
THE ROUNDHOUSE TRUST

Company Limited by Guarantee
Registered Charity

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2020

Registered Charity Number: 1071487
Company Number: 03572184

THE ROUNDHOUSE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

CONTENTS	Page
Report of the Trustees Incorporating the Report of the Directors	2
Why We Exist and What We Do	2
Strategic Report	3-6
Future Plans	6-7
Review of the Financial Position	8-9
Risk Management	10-11
Key Policy Statements	12-14
Structure, Governance and Management	16-17
Reference and Administrative Details	18-19
Trustees' responsibilities in relation to the financial statements	20
Independent Auditor's Report to the Members of The Roundhouse Trust	21-22
Consolidated Statement of Financial Activities	23
Group and Charity Balance sheets	24
Consolidated Cash flow statement	25
Notes to the financial statements	26-41

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Report of the Trustees Incorporating the Report of the Directors

The Trustees of the Roundhouse Trust, who are also Directors of the Company for the purpose of Company Law, are pleased to present their Annual Report for the year ended 31st March 2020, including the Directors Report and the Strategic Report under The Companies Act 2006. The accompanying accounts include the consolidated results and balance sheet of the Roundhouse Trust and its active subsidiary. In reviewing the plans, results and achievements of the charity, this Trustee's report comments principally on the activities of this group as a whole.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. With this in mind they have set the annual objectives, strategies and activities of the organisation with the aim of delivering the benefits outlined above. Additionally, they have considered the Commission's guidance on fee charging; allowing the widest possible access to our productions and creative programme is crucial and something we strive for across the full range of our activities. There is a separate note below providing more details on our accessible pricing.

Why We Exist and What We Do

We create to transform

The Roundhouse is a hub of inspiration where artists and emerging talent create extraordinary work and where young people can grow creatively as individuals. We believe that creativity can change lives. By giving young people the chance to engage with the arts through our music, media and performance projects, we inspire them to reach further, dream bigger and achieve more. We do this because we believe creativity gives us freedom, hope and has the power to transform.

Powering transformation

Every year we host hundreds of gigs, shows and events in our Main Space and throughout our building. Every ticket bought, drink sold and donation from our generous supporters and partners helps fund the transformational work we do with young people in our Paul Hamlyn Roundhouse Studios and with our community partners.

Charitable aims

All of our work is underpinned by three clear aims that are linked to goals identified when the charity was set up:

- To provide a programming framework, facilities and a supportive environment in which young people can realise their creative, personal and professional potential;
- To develop a broad and varied artistic programme which pushes artistic boundaries, bringing new and extraordinary experiences to London's audiences; and
- To care for and celebrate our Grade II* listed landmark building, keeping the stories of its rich heritage alive and accessible to all.

2019-23 Objectives and Business Plan

At the start of 2019, the Roundhouse launched a new business plan covering the period from 1st April 2019 to 31st March 2023. It sets out a vision for the kind of organisation we want to be, and the impact we want to have over the next five years. The COVID pandemic has had and will have an ongoing impact on the charity, however the core elements of the business plan and vision remain relevant taking a long term view. Please see the Future planning section below for more information about the medium term implications and how we are managing these.

Central to the vision is our principal goal supported by 4 main objectives:

- | | |
|-----------------------|--|
| Principal Goal | To expand our creative offer, depth of engagement, inclusion and reach so that we can further increase the number of young people we work with to over 10,000 a year by 2023. |
| Objective 1 | The Roundhouse will commission and present engaging and high quality work that pushes boundaries, reflects society, celebrates and develops artists, involves young people, and brings new and extraordinary experiences to audiences. |
| Objective 2 | We will champion the voice of young people and increase the profile of the Roundhouse's charitable work. |

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Objective 3	We will develop and diversify our carefully balanced mixed-economy model to support expansion plans, build reserves and maintain our Grade II* listed building and operate as an environmentally sustainable organisation.
Objective 4	Our most valuable asset is our people. To deliver our ambitious five year goals we need to further develop our entrepreneurial and innovative culture, ensuring that it is aligned to our overall values and organisational objectives.

Strategic Report

In the sections below we have outlined significant events and progress we have made during the year across our principal goal and four objectives stated in the 2018-2023 business plan.

Principal Goal: Expand our creative offer, depth of engagement, inclusion and reach so that we can further increase the number of young people we work with to over 10,000 a year by 2023.

Through the year to 31st March 2020, the Roundhouse worked with 7,224 young people; an increase of 860 from last year. Young people aged 11-25 engaged with the Roundhouse through a variety of programmes from our intensive projects for young people Not in Education, Employment or Training (NEET), to our new Creative Leadership programme that aims to support diverse young people to become the future leaders for our sector. We also increased the age range of the young people we engage with up to 30 years-old through our pilot Co-Working Hub for 18-30 year-olds. The following sets out each of the activities we offer through our Creative Programme for young people.

Creative Skills Development & Community Programme

All of our activities in the Roundhouse and off-site in our local community contribute towards a self-sustaining pipeline of young people for future engagement. This ranges from the most flexible light-touch activities to the intensive opportunities;

- For the first time this year we worked with Swiss Cottage, Royal Free Hospital School and UCL Academy. Two of these schools work with young people with SEND needs, further widening our inclusion.
- We delivered a series of Creative Careers assemblies as well as more bespoke workshops across numerous schools in Camden.
- We delivered over 50 taster events and had a presence at local festivals. Including Camden Mela, Queens Crescent Community Association Festival, Camden New Town Festival, Go Islington and Kentish Town Community Centre Festival.
- In addition to the 300 community partners we work with through the Roundhouse Community Network, we have plans in place to begin work with new adult service community groups in the lead up to opening Campus (our new building planned for completion c2023).
- We ran a partnership with Camden Centre for Learning Pupil Referral Unit for young people at risk of exclusion and with challenging social and emotional behavioural difficulties. We also ran a project with Camden Reintegration Base (for young people at risk of permanent exclusion from school)
- In 2019/20 we worked with over 1,700 (in 2018/19 - 1,505) young people in schools. We have growth plans mapped out for engagement targets by 2023.
- We are now working with 72 Resident Artists to develop their creative practice and perform regularly.
- 722 professional opportunities (across 191 events) were provided for young people across all artistic programmes.
- Transmission Roundhouse has 47 active Presenters and Producers during 2019-2020.
- Currently there are 5 collectives in operation; Poetry, Choir, Street Circus and a new Music Collective.
- We also have two new collectives called "Future Producers – performing arts and street circus" with over 40 people.
- 2019/20 had two Nicola Thorold Fellows, Rachel Santa Cruz and Tatum Swithenbank. Rachel used the bursary for advanced creative writing courses, professional writing software used by published authors and a new personal computer. Tatum used her bursary to purchase a laptop and microphone to make audio documentaries and to take a British Sign Language course.
- Street Circus production Throwdown, featuring performers from Street Circus Collective, toured to 6 festivals in summer 2019 and reached approx. 2,200 audience members. This was a paid, professional opportunity.
- Illinx Street Circus project had showings throughout the run and 2 performances in the Queen's Crescent Community for local people to see the performance young people had created.

