staff • Insufficient numbers of adequately experienced staff to deliver our ambitions – this risk has increased following the 2020 redundancy programme	
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FINANCIAL POLICIES

INVESTMENT POLICY

The policy is to hold investments in liquid funds so they are available to meet predicted cash-flow needs. In selecting suitable cash deposits the policy is to maximise the return and maintain low transaction costs whilst ensuring high levels of capital security by minimising credit risk and interest rate risk. The policy was reviewed by the Finance and Audit Committee in 2017-18 and deposits and interest rates are reviewed each time the Finance and Audit Committee meets. At 29 March 2020, the cash deposits were spread between four major clearing banks and CCLA. The bank interest earned for the year was £0.01m (£0.08m in 2019).

CREDITOR PAYMENT POLICY

It is The Royal National Theatre's policy to pay creditors in accordance with terms of payment agreed at the start of business with each supplier.

REMUNERATION

The Royal National Theatre aims to pay salaries which are fair, competitive with the arts sector and proportionate to the complexity of each role. In determining the right level of pay The Royal National Theatre:

- Has a detailed job evaluation process.
- Ensures all staff are paid the London Living Wage as a minimum.
- Currently pays a dispersion ratio of approximate 1:4 between the highest salary and the median salary.

The Board is responsible for reviewing and benchmarking the pay, benefits and total compensation of the Executive team, comprising the Director and Executive Director. The Executive is responsible for reviewing and benchmarking the pay, benefits and total compensation of the Senior Management Team and reporting annually to the Board.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

FINANCIAL RISK MANAGEMENT

The following statements summarise the Board's policy in managing identified forms of financial risk.

Price risk: Payments to employees or individuals represent a significant proportion (circa 60%) of total expenditure at The Royal National Theatre. During an inflationary climate with upward pressure on individual pay, The Royal National Theatre may face difficulties in increasing income to keep pace with such inflationary pressures. 16% of The Royal National Theatre's income comes from the Arts Council (£16.7 million); this is expected to remain flat for the following two years. The Royal National Theatre has freedom over its ticket pricing, and ticket income represents 58% of revenue. However, the aim is to hold the lowest ticket price at an accessible level.

Credit risk: Risk on amounts owed to The Royal National Theatre by its customers is low as payment for ticket sales and operations through the trading subsidiary are mostly settled at point of purchase.

Liquidity risk: The Royal National Theatre had no long-term borrowings at 29 March 2020, but post year-end has received a loan for £19.7m from the Government via its Cultural Recovery Fund to provide additional liquidity. As a result, the liquidity risk relating to amounts owed by The Royal National Theatre to its creditors remains low since it has sufficient liquidity, its exposure to credit risk is low and it operates cash flow management to ensure sufficient levels of its unrestricted reserves are held in cash as operating capital on short term deposit.

Interest rate cash flow risks: The Royal National Theatre places surplus funds on short-term deposit split between four major clearing banks and CCCLA. Interest rates available on longer term deposits are kept under review but longer-term deposits will only be made for specific major project funds where the term of the deposit matches the anticipated cash flow requirement.

PROPERTY INTERESTS

The Royal National Theatre has a lease of its building on the South Bank site from Arts Council England for a term expiring in March 2138. The building is Grade 2* listed. The freehold of the Old Vic Annexe (the NT Studio), The Cut, London SE1 is owned by The Royal National Theatre and this building was listed in March 2006.

See Note 11 of the Financial Statements for details of legal charges.

SUBSIDIARIES AND RELATED UNDERTAKINGS

Details of the Group's subsidiaries and related undertakings included in Note 23 of the Financial Statements.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

Going Concern

The Trustees must satisfy themselves as to The Royal National Theatre's ability to continue as a going concern for a minimum period of 12 months from the date of signing of the financial statements.

The Trustees have reviewed possible options in their assessment of going concern by considering whether, in the face of several challenging, yet reasonably plausible, downside scenarios currently identified as a result of the impact of Covid-19 (sensitivity analysis), The Royal National Theatre has adequate resources to meet its obligations as they fall due; during and beyond the 12 months from the date of approval of the financial statements that is to, at least, June 2022.

Measures taken by the UK Government to mitigate the impacts of the Covid-19 global pandemic on public health have significantly affected The Royal National Theatre's activities:

- The Royal National Theatre closed to the general public on 16 March 2020. In August 2020, the Government issued a roadmap indicating the stages at which theatres would be allowed to rehearse and re-open to socially distanced audiences. The Royal National Theatre has since re-opened twice for performances to the public in 2020, in late October 2020 and mid-December 2020. In both cases, the theatres had to close within a week of opening due to new Covid-19 restrictions. As at March 2021, the UK is in its third national lockdown and we do not currently expect to re-start restricted rehearsals before May 2021 or limited public performances before June 2021 at the earliest.
- Whilst closed The Royal National Theatre is unable to:
 - Present performances to live audiences
 - Present in person Learning programmes
 - Use our buildings for commercial use such as retail, food and drink, and events
- Our commercial transfers and touring programmes stopped on 16 March 2020
- Our NT Live global cinema programme has been impacted across the world.

Once the initial risks of the global pandemic became known during January and February 2020, financial modelling was undertaken and discussed with the Board on a regular basis. This modelling identified the actions necessary to reduce costs and optimise cash flow and reserve levels.

The Recovery Plan and the measures taken to support this are discussed in detail in the Covid-19 impact section of this report. The Board reviewed and challenged the appropriateness of the scenarios modelled, and all decisions that could affect the well-being of staff, whilst considering the impact of decisions on The Royal National Theatre's mission, its beneficiaries and stakeholders.

The financial modelling considered the financial impact of The Royal National Theatre's specific key risks associated with Covid-19, being:

- the closing of The Royal National Theatre's buildings;
- the impact of social-distancing and audience confidence on seat occupancy rates once The Royal National Theatre is allowed to re-open;
- the achievability of the Major Funding Campaign in support of The Royal National Theatre's financial recovery.

Several scenarios have been considered over the course of the pandemic. The scenario considered to be most likely at the time of signing the financial statements assumes performances can recommence in June 2021, but that social-distancing measures remain in place until at least September 2021. This scenario, including the risk of 10% lower audience attendance levels than the model assumes (reducing attendance to c25% of our usual levels whilst social-distancing measures are in force), can be funded within our £80m Recovery Plan (discussed in the Covid-19 impact section of this report). This Plan includes c£10m of urgent capital expenditure which will be delayed until the funding is secured. At the time of signing this report, c£66m of this Recovery Plan funding is secured.

For Trustees to have a reasonable expectation of The Royal National Theatre's financial viability to June 2022, the Board has identified several challenging, yet reasonably plausible, downside scenarios (sensitivity analysis). The key assumptions of these scenarios are:

- Social distancing measures remain in place until at least March 2022.
- We plan to present performances to socially distanced audiences in the Olivier and Dorfman theatres from June 2021, and in the Lyttelton theatre from September 2021.
- We incur all the rehearsal and production costs associated with these performances but are prevented from performing, and generating box office income, for 50% of performances across the period due to ongoing and/or further Covid-19 restrictions.
- We incur a shortfall to the non capital expenditure element of our Major Funding Campaign target.

The Trustees are actively planning the necessary mitigations to reduce the financial impact of these downside scenarios – maintaining a balance between supporting the activity that is crucial to delivering our mission - supporting our audiences, freelancers, young people and other beneficiaries; whilst ensuring the long-term financial sustainability of The Royal National Theatre.

Under these current downside scenarios, with no further mitigations which may be available to The Royal National Theatre, The Royal National Theatre projects to have sufficient free cash through the period to June 2022.

The Trustees are currently confident, with the risk mitigation measures under active consideration, that The Royal National Theatre can deliver a good proportion of its usual mission-based activity within the planned deficit funding for 2021-2022, with the support of up to £3 million of its unrestricted reserves in the event social distancing measures continue to March 2022.

STRATEGIC REPORT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

The Royal National Theatre, as a National Portfolio Organisation, places significant reliance on Arts Council England (ACE) grant funding support, in order to balance income and expenditure on an annual basis. The Trustees have taken into account confirmed ACE funding until March 2022 at a level of circa £17m; and have assumed ACE support will continue thereafter.

After consideration of the detailed, yet adaptable, business plans, financial budgets, cash flow modelling aligned to those plans and scenarios, and the overlaid sensitivity analysis, the Trustees consider that The Royal National Theatre (Company and Group) has adequate resources to continue in operational existence for the foreseeable future being a minimum period of at least twelve months from the date when the financial statements are approved.

Further details of the above are set out in Note 3 to the Financial Statements.

Based on all of the above, the Board of Trustees are confident in The Royal National Theatre's ability to remain as a going concern and have, therefore, prepared the financial statements on a going concern basis of accounting.

Nevertheless, the Board of Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some time, given the key assumptions and the financial modelling referred to above.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

BOARD MEMBERS AS AT MARCH 2021

Sir Damon Buffini (Chair)
Sabine Chalmers
Louise Charlton
Sir Lenny Henry
Vikki Heywood CBE
Simon Minty
Vicki Mortimer
Elizabeth Offord
Dame Karen Pierce
Melanie Richards CBE
Tim Score
Simon Warshaw

EXECUTIVE

Director & Joint Chief Executive - Rufus Norris
Executive Director & Joint Chief Executive - Lisa Burger

Further details are set out on pages 106 and 107 of this Annual Report.

SENIOR MANAGEMENT TEAM

Alex Bayley, Chief Marketing Officer
Kash Bennett, Managing Director of NT Productions
Alastair Coomer, Head of Casting
Clint Dyer, Deputy Artistic Director
Sarah Fellingham-Adkin, Director of Enterprises
Liz Fosbury, Chief Operating Officer
Christine Gettins, Associate Producer
Paul Handley, Head of Production
Alice King-Farlow, Director of Learning
Kathryn Marten, Chief Development Officer
Angela McDermott, Director of Finance
Emily McLaughlin, Head of New Work Department
Chris Murphy, Director of Development
Tony Peers, Director of Human Resources
Nicholas Triantafyllou, Director of Information & Technology

In attendance at Senior Management Meetings:

Rishi Coupland, Head of Data Intelligence
Lisa Jonas, Assistant Director of Governance and Risk Management
Denise Rawls, Head of Communications

GOVERNANCE

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

GOVERNING DOCUMENT

The Royal National Theatre is a company limited by guarantee (Company Number 749504) governed by its Memorandum and Articles of Association, which were last updated on 26 November 2012. It is a registered charity at the Charity Commission (charity number 224223).

CHARITABLE OBJECTS

The Royal National Theatre's charitable objects, as stated in its governing document, are: to promote and assist the advancement of education so far as such promotion and assistance shall be of a charitable nature and in particular, so far as of a charitable nature, to procure and increase the appreciation and understanding of the dramatic art in all its forms as a memorial to William Shakespeare. The achievement of our aims as set out in the Strategic Report above enable us to fulfil our charitable objects and legal purpose.

