

Company Registration No. 01396429 (England and Wales)
Charity No. 276892

Kiln Theatre

**Trustees' report and financial statements
for the year ended 31 March 2020**

Kiln Theatre

Company information

| | |
|-------------------------------------|--|
| Trustees | Dawn Austwick Nicholas Basden Dominic Cooke Moyra Doyle Sita McIntosh Anneke Mendelsohn Karen Napier Barrie Tankel Shrina Shah |
| Company Secretary | Daisy Heath |
| Company number | 01396429 |
| Charity number | 276892 |
| Registered office | 269 Kilburn High Road London NW6 7JR |
| Executive Team | |
| Artistic Director / Chief Executive | Indhu Rubasingham |
| Executive Director | Daisy Heath |
| Independent auditors | Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE |
| Bankers | HSBC 50 – 52 Kilburn High Road London NW6 4HJ |

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Kiln Theatre

Trustees' report For the year ended 31 March 2020

The Trustees (who are also Directors of the Company) present their report, together with the audited financial statements of the charitable company, for the year ended 31 March 2020.

1. TRUSTEES AND ADMINISTRATIVE DETAILS

Trustees:

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

The Trustees who served during the year and since the year-end were as follows:

| | |
|-------------------|------------------------------|
| Dawn Austwick | (appointed 1 January 2020) |
| Nicholas Basden | |
| Dominic Cooke | |
| Moyra Doyle | |
| Gillian Harris | (resigned 26 September 2019) |
| Judy Lever | (resigned 10 June 2019) |
| Jeremy Lewison | (resigned 26 September 2019) |
| Sita McIntosh | |
| Anneke Mendelsohn | |
| Karen Napier | (appointed 10 June 2019) |
| Shrina Shah | (appointed 21 April 2020) |
| Barrie Tankel | |

Brent Council Representatives (Observers):

Cllr Muhammed Butt
Cllr Rita Conneely

Change of name

On 14 April 2018 the company changed its name from Tricycle Theatre Company Limited to Kiln Theatre Limited. On 2 July 2019 the Limited was removed from the company name to amend the company name to Kiln Theatre.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Kiln Theatre is a company limited by guarantee. It is also a registered charity and is regulated by the Charity Commission. On 10 June 2019 the previous Memorandum and Articles of the company were revised. The revised governing document allows for a maximum of 15 Trustees and a minimum of 3. Trustees serve a maximum term of 3 years and can serve for a maximum of 3 consecutive terms. All Trustees are members of the company and are automatically appointed as such when they are elected to hold office. They cease to be members when their term of office as a Trustee ends. As a company limited by guarantee, all members are liable to pay £1 in the event of winding up or dissolution of the charity.

Appointment of Trustees

New trustees are elected to the Board by existing members after discussion and the induction process is described below.

In 2019 Moyra Doyle acted as interim Chair whilst the recruitment of a new Chair was undertaken. Dawn Austwick was recruited in the Autumn of 2019 and commenced her role as a Trustee and the Chair of the board from 1 January 2020.

Trustees Induction and Training

The Nominations Committee is responsible for reviewing the skills of Trustees and ensuring that any gaps that exist in those skills are addressed as vacancies arise. All potential Trustees are referred to the Nominations Committee to ensure that any appointment fills identified gaps. The Committee will then make its recommendation to the full Board, who will then decide whether to invite him or her to become a Trustee. In the Summer of 2019 the Board approached an executive search specialist to find an appropriate person to be voted onto the Board as Chair.

New Trustees go through an induction process which includes seeing copies of the current business plan, recent board meeting minutes, most recent management accounts and statutory accounts and meeting with key members of staff.

Organisation

The Board of Trustees is responsible for the strategic direction of the charity. The Board is required to meet at least 3 times a year. It has three sub-committees responsible for looking at specific areas in more detail; Fundraising; Finance, Risk & Remuneration and Nominations.

The Trustees have delegated the operational day to day running of the charity to the Executive Team; the Artistic Director and Executive Director.

Related Parties

The charity has two wholly owned subsidiary companies; Kiln London Productions Limited (formerly Tricycle London Productions Limited) and Tricycle Screen Limited. There are no other related parties.

Risk Management

The Trustees have identified the major risks to which the charity is exposed, and systems have been established to mitigate these risks. The main procedures in place for identifying, evaluating and managing risks are:

- * A comprehensive budgeting and planning system with an annual budget and strategic plan;
- * Regular management accounts analysing performance against budgets;
- * An annual review of risk and strategies to mitigate those risks.

At the 31 March 2020 the key risk facing Kiln Theatre was Covid-19 and its impact on the theatre being able to open and operate in a way that enables it to continue its mission.

3. OBJECTIVES AND ACTIVITIES

The charity has the general aim of using different art forms to entertain, educate and stimulate audiences, participants and users to contribute towards a more cohesive community.

Kiln Theatre views the world through a variety of lenses, bringing unheard/ignored voices into the mainstream. We present high-quality and innovative work, which provokes debate and emotionally engages. Proudly located in Brent, the most culturally diverse borough in London, we are a local venue with an international vision. We want everyone to experience the power of theatre.

Our Vision

To uncover our shared humanity, illuminating our connection through stories and deepening our capacity to empathise with each other

Our Mission

To make theatre for all by making space for unheard/ignored voices

Kiln Theatre encourages artists of all ages and backgrounds. Our ambitious Creative Engagement programme aims to champion the imagination, aspiration and potential of the Brent community young and old. We invest in creating meaningful relationships with young people to inspire and encourage their creativity, their confidence and self-esteem. We work with older people to create a thriving community around our theatre.

As a National Portfolio Organisation of Arts Council England, the charity has also subscribed to the following objectives as set out in its funding agreement with Arts Council England: that talent and artistic excellence are thriving and celebrated; that more people experience and are inspired by the Arts; and that the Arts are sustainable, resilient and innovative.

Kiln Theatre's main areas of activity are as follows:

- Theatrical performance;
- A programme of creative engagement with young people and the community;
- Cinema.

The newly refurbished Kiln Theatre opened to the public on 5th September 2018.

Artistic Programme

2019/20 was Kiln Theatre's full year in operation following the re-opening after the capital project. During this period, we produced four world premieres, one being our first ever community play which had a cast of over 80 local people, a British premiere and a musical. Meanwhile *The Son* transferred into Duke of York's Theatre in the West End and *Handbagged* played in New York.

On March 16th we cancelled all Theatre and Cinema performances due to the COVID-19 nationwide lockdown. This meant that our critically acclaimed production of *Pass Over* was cut short and future productions into 2020/21 were cancelled or delayed.

Kiln Theatre has always championed new writing, particularly since 2012 when Indhu Rubasingham became Artistic Director. We believe it is new writing that allows us to respond best to the world around

us and to amplify the unheard voice. New plays from diverse voices reflecting contemporary society help to shift the established theatre ecology, which in turn attracts new audiences.

Situated in the borough of Brent, where over 100 languages are spoken in surrounding schools, Kiln Theatre passionately believes in providing theatre that is accessible to as many people as possible, accompanied by an outreach programme that provides meaningful experiences to local communities. During the Covid-19 pandemic, Brent became the London borough with the highest mortality rate. The faultlines in our society has been even more exacerbated and this stark reality has made Kiln Theatre even more determined to engage with and support our local communities. The pipeline into our industry is going to constrict even more and Kiln is determined to ensure that it plays its part through its outreach and pathways to make British theatre as equitable and as accessible as possible.