Growing our Talent and Professional Development Offer

This represents a growth area of our programme to enhance the activities we offer young people who need them most. Our NEET programme combined with new areas of work that can prepare young people to be self-employed, freelancers, or directly enter employment. We therefore have the potential to offer a journey for young people furthest from the job market all the way through to sustained employment.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

- OnTrack took place in March 2019 and 65% of participants moved into education, employment and training within three months of the project ending. Wax Lyrical started in Feb 2020 before being postponed due to Covid-19.
- The first year of our pilot Youth leadership programme has been completed. 24 young people participated in the programme: 58% Black, Asian and minority ethnic, 54% live in areas ranked as the most deprived, and 58% identified as female / non-binary. Whilst hugely successful our pilot year taught us that working with a smaller cohort going forward would be more effective.
- We launched the "Self Made Series" - non-performative masterclasses supporting young people's wider career development offering topics such as "Cash Flow and Future Goals" and "Turning creativity into a career".

Evaluation of our programme

- All new standardised monitoring practices have now been rolled out across every aspect of the organisation. We have incorporated social mobility monitoring and are continuing to monitor outcomes.
- We now have baseline data for 17/18 and 18/19 that informed our targets for our work in 19/20.
- We have developed a better understanding of who engages with each strand or work to ensure we are reaching a diverse cohort of young people and we have identified that we need to increase our reach of under 18s which we will achieve through our community programme.

Bursaries to make all programmes financially inclusive

- We have further increased the number of bursaries available to mitigate against any financial barriers to participation; In 2019/20 we offered over 350 bursaries.
- We have grown our Community and Teachers networks to deliver activities in school visits and local housing estates, in order to specifically target and engage young people from disadvantaged or excluded backgrounds.

Objective 1 - The Roundhouse will commission and present engaging and high quality work that pushes boundaries, reflects society, celebrates and develops artists, involves young people, and brings new and extraordinary experiences to audiences.

Commissioning international and diverse artists to reflect our society

- Over summer 2019 we presented Barbershop Chronicles in partnership with Fuel and National Theatre. The sold out show ran for 6 weeks in our main space and achieved 4* and 5* reviews, exceeding targets and bringing in new audiences.
- A summer season entitled "Fades, Braids and Identity" saw the return of the fierce femmes of colour, Hive City Legacy in our Sackler Space. In addition, we hosted a programme of theatre, photography, film and spoken word that showcased a diverse range of voices exploring race, gender, identity and the importance and politics of Black hair culture across all spaces in the venue.
- Hive City Legacy also toured across the UK and took part in an international residency collaboration with British Council.
- No Fit State returned to the Roundhouse with their in-the-round show Lexicon which attracted new audiences to the Roundhouse; 60% of bookers were attending the Roundhouse for the first time and it attracted audiences from outside of London (Greater London 72%, while the rest of UK 28%).
- In the Round, our annual flagship Roundhouse produced music festival, presented leading artists (predominantly female) alongside upcoming talent from our Resident Artists Programme.

Artist development

- Our flagship Spoken Word festival, Last Word was presented across our venue, platforming talented diverse young voices culminating with our Poetry Slam Final in the Main Space.
- Our Roundhouse Rising festival, this year headlined by Gaika once again showcased the future generation of emerging music talent.
- We programmed a series of shows and performed in festivals across the UK showcasing work from our performing arts collectives and Resident Artists during the summer months. We also presented two seasons of work in our Sackler space, showing the best diverse emerging talent in the UK.

Objective 2 - We will champion the voice of young people and increase the profile of the Roundhouse's charitable work.

Increasing the profile of the Roundhouse

- Highlights of the year included press coverage around Barbershop Chronicles, Rising, Lexicon, and In The Round all of which gained extensive national and local media coverage.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

- We continued to profile the work of the Roundhouse both on our stage and our work with young people securing in-depth interviews with our CEO, Head of Music, Head of Youth Engagement and Director of Programmes.

Roundhouse Impact report

- In 18/19 we conducted a qualitative study of a sample of our alumni. We spoke with 167 young people that had completed one of our intensive projects from 2014-2018 to assess the impact their experience at the Roundhouse had made on their future career aspirations and employment. Our findings showed that 96% were now in active employment or education. We were due to launch the findings in March 2020 but due to Covid-19 we paused this launch. The report will now be launched in November 2020 and will reflect the issues young people are facing in the UK today.

"Self-Made" Report

- In July 2019 we launched our Self Made report in collaboration with Partnership for Young London. This was primarily an online campaign to raise awareness of the barriers facing young people when entering into our sector – particularly those from a diverse background. This resulted in coverage in BBC London News, The Stage and Arts Professional. MPs including Ed Vaizey, Tracey Brabin and Matt Hancock.

Championing the voice of young people

Youth Leadership and the Roundhouse Youth Advisory Board (RYAB)

- We've continued to promote Guided by Young Voices, our youth governance guide. Some key successes from the last year have included:
- Joined the steering group (run by The Social Change Agency) looking at the quantity of young trustees in the wider charitable sector and the quality of training they receive. The movement aims to double the number of young trustees by 2024.
- Numerous paid speaking opportunities for our Young Trustees and RYAB members at conferences and meetings.
- Two young people were once again recruited onto the formal Board of Trustees and due to the impact of Covid 19 agreed to extend their tenure by an additional six months to support the organisation through a significant period of change.