PUBLIC BENEFIT

In developing the objectives for the year, and in planning activities, the Trustees have considered the Charity Commission's guidance on public benefit and fee charging. The repertoire is planned so that across a full year it will cover the widest range of world class theatre that entertains, inspires and challenges the broadest possible audience. Particular regard is given to ticket-pricing, affordability, access and audience development, in the provision of lower price tickets for all performances. Geographical reach is achieved through touring and NT Live broadcasts to cinemas in the UK and overseas. The NT's Learning programme seeks to introduce children and young people to theatre and offers participation opportunities both on-site and across the country. Through a programme of talks, exhibitions, publishing and digital content The Royal National Theatre inspires and challenges audiences of all ages.

THE BOARD

The Board is the non-executive and unpaid governing body of The Royal National Theatre. Board members are both directors of the company and charity trustees who, under company and charity law, are responsible for policy, administration and general control. The Board works with the Executive to ensure that The Royal National Theatre's remit is fulfilled, its work remains of the highest quality and it is managed efficiently and cost-effectively. The Board has responsibility for setting the remuneration of the Executive. The Board delegates to the Director the selection and staging of all productions and does not interfere in repertoire decisions. During 2019-20, the Board met six times, with the Executive and COO present, to ensure that it was maintaining effective control over strategic, financial, organisational and compliance issues. The Board received and considered regular reports from its Committees and subsidiary companies. A review of the current Chair of the Board was conducted by the Nominations Committee and the Board were delighted to agree the recommendation that the current Chair, Sir Damon Buffini, be appointed for a second term of 4-years at the end of his first term in June 2020. The Nominations Committee considers Board composition, skills, diversity and succession planning and addresses gaps with new Board appointments. The Board has taken active and effective measures over the past few years to increase the diversity of its composition. Following the Covid-19 pandemic in March 2020, Board meetings were held on a monthly basis until the Autumn when The Royal National Theatre's Recovery Plan had been agreed, in addition the Board received weekly written status updates from the Executive during this period.

TRUSTEE INDUCTION AND TRAINING

New Trustees are briefed by the Executive on the activities of The Royal National Theatre and their obligations as Trustees, meet with the Senior Management Team to understand each area of its operations, and are given the opportunity to tour The Royal National Theatre and see its activities.

THE EXECUTIVE

The Executive comprises the Director*, Rufus Norris and the Executive Director, Lisa Burger; both Joint Chief Executives. Together they are responsible to the Board for devising and delivering the artistic programme, policies and management of The Royal National Theatre to the strategy agreed with the Board. The Board appoints the Executive, both of whom report to the Board. The Board extended Rufus Norris' contract for a second five-year term in April 2020.

ASSOCIATE DIRECTORS* AND NT ASSOCIATES

Rufus Norris is supported in making repertoire decisions by The Royals National Theatre's Associate Directors.

**The term "Director" is a traditional title used at The Royal National Theatre. Neither the Director, the Associate Directors nor other members of the Executive, are directors under the Companies Act 2006, or Trustees under the Charities Act 2011.*

BOARD MEMBERSHIP

The Board is chaired by Sir Damon Buffini and a list of Board members at the date of this Report is listed on page 56. Board members are appointed for an initial term of four years. Members may be appointed for a second term of up to four years which is extended only in exceptional circumstances.

BOARD COMMITTEES AND SUBSIDIARY COMPANIES

The membership of the Committees is listed on pages 106 and 107 of this Annual Report and details of the subsidiaries are set out in Note 23 to the Financial Statements.

FINANCE AND AUDIT COMMITTEE

Members of the Finance and Audit Committee are appointed by and from the Board. Key responsibilities are for Finance and Control, Audit and Risk. The Committee met six times during the year and met the external, independent Auditors on two occasions. The Executive and Chief Operating Officer attend all meetings.

THE NOMINATIONS COMMITTEE

The Nominations Committee is appointed by and from the Board and reviews the structure, size and composition of the Board and, in the light of that review, makes recommendations to the Board with regard to the appointment of new members and the re-appointment of any director and the Chair at the conclusion of his or her first term of office.

DEVELOPMENT BOARD

The Development Board assists in fundraising for the National. Its members, who are co-opted onto the Development Board, represent the three fundraising sectors – Individuals, Trusts and Corporates. The full Development Board meets at least twice a year, and each sector group also meets at least twice a year. The Development Board reports regularly to The Royal National Theatre Board through its Chair, who is a member of the main Board.

CONNECTED CHARITIES

Details of Connected Charities are set out in Note 22 to the Financial Statements.

EXECUTIVE MANAGEMENT AT THE ROYAL NATIONAL THEATRE

The review of activities shows that The Royal National Theatre has many facets. The Director and Executive Director (and joint Chief Executives) hold the overall responsibility for the day to day management of The Royal National Theatre with the assistance of a Senior Management Team who are responsible for different areas and who report to either a member of the Executive, or to the Chief Operating Officer who reports to the Executive Director. In addition to a fortnightly meeting of the Senior Management Team, efficient cross-departmental working is managed through a series of groups meeting on a regular basis. The key decision-making groups include Producing, Planning, Capital Projects, The Royal National Theatre Productions, Enterprises, Health and Safety, and IT Strategy and Steering groups.

Communication is key and The Royal National Theatre aims to engage all its employees and others working at The Royal National Theatre in its activities and achievements. All staff are invited to a weekly company meeting led by Rufus Norris and Lisa Burger and information from these meetings and other new developments and policies are available on The Royal National Theatre's intranet. In addition, staff briefings, led by the Executive, are held six times a year to brief staff in more detail on various aspects of policy and programming and to provide a forum for discussion.

The Royal National Theatre has a five year diversity plan for the period 2017-2022. All staff are required to cooperate with The Royal National Theatre's policies and procedures to promote inclusivity and diversity, and whilst the diversity of our workforce is reflective of the UK population, particular focus has been given to understanding why The Royal National Theatre's workforce is not better representative of the population of London; what barriers if any there might be and what measures might be taken to improve diversity.

The Royal National Theatre's disability policy includes (a) full and fair consideration of applications for employment made by disabled persons, having regard to their particular aptitudes and abilities; (b) continuing the employment of, and arranging training for, employees who have become disabled persons while employed; and (c) ensuring the same training, career development and progression opportunities are available to all staff regardless of any disability.

The Health and Safety team is closely involved in the key risk areas of the organisation and advises and assists with health and safety aspects of productions, special events, accident investigations and training.

TRUSTEES' TRANSACTIONS

The Trustees are not remunerated for their work as Trustees of The Royal National Theatre. From time to time, members of the Trustee Board or persons connected with them enter into transactions with The Royal National Theatre in the normal course of business of both parties. Such transactions are conducted on an arm's length basis, on normal commercial terms, and are in accordance with the specific provisions of clause 5 of the Memorandum of Association. It is the Board's policy that they should be disclosed to and approved by the Board and disclosed in the Financial Statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Royal National Theatre for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities;
- make judgments and estimates that are reasonable and prudent;
- state whether FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has 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 presume that the charitable company will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT ON DISCLOSURE OF INFORMATION TO THE AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and

GOVERNANCE

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

TRUSTEES' INDEMNITIES

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Royal National Theatre also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

AUDITORS

PricewaterhouseCoopers LLP will continue in office as auditors of The Royal National Theatre for the next financial year.

The Trustees' Report, including the Strategic Report, set out on pages 3 to 61 was approved by the Board of Trustees, authorised for issue and signed on its behalf by



Sir Damon Buffini
Chair

29 March 2021

Company registration number 749504.
Registered charity number 224223.
Registered in England.

Independent auditors' report to the members of The Royal National Theatre

Report on the audit of the financial statements

OPINION

In our opinion, The Royal National Theatre's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 29 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, and cash flows for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheets (group and company) as at 29 March 2020; the group statement of financial activities (including an income and expenditure account) and the group cash flow statement for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and company's ability to continue as a going concern.

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

STRATEGIC REPORT AND TRUSTEES' REPORT

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial period for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT RESPONSIBILITIES OF THE TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Trustees' Responsibilities set out on page 60, 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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 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 and company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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 auditors' report.

USE OF THIS REPORT

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

COMPANIES ACT 2006 EXCEPTION REPORTING

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Andrew Lowe (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 29 March 2021

GROUP STATEMENT OF FINANCIAL ACTIVITIES (Including an Income and Expenditure account)

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

for the 52 weeks ended 29 March 2020

	Notes	52 weeks ended 29 March 2020					52 weeks ended 31 March 2019				
		Unrestricted Funds		Restricted Funds			Unrestricted Funds		Restricted Funds		
		Operations	Designated	Projects	Long Term	Total	Operations	Designated	Projects	Long Term	Total
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Income & Endowments from:											
Donations & legacies	5(a)/(b)	24.4	-	6.0	0.5	30.9	25.1	-	4.8	0.5	30.4
Charitable activities	5(c)	55.9	-	-	-	55.9	51.1	-	-	-	51.1
Other trading activities	5(d)	20.1	-	-	-	20.1	26.1	-	-	-	26.1
TOTAL Income & Endowments	18	100.4	-	6.0	0.5	106.9	102.3	-	4.8	0.5	107.6
Expenditure on:											
Raising donations & legacies		(2.4)	-	-	-	(2.4)	(2.5)	-	-	-	(2.5)
Charitable activities	6(a)/(c)	(78.2)	(4.7)	(5.9)	(4.4)	(93.2)	(69.2)	(4.8)	(4.8)	(4.6)	(83.4)
Other trading activities	6(b)/(c)	(19.2)	-	-	-	(19.2)	(24.4)	-	-	-	(24.4)
TOTAL Expenditure	18	(99.8)	(4.7)	(5.9)	(4.4)	(114.8)	(96.1)	(4.8)	(4.8)	(4.6)	(110.3)
Net Income/(Expenditure)		0.6	(4.7)	0.1	(3.9)	(7.9)	6.2	(4.8)	-	(4.1)	(2.7)
Transfers between Group funds	18	(3.4)	3.4	-	-	-	(5.7)	5.7	-	-	-
Net Movement in Group Funds		(2.8)	(1.3)	0.1	(3.9)	(7.9)	0.5	0.9	-	(4.1)	(2.7)
Reconciliation of Group Funds:											
Total funds brought forward	18/19	12.2	25.0	0.2	52.8	90.2	11.7	24.1	0.2	56.9	92.9
TOTAL Group Funds carried forward	18/19	9.4	23.7	0.3	48.9	82.3	12.2	25.0	0.2	52.8	90.2

All income and expenditure are derived from continuing activities. A separate statement of other comprehensive income is not required as all gains and losses are included in the Statement of Financial Activities. The Notes on pages 69 to 105 form part of these financial statements.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

BALANCE SHEETS (Group & Company)

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

for the 52 weeks ended 29 March 2020

	As at 29 March 2020		As at 31 March 2019	
	Group	Company	Group	Company
	£m	£m	£m	£m
Tangible assets	11	60.2	66.0	63.7
Investments	12	0.2	0.2	0.2
TOTAL Fixed Assets	62.2	60.4	66.2	63.9
Current assets:				
Stocks	13	0.5	0.6	0.1
Cost of productions not yet opened	14	0.5	1.0	0.7
Debtors	15	14.9	13.0	14.4
Investments	16	10.2	10.1	10.1
Cash at bank and in hand	16	11.7	16.6	12.0
TOTAL Current Assets	37.8	34.5	41.3	37.3
Current Liabilities:				
Creditors: amounts falling due within one year	17	(17.7)	(17.3)	(13.1)
TOTAL Net Current Assets	20.1	20.0	24.0	24.2
TOTAL Net Assets	82.3	80.4	90.2	88.1
The Funds of the Group and Company:				
Operations fund	18/19	9.4	12.2	10.1
Designated funds	18/19	23.7	25.0	25.0
Restricted funds	18/19	49.2	53.0	53.0
TOTAL Group and Company Funds	18/19	82.3	90.2	88.1