2020 was to see Brent become the London Borough of Culture, part of the Mayor of London's plan to support the arts in the capital. It was a fantastic opportunity to celebrate Brent and everyone who lives and works in the borough and was to be an excellent opportunity for audience development and engagement. Kiln Theatre was integral to the delivery of a number of cultural projects. Due to Covid-19, many events of Brent 2020 were unfortunately cancelled. Kiln Theatre will continue to develop and support these projects through 2020 and 2021.

Despite producing more of our own productions, our ticket prices are some of the lowest in London, with tickets from £10 - £32.50. Thanks to our increased auditorium capacity, we can now offer more discounted tickets than before whilst still maintaining enough seats for us to reach our financial targets. We have a proactive sales team who constantly manage unsold tickets to increase revenue where possible from those who can afford it, and who also encourage customers to donate or sponsor a ticket for someone else when they are booking. This means that to date, we have been able to give over 3,000 free tickets to members of our local community who may not usually go to the theatre.

Creative Engagement Programme

In April 2019, our 63 youth theatre and young company members performed 16 sold-out performances of six new plays, which were performed over a nine-day festival in four community venues across Brent, welcoming 690 audience members.

Our directors were Stevan Mijailovic, Dionne Reid, Ruby Thompson, Tash Marks, Gail Babb and Harry Mackrill. Our writers were Eno Mfon, Simon Brett, Sonia Jalaly, Tash Marks, Gail Babb and Carmen Nasr. Our designers included Verity Quinn, Xana, Jai Morjaria, Lucy Sierra, Kaajel Patel and Ciaran Cunningham. The groups were also supported by movement directors Chi-San Howard and Sean Hollands.

In September 2019 our new academic year of activity began. 70 young people aged 7-25 took part in our year-long theatre-making project, split into two youth theatres (ages 7-11 and 12-15) and two young companies (ages 16-18 and 19-25). Across the year they developed their performance skills leading up to their own performances. Sadly, these had to be cancelled owing to the COVID-19 pandemic, but next year's report will outline the innovative ways in which our participants continued to be creative in digital form over the summer term and holidays 2020.

Minding the Gap is our theatre project for young people aged 14-19 who have recently arrived in the UK. We provide weekly theatre sessions for young refugees and asylum seekers, both in colleges and in EAL (English as an Additional Language) units attached to Brent schools. Participants attend weekly sessions at Kiln Theatre, using drama and film-making to develop their spoken English, teamwork and leadership skills, and to grow their self-confidence. From October 2019 – March 2020 we supported over 120 young

Kiln Theatre

Trustees' report

For the year ended 31 March 2020

people across Queens Park Community School, Claremont High School Academy, Ark Elvin Academy and the College of North-West London.

As part of Brent 2020, London Borough of Culture, a Mayor of London initiative, The Agency at Kiln Theatre is currently supporting young entrepreneurs aged between 15-25 years to develop ideas for social change in their area. Since January 2020 our practitioners have supported a group of 23 young people with the professional training, support and advice they need to create their project and benefit their local community.

'Act One Beginners' was our pilot production arts course which aims to address the lack of diversity within backstage, production and design in the creative arts. Participants attended weekly backstage workshops at Kiln Theatre throughout the summer term 2019. During the summer holidays four participants undertook internships and placements at Sweet Venues, Edinburgh Fringe Festival and White Light Ltd. Following the course, one participant applied to and was accepted on the two-year diploma in Scenic Art and Prop-Making at Mountview Academy of Theatre Arts from September 2020 and will be supported by a bursary as part of the Act One Beginners scheme.

Our two-year heritage learning project, *A Friendly Society*, listened to the multiple communities of our borough of Brent, provided a platform to celebrate their history and heritage and provoked creative responses to contemporary issues of care and migration. The project engaged with 48 older people from elders groups, 450 primary school pupils and thousands more through building tours, an exhibition at Willesden Green Library and the highlight was our community play, performed at Kiln Theatre in September 2019. *The Seven Ages of Patience* is a new play written by Chinonyerem Odimba and directed by Katie Posner, inspired by the real-life stories and reflections of Brent residents. The show featured a cast of 80 non-professional performers aged 7-77.

Cinema

Our main cinema programming is in conjunction with the Independent Cinema Office and we have also hosted high-profiled fundraising events. We offer Parent and Baby Screening, family films and a diverse and exciting cinema programme which speaks to those different audiences and cultures we want to bring into the building. We are committed to host access performances, programming one Hard of Hearing screening a week and an exclusive screening and Q&A of *This is Nicholas – Living with Autism Spectrum Disorder*.

We held 1,124 screenings in our cinema and sold £158,735 which was up on last year's sales overall. To encourage customer loyalty, we introduced the Kiln Card which is currently at 130 members. Technical upgrades and a staff restructure of the cinema will take place to future-proof the business model in Autumn 2020.

4. ACHIEVEMENTS AND PERFORMANCE

Our production of *The Son* transferred to the Duke of York's Theatre in the West End in August, and saw Laurie Kynaston take home the Evening Standard Theatre Award for Emerging Talent. Susie McKenna's production of *Blues in the Night* was a huge critical success and became our third best-selling production of all time (after last season's *White Teeth* and *The Son*) and was nominated for an Olivier Award (the Awards ceremony has been postponed due to Covid-19). *The Half God of Rainfall* by Inua Ellams premiered at Birmingham Repertory Theatre before transferring to Kiln Theatre in May 2019 and received the Hay Festival Medal for poetry. It was also nominated for five Black British Theatre Awards. *Wife* by

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Samuel Adamson has been produced twice in South Korea. ***When The Crows Visit*** by Anupama Chandrasekhar is nominated for an ACTA award. The final production in the year ***Pass Over*** by Antoinette Nwandu received a rapturous reception from critics and audiences, and Paapa Essiedu's performance as Moses was nominated for Black British Theatre Award 2020.

Our Kiln season included four Kiln commissions, half were from female playwrights and all productions had female directors. Each play tackled specific current affairs, including the emancipation of women, rights of the LGBTQI+ community, women's role in perpetuating misogyny in patriarchal societies, Brexit and Police brutality on young Black men in America (prior to the horrific murder of George Floyd). The plays travelled from Africa to India through Kilburn and onwards to the USA bringing in audiences from different communities.

Susie McKenna and Taio Lawson joined our artistic team as Kiln Theatre Associate Directors with support from Esmée Fairbairn Foundation.