Objective 3 - We will develop and diversify our carefully balanced mixed-economy model to support expansion plans, build reserves and maintain our Grade II* listed building and operate as an environmentally sustainable organisation.

Development income success

Across all development income streams, we achieved the budgetary target set out at the beginning of the financial year, raising £3.6m which includes our Arts Council grant. The team has been supported by the Development Board, a committee of volunteers that have indirectly contributed to 28% of our revenue targets in 19/20. In addition, we invested in our team by appointing an Associate Director of Development in order to grow our revenue and achieve our capital targets over the coming years.

Commercial income

The Roundhouse derives commercial revenue via Music and Events bookings as well as the associated secondary spend related to these including food and beverage sales. Through the year all of these have performed strongly with improved margins in all areas mainly driven by tight cost control and targeted pricing strategy.

In total we hosted 159 external bookings (95 music; 64 events). We continue to attract a diverse range of commercial music bookings and this year we saw standout performances from Sunn O))), Metronomy, Mahalia and the Ezra Collective and in March hosted the BBC 6 Music Festival. On the events side we were pleased to welcome back a number of retaining events including The Attitude Awards, Save the Children and The Ellen MacArthur Foundation as well as a wide range of new clients including Eurostar and Tesco's.

Maintaining our Grade II* listed building

- This year saw the partial implementation of a comprehensive Planned Preventative Maintenance plan; Tender Process completed and as at 1 March 2020, a new M&E contractor, Salisbury Group, are in place.
- Further work has taken place on fixed wiring, the chiller and main space roof repairs.
- Statutory inspections of the site and all life safety systems have continued.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Major capital works including the Campus Building and the seating project

The new Commercial Office floor was successfully added to our administration building over the summer of 2018. Sofar Sounds are confirmed as our tenant and have been since August 2019. The rent from this floor will contribute c.£600,000 pa to the capital build and new programmes with young people. We also renewed the lease with Bucks music in October 2020 for a further 5 years. This year we reviewed the financial status of our capital campaign, with the newly confirmed target of £9.6m. To date, we have secured £6.2m towards this goal. We have secured £0.5m from ACE against additional capital work, including an upgrade of our seating, a redesign of the production yard, and associated storage units.

Championing sustainability and work to further reduce our environmental impact.

We have created and implemented the sustainability strategy for the next 5 years with Julie's Bicycle and are planning the next phase of work with them. We work with Camden Climate Change Alliance (CCCA) and the Commercial and Operations Director sits on this group with other local businesses and organisations.

Objective 4 - Our most valuable asset is our people. To deliver our ambitious five year goals we need to further develop our entrepreneurial and innovative culture, ensuring that it is aligned to our overall values and organisational objectives.

Workforce development

In 2019/20 we invested in our Senior Management Team by rolling out an extensive in-house training programme throughout the year. In addition, we have recruited a new Talent Manager in the HR Team who is undertaking a review of all staff training. We have revised our organisational values and will be relaunching these in November 2020.

Renewed commitment to Diversity and Inclusion

Diversity and Inclusion is a key priority for the Roundhouse across all areas of the business. We have a diverse leadership team and the D&I strategy is being led by the Development and Communications Director to ensure both a top-down and cross organisational approach to this work. The Development and Communications Director runs a cross functional Diversity and Inclusion working group who meet monthly to review targets and agree a work plan. We have established key targets for our workforce, including our Board of Trustees to be achieved by the end of our business plan period in 2023. In addition, we ran our second *Driving Change* event for the wider cultural and creative sector.

Work experience and entry level workforce strategy

We are currently reviewing our Entry Level Workforce Strategy to ensure that it remains fit for purpose and in line with our Diversity and Inclusion strategy. We continued to invest in one trainee placement in the Broadcast and Digital team and employed a Technical Apprentice to encourage more women to take up technical positions. Finally we worked in partnership with Inclusion London under their 'Making it Work' scheme to take on a work placement. The scheme aims to provide young disabled people with an opportunity to build some work-based skills that can support them into employment.

The Roundhouse will continue to work towards achieving the objectives outlined in the business plan which covers the five-year period from 1st April 2018 to 31st March 2023. These are summarised on page 2.

Future Planning

Due to the impact of Covid 19 we are working to assumption that we will not see a sustained level of commercial activity until circa September 2021. We are therefore developing an interim model allowing us to maintain relationships with our event clients and music promoters, generate fundraised income (by delivering our core charitable work with young people) and build back our mixed economy model.

As we are now in receipt of a grant from the cultural recovery fund we now plan over the next year to:

- Implement and test new equipment, technology and health and safety measures.
- Develop strategies with our experienced marketing, music and commercial teams to provide solutions for socially distanced events
- Deliver our core creative programme for young people including partially reopening our Studios and delivering our flagship festivals for emerging talent (Roundhouse Rising and the Last Word festival).
- Continue to build on our successful digital offer for young people Round your House to widen participation
- Deliver Covid safe outreach activities in a community setting.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

In the longer term our ambition is to build back our commercial activity and welcome back the rich diversity of music artists and promoters we have built relationships with as well forge new ones to ensure our commercial music programme is diverse and accessible to a wider audience.

Covid 19 has shown that our creative programme for young people is now even more vital than ever before. The impact of Covid-19 on young people's mental health and career prospects is significant as young people will experience the highest level of unemployment. As well as providing a space for young people to come and be creative, take part in our performance based creativity programmes both in person and on line we will also be focusing more in-depth on providing creative solutions to develop young people's employability skills to enable them to move into work. Our proposed new Campus building - due for completion in 2023 remains a priority, as this will house our creative centre for entrepreneurs and will be the home for our creative employability and leadership programmes.