A separate statement of financial activities and income and expenditure account are not presented for the Company itself as permitted by Section 408 of the Companies Act 2006. The net expenditure for the Company for the year was £7.7m (2019: net expenditure of £2.3m) The Notes on pages 69 to 105 form part of these financial statements. The financial statements on pages 65 to 105 were approved by the Board of Trustees and signed on its behalf by:

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

Sir Damon Buffini (Chair)

Date: 29 March 2021

Damon M. Buffini

GROUP CASH FLOW STATEMENT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

for the 52 weeks ended 29 March 2020

	Note	52 weeks ended 29 March 2020 £m	52 weeks ended 31 March 2019 £m
Net cash (used in) / provided by operating activities	(i)*	(0.8)	8.9
Cash flows from investing activities:			
Purchase of property, plant and equipment	11	(4.0)	(6.3)
Increase in current asset investments	16	(0.1)	(5.0)
Net cash used in investing activities		(4.1)	(11.3)
Net cash used in financing activities		-	-
Decrease in cash and cash equivalents in the reporting period		(4.9)	(2.4)
Cash and cash equivalents at the beginning of the reporting period	(ii)*	16.6	19.0
Cash and cash equivalents at the end of the reporting period	(ii)*	11.7	16.6

*See next page

The Notes on pages 69 to 105 form part of these financial statements.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

GROUP CASH FLOW STATEMENT

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

for the 52 weeks ended 29 March 2020

	Note	52 weeks ended 29 March 2020	52 weeks ended 31 March 2019
		£m	£m
(i) Reconciliation of net expenditure to net cash flow from operating activities:			
Net expenditure for the reporting period (as per the Statement of Financial Activities)			
Depreciation charge	11	(7.9)	(2.7)
Loss on disposal of fixed assets	11	7.9	8.6
Working capital movements:		0.1	0.1
Decrease/(increase) in stocks	13	0.1	(0.1)
Decrease/(increase) in work in progress	14	0.5	(0.4)
(Increase)/decrease in debtors	15	(1.9)	4.4
Increase/(decrease) in creditors	17	0.4	(1.0)
Net cash used in / provided by operating activities		(0.8)	8.9
(ii) Analysis of cash and cash equivalents			
		£m	£m
Cash at bank and in hand	16	11.7	16.6
TOTAL cash and cash equivalents	16	11.7	16.6

The Group's net debt is a net credit of £11.7m (2019: £16.6m) comprising the Group's cash and cash equivalents. The movement in the period was solely due to the cash flows of the entity as shown in the Group Cash Flow Statement and so no separate reconciliation of net debt is presented.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

1 GENERAL INFORMATION

The Royal National Theatre ("the National", "the NT" or "the Company") is a company limited by guarantee, and a registered charity (incorporated in the UK and registered in England and Wales). The liability of members is limited to £1. It was established in 1963 for the advancement of education and, in particular, to procure and increase the appreciation and understanding of the dramatic art in all its forms as a memorial to William Shakespeare. The registered address is Upper Ground, London SE1 9PX. The registered charity number is 224223, and company number is 749504.

These objects are set out in the governing document, which is its Memorandum and Articles of Association, and have been developed into a set of aims and objectives as described within the Trustees' report on pages 7 and 8.

2 STATEMENT OF COMPLIANCE

The Royal National Theatre meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, the Companies Act 2006, the Charities Act 2011, and in accordance with Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS 102) and the recommendations of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (the "Charities SORP").

3 PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

B GOING CONCERN**BACKGROUND**

In assessing the going concern position of the Company and the Group as at 31 March 2020, the Trustees have considered the Group's projected activities, financial budgets, cash flows and liquidity for a period to June 2022, which is a period of at least 12 months from the date of approval of the financial statements.

Based on the Group's cash flow projections, the Trustees have adopted the going concern basis of accounting in preparing these financial statements.

IMPACT OF COVID-19

The Covid-19 global pandemic became a matter of concern for Trustees and Executive Management from early 2020 and plans were made to respond to any potential short-term closures which may arise. The Royal National Theatre continued to operate as normal during the period to mid-March 2020.

On 16 March 2020, the UK Government issued an emergency statement to the general public, telling them to avoid assembly in public places, including theatres. That evening The Royal National Theatre's theatres fully closed. By the end of the week, the Government's advice became a general closure order.

Over the following months, since March 2020, it became clear that the closure of the theatres would be much longer in duration than originally envisaged due to, for example, social-distancing and other requirements, such as national and regional lockdowns. In fact, The Royal National Theatre has remained substantially closed to the public since that time, and the theatres opened with only very limited performances in late 2020, prior to the further national lockdown imposed in early 2021.

TRUSTEES' ACTIONS

The following actions, among others, have been taken by the Trustees, to date:

- All advance ticket holders were contacted to offer them the chance to receive a refund, or convert their ticket to a credit voucher for a future performance, or to make a partial or whole donation to The Royal National Theatre to assist in ensuring the future of the Group.
- The Trustees agreed to reclassify certain unrestricted fund designations into general reserves in order to ensure the long-term viability of the organisation.
- The Group took advantage of the Government's Coronavirus Job Retention Scheme (CJRS), amongst other Government financial-support initiatives, which permitted a large number of staff to be furloughed whose roles were dependent on the theatres being open, initially with 80% of their salaries paid and covered by Government grant. The Government has recently announced that the CJRS will now continue through to September 2021, but with differing levels of Government contributions.
- Staff pay cuts were implemented across the Group, and support costs were reduced and service contracts were renegotiated.
- A significant redundancy programme was completed in October 2020, with permanent contracted staff numbers reduced by circa 23%.
- In December 2020, the Group successfully secured repayable Government loan finance, via the Cultural Recovery Fund, of £19.7m to support The Royal National Theatre's funding shortfall across the period 2020 to 2022 (see note 24).
- In late 2020, the Group launched a Major Funding Campaign, seeking circa £40m to cover the funding gap across 2020 to 2022 and support The Royal National Theatre's long term survival, net of the self-help measures and Government loan support noted above. Such income will be sought to derive from corporates, trusts, and individual giving, as well as The Royal National Trust Foundation.

BUSINESS PLANS

In order to assess, for example, the use of the going concern assumption, the Trustees have produced detailed, yet adaptable, business plans that consider projected activity, the related financial budgets, cash flows and liquidity of the Group covering the period to June 2022.

KEY ASSUMPTIONS

The business and financial plans incorporate the following key assumptions:

- National and local Government decisions, rules and advice, as to the opening of public venues, along with social-distancing and travel restrictions, will be relaxed sufficiently to permit the opening of The Royal National Theatre premises from June 2021, with performances starting thereafter on a phased-basis, and with social-distancing in place until, at least, September 2021.
- Audience and visitor numbers return, but box-office and related income is lower than in previous years.
- There are no further impositions of closures or lockdowns that would affect the Group and its theatres.
- The non capital expenditure element of the Major Funding Campaign referred to above is achieved.
- Arts Council England (ACE) annual grant funding continues at the same levels beyond March 2022.

- Continued staff cost and efficiency savings, the growth of new digital income streams, and growth in trading net income are all achieved.

SENSITIVITY ANALYSIS

The Trustees have considered the impact on projected activities, budgets, and cash flows of several challenging, yet reasonably plausible, downside scenarios such that the key assumptions are not met, or able to be met, in whole or in part.

These includes, for example, a delay in reopening the theatres of a number of months, with associated revisions to programming, social-distancing measures being extended for a period of time, on-going and/or further Covid-restrictions, reduced audience numbers, and a shortfall in the non capital expenditure element of the Major Funding Campaign target.

The Trustees have also sought to identify certain mitigating actions that could be implemented, in order to reduce cash outflows, so as to ensure that the Group can maintain sufficient free cash over the period to June 2022.

Under certain of these scenarios, the Group could utilise a substantial amount of its available cash reserves, which excludes cash related to restricted funds, within the period to June 2022, and require the implementation of some, or all, of the mitigating actions identified by the Trustees.

The success of the mitigating measures to reduce cash outflows, whilst being identified and achievable based on current advice, are dependent on the timing of when they may be required to be implemented. As such, the Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some time, given the key assumptions and the financial modelling referred to above.

CONCLUSIONS

Having assessed the combination of all these various options, the Trustee Board, however, has a reasonable current expectation that the Company and the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements.

For these reasons, the Trustee Board has adopted the going concern basis of accounting in the preparation of these financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Company and the Group were unable to continue as a going concern.

C EXEMPTIONS FOR QUALIFYING ENTITIES UNDER FRS 102

The Company has taken advantage of the disclosure exemptions from preparing a statement of cash flows and reconciliation of net debt, on the basis that it is a qualifying entity.

D BASIS OF CONSOLIDATION

The "Group" financial statements consolidate those of The Royal National Theatre and its wholly owned non-charitable subsidiaries (as set out in Note 23). The National's subsidiaries are entities controlled either directly or indirectly by the National. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

Transactions and balances outstanding between the entities are eliminated on consolidation.

E FOREIGN CURRENCIES

Transactions in foreign currencies undertaken during the period have been translated at the prevailing rate of exchange at the date of the transaction. Non-monetary assets are recorded at the prevailing rate of exchange at the date of the original transaction. Monetary assets and liabilities in foreign currencies are translated at rates of exchange prevailing at the balance sheet date.

Foreign exchange differences incurred in respect of overseas activities are recorded in the Statement of Financial Activities within the activity which the income and expenditure relates in the period in which they are incurred.

The functional currency of the Company and its UK based subsidiaries is pounds sterling, and the functional currency of its US subsidiaries, National Theatre North America LLC, Curious Incident Broadway LP, Curious Incident National Tour LP, The Great Work Begins LP and Three Brothers Broadway LLC is US dollars. The presentational currency of the Group is pounds sterling.

The income and expenditure of foreign subsidiaries consolidated within the Group financial statements are translated from their functional currency to the presentational currency at the average rate for the period. The balance sheet of each foreign subsidiary is translated to the presentational currency at the prevailing foreign exchange rate at the balance sheet date. Any exchange gains or losses are accounted for within other comprehensive income within the Group Statement of Financial Activities.

F FUND ACCOUNTING

Unrestricted funds are those funds which can be used for any charitable purpose at the discretion of the trustees; designated funds are those funds which have been set aside by the trustees for particular purposes; restricted funds may only be used in accordance with the specific wishes of donors.

An expendable endowment fund is held in long term restricted funds. Under the terms of donation this will be converted at the trustees' discretion into expendable income at the end of the 20-year term (December 2028).

G INCOME & ENDOWMENTS

All income and endowments are included in the Statement of Financial Activities when the Group has legal entitlement, there is reasonable probability over receipt and the amount of income can be quantified with reasonable accuracy.

DONATIONS & LEGACIES

Donations and legacies comprise all income from sponsorships, donations, legacies, grants, and membership subscriptions. Donations, including pledges and legacies, are recognised in the appropriate fund once receipt is probable and when any conditions for receipt are met. Any income from connected charities - American Associates of the National Theatre - is recognised at the point at which the amount receivable is known.