2019/20 Theatre Season

Half God of Rainfall by Inua Ellams, directed by Nancy Medina

**** *"It works on the senses as much as the intellect, and leaves you in stunned wonderment."* The Times

**** *"This is a moving, contemporary epic on a small scale, with universes and gods brought vividly to life in director Nancy Medina's fervent production."* Time Out

Wife by Samuel Adamson, directed by Indhu Rubasingham

**** *"Exuberant eccentricity and crackerjack intelligence. A play for today. And yesterday. And tomorrow."* WhatsOnStage

**** *"Ambitious, intelligent and genuinely very witty play. This is an outstanding and utterly essential new piece of LGBTQ+ theatre – not to be missed."* Gay Times

Blues in the Night by Sheldon Epps, directed by Susie McKenna

**** *"Sharon D Clarke brings the house down. The band sound glorious and the newly refurbished Kiln has never looked bigger or better"* Evening Standard

**** *"Gorgeously evocative, a real treat for the eyes and the ears"* Love London Love Culture

The Seven Ages of Patience a community play by Chinonyerem Odimba, directed by Kate Posner

***** *"Celebration and subtle protest come together with kindness in this heartfelt, joyfully uplifting coming together of community."* A Younger Theatre

***** *"The message is one of kindness, the importance of inclusion, understanding and pride in diversity. Although local to this small pocket of North West London, The Seven Ages of Patience feels like a whole nation searching for itself."* Theatre Weekly

When the Crows Visit by Anupama Chandrasekhar, directed by Indhu Rubasingham

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**** *"Triumphant, startling and powerful. Indhu Rubasingham makes full use of Ayesha Dharker's gravitas and ability to display endless, nuanced shades of contempt."* Evening Standard

*** *"Powerfully persuasive. Stands as a sharp indictment of a culture in denial"* Daily Mail

Snowflake by Mike Bartlett, directed by Clare Lizzimore

***** *"Simultaneously festive, caustic, refreshingly woke, authentically heartwarming and tremendous fun"* WhatsOnStage

***** *"A masterfully written generational clash lies at the heart of this timely story rich in insight, poignancy and optimism"* The Guardian

Pass Over by Antoinette Nwandu, directed by Indhu Rubasingham

***** *"Electrifying, fiercely relevant and compelling. If, in these times, we are ever more in need of powerful and provocative political theatre, here it is."* The Guardian

***** *"Antoinette Nwandu's shattering study of racism's dream-stealing power."* Evening Standard

We arranged captioned and audio described (with touch tours) performances for every production and held our first ever relaxed cinema screening which was specifically adapted and modified for those with autism, sensory communication disorders or learning difficulties.

Our audience continues to be very local, with incentives and outreach work bringing nearly 35% of our audience from North West London.

We offered workshops, discounts and education resources to incentivise over 5,000 customers (c.18% from underrepresented, least engaged areas of London - London average is 10%), resulting in 16,000 tickets being sold; over 3,000 of these tickets were under £10 or given for free. From survey data of all theatregoers, 39% identify as non-White. We saw an overall decrease in % share of our affluent AB, highly engaged audiences as we saw the number of under-represented audiences increase.

We increased our young audience (18-34) by 8% by offering more ways for them to get involved and easier access to cheaper tickets and events.

Our first-time attenders is still 10% higher than the London average, with over 50% of people visiting for the first time; encouragingly our loyal attendance is also increasing with nearly 15% of customers coming to our theatre more than 5 times a year.

We continue to refine and improve online booking for access customers, with a third of our access bookings taking place online (previously 4%). Our plan is to continue to build on this success and gather more feedback to further improve the systems in place.

2019/20 Elsewhere

Duke of York's Theatre, West End, London

The Son by Florian Zeller, translated by Christopher Hampton and directed by Michael Longhurst

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***** *"A compulsive, involving, emotionally stirring evening – theatre's answer to a page-turner."* The Observer

59E59, New York

Handbagged by Moira Buffini, directed by Indhu Rubasingham

"Rubasingham's production is so sure-footed that the whole show shines." The Washington Post

"Such gleeful metatheatricality pervades Handbagged. Buffini makes no attempt to mask the artificiality of the theater, and in doing so, she is free to unleash its full potential...Buffini's script teems with humor and wit, making us laugh as we learn. She's like Brecht, but fun." Theatermania

Fundraising

The Trustees were particularly pleased with the success of fundraising this year. 2019-20 was the first year for more than five years in which no fundraising was required for our capital renovation project. This meant our full focus was on raising funds for theatre productions, for our Creative Engagement programme, and for core operational support.

Our regular giving scheme continues to grow, with a group of committed supporters donating between £3/month - £125/month. In addition, over 5,400 people made a donation along with their ticket purchase(s) during the year. 1,700 of these were donations given to enable us to offer free or subsidised tickets to others. Our heartfelt thanks to each and every person who supported us in this way.

Trust and foundation support remains very strong and is a significant part of Kiln Theatre's fundraised income. We would like to thank in particular Backstage Trust, Marie-Louise von Motesiczky Charitable Trust, Garfield Weston Foundation, Esmée Fairbairn Foundation, John Lyon's Charity, Pears Foundation, Foyle Foundation and Wellington Management UK Foundation for their outstanding commitment to our work in 2019-20.

On 5 September 2019 we held a special gala performance of *Blues in the Night* to celebrate one year since the reopening of our auditorium and to raise funds for the theatre. In February 2020, Jim Carter and Imelda Staunton curated two special fundraising events in our cinema. 'Jim Carter in Conversation with Helen Mirren' and 'Jim Carter in Conversation with Cast and Creatives of *Pride*' (the latter following a special screening of the film) raised over £30,000. We are deeply grateful to Jim and Imelda for their continued support.

Theatre-goers responded generously to our emergency appeal during the first 10 days of the COVID-19 pandemic, making donations online and also choosing to return the value of their refunded tickets to us as a donation. A full summary of support received in response to COVID-19 will appear in our 2020-21 statutory accounts.

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. Kiln Theatre has an Acceptance of Donations Policy, an Ethics Policy and a Whistleblowing and Anti-Bribery Policy which outline the standards and practices for all theatre representatives to follow. We are a paid member of the Fundraising Regulator and we subscribe to the Fundraising Preference Service. We follow the Code of Fundraising Practice and we stay up to date with compliance and regulation around fundraising.

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For the year ended 31 March 2020

The Board of Trustees is regularly updated on fundraising progress. Our Acceptance of Donations Policy outlines the process for accepting and soliciting donations to ensure that fundraised income is raised in accordance with the theatre's ethics as well as other policies and the Code of Fundraising Practice. It also contains guidelines for fundraising involving vulnerable people. In the year ended 31 March 2020 no complaints were received in respect of fundraising.

Kiln Theatre has a Safeguarding and Vulnerable People Policy which includes guidelines for fundraising involving vulnerable young adults. Kiln Theatre seeks to ensure that all supporters are well informed and if there is any due cause to be concerned about a donor experiencing circumstances that may lead to a poorly informed decision any donation would not be accepted at that time.

The Executive Director, Finance Director and Director of Fundraising have reviewed and monitored all fundraising activity in 2019-20 against these policies and can report that there is no evidence of any negligence or non-compliance with the charity's policies.

Other Activities

Sustainability

Kiln Theatre continues to be an active participant in Julie's Bicycle/London Theatre Consortium partnership. Kiln Theatre was awarded a 3* Creative Green rating for 2018/19, which is one star less than the rating received for the previous year. This was because the baseline date for data capture was reset by Julie's Bicycle and it is not necessarily a reflection of practices within the organisation. It is hoped that the new plant equipment will lead to a reduction of carbon emissions for the next year, and all recommendations from Julie's Bicycle's 18/19 report have been reviewed and incorporated in an action plan.

Health and Safety

As part of the capital project we installed an integrated fire alarm system which covers both the theatre and cinema sides of the building, where previously we had two separate systems. The intruder alarm has been upgraded so that it conforms to current regulations and a modern 26-camera CCTV system has been installed throughout the building. To ensure that all our health and safety systems meet current standards following the completion of the capital project Kiln Theatre has undertaken a thorough fire risk assessment and commissioned a fire risk strategy for the new building. The Health and Safety policy has also been thoroughly reviewed and updated. Kiln Theatre was inspected by Brent Council and no concerns were raised about our health and safety procedures or practices. We are currently putting in measures according to new guidelines as a result of Covid-19.

The Staff

The organisation is run day to day by the Executive Team, supported by a senior leadership team who lead a skilled, experienced and highly committed permanent team of just over 30 staff. The team are also supported by an average of 29 casual staff each week who work varying numbers of hours supporting front of house and production.