Diversity and Inclusion has always been at the heart of who we are and part of our DNA. In August 2020 we were awarded 'outstanding' against the Arts Council's creative case. However, with the death of George Floyd and the Black Lives Matter campaign we went through a significant period of learning and reflection as an organisation. We made a series of public anti-racist commitments and have been working hard over the last few months to deliver these. We have engaged our Board of Trustees and are reviewing our recruitment and induction strategies across all levels of the organisation to ensure we have a diverse workforce and board that reflects the London population by 2023.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Review of the Financial Position

While this review focuses on the past financial year, it is events after the year end linked to the global Covid-19 pandemic, which are dominating all our thoughts and actions. The economic impact for the Roundhouse and many other youth charities, music venues and arts organisation has been significant. This review therefore also covers some detail of the impact of Covid-19 on the financial position of the Roundhouse and the measures we are implementing to ensure that we come through the current crisis in the best financial shape possible.

Income

The Roundhouse derives operating income from these main sources:

- Rental of the main auditorium space for third party corporate/charity events and music gigs – via these rentals we also earned a range of secondary income such as box office fees, Supplier commission and food and beverage income.
- Rental of office space to third parties
- Fundraising and sponsorship income through a mixture of donations from individuals, grants from trusts, corporate sponsorship and income from various membership schemes. There is also a biennial fundraising gala
- Statutory funding via Arts Council England as a National Portfolio Organisation
- Ticket income from own or co-promoted artistic performances

Additionally, we are currently also fundraising to extend our building and facilities through the Next Generation Campaign. Funds raised in the year for this purpose are shown separately as restricted income, under Restricted Capital Funds.

Total Revenue for the year was £11,729k (2019: £12,987k),

Revenue from trading activity has increased in comparison to prior year to £5,316k (2019: £5,013k). This was due to improved costs control and targeted pricing changes.

Income from charitable activities, donations and investments for the year (excluding restricted capital income) was £5,988k (2019: £7,729k). This fall of £1,700k is partly explained by the fact that the prior year income includes over £1 million from the biennial gala. The remaining difference is explained by a fall in income from trusts, sponsorship and own/co-promoted activity. For all of these the underlying activity remains strong with the changes explained mainly by the cyclical nature of some of the underlying partnerships.

The restricted capital income received in the year of £425k (2019: £245k) represents funds received towards the Next Generation Campaign.

Expenditure

On the Income and Expenditure Statement expenditure is reported under two broad categories Costs of raising funds and Expenditure on charitable activities.

Costs of raising funds include costs relating to the trading activity and those linked to fundraising. Expenditure for the year for this area was £3,742k (2019: £3,668k). As can be seen in note 6 the costs linked to fundraising were lower this year. This is mainly because 2019-20 was an off year from the biennial fundraising gala. This reduction was more than offset by costs linked to delivering the higher levels of commercial revenue mentioned above.

Expenditure on charitable activity was £8,417k across the four areas (2019: £8,534k). For both years these numbers include an allocation of depreciation linked to the initial refurbishment of the building. Excluding depreciation expenditure on charitable activity was £7,664k (2019: £7,815k). In the year we spent £260K more maintain our building as we look to improve the estate and £282K on our creative programme for young people as we expanded activity. This was offset by lower spend on in-house artistic production – this was mainly due to the nature of the work presented with more co-promoted activity than in previous years which typically means less outlay.

Financial results and closing funds

Overall the consolidated result for the charity included a surplus on unrestricted funds of £151k (2019: £1,139k) after transfers from the endowment fund of £97k (2019: £97k) and transfer from the restricted capital fund of £431k. At 31 March 2020, unrestricted funds carried forward were £6.2million.

The charity received £71k (2019: £349k) of restricted funds in the year towards specific noncapital projects. £97k was spent in the year with the remainder funded from brought forward restricted reserves. There remains £10k which has been carried forward to 2020-21 to allow the completion of one project.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

The restricted capital funds balance at 31st March 2020 was £20,220k (2019: £20,641k). The expense of £414k (2019: £501k) represents depreciation on restricted assets previously capitalised. As mentioned above £425k of income was received in the year toward the Next Generation campaign and £431k was transferred to unrestricted funds.

The endowment fund balance as at 31st March 2020 was £5,753k (2019: £5,991k). This represents restricted investments donated in 2011. The drawdown rules of the endowment allowed for a £228k drawdown in the year.

Financial Outlook beyond 31 March 2020

The original budget for the 2020-21 financial year was approved by the board in January 2020. Based on the underlying results for the 2019-20 year and a very healthy forward booking calendar we were expecting another strong year which would have allowed us to expand our work with young people, present an exciting music and artistic programme and further improve the Roundhouse estate.

The outlook for the current financial year is now very different and we have had to reassess every aspect of our plans in order to mitigate what will be a significant impact on our finances. Covid-19 and the ensuing Government restrictions has resulted in a dramatic reduction in income for the Roundhouse. Normal operations ceased in March 2019 and we have had to cancel or postpone the vast majority of planned events and music gigs since then.

We are currently working on the assumption that we will not see any sustained levels of activity until autumn 2021 and alongside this there is likely to be an impact on other income streams particularly fundraising, sponsorship and office rental income.

We were pleased to benefit from emergency funding awarded from the Government's Cultural Recovery fund. In total we have been awarded £1.3 million. However, this on its own is not enough to ensure our financial stability so we have also addressed our cost base; reducing operating costs to a minimum and delaying expenditure where possible. As the pandemic measures took hold in April we took advantage of the Government's Coronavirus Job Retention Scheme, furloughing 60% of staff on 80% pay. As the impact of the pandemic on our commercial activities started to become apparent we made the difficult decision to undertake a redundancy programme. Throughout though we continue to provide young people and audiences a level of ongoing service via the Round Your House programme albeit at a reduced level, we have also ensured that through our staffing decisions that the Roundhouse remains operationally ready and that we can adequately support fundraising and future commercial bookings. We will continue to monitor developments and respond accordingly, using our best judgements when information may not be perfect. We have rigorous governance structures in place to control the Roundhouse's operations and the Executive and Senior Management Team are continually reviewing, revising and reacting to changing scenarios. Communication with the board of trustees is frequent and by considered but rapid action we are doing our best to minimise the impact.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Risk Management

The risks the organisation faces have been reviewed on an ongoing basis throughout the year by the senior management team and as part of the process have been reviewed by the Business, Audit and Risk Committee with significant risks also considered at the main Board.