Where donor-imposed conditions, such as grant terms, require that funds are expended in a future period or that the Group is entitled to funds only once specific conditions are met, then amounts are recorded as deferred at the balance sheet date. Income is then recognised once conditions have been met, income is recorded as deferred income at the balance sheet date.

Sponsorship income represents income received from commercial organisations in support of specific activities or projects. Income is recognised at the point where the goods/services in relation to the activities or projects are delivered.

Income from individual membership schemes eligible for Gift Aid is recognised in full on receipt. Corporate and Individual Membership income is apportioned over the year of the subscription and the element relating to a future year is recorded as deferred income at the balance sheet date.

Gift Aid is included in the financial statements based on amounts recoverable at the balance sheet date.

Goods and services received in kind, where significant (>£10k) are included within 'Donations & Legacies' and under the appropriate expenditure heading, depending on the nature of goods and services provided. These are recognised at an estimated value to the Group at the time of receipt.

Arts Council England's revenue grant is recognised in the period to which the funding relates. All other grant income from Arts Council England is recognised in line with expenditure of the project funded.

CHARITABLE ACTIVITIES

Charitable activities comprises:

Performance income:

- income from performances at The Royal National Theatre;
- income from touring activities under the management of the Group (excluding grant income); and
- ticket sales for productions which have transferred to the West End under direct The Royal National Theatre management.

All other income:

- income from NT Learning performances, NT Live ticket income, NT at Home subscriptions, events and workshops; and
- sundry income.

Box office (performance) income and income generated by NT Learning projects and NT Live is recognised in the Statement of Financial Activities on maturity of the performance or event. Advance bookings comprise ticket sales for future performances.

Other sundry income is recognised on a receivable basis.

OTHER TRADING ACTIVITIES

Other trading activities comprise:

- income generated by Royal National Theatre Enterprises Limited from trading activities; and
- royalty and profit share income generated by other The Royal National Theatre subsidiaries from the commercial exploitation of The Royal National Theatre's productions.

Income is recognised on a receivable basis.

H EXPENDITURE

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

RAISING DONATIONS & LEGACIES

Expenditure on raising donations and legacies represent the costs of securing sponsorship and donations including the costs of providing membership benefits.

CHARITABLE ACTIVITIES

Expenditure which relates directly to the Group's charitable objectives are analysed between:

- performances at The Royal National Theatre or elsewhere under direct management of the Group;
- performances on tour (UK and International);
- NT Live (streaming and broadcasting of The Royal National Theatre performances) and Digital;
- NT Learning (education and participation work) and Public Engagement (including Archive, NT Live, Inside Out, Platforms, Foyer Music); and
- research and development (including the NT Studio and commissioning costs).

Support costs relating to a single activity are allocated directly to that activity. Where support costs relate to several activities, they have been apportioned as set out in Note 6(c). Staff canteen costs are shown net of contributions.

OTHER TRADING ACTIVITIES

Expenditure which forms part of the Group's trading activities and commercial exploitations are separately disclosed as Other Trading Activities.

I LEASE OF THE NATIONAL

The Royal National Theatre holds a lease on its building from its freeholder, Arts Council England, at a peppercorn rent. This lease expires in 2138. Under the terms of the lease, The Royal National Theatre is responsible for maintaining the fabric of the building and its mechanical and electrical equipment. In order to meet this obligation, funds are transferred from The Royal National Theatre's own resources, namely the operations fund, to the building and equipment fund (see Note 18).

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

J FIXED ASSETS AND DEPRECIATION

Fixed assets are held at cost less accumulated depreciation within the relevant fund. Only assets over £2,000 are capitalised.

Depreciation is provided on a straight line basis to write off the assets over their anticipated useful economic lives and is charged to the relevant fund as follows:

Freehold land & buildings	50 years (excluding land, which is not depreciated)
Leasehold improvements	5 years, 10 years and 20 years
Equipment	3 years, 5 years and 10 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. When considering the existence of impairment indicators, The Royal National Theatre considers, amongst other things, the ability of assets to assist in the delivery of The Royal National Theatre's future activities.

Assets within work in progress are not depreciated until they are brought into use.

Assets are derecognised when they are disposed of or when no future economic benefits are expected from its use or disposal.

K INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are held at cost less impairment.

L STOCKS

Stocks, principally held by The Royal National Theatre's trading subsidiary (RNTE), comprise of catering, bookshop and programme supplies for resale. Other stocks comprise consumables for use in the making of sets and costumes.

All stock is valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the latest purchase price for catering, bookshop and programme stock, and on actual cost for production stock. Where it is identified that stocks will not be sold as a result of a prolonged closure, then the stocks are considered to have nil value. All impairment losses are recognised within the Statement of Financial Activities.

At the end of each reporting period stocks are assessed for impairment. If an item of stock is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the Statement of Financial Activities. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the Statement of Financial Activities.

M COSTS OF PRODUCTIONS NOT YET OPENED

The cost of materials for new productions and associated creative team fees are carried forward on the balance sheet until they are expensed on the date of the press night performance or circumstances lead to the production being cancelled in which case the amounts recognised are impaired to nil. Internal labour and rehearsal costs are expensed as incurred.

N CASH AND CURRENT ASSET INVESTMENTS

Cash and current asset investments include cash in hand, deposits held at call with banks and other short-term highly liquid investments, and bank overdrafts. Bank overdrafts (where applicable) are shown within current liabilities. Deposits with original maturities of 3 months or more, or require a similar level of notice before withdrawal, are classified as current asset investments.

O PROVISIONS

Provision has been made, where appropriate, for expenses where a present obligation exists at the balance sheet date in accordance with the requirements of FRS 102 para 21.4.

P OPERATING LEASES

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Q FINANCIAL INSTRUMENTS

The Group's financial instruments are basic financial instruments as defined by section 11 of FRS 102 which comprise financial assets and liabilities, and include debtors, cash, creditors and debt instruments (where applicable). Financial instruments arise as a result of normal operating activities and are not expected to separately influence the performance and position of the Group.

The carrying values of financial assets are reviewed for objective evidence of impairment at the end of each financial period. Where an impairment loss has been identified, the loss is immediately recognised within the Statement of Financial Activities.

Financial instruments are derecognised when the contractual obligation is discharged, settled, cancelled or expired.

R PENSIONS

The Group offers a stakeholder defined contribution pension scheme to its employees and also contributes to defined contribution schemes for certain of its employees. These costs are expensed in the Statement of Financial Activities as they become payable.

S TAXATION

The Royal National Theatre is a culturally exempt organisation under Schedule 9 of the VAT Act 1994 and, during the year, VAT returns have been submitted on a culturally exempt basis. Irrecoverable VAT is charged against the cost of charitable activities, where it is incurred. Irrecoverable VAT on capital expenditure has been capitalised and will

be written off over the life of the assets. The Royal National Theatre is a registered charity and therefore is not liable to income tax and corporation tax on income and gains derived from its charitable activities as it falls within the various exemptions available to registered charities.

Royal National Theatre Enterprises Limited and National Theatre Productions Limited pay their taxable profits to the Company, through a Deed of Covenant, under Gift Aid.

National Theatre North America LLC pays a profit distribution to the Company. The Company has received dispensations in the US to be treated as a charity and, as such, there is no corporation tax charge on the distribution. The Group receives creative industry tax credits from HMRC. These are shown as reductions to expenditure within the Statement of Financial Activities.

4 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

A CRITICAL JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

Other than the judgment in relation to Going Concern, discussed in Note 3, the key judgment made in preparing the financial statements is discussed below.

Judgement is required to assess whether the Group has control over its subsidiaries and related undertakings (See Note 23). Specifically, in applying judgement as to whether to consolidate, the Group has considered the following:

- *Curious Incident Broadway LP* – Through National Theatre North America LLC (NTNA which is 100% owned by The Royal National Theatre), the Group is one of 2 general partners. NTNA holds the casting vote in any decisions made in relation to the LP and, in effect, has control over the LP. Therefore, Curious Incident Broadway LP is a subsidiary and so its results are consolidated in these financial statements.
- *Curious Incident National Tour LP / The Great Work Begins LP / Three Brothers Broadway LLC* – Through National Theatre North America LLC (NTNA which is 100% owned by The Royal National Theatre), the Group is sole general partner of both partnerships and each partnership's limited partners, who provided funding to finance the partnership initially, have no decision making powers in relation to the activities of the partnership. Therefore, NTNA has full control over the LPs/LLC, and so their results are consolidated in these financial statements.

B KEY ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and assumptions are made by the Group concerning the future. Therefore, the actual results of the Group, by definition, will rarely be consistent with such accounting estimates, though the Group's activities mean that there are limited estimates in which a material adjustment to the carrying value of assets or liabilities could occur in the following financial period.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

NOTES TO THE FINANCIAL STATEMENTS THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

5 INCOME & ENDOWMENTS (GROUP)

(a) DONATIONS & LEGACIES – ANALYSIS BY FUND TYPE

	52 weeks ended 29 March 2020						52 weeks ended 31 March 2019					
	Unrestricted Funds			Restricted Funds			Unrestricted Funds			Restricted Funds		
	Operations	Designated	Projects	Long Term	Total	£m	Operations	Designated	Projects	Long Term	Total	£m
Arts Council England (ACE):												
Revenue Grant	16.7	-	-	-	16.7		16.7	-	-	-	16.7	
Capital and Other Grants	-	-	0.6	-	0.6		-	-	0.5	-	0.5	
TOTAL ACE	16.7	-	0.6	-	17.3		16.7	-	0.5	-	17.2	
Other:												
Performances	-	-	0.9	-	0.9		-	-	0.6	-	0.6	
NT Live & Digital	-	-	0.8	-	0.8		-	-	0.8	-	0.8	
NT Learning & Public Engagement	-	-	1.4	-	1.4		-	-	1.8	-	1.8	
NT Studio, Research & Development	-	-	0.5	-	0.5		-	-	0.7	-	0.7	
NT Touring	-	-	0.8	-	0.8		-	-	-	-	-	
Long Term Projects	-	-	-	0.5	0.5		-	-	-	0.5	0.5	
Other	-	-	1.0	-	1.0		-	-	0.4	-	0.4	
Donations supporting general activity	7.7	-	-	-	7.7		8.4	-	-	-	8.4	
TOTAL Other	7.7	-	5.4	0.5	13.6		8.4	-	4.3	0.5	13.2	
TOTAL Donations & Legacies	24.4	-	6.0	0.5	30.9		25.1	-	4.8	0.5	30.4	

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

5 INCOME & ENDOWMENTS (GROUP) (CON'T)

(b) DONATIONS & LEGACIES – ANALYSIS BY INCOME TYPE

	52 weeks ended 29 March 2020			52 weeks ended 31 March 2019		
	Sponsorship £m	Donations, subscriptions & legacies £m	Grants £m	Sponsorship £m	Donations, subscriptions & legacies £m	Grants £m
Arts Council England (ACE):	-	-	17.3	-	-	17.2
Other:						
Performances	0.1	0.6	0.2	-	0.5	0.1
NT Live & Digital	0.6	0.2	-	0.6	0.1	0.1
NT Learning & Public Engagement	0.2	0.8	0.4	0.2	0.8	0.8
NT Studio, Research & Development	0.1	0.1	0.3	0.1	0.2	0.4
NT Touring	0.1	-	0.7	-	-	-
Long Term Projects	-	0.5	-	-	0.2	0.3
Other	0.3	-	0.7	-	-	0.4
General Activity	1.5	6.2	-	1.8	6.0	0.6
TOTAL Other	2.9	8.4	2.3	2.7	7.8	2.7
TOTAL Other			13.6			13.2
TOTAL Donations & Legacies	2.9	8.4	19.6	2.7	7.8	19.9
TOTAL Donations & Legacies			30.9			30.4

Recognised within donations and legacies are Gifts in Kind of £1.1m during the year (2019: £1.3m).