The Remuneration of Key Management Personnel

Key management personnel are those that the Trustees have delegated the day-to-day running of the charity to. During the year the Trustees considered the Artistic Director and Executive Director to be the key management personnel. Their remuneration is reviewed annually by the Finance, Risk &

Remuneration Committee with reference to industry standards.

5. FINANCIAL REVIEW

The results for the year show an overall loss for the year of £665,028. Of this loss £342,964 related to depreciation and amortisation of fixed assets through a fixed asset restricted fund meaning the loss on income funds was £322,064. As a result of the capital project in 2018 and the building being closed for 2 years, the reopening aims were to rebuild audiences and to produce productions which fulfil Kiln Theatre's mission. While the programme established Kiln Theatre's reputation with audiences and critics alike, the underperforming at the box office of some of the productions and less co-production income than planned contributed to an operating loss of £355,249 for the year. The impact of Covid-19 on the last 2 weeks of the year meant £20,000 was lost in box office income as the show closed early but the costs were still incurred as the Theatre respected all agreements. Furthermore, the curtailment of *Pass Over* meant that the recently extended run, based on 5 star reviews, was unable to bring in additional box office income.

The company receives an unrestricted Arts Council grant of £829,519 per year from the Arts Council which is part of a 3 year grant ending in 2022. In 2019/20 this grant represented 32% of total unrestricted income. £1,283,248 was received in the year from box office sales, with 79% being from theatrical box office sales and the remainder from cinema and events. 2018/19 was the first year in recent years where Kiln Theatre received no revenue grant from Brent Council.

Restricted income received in the year was £596,643. The fall in income from 2018/19 was as a result of and £2,548,328 of donations in respect of the capital project which completed in 2018.

Investment Powers and Policy

Under the Articles of Association, the charity has the power to invest in any way the trustees wish for the long term benefit of the theatre. All surplus funds are currently held in cash deposits and are largely held with HSBC on deposit.

Reserves Policy

At 31 March 2020 the company held total reserves of £11,032,132. Of this reserve £10,984,149 was restricted and the remaining £47,983 was held in the general fund. The restricted fund is mainly made up of a capital reserve (£10,784,471) as a result of improvements to the leasehold property. This is being amortised over the life of the asset.

The reserves policy of the company is to maintain free reserves to cover the costs of 3 months' operating expenses. At 31 March 2020 free reserves stood at £47,983. At 31 March 2020 the required 3 months reserves was assessed to be £364,000 which meant that free reserves were inadequate to meet the policy.

The main priority for the year ended 31 March 2021 is to ensure that the reserves policy is met and with the receipt of emergency funding from the Arts Council in August 2020 it is expected that this will be achieved. The Trustees believe that in order for Kiln Theatre to survive the potentially devastating impact of Covid-19 on its operations it needs to ensure it has sufficient reserves of 3 month operating costs and in planning for the year has ensured this is prioritised.

6. PLANS FOR THE FUTURE

From 1 April 2020 the Kiln Theatre has been closed due to restrictions associated with Covid-19. We are opening in phased stages. To begin with, we are planning to open the building in October for our Creative Engagement projects and to pilot a number of other community projects. The cinema is undergoing a technical upgrade in order to open to the public this Autumn.

We are aiming to produce our first production in the theatre in February 2021 which will be *Heart* by Jade Anouka. This is a show that was postponed from July 2020. As and when we get to stage 5 in the government's plan we have numerous productions to programme.

The first few months of the year have proven challenging but with the receipt of emergency funding from the Arts Council of £280,000 in August 2020, the generosity of our funders and donors and taking full advantage of the Coronavirus Job Retention Scheme, the Theatre has been able to secure its future until at least 31 March 2021.

The future remains uncertain and the Trustees with their new chair in place and Executive Team are planning for the many scenarios that face us with the main priority of securing the future of the Theatre to ensure it is able to continue to provide Theatre which is sustainable and accessible for all for the long term.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in the operational existence for the foreseeable future. The Trustees have prepared revised financial plans to 31 March 2022, and while there is some unpredictability to the level of earned income in financial year 2021/22, Trustees will ensure that activity plans sit within the resources available. The company has made maximum use of the furlough scheme, received an emergency funding grant from the Arts Council and with the generosity of its donors has enabled a financial situation in 2020/21 that will put it in a stable financial situation to face the uncertainty of the next 12 months. The Trustees therefore confirm that it is appropriate to continue to produce the accounts on a going concern basis.

7. TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of Kiln Theatre for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and 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 Charities SORP (FRS 102);
 - make judgements and estimates that are reasonable and prudent;
 - state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
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**Trustees' report
For the year ended 31 March 2020**

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

In so far as the Trustees are aware:

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

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

8. AUDITORS

Saffery Champness LLP were re-appointed as auditors. A resolution was passed at the Annual General Meeting that Saffery Champness LLP continue as auditors to the charity for the ensuing year.

The Trustees' Report, which incorporates the Strategic Report, has been approved by the Board of Trustees.



Dawn Austwick

Chair of the Trustees

19 November 2020

**Independent auditors' report to the members
For the year ended 31 March 2020**

Opinion

We have audited the financial statements of Kiln Theatre for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the group and the parent charitable company as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report to the members (continued)
For the year ended 31 March 2020

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to

Independent auditors' report to the members (continued)
For the year ended 31 March 2020

liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

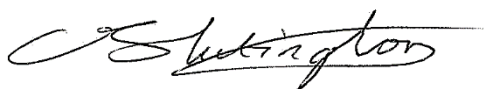
We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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

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

Use of our report

This report is made solely to the charitable company's members and the trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

11 December 2020

71 Queen Victoria Street
London
EC4V 4BE

Kiln Theatre

Consolidated statement of financial activities (Incorporating an income and expenditure account) For the year ended 31 March 2020

| | Notes | General Fund £ | Restricted Funds £ | 2020 Total £ | 2019 Total £ |
|--|-----------|----------------------|--------------------------|--------------------|--------------------|
| Income and endowments from: | | | | | |
| Donations and legacies | 4 | 1,233,221 | 535,823 | 1,769,044 | 3,896,639 |
| Charitable activities | 5 | 1,283,249 | 60,820 | 1,344,069 | 1,019,216 |
| Other trading activities | 6 | 83,492 | - | 83,492 | 40,991 |
| Investments | 7 | 248 | - | 248 | 10,694 |
| Total income | | 2,600,210 | 596,643 | 3,196,853 | 4,967,540 |
| Expenditure on: | | | | | |
| Raising funds | 8 | 212,988 | - | 212,988 | 254,759 |
| Charitable activities | 8 | 2,973,126 | 878,834 | 3,851,960 | 3,774,892 |
| Total expenditure | | 3,186,114 | 878,834 | 4,064,948 | 4,029,651 |
| Net income / (expenditure) for the year | | (585,904) | (282,191) | (868,095) | 937,889 |
| Taxation – Theatre tax credit | 9 | 203,067 | - | 203,067 | 132,162 |
| Transfers between funds | 10 | - | - | - | - |
| Net movements in funds | | (382,837) | (282,191) | (665,028) | 1,070,051 |
| Funds brought forward | | 430,820 | 11,266,340 | 11,697,160 | 10,627,109 |
| Funds carried forward | 10 | 47,983 | 10,984,149 | 11,032,132 | 11,697,160 |

The Statement of Financial Activities contains all recognised gains and losses in the year.