Reputational Risk

Our reputation is extremely important to us; it is affected by our decisions, performance, and activities across a wide range of areas. Through everything we do we strive to ensure that the expectations of our employees, visitors, audience, volunteers, key stakeholder and the young people we serve are met. Threats to our reputation ("reputational risk") may arise as a consequence of our strategic and operational risks, all of which are actively managed. We have in place on-going monitoring, communication strategy and have introduced an Ethics Committee which provides a formal platform for discussion

Impact of the Covid-19 pandemic

Since the year end the greatest risk to the Roundhouse is that posed by Covid-19 and the associated issues that surround it. The Roundhouse closed its doors to the public, staff and, most significantly, our young people on 16th March 2020. The consequence of this has been wide ranging impacting everything from staff wellbeing, delivery of programmes, through to operations, and financial stability.

As documented in the going concern statements (page 15 and the financial review (page 9) we have taken some swift and proactive steps to mitigate the financial impacts of the crisis.

Operationally we have followed government guidance throughout and have built up robust operating plans that allow us to host a reduced level of commercial activity and we plan to offer some on site activity for young people and audiences starting in late 2020 if possible.

From a staff perspective all but essential staff required for onsite operation are working from home and will continue to do so until government guidelines change. We have supported home working by extending access to technical support and equipment and moving services where possible to cloud based platform. We have also enhanced wellbeing information and have put in place ongoing monitoring procedures.

Other Strategic Risks

In addition to Covid-19, below is a summary table of Strategic risks faced by the Roundhouse and the actions we are taking to manage the likelihood and impact of these risks. It should be noted that some of these are of course influenced further by the impacts of Covid-19:

Maintaining financial strength and sustainability

The long-term viability of The Roundhouse's business model is dependent on our ability to continue to fund our charitable activity through a combination of commercial and fundraising income.

As noted above, the Covid-19 pandemic has had a negative impact on both of these elements. In the short term Free Reserves are expected to fall below the £1.1million target, and the trustees are committed to rebuilding reserves to this target over as short a time frame as possible.

Looking further ahead the long term impact of Covid-19 on the UK economy might adversely affect fundraising and sponsorship income for years to come. The availability of funding from trusts, individuals and corporate sponsors may also contract, or their priorities may shift away from the types of programmes we offer.

In response to these risks the trustees are taking the following steps to manage these risks.

The section on Going Concern (page 15 describes the actions already taken. With regard to monitoring the immediate impact of the pandemic the trustees review financial reports regularly comparing performance against forecast, and discuss whether further action is required to reduce costs and preserve unrestricted funds.

Over the longer term work is ongoing to engage with trusts, corporate donors and other key stakeholders in order to ensure that the Roundhouse understands and can respond to their priorities in the post-pandemic world. We are also looking to develop some key partnerships as we believe this will be key to increasing our impact in the future.

From a commercial standpoint we continue to engage with music promoters and events clients and are being as flexible as possible to accommodate changing requirements. We are also looking to introduce in the short term different models so that the venue is commercially viable option at reduced capacities.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Next Generation Campaign funding

Our five-year business objectives include the ambition to develop and expand the Roundhouse Campus. Our current projections state that the combined cost of these projects will be £10 million (plus the £5 million in-kind gift of land from the Norman Trust). Though we have raised or received pledges for over half of this value there remains risk around the remainder.

Risk mitigation in this area includes on-going monitoring by senior management and the Board. A Development Committee was established focusing on developing major donor networks, strengthening the fundraising team where necessary including external consultancy support and targeted applications to a range of Trusts and Public sector funds

People, culture, and wellbeing

At the core of the Roundhouse's delivery are the people who work and support us to achieve our goals. The term people encompasses everyone from employees to volunteers to trustees. It therefore follows that it is crucial that we are able to recruit, retain and support suitable staff, volunteers and trustees and sustain a culture that supports the delivery of its strategy. The Covid-19 crisis has added to the challenges in these areas not least because we have need to make some significant structural changes. The crisis has also highlighted a number of key person reliance's that we need to consider going forward.

In order to mitigate risks in these areas we have developed training to embed more formally a set of Roundhouse values and we are also formalising our learning and development programmes. We take a proactive approach to recruitment and we are looking at ways to further diversify our workforce and supporter base. Also as mentioned above ensuring employee wellbeing through this difficult time has intensified via on-line training, face to face engagement and access to our employee assistance programme has continued throughout.

From a monitoring perspective we regularly survey staff and volunteers and benchmarking of compensation and benefits every two years.

Ensuring our programme remains impactful

If we do not do the right things at the right time, our ability to transform the lives of young people will be limited. This is likely to become even more critical for us in 2020-21 if resources become more constrained as a result of the coronavirus pandemic.

To be viewed as a reliable advocate and creative partner for young people we need to engage with their experiences, insights and aspirations as well as learn from the evaluation of past programmes. As we plan and develop work over the coming two years we will focus on how we can better engage, work with and build communities and partnerships further. We will also focus on how technology and digital platforms can strengthen, broaden and deepen our links with young people, so that our work continues to reflect and respond to their needs and challenges.

The coronavirus crisis has presented us with an acute need to support young people in a different way and we are responding to this by ramping up and quickly introducing blended delivery models. This has opened our eyes to alternative ways of working that we believe will be critical for our success going forward.

In order to mitigate the risks in this area we have introduced an Evaluation Committee and in the coming year we will look to develop the exposure and resources of that group. We plan to enhance the digital offer; to do this we will look to enhance existing internal resources but will also look to find a significant external partnership.

Looking after and Operating our Grade II* listed building

The Roundhouse as a building lies at the heart of both our programme delivery and commercial activity. It is essential therefore that we ensure its ongoing upkeep so that it remains fit for purpose and complies with a wide range of operational and regularity standards.

Risk mitigation in this area includes regular internal & third party reviews of operating procedures (including health and safety). Also, over the last few years, we have set aside additional funds to allow us to upgrade and renew both the fabric and key plant and machinery.

Brexit

The implementation of Brexit introduces a wide-range of risks in areas including (but not limited to) recruitment, supply chain, capital investment, funding, and consumer confidence.