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

5 INCOME & ENDOWMENTS (GROUP) (CON'T)**(c) INCOME FROM CHARITABLE ACTIVITIES**

	2020 Total £m	2019 Total £m
Performances:		
National Theatre	23.4	24.2
West End Commercial Transfers	9.2	5.7
UK Touring	4.1	14.3
International Touring	9.2	1.7
TOTAL Performances	45.9	45.9
Other Activities:		
NT Live & Digital	9.0	4.3
NT Learning & Public Engagement	0.8	0.8
Other Income	0.2	0.1
TOTAL Other Activities	10.0	5.2
TOTAL Income from Charitable Activities	55.9	51.1

Touring income includes co-production and touring fees where appropriate.

International Touring income principally comprises Australasia, Asia and Europe.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

5 INCOME & ENDOWMENTS (GROUP) (CON'T)**(d) INCOME FROM OTHER TRADING ACTIVITIES**

	2020 Total £m	2019 Total £m
Catering & Hospitality	9.8	10.9
Retail & Prop and Costume Hires	2.6	2.2
Car Park	0.7	0.7
Tours & Events	0.2	0.6
Rights, Royalties & Exploitations	6.1	11.0
Sponsorship Income	0.6	0.6
Advertising	0.1	0.1
TOTAL Income from Trading Activities	20.1	26.1

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

6 EXPENDITURE (GROUP)

(a) EXPENDITURE ON CHARITABLE ACTIVITIES

	52 weeks ended 29 March 2020						52 weeks ended 31 March 2019					
	Unrestricted Operations		Unrestricted Designated		Restricted		Unrestricted Operations		Unrestricted Designated		Restricted	
	Direct £m	Support £m	Direct £m	Support £m	Projects £m	Long Term £m	Direct £m	Support £m	Direct £m	Support £m	Projects £m	Long Term £m
Performances:												
National Theatre	27.2	9.2	-	-	0.9	-	26.7	9.9	0.3	0.6	-	-
West End Commercial Transfers	9.2	1.5	-	-	-	-	4.9	0.9	-	-	-	-
UK Touring	3.7	0.6	0.5	-	1.3	-	12.2	2.2	0.1	0.5	-	-
International Touring	11.2	1.9	-	-	-	-	2.3	0.4	-	-	-	-
TOTAL Performances	51.3	13.2	0.5	2.2	2.2	-	46.1	13.4	0.4	1.1	-	61.0
Other Activities:												
NT Live & Digital	7.3	2.5	0.2	0.8	-	-	4.1	1.5	-	0.8	-	-
NT Learning & Public Engagement	1.9	0.7	-	1.4	-	-	1.7	0.6	-	1.9	-	-
NT Major Projects	-	-	0.4	-	-	-	-	-	0.4	-	-	-
Research & Development	1.0	0.3	0.1	0.5	-	-	1.3	0.5	-	0.6	-	-
Other Expenses	-	-	-	1.0	-	-	-	-	-	0.4	-	-
TOTAL Other Activities	10.2	3.5	0.7	3.7	3.7	-	7.1	2.6	0.4	3.7	-	13.8
Other:												
Depreciation	-	-	3.5	-	-	4.4	-	-	4.0	-	-	4.6
TOTAL Other	-	-	3.5	-	-	4.4	-	-	4.0	-	-	8.6
TOTAL Expenditure on Charitable Activities	61.5	16.7	4.7	5.9	4.4	93.2	53.2	16.0	4.8	4.8	4.6	83.4

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

6 EXPENDITURE (GROUP) (CON'T)**(b) EXPENDITURE ON OTHER TRADING ACTIVITIES**

	2020 Total £m	2019 Total £m
Catering & Hospitality	8.6	9.7
Retail & Prop and Costume Hires	2.0	1.4
Car Park	0.2	0.2
Tours & Events	1.1	0.5
Rights, Royalties & Exploitations	5.1	10.3
Sponsorship	0.1	0.1
Support Costs	2.1	2.2
TOTAL Expenditure from Other Trading Activities	19.2	24.4

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

6 EXPENDITURE (GROUP) (CON'T)

(c) ANALYSIS OF SUPPORT COSTS

	52 weeks ended 29 March 2020			52 weeks ended 31 March 2019			Total
	Promotion	Theatre operations	Support services	Promotion	Theatre operations	Support services	Total
	£m	£m	£m	£m	£m	£m	£m
Raising Donations & Legacies	-	-	0.3	-	-	0.2	0.2
Charitable Activities:							
Performances:							
National Theatre	1.8	4.7	2.7	2.1	5.1	2.7	9.9
West End Commercial Transfers	0.6	-	0.9	0.4	-	0.5	0.9
UK Touring	0.2	-	0.4	0.9	-	1.3	2.2
International Touring	0.7	-	1.2	0.2	-	0.2	0.4
NT Live & Digital	0.5	1.3	0.7	0.3	0.8	0.4	1.5
NT Learning & Public Engagement	0.1	0.3	0.3	0.1	0.3	0.2	0.6
Research & Development	0.1	0.2	-	0.1	0.3	0.1	0.5
TOTAL Charitable Activities	4.0	6.5	6.2	4.1	6.5	5.4	16.0
Other Trading Activities	-	1.2	0.9	-	1.2	1.0	2.2
TOTAL Support Costs	4.0	7.7	7.4	4.1	7.7	6.6	18.4

Promotion comprises Marketing and Press. Theatre Operations comprises Front of House, Building Services, Insurance, Cleaning and Security. Support Services comprises Finance, Governance*, IT, HR, Pensions, and Staff Canteen.

Support costs are allocated to the key activity areas driving supports costs as above based on their proportionate costs to overall direct costs.

* Governance costs for the year were £0.1m (2019: £0.1m). Included within Governance costs are the auditors' remuneration which consists of the Group audit fee of £68k (2019: £68k) and fees for tax compliance services of £7k (2019: £7k) due to PricewaterhouseCoopers LLP.

Note: Group refers to *The Royal National Theatre Charity* and its trading subsidiaries and Company refers to *The Royal National Theatre Charity* only.

7 STAFF COSTS & NUMBERS (GROUP & COMPANY)

	Group 2020 £m	Company 2020 £m	Group 2019 £m	Company 2019 £m
Wages and salaries	45.3	44.7	46.4	43.9
Social security costs	3.4	3.4	3.5	3.4
Other pension costs	1.6	1.5	1.4	1.3
	50.3	49.6	51.3	48.6

Average monthly full time equivalents employed in the year: *

	Group 2020 Number	Company 2020 Number	Group 2019 Number	Company 2019 Number
Artistic	252	249	255	248
Technical and production	392	389	400	394
Trading and front of house	305	305	320	320
Education, touring, New Work Dept and other projects	50	50	51	51
Marketing and box office	60	60	61	61
Support services	74	74	73	73
Engineering	24	24	21	21
Fundraising	31	31	32	32
	1,188	1,182	1,213	1,200

* All staff, excluding actors and staff of the Broadway Production of Lehman Trilogy are employed by The Royal National Theatre and the cost of their employment is recharged to The Royal National Theatre's subsidiaries where relevant.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

7 STAFF COSTS & NUMBERS (CON'T)

The number of employees with emoluments greater than £60,000 was as follows:

	Group 2020 Number	Group 2019 Number
£60,000-£70,000	19	15
£70,001-£80,000	7	6
£80,001-£90,000	5	7
£90,001-£100,000	2	3
£100,001-£110,000	1	-
£110,001-£120,000	1	-
£120,001-£130,000	1	1
£130,001-£140,000	1	1
£160,001-£170,000	-	1
£170,001-£180,000	2	-
£180,001-£190,000	-	1
	39	35

Pension contributions of £0.2m (2019: £0.2m) were made to defined contribution schemes for the above members of staff during the year.

The total remuneration for Key Management Personnel was £2.0m (2019: £2.0m), comprising of the Executive (comprising the Director and Executive Director) and the Senior Management Team which is 15 (2019: 15) members of staff.

8 TRUSTEES' EMOLUMENTS

No Trustees of the Company received any remuneration during the year or in the previous year in respect of their position as Trustees. No expenses for travel and entertainment (2019: £3k) were incurred while on Company's business and were reimbursed during the year. Trustees are offered two free tickets for each production to enable them to carry out their duties.

In the normal course of business, a Trustee, Vicki Mortimer, provided services to the Company as a specialist designer on certain productions. The total amount paid for such services in the period to 29 March 2020 was £56k (2019: £7k). The Company's governing documents permit such a payment to Trustees and was approved by the Board.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

9 PENSION CONTRIBUTIONS

The Company makes payments to defined contribution schemes which are available to all permanent employees. The charge for the Company for the year was £1.5m (2019: £1.3m) with £0.1m (2019: £0.1m) payable at the balance sheet date. The Group charge for the year was £1.6m (2019: £1.4m) with £0.1m (2019: £0.1m) payable at the balance sheet date.

10 TAXATION

The Royal National Theatre's charitable activities fall within the exemptions afforded by Part 11 Corporation Taxes Act 2010. The trading and commercial subsidiaries, Royal National Theatre Enterprises Limited and National Theatre Productions Limited, passes profits on which tax would be payable to the National under a Gift Aid arrangement. Accordingly, there is no corporation tax charge in these financial statements. Similarly, because of the Gift Aid, there is no difference in the net movement in funds for the National and the Group as a whole, excepting amounts retained in the US subsidiaries and National Theatre Staging Limited, disclosed in Notes 18 and 23.

National Theatre Staging Limited and National Theatre Live Limited produce and film productions and claim tax credit for Theatre and Film, respectively, to the total of £4,502k (2019: £4,090k).