All activities relate to continuing operations.

The notes on pages 20 to 38 form part of these financial statements.

Kiln Theatre

Balance sheets As at 31 March 2020

| | | Charity only | | Consolidated | | Charity only | | Consolidated | |
|---|-------|------------------|-------------------|------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| | Notes | 2020 | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 | 2019 |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| Fixed assets | | | | | | | | | |
| Tangible fixed assets | 11 | | 10,776,231 | | 10,776,231 | | 11,093,425 | | 11,093,425 |
| Intangible fixed assets | 12 | | 34,010 | | 34,010 | | 45,333 | | 45,333 |
| Investments | 13 | | 200 | | - | | 200 | | - |
| | | | <u>10,810,441</u> | | <u>10,810,241</u> | | <u>11,138,958</u> | | <u>11,138,758</u> |
| Current assets | | | | | | | | | |
| Debtors | 14 | 492,913 | | 487,945 | | 1,016,562 | | 938,003 | |
| Cash | | <u>710,395</u> | | <u>710,395</u> | | <u>622,823</u> | | <u>696,469</u> | |
| | | 1,203,308 | | 1,198,340 | | 1,639,385 | | 1,634,472 | |
| Creditors: amounts falling due in less than one year | 15 | <u>(972,544)</u> | | <u>(976,449)</u> | | <u>(1,072,161)</u> | | <u>(1,076,070)</u> | |
| Net current assets | | | <u>230,764</u> | | <u>221,891</u> | | <u>567,224</u> | | <u>558,402</u> |
| Net assets | | | <u>11,041,205</u> | | <u>11,032,132</u> | | <u>11,706,182</u> | | <u>11,697,160</u> |

Kiln Theatre

Balance sheets (continued) As at 31 March 2020

| | Notes | Charity only | | Consolidated | | Charity only | | Consolidated | |
|------------------------|-----------|----------------|-------------------|----------------|-------------------|----------------|-------------------|----------------|-------------------|
| | | 2020 | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 | 2019 |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| Represented by: | | | | | | | | | |
| General fund | 10 | | 57,057 | | 47,983 | | 439,842 | | 430,820 |
| Designated funds | 10 | | | - | | | - | | - |
| Restricted funds: | 10 | | | | | | | | |
| - Capital funds | | 10,784,471 | | 10,784,471 | | 11,138,758 | | 11,138,758 | |
| - Income funds | | <u>199,677</u> | | <u>199,678</u> | | <u>127,582</u> | | <u>127,582</u> | |
| | | | <u>10,984,148</u> | | <u>10,984,149</u> | | <u>11,266,340</u> | | <u>11,266,340</u> |
| Net assets | 18 | | <u>11,041,205</u> | | <u>11,032,132</u> | | <u>11,706,182</u> | | <u>11,697,160</u> |

As permitted by s408 Companies Act 2006, the charity has not presented its own profit and loss account and related notes. The charity's loss as defined by the Companies Act 2006 for the year was £617,725.

The notes on pages 20 to 38 form part of these financial statements

The financial statements were approved by the Board on 19 November 2020.



Dawn Austwick
Chair

Kiln Theatre

Consolidated statement of cash flows For the year ended 31 March 2020

| | | 2020 | | 2019 | |
|--|-----------|-----------|----------|-------------|-------------|
| | Notes | £ | £ | £ | £ |
| Cash flows from operating activities: | | | | | |
| Net income for the reporting period | | (868,095) | | 937,889 | |
| Tax credit receivable | | 203,067 | | 132,162 | |
| Depreciation | | 354,287 | | 222,510 | |
| Decrease/(increase) in debtors | | 450,058 | | (460,409) | |
| (Decrease)/increase in creditors | | (99,621) | | 349,841 | |
| | | | | | |
| Net cash provided by operating Activities | | | 39,696 | | 1,181,993 |
| Cash flows from investing Activities | | | | | |
| Purchase of fixed assets | | (25,770) | | (3,960,464) | |
| Purchase of intangible fixed assets | | - | | (56,616) | |
| | | | | | |
| Net cash used in financing Activities | | | (25,770) | | (4,071,080) |
| | | | | | |
| Net cash movement | | | 13,926 | | (2,835,087) |
| | | | | | |
| Cash at 1 April 2019 | | | 696,469 | | 3,531,556 |
| Cash at 31 March 2020 | | | 710,395 | | 696,469 |
| | | | | | |
| Net cash movement | 19 | | 13,926 | | (2,835,087) |

Notes to the financial statements
For the year ended 31 March 2020

1. Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Charity constitutes a public benefit entity as defined by FRS102.

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in the operational existence for the foreseeable future. The Trustees have prepared revised financial plans to 31 March 2022, and while there is some unpredictability to the level of earned income in financial year 2021/22, Trustees will ensure that activity plans sit within the resources available. The company has made maximum use of the furlough scheme, received an emergency funding grant from the Arts Council and with the generosity of its donors has enabled a financial situation in 2020/21 that will put it in a stable financial situation to face the uncertainty of the next 12 months. The Trustees therefore confirm that it is appropriate to continue to produce the accounts on a going concern basis.

1.3 Income

Income from donations and grants, including capital grants, is included in income when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Production Income is included in income in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

All income is recorded net of VAT.

Notes to the financial statements (continued)
For the year ended 31 March 2020

1. Accounting policies (continued) (continued)

1.4 Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is recognised when a liability is incurred. Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds. Charitable activities includes expenditure associated with the operation of the theatre and such directly associated activities as educational programmes and the Directors programme. Cost of charitable activities includes both the direct cost of activities and related support costs. Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Where performances of a production straddle the balance sheet date, production costs are apportioned in relation to the number of performances falling within each period and the amount relating to performances after the balance sheet date are treated as debtors.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

| | |
|----------------------------------|----------------------------|
| Leasehold improvements | Over the life of the lease |
| Leasehold land | Over the life of the lease |
| Fixtures, fittings and equipment | 25% reducing balance |

1.6 Intangible fixed assets and amortisation

Intangible fixed assets are stated at costs less amortisation. Intangible fixed assets held on the balance sheet relate to the costs associated with the website. This is amortised over five years as this is the period deemed to be the life of the website and ensure the costs are reflected over the useful life of the asset.

1.7 Leasing

Rent payable under operating leases is charged against income on a straight line basis over the lease term.

Notes to the financial statements (continued)
For the year ended 31 March 2020

1. Accounting policies (continued) (continued)

1.8 Investments

The Statement of Recommended Practice requires investments to be stated at market value. The investments of Kiln Theatre consist of two subsidiaries, Tricycle Screen Limited and Kiln London Productions Limited. Both companies are not quoted and the directors consider it appropriate to include the investments at cost.

1.9 Pensions

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

1.10 Consolidation

The consolidated financial statements present information about the company and its wholly owned subsidiary companies Tricycle Screen Limited and Tricycle London Productions Limited.

1.11 Fund accounting

Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred.

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report.

1.12 Financial instruments

The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1.12.1 Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

1.12.2 Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Notes to the financial statements (continued)
For the year ended 31 March 2020

1. Accounting policies (continued) (continued)

1.12.3 Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

3. Status of company

The company is a registered charity, limited by guarantee. The total of such guarantees at 31 March 2020 was £12 (2019: £18).