To ensure a timely and focussed approach to the wide-reaching Brexit risk landscape we continue to monitor the risk via regular senior management team and the executive updates. The Roundhouse also recognises that building and maintaining strong relationships with key stakeholders, locally and nationally will create opportunities to inform and influence as well as share concerns.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Key Policy Statements

Investment Policy

The investment policy is set by the Trustees and reviewed annually.

In March 2013, the charity appointed JO Hambros, later renamed Waverton Investment Management, to manage the investment of the £5m Paul Hamlyn Foundation endowment fund in a mix of investments within specified ethical guidelines. An Investment Committee was set up comprising Trustees, Paul Hamlyn officials and investment experts to monitor the fund. An investment policy has been set by the Trustees targeting an annual total return of CPI plus 4% with an emphasis on ethical guidelines.

For financial year ending 31 March 2020 the CPI+4% benchmark equated to 5.5%; against which the portfolio returned negative 0.4%. This year's performance has been impacted by the effect of the COVID 19 pandemic on the underlying holdings. The portfolio though is managed with a long -term view and though this year's performance has not been behind target, returns over previous years have been strong. Since inception the CPI + 4% has been 35.8% against which the portfolio has returned 61%. Surplus cash is invested in low risk, high interest deposit accounts or on the money market to achieve as high a return as possible whilst not risking the capital funds. The Company does not act as custodian trustee on behalf of others.

Since the year-end the value of the underlying funds has increased; as of November 2020 the portfolio value had increased by circa 9% from year end position.

Fundraising

The Roundhouse has a professional fundraising department led by the Director of Development & Communications and supported by the Associate Director of Development. The team is responsible for fundraising from individuals, events, trust and foundations and companies and works within the guidelines set out by the Fundraising Regulator and Code of Fundraising Practice. The Roundhouse's fundraising is supported by volunteer committees including a Gala Committee and a Development Board, which are both chaired by Trustees.

In 2019 the Roundhouse reviewed and updated its ethical policy and formed an Ethics committee, which was made up of a subset of the Board to enable the executive team and Board of Trustees on decision making around significant gifts. In 2019 in line with its ethical policy the Board made a decision to decline a significant gift towards its capital project.

The Roundhouse does not engage any external partners or fundraising agencies to carry out fundraising on its behalf. Nor do we engage in fundraising activities that would place vulnerable people at risk.

The Roundhouse subscribes to the Fundraising Regulator and signed up to the Fundraising Preference Service and received no complaints in 2019/20.

Access for all

Our youth programmes span a range of art forms to excite, inspire and captivate young people from all backgrounds. We offer opportunities in music, theatre, circus, spoken word, and broadcast and digital, with a focus on developing skills and building confidence. One of our key roles is to engage young people who might not otherwise have access to the arts, and to challenge the growing divide in social mobility between different socio-economic groups.

Accessible tickets	We provide 16-25s access to £5 tickets for selected gigs and shows through the GET IN membership scheme. In addition to this we offered free tickets to all our open dress rehearsals. This allowed those who would not otherwise have been able to attend to experience the show.
Pastoral support	Our Information & Advice Base, led by experienced Youth Support Workers, offers pastoral support on issues such as housing, employment, mental health, training, education and other arts opportunities
Tailored activities for target groups	We reach those who are most in need by offering taster and regular sessions to schools and community groups and providing intensive programmes for young people not in education, employment or training.
Ring-fenced places on projects	We set aside places for young people from our targeted programmes or supported by our community network partners for our open access projects. The places are held until shortly before the project starts to give these young people the best possible chance of access.
Bursaries	Our bursary scheme provides access to projects for young people who cannot afford to pay themselves. A travel bursary is also available.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Subsidies

Our projects are affordable and heavily subsidised through our mixed economy business model. Young people tell us there is nowhere in London that offers spaces and projects at such good value.

Volunteers

The Roundhouse relies heavily on a community of volunteers. In 2019/20, 125 volunteers assisted with the stewarding of a variety of performances. They are a vital part of the visitor services team ensuring audiences have an enjoyable visit whilst enabling lower staff costs.

Disabilities in the workplace

As an employer we undertake a policy not to discriminate against anyone. We conduct individual risk assessment for every applicant, employee or volunteer with a disability. This identifies any reasonable adjustments that need to be made.

Employees

As a creative organisation it is our people who are the engine of what we do and what we can achieve. Through 2019 -20 we ran cross-organisational workshops (including via our Diversity and Inclusion working group) to develop a set of Roundhouse Values. These will be launched formally in late 2020 and they will be embedded in our training, performance management, recruitment and induction programmes. We actively celebrate success and will be launching an employee recognition scheme, aligned with our values later in 2021. Our primary communication channel on matters of concern to them as employees is through their line management chain within their directorates.

We have monthly staff meetings to disseminate highlights from our programme and activity as well as deliver any key messages relating to health and safety and operational guidance. We host an internal intranet site *Roundup* where we share policies and procedures as well as staff resources and well-being information. From April 2020 we introduced a weekly email update from Marcus Davey our CEO and Artistic Director.

More formally, an Employee Forum is our quarterly staff consultation mechanism whereby representatives are elected by the staff to air issues on behalf of the staff directly to the CEO and Head of HR.

As part of the Business Audit and Risk committee annual cycle, there is a review of people matters and their terms of employment and this is used to advise on the annual remuneration changes to the Board of Trustees.

Our ability to recruit and retain high quality staff is critical to the success of our charity. It is our policy to pay competitive and fair salaries in all parts of our organisation. We evaluate all jobs via a biennial external benchmarking exercise.

Further details of our directors' salaries, key management personnel can be found in note 10 on page 31 The charity has a well-established recruitment process which gives full consideration to all applications free from any bias. We understand the strength in diversity and welcome applications from all suitably qualified and experienced candidates irrespective of their age, long term health conditions or disability, age, gender or gender reassignment, sex, sexual orientation or marital status, race, religion or belief.

We are committed to Diversity and Inclusion as an organisation and run a monthly Diversity and Inclusion working group made up of representatives across the organisation. In 2020 we have reviewed all of our policies and practices and have made a commitment to further improving the diversity of our workforce, specifically setting targets around race equity and disability. Further information on this can be found on page 6.