National Theatre North America LLC pays a profit distribution to The Royal National Theatre. The Royal National Theatre has received dispensations in the US to be treated as a charity and, as such, there is no corporation tax charge on the distribution.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

NOTES TO THE FINANCIAL STATEMENTS

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

11 TANGIBLE ASSETS (GROUP)

	Freehold Land & Buildings	Leasehold Improvements (20 years)	Leasehold Improvements (10 years)	Leasehold improvements (5 years)	Equipment (10 years)	Equipment (5 years)	Equipment (3 years)	Work in Progress (Restricted)	Work in Progress (Unrestricted)	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Cost										
As at 1 April 2019	6.6	59.9	38.2	0.8	10.1	2.8	47.1	0.2	1.3	167.0
Additions	-	-	-	-	-	-	-	-	4.0	4.0
Disposals	-	-	-	(0.3)	-	-	(1.3)	-	-	(1.6)
Transfers from work in progress	-	-	0.5	-	0.2	0.8	2.7	(0.1)	(4.1)	-
As at 29 March 2020	6.6	59.9	38.7	0.5	10.3	3.6	48.5	0.1	1.2	169.4
Accumulated Depreciation										
As at 1 April 2019	1.4	14.5	34.7	0.4	4.2	2.5	43.3	-	-	101.0
Charge for period	0.1	3.0	0.6	0.1	1.0	0.2	2.9	-	-	7.9
Disposals	-	-	-	(0.2)	-	-	(1.3)	-	-	(1.5)
As at 29 March 2020	1.5	17.5	35.3	0.3	5.2	2.7	44.9	-	-	107.4
Net book value										
As at 29 March 2020	5.1	42.4	3.4	0.2	5.1	0.9	3.6	0.1	1.2	62.0
As at 31 March 2019	5.2	45.4	3.5	0.4	5.9	0.3	3.8	0.2	1.3	66.0

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

Freehold land and buildings include NT Studio land at a cost of £0.7m (2019: £0.7m) and the NT Studio building refurbishment at a cost of £5.7m (2019: £5.7m). The Studio building has been provided as security in the form of a 30-year legal mortgage in relation to a grant for refurbishment of the Studio, of £0.9m from Arts Council England in 2010. The mortgage is 14% of the cost of the NT Studio land and building (excluding the NT Studio car park land).

Fixed and floating charges over The Royal National Theatre's leasehold registered offices at Upper Ground, London SE1 9PX was provided to:

- Arts Council England as security for the potential repayment obligations under a grant of £17.5m in relation to the NT Future project in 2012 lasting 30 years.
- The Trustees of the National Heritage Memorial Fund for potentially repayment obligations under a grant of £2.25m from the Heritage Lottery Fund, in relation to NT Future in 2013 lasting 25 years.
- Courtts & Co. as security against potential repayment obligations on an overdraft facility in 2014. The facility is no longer held and the charge is in the process of being released.

NOTES TO THE FINANCIAL STATEMENTS

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

11 TANGIBLE ASSETS (COMPANY)

	Freehold Land & Buildings	Leasehold Improvements (20 years)	Leasehold Improvements (10 years)	Leasehold improvements (5 years)	Equipment (10 years)	Equipment (5 years)	Equipment (3 years)	Work in Progress (Restricted)	Work in Progress (Unrestricted)	Total
Cost	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
As at 1 April 2019	6.6	59.9	38.2	0.8	7.6	2.4	45.7	0.2	1.3	162.7
Additions	-	-	-	-	-	-	-	-	3.8	3.8
Disposals	-	-	-	(0.3)	-	-	(1.3)	-	-	(1.6)
Transfers from work in progress	-	-	0.5	-	0.1	0.7	2.7	(0.1)	(3.9)	-
As at 29 March 2020	6.6	59.9	38.7	0.5	7.7	3.1	47.1	0.1	1.2	164.9
Accumulated Depreciation										
As at 1 April 2019	1.4	14.5	34.7	0.4	3.3	2.2	42.5	-	-	99.0
Charge for period	0.1	3.0	0.6	0.1	0.8	0.2	2.5	-	-	7.3
Disposals	-	-	-	(0.2)	-	-	(1.4)	-	-	(1.6)
As at 29 March 2020	1.5	17.5	35.3	0.3	4.1	2.4	43.6	-	-	104.7
Net book value										
As at 29 March 2020	5.1	42.4	3.4	0.2	3.6	0.7	3.5	0.1	1.2	60.2
As at 31 March 2019	5.2	45.4	3.5	0.4	4.3	0.2	3.2	0.2	1.3	63.7

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

12 INVESTMENTS

	Group 2020 £m	Company 2020 £m	Group 2019 £m	Company 2019 £m
Expendable endowment (20-year gilt bond)	0.2	0.2	0.2	0.2

In 2008, the Company invested £200,000 into a 20-year gilt in accordance with the terms of a donation received from a long-term benefactor. At the end of the 20-year term, the capital sum (£166,000) will become available for use by the Company. Interest on the gilt accrues to the Company on a received basis. The initial premium on the gilt is amortised over the life of the gilt. The Trustees believe that the carrying value of the investments is supported by their underlying net assets.

See Note 23 for details of investments in subsidiary undertakings.

13 STOCKS

	Group 2020 £m	Company 2020 £m	Group 2019 £m	Company 2019 £m
Goods for resale	0.4	-	0.5	-
Consumable items	0.1	0.1	0.1	0.1
	0.5	0.1	0.6	0.1

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

14 COST OF PRODUCTIONS NOT YET OPENED

	Group 2020 £m	Company 2020 £m	Group 2019 £m	Company 2019 £m
National Theatre – Tours	0.1	-	0.3	-
National Theatre – Live	-	-	-	-
National Theatre – Productions	0.4	0.4	0.7	0.7
	0.5	0.4	1.0	0.7

These costs relate to productions which have been delayed due to Covid-19 and are still planned to go ahead.

15 DEBTORS

	Group 2020 £m	Company 2020 £m	Group 2019 £m	Company 2019 £m
Trade debtors	2.0	1.7	4.1	3.6
Tax recoverable	5.6	0.6	5.1	0.2
Amounts owed by group undertakings	-	4.9	-	7.3
Other debtors	0.4	0.4	0.6	0.4
Prepayments and accrued income	6.9	6.1	3.2	2.9
	14.9	13.7	13.0	14.4

All amounts fall due within one year. Intercompany balances are unsecured, non-interest bearing and are repayable on demand.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

16 CASH AND BANK DEPOSITS

	Group 2020 £m	Company 2020 £m	Group 2019 £m	Company 2019 £m
Current asset investments:				
Bank deposits with maturity > 3 months	10.2	10.2	10.1	10.1
Cash at bank and in hand:				
Cash and bank balances	11.7	10.1	16.6	12.0

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £m	Company 2020 £m	Group 2019 £m	Company 2019 £m
Amounts falling due within one year:				
Trade creditors	1.8	1.3	1.3	0.9
Taxation and social security	0.7	0.7	1.8	1.8
Advance bookings	1.8	1.8	3.9	3.9
Other creditors and accruals	12.1	9.0	9.7	6.1
Amounts owing to group undertakings	-	1.0	-	-
Deferred income (all utilised in year)	1.3	0.7	0.5	0.3
Provisions	-	-	0.1	0.1
	17.7	14.5	17.3	13.1

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

NOTES TO THE FINANCIAL STATEMENTS

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

18 THE FUNDS OF THE GROUP & COMPANY

	Balance at 1 April 2019 £m	Income £m	Expenditure £m	Transfers £m	Balance at 29 March 2020 £m	Balance at 1 April 2018 £m	Income £m	Expenditure £m	Transfers £m	Balance at 31 March 2019 £m
UNRESTRICTED:										
Unrestricted operations fund *	12.2	100.4	(99.8)	(3.4)	9.4	11.7	102.3	(96.1)	(5.7)	12.2
Unrestricted designated:										
NT Future	6.7	-	(0.4)	-	6.3	7.4	-	(0.7)	-	6.7
Touring	1.4	-	(0.5)	-	0.9	1.3	-	(0.4)	0.5	1.4
Building & Equipment Fund	15.1	-	(3.5)	3.4	15.0	14.1	-	(3.6)	4.6	15.1
Digital Projects	0.4	-	(0.2)	-	0.2	-	-	-	0.4	0.4
Security	0.8	-	(0.1)	-	0.7	0.9	-	(0.1)	-	0.8
Programme Development Fund	0.6	-	-	-	0.6	0.4	-	-	0.2	0.6
TOTAL unrestricted designated funds	25.0	-	(4.7)	3.4	23.7	24.1	-	(4.8)	5.7	25.0
TOTAL unrestricted funds	37.2	100.4	(104.5)	-	33.1	35.8	102.3	(100.9)	-	37.2
RESTRICTED: Project funds										
NT Performance	0.1	0.9	(0.9)	-	0.1	0.1	0.6	(0.6)	-	0.1
NT Live & Digital	-	0.8	(0.8)	-	-	-	0.8	(0.8)	-	-
NT Learning & Public Engagement	-	1.4	(1.4)	-	-	0.1	1.8	(1.9)	-	-
NT Studio Projects (Research & Development)	0.1	0.5	(0.5)	-	0.1	-	0.7	(0.6)	-	0.1
NT Touring	-	0.8	(0.7)	-	0.1	-	-	-	-	-
ACE UK Touring	-	0.6	(0.6)	-	-	-	0.5	(0.5)	-	-
General Activity	-	1.0	(1.0)	-	-	-	0.4	(0.4)	-	-
TOTAL project funds	0.2	6.0	(5.9)	-	0.3	0.2	4.8	(4.8)	-	0.2
RESTRICTED: Long term funds										
NT Future Fund	30.8	-	(2.6)	-	28.2	33.7	-	(2.9)	-	30.8
ACE NT Future Fund	15.4	-	(1.0)	-	14.4	16.4	-	(1.0)	-	15.4
ACE Lottery Fund	0.9	-	-	-	0.9	0.9	-	-	-	0.9
Studio Refurbishment Fund	4.4	-	(0.2)	-	4.2	4.5	-	(0.1)	-	4.4
Drum Revolve Fund	0.3	-	-	-	0.3	0.3	-	-	-	0.3
Staging Technology Fund	0.7	0.5	(0.6)	-	0.6	0.9	0.4	(0.6)	-	0.7
Expendable Endowment	0.2	-	-	-	0.2	0.2	-	-	-	0.2
Other Long Term Funds	0.1	-	-	-	0.1	-	0.1	-	-	0.1
TOTAL long term funds	52.8	0.5	(4.4)	-	48.9	56.9	0.5	(4.6)	-	52.8
TOTAL restricted funds	53.0	6.5	(10.3)	-	49.2	57.1	5.3	(9.4)	-	53.0
TOTAL Group funds	90.2	106.9	(114.8)	-	82.3	92.9	107.6	(110.3)	-	90.2

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

18 THE FUNDS OF THE GROUP & COMPANY (CON'T)

* Analysis of unrestricted funds held between parent and subsidiaries:
 Unrestricted retained surplus held by the Company
 Unrestricted retained surplus held by trading subsidiaries
Group unrestricted operations fund

	At 29 March 2020	At 31 March 2019
	£m	£m
	7.6	10.1
	1.8	2.1
	9.4	12.2

DESIGNATED FUNDS

NT FUTURE FUND

This represents NT Future assets which were funded by The Royal National Theatre. Expenditure against this fund represents the depreciation of NT Future assets funded by the National and other related costs

TOURING FUND

The touring fund has been set up to support the touring of The Royal National Theatre productions within the UK.

BUILDING & EQUIPMENT FUND

The building and equipment fund is a designated fund set aside by the Trustees in order to enable monies to be made available for the renewal and maintenance of The Royal National Theatre's buildings and mechanical and electrical equipment in accordance with its lease and obligations under Lottery funding.

£3.4m (2019: £4.6m) was transferred from the operations fund into the buildings and equipment fund during the period. The expenditure for the current period represents depreciation on assets acquired through this fund and expenditure related to the implementation of capital plans.

DIGITAL PROJECTS

The digital projects fund is a designated fund set aside by the Trustees in order to enable monies to be made available to support the investment in The Royal National Theatre's broadcasting and digital initiatives, including the exploitation of digital archive content and associated rights costs.