Notes to the financial statements (continued)
For the year ended 31 March 2020

4. Income from donations and legacies

| | Unrestricted | Restricted | Total 2020 |
|--|---------------------|-------------------|-----------------------|
| | £ | £ | £ |
| Creative engagement grant income | - | 204,178 | 204,178 |
| Grant income | 150,600 | 286,639 | 437,239 |
| Donations | 248,368 | 45,006 | 293,374 |
| Arts Council income | 829,519 | - | 829,519 |
| Coronavirus job retention scheme grant | 4,734 | - | 4,734 |
| | <u>1,233,221</u> | <u>535,823</u> | <u>1,769,044</u> |
| | Unrestricted | Restricted | Total 2019 |
| | £ | £ | £ |
| Creative engagement grant income | - | 198,430 | 198,430 |
| Grant income | - | 82,490 | 82,490 |
| Donations | 224,650 | 13,223 | 237,873 |
| Building project donations | - | 671,320 | 671,320 |
| Arts Council income | 829,519 | 1,200,997 | 2,030,516 |
| LB Brent income | - | 676,011 | 676,011 |
| | <u>1,054,169</u> | <u>2,842,471</u> | <u>3,896,639</u> |

We are grateful to the following individuals, trusts and foundations who supported us in 2019-20:

Backstage Trust
 Reso Charitable Trust
 Garfield Weston Foundation
 Esmée Fairbairn Foundation
 John Lyon's Charity
 Marie-Louise von Motesiczky Charitable Trust
 Dasha Theatricals
 Foyle Foundation
 Pears Foundation
 Young Londoners Fund
 Wellington Management UK Foundation
 Amal (a Said Foundation programme)
 British Council
 Brent 2020, London Borough of Culture
 Adam Kenwright
 Judy Lever
 Primrose and David Bell
 Jules and Cheryl Burns
 Moyra Doyle
 Jon and NoraLee Sedmak
And many others, including those who wish to remain anonymous

Notes to the financial statements (continued)
For the year ended 31 March 2020

5. Income from charitable activities

| | Unrestricted | Restricted | Total 2020 |
|--------------------------------|---------------------|-------------------|------------------|
| | £ | £ | £ |
| Production income | 1,200,859 | - | 1,200,859 |
| Workshops and courses | 82,390 | - | 82,390 |
| Grants relating to productions | - | 60,820 | 60,820 |
| | <u>1,283,249</u> | <u>60,820</u> | <u>1,344,069</u> |
| | Unrestricted | Restricted | Total |
| | £ | £ | £ |
| Production income | 948,576 | - | 948,576 |
| Workshops and courses | 2,640 | - | 2,640 |
| Grants relating to productions | - | 68,000 | 68,000 |
| | <u>951,216</u> | <u>68,000</u> | <u>1,019,216</u> |

6. Income from other trading activities

| | Total/ Unrestricted 2020 £ | Total/ Unrestricted 2019 £ |
|-------------------------|-------------------------------------|-------------------------------------|
| Sales and merchandising | 75,831 | 35,881 |
| Sundries | <u>7,661</u> | <u>5,110</u> |
| | <u>83,492</u> | <u>40,991</u> |

7. Investment income

| | Unrestricted/ Total 2020 £ | Unrestricted/ Total 2019 £ |
|-------------------|-------------------------------------|-------------------------------------|
| Exchange movement | - | 7,235 |
| Interest received | <u>248</u> | <u>3,459</u> |
| | <u>248</u> | <u>10,694</u> |

Notes to the financial statements (continued)
For the year ended 31 March 2020

8. Expenditure

| | Direct costs £ | Support costs £ | Total 2020 £ |
|---|----------------------|-----------------------|--------------------|
| Raising funds | | | |
| Raising donations | 138,596 | 74,341 | 212,937 |
| Trading | 51 | - | 51 |
| | <u>138,647</u> | <u>74,341</u> | <u>212,988</u> |
| Charitable activities | | | |
| Production | 1,949,746 | 1,045,814 | 2,995,560 |
| Creative engagement | 305,054 | 163,627 | 468,681 |
| National Lottery Heritage Fund | 102,582 | 55,023 | 157,605 |
| Cinema | 149,776 | 80,338 | 230,114 |
| | <u>2,507,158</u> | <u>1,344,802</u> | <u>3,851,960</u> |
| | <u>2,645,805</u> | <u>1,419,143</u> | <u>4,064,948</u> |
| Support costs | | | |
| Advertising, publicity and Marketing | | | 267,175 |
| Administrative staff | | | 227,870 |
| Premises costs | | | 360,738 |
| Office costs | | | 125,560 |
| Professional and financial | | | 18,402 |
| Governance | | | 16,317 |
| Audit fee | | | 16,800 |
| Other fees paid to auditors | | | 5,432 |
| Depreciation and amortisation | | | 354,286 |
| Operating lease payments | | | 22,361 |
| Loss on exchange | | | 2,099 |
| Sundries | | | 2,102 |
| | | | <u>1,419,143</u> |

Notes to the financial statements (continued)
For the year ended 31 March 2020

8. Expenditure (continued)

| | Direct costs £ | Support costs £ | Total 2019 £ |
|---|----------------------|-----------------------|--------------------|
| Raising funds | | | |
| Raising donations | 150,505 | 90,612 | 241,117 |
| Trading | 1,544 | 12,098 | 13,642 |
| | <u>152,049</u> | <u>102,710</u> | <u>254,759</u> |
| Charitable activities | | | |
| Production | 1,834,837 | 1,066,224 | 2,901,061 |
| Creative engagement | 371,356 | 223,575 | 594,931 |
| National Lottery Heritage Fund | 82,915 | 49,919 | 132,834 |
| Cinema | 91,174 | 54,892 | 146,066 |
| | <u>2,380,282</u> | <u>1,394,610</u> | <u>3,774,892</u> |
| | <u>2,532,331</u> | <u>1,497,320</u> | <u>4,029,651</u> |
| Support costs | | | |
| Advertising, publicity and Marketing | | | 434,190 |
| Administrative staff | | | 232,147 |
| Premises costs | | | 285,124 |
| Office costs | | | 229,077 |
| Professional and financial | | | 9,275 |
| Governance | | | 12,848 |
| Audit fee | | | 16,240 |
| Other fees paid to auditors | | | - |
| Depreciation and amortisation | | | 222,510 |
| Operating lease payments | | | 22,546 |
| Sundries | | | 33,363 |
| | | | <u>1,497,320</u> |

9. Taxation

The company is registered as a charity under the Charities Act 2011 and as such is entitled to the exemptions under Income and Corporation Taxes 1988. The tax credit of £203,067 (2019: £132,162) recognised in the Statement of Financial Activities represents the amount receivable for Theatre Tax Relief.