Opportunities are available to all employees for training and career development. All of our people are treated fairly, with respect and dignity. We do not tolerate discrimination, victimisation or harassment of any kind.

Partnerships

The Roundhouse works with a range of partners and networks to share expertise, learning and knowledge. These include the Creative Industries Federation, Music Venues Trust and the Concert Promoters Association (CPA), the 360 degree network, A New Direction, London Youth and a range of local community organisations. In 2020 we joined the Youth Employment Group which was a coalition of youth charities set up in response to Covid 19 and the impact on young people's jobs prospects.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Stakeholder management

Our primary stakeholders are our young people that take part in our creative programme. We employ numerous tutors on a freelance basis to deliver our youth programme who receive regular training and support. Our youth programme's outcomes are evaluated through our evaluation committee on a monthly basis. We host our Roundhouse Youth Advisory Board (RYAB) which is made up of up to 20 young people each year. RYAB meet monthly and advise on our every aspect of the Roundhouse's work for our creative programme with young people, are organisational values and our proposed new Campus building. Two members of RYAB sit on our formal board of trustees.

Environmental Initiatives

In this year The Roundhouse took the following energy and environmental initiatives:

- Developed staff environmental goals into handbook for induction of new starters
- Worked with existing suppliers and shared our sustainability policy with them
- We have run a staff campaign on not using single use plastic on site for a week

Energy use for the year has been calculated as

UK energy use kWh	3,257,815
Associated Greenhouse gas emissions Tonnes CO2 equivalent	610
Intensity ratio Emissions per Staff member	2.9

Roundhouse energy use includes all electricity and gas. Associated 'greenhouse' gases have been calculated using UK Government GHG conversion factors for company reporting, and intensity ratio is per staff member based on 210 full-time equivalent staff.

Reserves Policy

As at 31st March 2020, the total unrestricted reserves were £6.2 million (2019: £6.0 million), see note 17 for breakdown. Of this £4.0 million (2019: £3.3million) represents amounts invested in fixed assets and £0.9 million (2019: 1.7million) has been designated for specific purposes including £240k that was designated last years for capital renewal. After taking these amounts into consideration there remains £1.3 million of free reserves.

The Trustees have determined that the Roundhouse needs unrestricted free reserves to allow the organisation to manage a range of potential operational risks, including fluctuating income from commercial activities, significant changes to voluntary and donated income, and the costs of emergency building repairs.

The Roundhouse has a varied source of income; this, along with a reliable medium-term planning horizon and long-term commitments from a number of key stakeholders, mitigates these risks. However, taking into account the factors above the Trustees have set a free reserve target of £1.1million. The reserves target is in excess of the minimum level that would be required for an orderly winding up of the charity.

In normal times any unrestricted reserves in excess of the target would have been designated into the Capital Renewal fund representing amounts set aside to ensure ongoing renewal and replacement of the building infrastructure. Over the coming years the Trustees will look to grow this reserve to £500,000 (currently £243k). However, in light of the financial challenges facing the organisation the trustees have decided that for this year the excess of £200k remains as part of free unrestricted reserves.

The trustees have reconsidered the reserves policy and reserves target in light of the Covid-19 pandemic, and concluded that unrestricted reserves should be made available as part of the charity's response to managing the immediate financial impacts.

The trustees also consider that £1.1million remains an appropriate target in light of the charity's size, operations, and the financial risks to which it is exposed. The trustees are committed that if free reserves are eroded in the coming years that these are rebuilt as a priority.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Going Concern

The Trustees have assessed The Roundhouse's ability to continue as a going concern.

They have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including a review of updated forecasts to March 2022, and a consideration of key risks, including Covid-19, that could negatively affect the charity as well as the success of mitigating factors that have been implemented.

Our core unrestricted reserves are funded from a combination of fundraising income and commercial income. As noted in the reserves policy above, the level of unrestricted reserves stands at £1.3million at the end of March 2020. This is slightly ahead of our stated target.

The key risks in our financial model are described in more detail in the Risk Management section on page 10. Of particular relevance to going concern is the risk linked with maintaining financial strength and sustainability

Specific to this we expect that our ability to earn commercial income will be limited whilst there are restrictions on mass gatherings and this linked to the fact that we will be delivering a reduced creative programme for young people may also impact our fundraising income particularly from new sources. Our supporters and donors recognise the particular challenges presented by these conditions and have generally expressed a willingness to accommodate changes to plans and budgets, particularly where projects can be adapted to address the immediate impacts on beneficiaries.

Together with the charity's management the trustees have also embarked upon measures to access emergency funds and reduce core costs in order to mitigate the impacts. These measures include:

- The Roundhouse has been awarded £1.3 million of emergency funding via the Arts Council England administered Cultural Recovery Funds.
- Making use of the UK Government's Coronavirus Job Retention Scheme placing up to 60% of staff on 'furlough'; with the Senior management and Directors taking a 10% and 20% salary reduction, respectively, in parallel with this.
- Removing all non-essential expenditure from operating costs.
- Delaying where possible large value capital expenditure.
- A redundancy programme, which has reduced our committed monthly wage bill by almost 50% from October 2020.

We have prepared a number of scenarios to reflect reduced income, minimised cost base and delayed capital spend that pivot on various reopening points through to April 2022

The scenario planning indicates that if significant restrictions on mass gatherings remain in place through to September 2021 unrestricted reserves would fall to £1.1 million by April 2022

In carrying out our reverse stress testing, we have ascertained that The Roundhouse would be able to continue its work even if the following were to occur:

- Large scale performances were not possible until April 2022.
- Fundraising income fell short of projected income by £500K for the 2021-22 year.

Under this scenario cash levels are expected to be above £500k throughout the period. Under these scenarios and any that may have a greater impact we have also identified further areas where savings could be made to reduce our cost base and strategies that can be deployed to ensure that our cash flow remains sufficient to meet operational needs.

The course of the pandemic remains uncertain and the trustees are mindful that the financial outlook is subject to change. Therefore, alongside the executive they are reviewing the financial position closely on regular basis, and updating expected future scenarios based on the actual monthly results and any changing external factors.