SECURITY FUND

The security fund is a designated fund set aside by the Trustees in order to enable monies to be made available to enhance the physical security infrastructure of The Royal National Theatre.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

18 THE FUNDS OF THE GROUP & COMPANY (CON'T)**PROGRAMME DEVELOPMENT FUND**

The programme development fund is a designated fund set aside by the Trustees in order to enable monies to ensure The Royal National Theatre can continue the constant revitalisation of the great traditions of the British Stage and to expand the horizons of audiences and artists alike, presenting a balanced artistic programme with a specific responsibility for creating new work and representing the widest range of voices, including support of new writing and directing initiatives.

RESTRICTED FUNDS: PROJECT FUNDS

These represent funds made available for projects generally completed within two years or activities funded on an annual basis.

NT PERFORMANCE

The NT Performance Fund represents restricted funding and related expenditure, relating to The Royal National Theatre productions and performances.

NT LIVE & DIGITAL

The NT Live & Digital Fund represents restricted funding and related expenditure, in relation to The Royal National Theatre's broadcasting and digital initiatives.

NT LEARNING & PUBLIC ENGAGEMENT PROJECTS

The NT Learning & Public Engagement Project Fund represents restricted funding and related expenditure, for participation projects and training initiatives, along with funds received in support of activities in the external public spaces at The Royal National Theatre and various access, archive and digital initiatives.

NT STUDIO PROJECTS (RESEARCH & DEVELOPMENT)

The NT Studio Projects Fund represents restricted funding for activity at the NT Studio, including new writing and directing initiatives.

ACE UK TOURING

The ACE UK Touring fund represents restricted funding for Theatre Nation partnership.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

18 THE FUNDS OF THE GROUP & COMPANY (CON'T)**RESTRICTED FUNDS: LONG-TERM FUNDS:**

Long-term funds represent funds used for capital or where there is an expectation that the fund will be used over the longer term.

NT FUTURE FUND

This fund was created to support a major refurbishment of The Royal National Theatre, completed in 2016 (excluding funds from ACE). Expenditure was £2.6m (2019: £2.9m) and represents depreciation on NT Future assets.

ACE NT FUTURE FUND

This fund was created specifically in relation to a grant from ACE, to support a major refurbishment of The Royal National Theatre, completed in 2016. Expenditure was £1.0m (2019: £1.0m) and represents depreciation on NT Future assets and direct project expenditure.

ACE LOTTERY FUND

This fund was created specifically in relation to a grant from Heritage Lottery, to support a major refurbishment of The Royal National Theatre. The balance reflects future depreciation on the assets acquired through this fund.

STUDIO REFURBISHMENT FUND

This fund was created to support a major refurbishment of the NT Studio, completed in 2008. The balance reflects future depreciation on the assets acquired through this fund.

DRUM REVOLVE FUND

The Drum's original operating vision has never realised due to limitations in technology at the time it was built. This fund was created to address these limitations in light of new technology.

STAGING TECHNOLOGY FUND

This fund was created to ensure that artistic and production development can support the creative vision, by being at the cutting edge of technology.

EXPENDABLE ENDOWMENT

The fund represents the Group's investment of £200,000 in a 20-year gilt in accordance with the terms of a donation from a long-term benefactor. See Note 12.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

NOTES TO THE FINANCIAL STATEMENTS

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS (GROUP)

	As at 29 March 2020				As at 31 March 2019			
	Tangible fixed assets	Cash & current asset investments	Other net assets / (liabilities)	Total net assets	Tangible fixed assets	Cash & current asset investments	Other net assets / (liabilities)	Total net assets
	£m	£m	£m	£m	£m	£m	£m	£m
UNRESTRICTED:								
Operations fund	-	11.2	(1.8)	9.4	-	14.9	(2.7)	12.2
Unrestricted designated:								
NT Future	4.0	2.3	-	6.3	4.4	2.3	-	6.7
Touring	-	0.9	-	0.9	-	1.4	-	1.4
Building & Equipment Fund	9.2	5.8	-	15.0	8.4	6.7	-	15.1
Digital Projects	-	0.2	-	0.2	-	0.4	-	0.4
Security	0.5	0.2	-	0.7	0.6	0.2	-	0.8
Programme Development Fund	-	0.6	-	0.6	-	0.6	-	0.6
TOTAL unrestricted designated funds	13.7	10.0	-	23.7	13.4	11.6	-	25.0
TOTAL unrestricted funds	13.7	21.2	(1.8)	33.1	13.4	26.5	(2.7)	37.2
RESTRICTED: Project funds								
NT Performance	-	0.1	-	0.1	-	0.1	-	0.1
NT Studio	-	0.1	-	0.1	-	0.1	-	0.1
NT Touring	-	0.1	-	0.1	-	-	-	-
TOTAL project funds	-	0.3	-	0.3	-	0.2	-	0.2
RESTRICTED: Long term funds								
NT Future Fund	28.2	-	-	28.2	30.8	-	-	30.8
ACE NT Future Fund	14.4	-	-	14.4	15.4	-	-	15.4
ACE Lottery Fund	0.9	-	-	0.9	0.9	-	-	0.9
Drum Revolve Fund	0.3	-	-	0.3	0.3	-	-	0.3
Studio Refurbishment Fund	4.2	-	-	4.2	4.4	-	-	4.4
Staging Technology Fund	0.2	0.4	-	0.6	0.7	-	-	0.7
Expendable Endowment	-	-	0.2	0.2	-	-	0.2	0.2
Other Long Term Funds	0.1	-	-	0.1	0.1	-	-	0.1
TOTAL long term funds	48.3	0.4	0.2	48.9	52.6	-	0.2	52.8
TOTAL restricted funds	48.3	0.7	0.2	49.2	52.6	0.2	0.2	53.0
TOTAL Group funds	62.0	21.9	(1.6)	82.3	66.0	26.7	(2.5)	90.2

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.
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20 CAPITAL COMMITMENTS (GROUP & COMPANY)

	2020 £m	2019 £m
Commitments:		
Olivier Dimming Lights	0.3	0.3
Lighting Control Consoles	0.3	-
Other commitments (<£100k)	0.2	0.5
Dorfman Lighting Network Cabling	-	0.1
Drum Revolve Works	-	0.1
Front of House Security Upgrades	-	0.4
Olivier Moving Wash Lights	-	0.2
Rear of House Tannoy Systems	-	0.3
NT Future Project	-	0.1
Approved and contracted	0.8	2.0

The amount payable within one year is £0.8m (2019: £2.0m).

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

21 OPERATING LEASE COMMITMENTS

At the year-end The Royal National Theatre was committed under non-cancellable operating leases to make the following payments:

	Group 2020	Company 2020	Group 2019	Company 2018
	£m	£m	£m	£m
Within one year	0.3	0.1	1.3	0.6
In two to five years	0.1	0.1	0.4	0.1
	0.4	0.2	1.7	0.7

Expenditure within the period on operating leases was £1.3m (2019: £1.1m).

22 CONNECTED CHARITIES & OTHER RELATED PARTIES TRANSACTIONS**ROYAL NATIONAL THEATRE FOUNDATION**

The Royal National Theatre Foundation (the "Foundation") has objects related to those of The Royal National Theatre and makes grants to The Royal National Theatre from time to time. The Foundation has 11 trustees, two of whom have a direct connection to The Royal National Theatre.

The Royal National Theatre entered into a joint arrangement to create an endowment fund within the Royal National Theatre Foundation to further The Royal National Theatre's national remit in terms of education, new work and productions, and for capital and general purposes. A legacy campaign has been launched by The Royal National Theatre and all unrestricted legacies directed to The Royal National Theatre will go to the Royal National Theatre Foundation and the donations will be held in appropriately named sub-funds of the endowment fund.

During the period, The Royal National Theatre received legacy income of £283k (2019: £47k) which was paid to the Royal National Theatre Foundation.

The Foundation granted £350k (2019: £385k) for The Royal National Theatre's touring and New Work, and £35k (2019: £35k) for welfare. The Foundation made benevolent grants to members and former members of the staff and company.

AMERICAN ASSOCIATES OF THE ROYAL NATIONAL THEATRE

The American Associates of The Royal National Theatre (the "AANT") is an independent not-for-profit charity registered in New York. In the period, \$2.6m (2019: \$2.5m) was raised by the AANT for The Royal National Theatre.

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

22 CONNECTED CHARITIES & OTHER RELATED PARTIES TRANSACTIONS (CON'T)**OTHER RELATED PARTY TRANSACTIONS**

During the period, Trustees donated a total amount of £255k (2019: £343k) and the Senior Management Team donated a total amount of £1k (2019: £1k).

The Royal National Theatre has a limited power to enter into transactions with its Trustees. This power is in its governing document, the Memorandum of Association, and it is limited by conditions which protect the interests of The Royal National Theatre as a charity.

See Note 23 for details of transactions with subsidiaries.

The Royal National Theatre (RNT) is owed by the Royal National Theatre Enterprises Limited (RNTE) a net balance of £149k (2019: £301k owes). This represents the balance of operational transactions between The Royal National Theatre & RNTE, including a charge for Prop/Costume Hire £522k (2019: £487k) and catering provided for Events £356k (2019: £101k). This is offset by the RNTE Management Fee £1,908k (2019: £2,083k) and the Gift Aid of profit £1,024k (2019: £1,277k) to its parent company.

The Royal National Theatre (RNT) owes the National Theatre Productions Limited (NTPL) a net balance of £647k (2019: £1,405k). This represents the balance of operational transactions, the NTPL Management Fee £129k (2019: £90k) and the Gift Aid of profit £341k (2019: £508k) to its parent company.

The Royal National Theatre (RNT) is owed by the National Theatre Live Limited (NTLL) a net balance of £390k (2019: £800k). This represents the balance of the Commissioning Fee payable by RNT of £5,881k (2019: £3,292k) and the operational transactions payable by NTLL.

The Royal National Theatre (RNT) is owed by National Theatre Staging Limited (NTSL) a net balance of £3,425k (2019: £3,581k). This represents the balance of the Commissioning Fee payable by RNT of £41,752k (2019: £37,422k) and the operational transactions payable by NTSL.

The Royal National Theatre (RNT) is owed by National Theatre North America LLC (NTA) £615k (2019: £1,181k). This represents the balance of operational transactions and the NTA Management Fee £46k (2019: £9k) and the Gift Aid of profit £606k (2019: £nil) to its parent company.