Kiln Theatre

Notes to the financial statements (continued) For the year ended 31 March 2020

10. General, restricted and designated funds

| | Balances brought forward £ | Income £ | Expenditure £ | Transfers £ | Taxation £ | Balances carried forward £ |
|----------------------------------|----------------------------------|------------------|------------------|----------------|----------------|----------------------------------|
| Restricted income funds | | | | | | |
| Creative engagement | 70,000 | 204,178 | 229,759 | - | - | 44,418 |
| National Lottery Heritage Fund | - | 121,629 | 121,629 | - | - | - |
| Productions | - | 60,820 | 55,820 | - | - | 5,000 |
| Other | 57,582 | 210,016 | 117,339 | - | - | 150,259 |
| | <u>127,582</u> | <u>596,643</u> | <u>524,547</u> | <u>-</u> | <u>-</u> | <u>199,678</u> |
| Restricted capital funds | | | | | | |
| Leasehold improvements | 10,049,608 | - | 257,126 | - | - | 9,792,482 |
| Freehold land | 350,000 | - | - | - | - | 350,000 |
| Leasehold premises | 370,861 | - | 5,099 | - | - | 365,762 |
| Fixtures, fittings and equipment | 322,956 | - | 80,739 | - | - | 242,217 |
| Website | 45,333 | - | 11,323 | - | - | 34,010 |
| | <u>11,138,758</u> | <u>-</u> | <u>354,287</u> | <u>-</u> | <u>-</u> | <u>10,784,471</u> |
| Total restricted funds | <u>11,266,340</u> | <u>596,643</u> | <u>878,834</u> | <u>-</u> | <u>-</u> | <u>10,984,149</u> |
| General fund | 430,820 | 2,600,210 | 3,186,114 | - | 203,067 | 47,983 |
| | <u>430,820</u> | <u>2,600,210</u> | <u>3,186,114</u> | <u>-</u> | <u>203,067</u> | <u>47,983</u> |
| Total | <u>11,697,160</u> | <u>3,196,853</u> | <u>4,064,948</u> | <u>-</u> | <u>203,067</u> | <u>11,032,132</u> |

Notes to the financial statements (continued)
For the year ended 31 March 2020

10. General, restricted and designated funds (continued)

| | Balances brought Forward at 1 April 2018 £ | Income £ | Expenditure £ | Transfers £ | Taxation £ | Balances carried forward 2019 £ |
|----------------------------------|---|------------------|------------------|--------------------|---------------|--|
| Restricted income funds | | | | | | |
| Creative engagement | 127,175 | 198,430 | 377,076 | 121,471 | - | 70,000 |
| National Lottery Heritage Fund | 22,040 | 36,440 | 58,480 | - | - | - |
| Productions | 55,785 | 68,000 | 123,785 | - | - | - |
| Salaries | 40,000 | 129,272 | 111,690 | - | - | 57,582 |
| | <u>245,000</u> | <u>432,142</u> | <u>671,031</u> | <u>121,471</u> | <u>-</u> | <u>127,582</u> |
| Restricted capital funds | | | | | | |
| Leasehold improvements | 7,552,517 | 2,478,329 | 165,930 | 184,692 | - | 10,049,608 |
| Freehold land | 350,000 | - | - | - | - | 350,000 |
| Leasehold premises | 375,960 | - | 5,099 | - | - | 370,861 |
| Fixtures, fittings and equipment | 27,585 | - | 53,654 | 349,012 | - | 322,956 |
| Website | - | - | 11,283 | 56,616 | - | 45,333 |
| Re-opening costs | - | - | 169,406 | 169,406 | - | - |
| | <u>8,306,075</u> | <u>2,478,329</u> | <u>405,372</u> | <u>773,182</u> | <u>-</u> | <u>11,138,758</u> |
| Total restricted funds | <u>8,551,075</u> | <u>2,910,471</u> | <u>1,076,403</u> | <u>894,653</u> | <u>-</u> | <u>11,266,340</u> |
| Designated funds | | | | | | |
| Building maintenance reserve | 598,851 | - | - | (598,851) | - | - |
| Long term closure | 490,000 | - | - | (490,000) | - | - |
| Building development fund | 457,293 | - | - | (457,293) | - | - |
| | <u>1,546,144</u> | <u>-</u> | <u>-</u> | <u>(1,546,144)</u> | <u>-</u> | <u>-</u> |

Notes to the financial statements (continued)
For the year ended 31 March 2020

10. General, restricted and designated funds (continued)

| | Balances brought forward £ | Income £ | Expenditure £ | Transfers £ | Taxation £ | Balances carried forward |
|--------------|-------------------------------|------------------|------------------|----------------|----------------|--------------------------|
| General fund | 529,890 | 2,057,069 | 2,953,248 | 664,947 | 132,162 | 430,820 |
| Total | 10,627,109 | 4,967,540 | 4,029,651 | - | 132,162 | 11,697,160 |

Restricted funds

Restricted funds can only be spent on the projects they were given to support.

Restricted capital funds represent the fundraising carried out for the major capital projects. Covenants in place governing the future use of the building mean that these funds remain restricted even when the work is complete.

Notes to the financial statements (continued)
For the year ended 31 March 2020

11. Fixed assets

Charity and Group

| | Leasehold Improvements | Freehold land | Leasehold premises | Fixtures, fittings and equipment | Total |
|-------------------------|---------------------------|------------------|-----------------------|--|-------------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 April 2019 | 10,993,367 | 350,000 | 593,024 | 484,211 | 12,420,602 |
| Additions | 25,770 | | | | 25,770 |
| Reallocated | - | | | | |
| At 31 March 2020 | 11,019,137 | 350,000 | 593,024 | 484,211 | 12,446,372 |
| Depreciation | | | | | |
| At 1 April 2019 | 943,759 | - | 222,163 | 161,255 | 1,327,177 |
| Charge for the year | 257,126 | - | 5,099 | 80,739 | 342,964 |
| Removed on disposal | | | | | |
| At 31 March 2020 | 1,205,985 | - | 222,162 | 241,994 | 1,670,141 |
| At 31 March 2020 | 9,813,152 | 350,000 | 370,862 | 242,217 | 10,776,231 |
| At 31 March 2019 | 10,049,608 | 350,000 | 370,861 | 322,956 | 11,093,425 |

Notes to the financial statements (continued)
For the year ended 31 March 2020

12. Intangible fixed assets

Charity and Group

**Website
£**

Cost

Cost brought forward 56,616

Additions -

At 31 March 2020 56,616

Amortisation

Amortisation brought forward 11,283

Charge for the year 11,323

At 31 March 2020 22,646

At 31 March 2020 34,010

At 31 March 2019 45,333

13. Investments

**Shares in
subsidiary
undertakings
£**

Cost

At 1 April 2019 and 31 March 2020 200

Net book value

At 1 April 2019 and 31 March 2020 200

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

| Company | Country of corporation | Class | Shares held | % |
|--|---------------------------|----------|----------------|-----|
| Tricycle Screen Limited (03077972) | England and Wales | Ordinary | 100 | 100 |
| Kiln London Productions Limited (04807399) | England and Wales | Ordinary | 100 | 100 |

Notes to the financial statements (continued)
For the year ended 31 March 2020

14. Debtors

| Charity | 2020 | 2019 |
|-------------------------------|----------------|------------------|
| | £ | £ |
| Trade debtors | 56,305 | 10,304 |
| Amounts due from subsidiaries | 4,967 | 78,559 |
| Prepayments | 408,031 | 723,067 |
| Accrued income | - | 198,220 |
| Other debtors | 23,610 | 6,412 |
| | <u>492,913</u> | <u>1,016,562</u> |
| Group | 2020 | 2019 |
| | £ | £ |
| Trade debtors | 56,305 | 10,304 |
| Prepayments | 408,031 | 723,067 |
| Accrued income | - | 198,220 |
| Other debtors | 23,610 | 6,412 |
| | <u>487,945</u> | <u>938,003</u> |

15. Creditors

| Charity | 2020 | 2019 |
|-------------------------------|----------------|------------------|
| | £ | £ |
| Trade creditors | 150,747 | 165,822 |
| Other tax and social security | 37,367 | 35,820 |
| Accruals | 372,082 | 550,401 |
| Deferred income | 168,072 | - |
| VAT provision | 205,760 | 175,089 |
| Other creditors | 38,516 | 28,923 |
| Box Office advance | - | 116,106 |
| | <u>972,544</u> | <u>1,072,161</u> |

Notes to the financial statements (continued)
For the year ended 31 March 2020

15. Creditors (continued)

| Group | 2020 | 2019 |
|-------------------------------|----------------|------------------|
| | £ | £ |
| Trade creditors | 154,652 | 168,981 |
| Other tax and social security | 37,367 | 35,820 |
| Accruals | 372,082 | 551,152 |
| Deferred income | 168,072 | - |
| VAT provision | 205,760 | 175,089 |
| Other creditors | 38,516 | 28,922 |
| Box Office advance | - | 116,106 |
| | <u>976,449</u> | <u>1,076,070</u> |

Deferred income of £168,072 relates to ticket sales for productions taking place after the year end and co production payments received in respect of productions due to take place in 2020/21.

16. Financial commitments

16.1 Operating leases

As at 31 March 2020, the company had annual commitments under non-cancellable operating leases as follows:

| | Land and building | | Equipment | |
|----------------------|-------------------|----------------|--------------|--------------|
| | 2020 £ | 2019 £ | 2020 £ | 2019 £ |
| Expiry date: | | | | |
| Within 1 year | 20,001 | 20,001 | 2,108 | 2,108 |
| Within 1 – 2 years | 20,001 | 20,001 | 2,108 | 2,108 |
| Within 2 – 5 years | 60,003 | 60,003 | 2,284 | 4,392 |
| In more than 5 years | 540,097 | 560,097 | - | - |
| | <u>640,102</u> | <u>660,102</u> | <u>6,500</u> | <u>8,608</u> |

Kiln Theatre has 2 leases. The landlords of the first lease are The Trustees of Court Abbey 1940 Branch of the Ancient Order of Foresters and the lease term is until 11 April 2052. The second lease is with Brent Council and is for a period of 125 years from 1995 so will end in 2120.

16.2 Capital commitments and contingent liabilities

At 31 March 2020 the charity had contractual commitments in respect of the finalisation of the building project. The building was occupied from September 2018 and at 31 March 2020 final payments were still due to be made to the contractor in respect of the final work to complete the

Notes to the financial statements (continued)
For the year ended 31 March 2020

project. At the year end costs to finalise the capital project of £291,962 were accrued and as such there were no other capital commitments in respect of the project.

On 29 February 2016 the Arts Council of England took out a legal charge over the property at 269 Kilburn High Road in respect of the use of its funding for the capital project that runs for 20 years.

17. Employees

Number of employees

The average number of employees during the year was 63 (2019: 62).

This is split as follows:

| | 2020 | 2019 |
|----------------------------|-------------|-------------|
| | No | No |
| Number of staff | | |
| Finance and Administration | 6 | 5 |
| Production | 4 | 3 |
| Artistic | 16 | 20 |
| Fundraising | 4 | 5 |
| Front of House Staff | 23 | 18 |
| Creative engagement | 4 | 5 |
| Operations | 6 | 6 |
| | 63 | 62 |
| | 63 | 62 |

| | 2020 | 2019 |
|-------------------------|-------------|-------------|
| | £ | £ |
| Employment costs | | |
| Wages and salaries | 1,310,283 | 1,330,072 |
| Social security costs | 110,773 | 114,235 |
| Other pension costs | 30,690 | 29,490 |
| | 1,451,746 | 1,473,797 |
| | 1,451,746 | 1,473,797 |

No Directors of the company were employed or received any remuneration.

1 member of staff received a salary of between £60,000 and £70,000 .

Total remuneration of key management personnel in the period was:

| 2020 | 2019 |
|-------------|-------------|
| £ | £ |
| 122,340 | 124,771 |
| 122,340 | 124,771 |

Included within wages and salaries costs are termination payments of £12,500 (2019: nil).

Notes to the financial statements (continued)
For the year ended 31 March 2020

18. Analysis of funds

| | General funds £ | Restricted funds £ | Total 2020 £ |
|---------------------|--------------------------------|-----------------------------------|-----------------------------|
| Group | | | |
| Fixed assets | 25,770 | 10,784,471 | 10,810,241 |
| Current assets | 998,662 | 199,678 | 1,198,340 |
| Current liabilities | (976,449) | - | (976,449) |
| | <u>47,983</u> | <u>10,984,149</u> | <u>11,032,132</u> |
| Charity | | | |
| Fixed assets | 25,970 | 10,784,471 | 10,810,441 |
| Current assets | 1,003,631 | 199,677 | 1,203,308 |
| Current liabilities | (972,544) | - | (972,544) |
| | <u>57,057</u> | <u>10,984,148</u> | <u>11,041,205</u> |
| | General Funds £ | Restricted Funds £ | Total 2019 £ |
| Group | | | |
| Fixed assets | - | 11,138,758 | 11,138,758 |
| Current assets | 1,506,890 | 127,582 | 1,634,472 |
| Current liabilities | (1,076,070) | - | (1,076,070) |
| | <u>430,820</u> | <u>11,266,340</u> | <u>11,697,160</u> |
| Charity | | | |
| Fixed assets | 200 | 11,138,758 | 11,138,958 |
| Current assets | 1,511,803 | 127,582 | 1,639,385 |
| Current liabilities | (1,072,161) | - | (1,072,161) |
| | <u>439,842</u> | <u>11,266,340</u> | <u>11,706,182</u> |

Notes to the financial statements (continued)
For the year ended 31 March 2020

19. Analysis of net debt

| | Cash at 1 April 2019 | Cash movement | Cash at 31 March 2020 |
|-----------|---------------------------------|-----------------------------|----------------------------------|
| | £ | £ | £ |
| Cash held | 696,469 | 13,962 | 710,395 |
| | <u> </u> | <u> </u> | <u> </u> |

20. Related party transactions

At the year end, the company was owed £3,988 from Tricycle Screen Limited and £978 from Kiln London Productions Limited.

During the year, Tricycle Screen Limited made a loss of £nil (2019: profit of £1,078).

During the year, Kiln London Productions Limited made a loss of £52 (2019: profit of £7,945).

No Trustees received any remuneration during the year.

The charity received an aggregate amount of £46,669 in donations from Trustees during the year. (2019: £14,112)

Notes to the financial statements (continued)
For the year ended 31 March 2020

21. Comparative statement of financial activities

| | Unrestricted funds £ | Restricted Funds £ | 2019 Total £ |
|------------------------------------|----------------------------|--------------------------|--------------------|
| Income and endowments from: | | | |
| Donations and legacies | 1,054,168 | 2,842,471 | 3,896,639 |
| Charitable activities | 951,216 | 68,000 | 1,019,216 |
| Other trading activities | 40,991 | - | 40,991 |
| Investments | 10,694 | - | 10,694 |
| Total income | 2,057,069 | 2,910,471 | 4,967,540 |
| Expenditure on: | | | |
| Raising funds | 254,759 | - | 254,759 |
| Charitable activities | 2,698,489 | 1,076,403 | 3,774,892 |
| Total expenditure | 2,953,248 | 1,076,403 | 4,029,651 |
| Net income for the year | (896,179) | 1,834,068 | 937,889 |
| Taxation – theatre tax credit | 132,162 | - | 132,162 |
| Transfers between funds | (881,197) | 881,197 | - |
| Net movements in funds | (1,645,214) | 2,715,265 | 1,070,051 |
| Funds brought forward | 2,076,034 | 8,551,075 | 10,627,109 |
| Funds carried forward | 430,820 | 11,266,340 | 11,697,160 |