23 SUBSIDIARIES & RELATED UNDERTAKINGS

All subsidiaries have coterminous year ends with the parent Company. As at 29 March 2020, The Royal National Theatre had an interest in the following subsidiary undertakings and related undertakings:

(a) SUBSIDIARIES

Organisation Name	Country of Incorporation	Registered Office / Principal Place of Business	Nature of Business	Class of share capital held	Issued Share Capital	Parent company interest	Consolidation Method
Royal National Theatre Enterprise Limited	UK	c/o The Royal National Theatre Upper Ground South Bank London SE1 9PX	Trading activities	Ordinary	2 x £1 Ord Shares	100%	Yes (Line-by-line)
National Theatre Productions Limited	UK	c/o The Royal National Theatre Upper Ground South Bank London SE1 9PX	Commercial exploitation of productions	Ordinary	2 x £1 Ord Shares	100%	Yes (Line-by-line)
National Theatre Staging Limited	UK	c/o The Royal National Theatre Upper Ground South Bank London SE1 9PX	Commercial exploitation of productions	Ordinary	1 x £1 Ord Share	100%	Yes (Line-by-line)
National Theatre Live Limited	UK	c/o The Royal National Theatre Upper Ground South Bank London SE1 9PX	Commercial exploitation of productions	Ordinary	1 x £1 Ord Share	100%	Yes (Line-by-line)
National Theatre North America LLC	USA	c/o The Royal National Theatre Upper Ground South Bank London SE1 9PX	Commercial exploitation of productions	Ordinary	2 x \$1 Ord Shares	100%	Yes (Line-by-line)

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

23 SUBSIDIARIES & RELATED UNDERTAKINGS (CON'T)

(b) JOINT ARRANGEMENTS & GENERAL PARTNERSHIPS

Organisation Name	Country of Incorporation	Registered Office / Principal Place of Business	Nature of Business	Class of share capital held	Issued Share Capital	Parent company interest	Consolidation Method
Curious Incident National Tour LP*	USA	230 West 41 st Street Suite 1703 New York New York 10036	Commercial exploitation of productions	N/A	N/A	100% (Indirect holding)	Yes (Line-by-line)
Curious Incident Broadway LP*	USA	230 West 41 st Street Suite 1703 New York New York 10036	Commercial exploitation of productions	N/A	N/A	50% (Indirect holding)	Yes (Line-by-line)
The Great Work Begins LP*	USA	230 West 41 st Street Suite 1703 New York New York 10036	Commercial exploitation of productions	N/A	N/A	75% (Indirect holding)	Yes (Line-by-line)
Three Brothers Broadway LLC	USA	311 West 43 rd Street 14 th Floor New York New York 10036	Commercial exploitation of productions	N/A	N/A	51% (Indirect holding)	Yes (Line-by-line)

* The Royal National Theatre is the sole Managing Member of National Theatre North America LLC (NTNA LLC) which has the following interests:

- *Curious Incident Broadway LP* - One of two General Partners - Joint arrangement between NTNA LLC and Wombat Crossing 2 LLC. NTNA LLC holds the casting vote in any decisions made and so controls the LP. Therefore, in accordance with FRS 102, it has been consolidated as a subsidiary undertaking
- *Curious Incident National Tour LP* - Sole General Partner
- *The Great Works Begins LP* - Sole General Partner
- *Three Brothers Broadway LLC* - Sole General Partner

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

NOTES TO THE FINANCIAL STATEMENTS

THE ROYAL NATIONAL THEATRE (REGISTERED NUMBER 749504)

23 SUBSIDIARIES & RELATED UNDERTAKINGS (CON'T)

(C) FINANCIAL INFORMATION

The financial results and position for the period were:

Company Number:	Royal National Theatre Enterprises Limited			National Theatre Productions Limited			National Theatre Staging Limited			National Theatre Live Limited			National Theatre North America LLC			Curious Incident Broadway LP			Curious Incident National Tour LP			The Great Works Begins LP			Three Brothers Broadway LLC		
	(01247285)	(01817002)	(07884772)	(09541676)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Other trading activities:																											
Income	14.9	15.8	10.1	6.2	41.8	37.4	5.9	3.3	0.8	0.2	0.1	-	-	-	-	-	-	-	-	-	-	-	-	4.1	-		
Expenditure+	(13.9)	(14.5)	(9.8)	(5.7)	(45.6)	(41.3)	(7.0)	(3.8)	(0.2)	(0.2)	(0.1)	-	-	-	-	-	-	-	-	-	-	-	(4.1)	-	-		
Net																											
Surplus/(Deficit)	1.0	1.3	0.3	0.5	(3.8)	(3.9)	(1.1)	(0.5)	0.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Gift Aid/Profit distribution due to parent company	(1.0)	(1.3)	(0.3)	(0.5)	-	-	-	-	(0.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Tax Credit	-	-	-	-	3.4	3.6	1.1	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Retained in the subsidiary	-	-	-	-	(0.4)	(0.3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Assets	1.8	1.2	1.2	3.6	5.2	5.7	1.7	1.3	0.6	1.3	-	0.1	-	0.3	-	0.2	-	1.2	-	-	-	-	-	-	-		
(Liabilities)	(1.8)	(1.2)	(1.2)	(3.6)	(3.4)	(3.6)	(1.7)	(1.3)	(0.6)	(1.3)	-	(0.1)	-	(0.3)	-	(0.2)	-	(1.2)	-	-	-	-	-	-	-		
Net Assets	-	-	-	-	1.8	2.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

Note: Group refers to The Royal National Theatre Charity and its trading subsidiaries and Company refers to The Royal National Theatre Charity only.

23 SUBSIDIARIES & RELATED UNDERTAKINGS (CON'T)

+Included in cost of trading activities are administration expenses charged by The Royal National Theatre as follows:

	Basis (circa)	Payable to the National	
		2020 (£m)	2019 (£m)
Royal National Theatre Enterprises Limited	Turnover (14%)	1.9	2.1
National Theatre Productions Limited	Turnover (1%)	0.1	0.1
National Theatre North America LLC	Turnover (1%)	0.1	-
		2.1	2.2

ROYAL NATIONAL THEATRE ENTERPRISES LIMITED (RNTE) is a wholly owned trading subsidiary of The Royal National Theatre responsible for The Royal National Theatre's trading activities. The Royal National Theatre's Board appoints the directors of RNTE which comprise Board members, external experts and senior members of staff responsible for the trading areas.

NATIONAL THEATRE PRODUCTIONS LIMITED (NTPL) is a wholly owned trading subsidiary of The Royal National Theatre whose primary remit is responsibility for the commercial exploitation of The Royal National Theatre productions and the exploitation of rights in any production via digital, broadcast or other media. The Royal National Theatre's Board appoints the directors of NTPL which comprise Board members, external experts and senior members of staff.

NATIONAL THEATRE STAGING LIMITED (NTSL) is a wholly owned trading subsidiary of The Royal National Theatre whose primary remit is responsibility for producing The Royal National Theatre productions at the South Bank and on tour. The Royal National Theatre's Board appoints the directors of NTSL which comprise the Executive Director, external experts and senior members of staff.

NATIONAL THEATRE LIVE LIMITED (NTLL) is a wholly owned trading subsidiary of The Royal National Theatre whose primary remit is responsibility for producing NT Live films in respect of The Royal National Theatre productions at the South Bank and on tour, and for third party theatres in the UK and internationally. The Royal National Theatre's Board appoints the directors of NTLL which comprise the Executive Director, external experts and senior members of staff.

ROYAL NATIONAL THEATRE NORTH AMERICA LLC (NTNA) is a wholly owned trading subsidiary of The Royal National Theatre responsible for The Royal National Theatre's activities in North America. The Royal National Theatre's Board appoints the directors of NTNA which comprise Board members, external experts and senior members of staff responsible for these areas.

24 EVENTS OCCURRING AFTER THE REPORTING DATE

Consequent on the impact of Covid-19 on the Group's finances, in December 2020, The Royal National Theatre, successfully secured a term repayable finance facility of £19.7m from the Government, via its Cultural Recovery Fund, to support the Group's funding shortfall across the period 2020 to 2022, so that the Group can seek to return to financially sustainable operations by 31 March 2022.

The finance agreement was signed in February 2021 and the facility was fully drawn down in March 2021. The facility is interest bearing at 2% per annum and repayable in 33 equal instalments paid twice-yearly over a 16 year period from March 2025. The facility is unsecured, but has certain on-going non-financial covenants and conditions attached to it.

ACKNOWLEDGEMENTS

THE ROYAL NATIONAL THEATRE (Co. No. 749504)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, TRUSTEES, COMMITTEE MEMBERSHIP AND ADVISERS FOR THE PERIOD APRIL 2019 TO MARCH 2021

The Royal National Theatre Board

Sir Damon Buffini (Chair)
 Sabine Chalmers
 Louise Charlton
 Sir Lenny Henry
 Vikki Heywood CBE
 Simon Minty (appointed 20 November 2020)
 Vicki Mortimer
 Elizabeth Offord
 Dame Karen Pierce

Melanie Richards CBE (appointed 3 February 2021)
 Alan Rusbridger (resigned 30 January 2020)
 Tim Score

Simon Warshaw
 Ursula Brennan (resigned 4 April 2019)

Finance & Audit Committee

Tim Score (Chair)
 Sir Damon Buffini
 Sabine Chalmers
 Melanie Richards

Nominations Committee

Elizabeth Offord (Co-Chair)
 Simon Warshaw (Co-Chair)
 Sir Damon Buffini
 Sir Lenny Henry

Royal National Theatre Enterprises Limited Board

Karen Jones (Chair)
 Alex Bayley
 Lisa Burger
 Sarah Fellingham-Adkin (*appointed 31 December 2019*)
 Liz Fosbury
 Huw Gott
 John Langley
 Geoffrey Matthews

National Theatre Productions Limited Board

Vikki Heywood CBE (Chair)
 Ruth Bennett
 Lisa Burger
 Liz Fosbury
 Linda James
 André Ptaszynski (*deceased 29 July 2020*)
 Tim Score

National Theatre Staging Limited Board

Vikki Heywood CBE (Chair)
 Lisa Burger
 Liz Fosbury
 Rebecca Thompson

National Theatre Live Limited Board

Vikki Heywood CBE (Chair)
 Lisa Burger
 Liz Fosbury
 Rebecca Thompson

National Theatre North America LLC

Vikki Heywood CBE (Chair)
 Lisa Burger
 Liz Fosbury
 Peter Taylor

ACKNOWLEDGEMENTS

THE ROYAL NATIONAL THEATRE (Co. No. 749504)

Development Board

Elizabeth Offord (Chair)
Sally Bacon (*resigned 31 August 2020*)
Graham Barker
Kamini Banga
Sujata Bhatia (*appointed 31 May 2020*)
Jane Biran (*resigned 31 August 2020*)
Alan Bookbinder
Damon Buffini
Camilla Cazalet (*resigned 31 April 2020*)
Louise Charlton
James Garvey
Robin Geffen
Kate Groes
Kitty Harris (*appointed 30 November 2019*)
Madeleine Hodgkin
Steven Larcombe (*appointed 30 November 2019*)
Jonathan Lenson
George Marcotte
Rafael Marquez
Sheryl Needham
Sinead Ni Mhuircheartaigh
John Owen
Elizabeth Rantzen
Ollie Rickman (*resigned 30 March 2020*)
Maria Sebastian
Phil Smith
Charlotte Warshaw
Simon Warshaw
Coram Williams (*appointed 31 July 2019*)
Alex Wilmot-Sitwell
Jacqueline Worswick

Executive

Director and Joint Chief Executive: Rufus Norris
Executive Director and Joint Chief Executive:
Lisa Burger

Bankers

Coutts & Co
440 Strand, London WC2R 0QS

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

The Annual Report is available to download at www.nationaltheatre.org.uk/annualreport if you would like to receive it in large print, or you are visually impaired and would like a member of staff to talk through the publication with you, please contact the Board Secretary at the National Theatre.

Registered Office & Principal Place of Business:

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Registered charity number 224223.

Registered in England.