Trustees and management are also considering further measures to increase income in 2021-22. Moreover, whilst the scenario planning does not indicate any immediate liquidity risks, if this changes further actions to reduce the cost base and manage the cash flow will be taken.

After considering these factors, the trustees have concluded that the Charity has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Structure, Governance and Management

Governing document and constitution

The governing document of the charity comprises its Memorandum and Articles of Association. The company is limited by guarantee not having a share capital, and possesses a license issued by the Department of Trade permitting the omission of the word "limited" from its name.

General Governance including Trustee recruitment, induction and training

Strong governance and management are critical to our success and reputation. We have a Board of Trustees that takes overall responsibility for the Charity and our work. It is responsible for ensuring we are effectively and properly run and that we meet our goals as a Charity. As part of our continuous learning process, every two years we internally review board performance against the criteria set out in the code. The latest review was completed in May 2019 the outcome of which was very positive. Recommendations were discussed and adopted at a Board away-day in June 2019. We are planning the next Board performance review to take place in May 2021.

A full list of other board members can be found on Page 16. This includes two young Trustees who provide an important voice for our key stakeholder group on all matters.

The Board appoints Trustees to serve on the Nomination Committee, whose role is to keep under review the structure, size and composition of the Board. As vacancies arise, potential candidates are approached on an individual, targeted basis. Ensuring Board diversity is a key consideration when making these appointments. For some positions, including Chair, we appoint search agents and advertise widely.

Trustees are appointed for an initial period of three years and typically can serve for a further three years beyond this. New Trustees are inducted into the workings of The Roundhouse Trust via various activities including briefings from the Chairman, Chief Executive and other staff as appropriate, a Trustee Induction Pack and tour of the Roundhouse site and offices. Ongoing training is provided to Trustees as required.

Six board members of the Board have served longer than 6 years. Marcus Davey is on the Board by virtue of his position as Chief Executive Officer. Caspar Norman represents the Norman Trust who were founders of the Roundhouse Trust and own the underlying lease for the Roundhouse site. Nick Allott is an industry specialist who has provided important continuity across many areas. In addition, Ella Bennett, a HR specialist and Etienne Johnson an artist with wide experience of working with young people have been asked to extend their terms to a total of eight years to ensure stability during the Covid crisis. The two young trustees have also been asked to extend their terms from one year to 18 months during the Covid crisis.

A Charity governance code, endorsed by the Charity Commission and other industry bodies, was published in 2017. With our Trustees we have ensured we are substantially compliant with the code. The code asks charities to "apply or explain". The following are areas where we have not applied the code's provisions and why we have taken that decision:

- At the year end The Charity had 18 serving Trustees, a larger Board size than the 12 recommended by the code. For The Roundhouse the number of board members is impacted by two factors:

Young Trustees

As highlighted on p. 16, each year the Roundhouse appoints at least two trustees who are under the age of 25. They normally serve for a period of one year and act as a key voice for young people at board level on all matters. As noted above for this year due to the impact of Covid the two Trustees currently holding these roles have been asked to stay on for a further 18 months.

Breadth of activity

A key strength for the Roundhouse is the versatility of its operating model which is underpinned by a variety of activities. In an ever changing environment it is essential that we have the right mix of skills across the Trustees group. A wider range of expertise and experience to draw on is enabled by a larger Board.

- The Board reviews its performance and the performance of individual Trustees formally every two years. In addition, a board away day takes place annually to consider areas of change and to review performance against our five-year ambition. External review every three years as recommended in the code will be considered in 2021.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Diversity consideration sits at the heart of all Roundhouse activity and is always embedded and supported by our Board of Trustees. We have considerably diversified our Board over the last year and have now set gender parity targets by the end of our business planning period in 2023, as well as a target to ensure that our Board is 40% BAME, including at least 13% Black membership by this date.

Organisational structure

The Board of Trustees meets formally every two months to review all the activities of the charity and to provide strategic direction and guidance to the Executive team. As a Trustee, the Chief Executive attends all Board meetings along with the other members of the Executive team.

In addition to the main Board of Trustees, there are Board committees which work with the Executive team to review and provide expertise and guidance on specific areas of the charity's activities. These comprise the Business, Audit and Risk Committee, the Nominations Committee, the Investment Committee, the Ethics Committee and the Campus Committee.

The Chairman of the Board and the Chief Executive meet and/or speak regularly and the Chairman of the Business, Audit and Risk Committee has regular communication with the Finance and Business Resources Director.

The Board and Executive team work together to establish and develop the charity's overarching objectives and strategic direction. Responsibility for the day to day operations of The Roundhouse Trust has been delegated by the Board to the Chief Executive, who, with the Executive team, works within the strategic framework, operational parameters and control environment established by the Board. The Directors' Group comprises the organisation's Chief Executive & Artistic Director, Commercial & Operations Director, Development and Communications Director, Finance & Business Services Director, and Programmes Director. This group meets at least monthly, receives feedback from all other organisational meetings and responds directly to the Board. There is a monthly staff meeting to disseminate important company information and receive comments and feedback from staff.

Subsidiaries

The charity has two 100% owned subsidiary companies: Roundhouse Trading Ltd and Roundhouse Productions Ltd. Roundhouse Productions Ltd.'s main activity is the production of Artistic performances. During the year there was no activity in this company. Roundhouse Trading Ltd.'s principal activities are the sale of private hire facilities and the operation of bar and catering facilities within the Roundhouse. Note 4 to the accounts provides information on the results of the subsidiary for the year.

The financial results of the trading subsidiaries are consolidated into those of the Roundhouse Trust in these statements.

Related parties and co-operation with other organisations

Any connection between a trustee or senior manager of the charity with a contractor, consultant, production company, contracted artist, performer or exhibitors must be disclosed to the full Board of the Trustees in the same way as any other contractual relationship with a related party. Note 21 details the related party transactions reported in the year. We would like to highlight here the following:

The Norman Trust holds an endowment for the benefit of the Roundhouse. Caspar Norman is a Trustee of both The Roundhouse Trust and The Norman Trust. Further details of the relationship between these two entities are presented in Note 21 to the accounts.

None of our Trustees receive remuneration or other benefits from their work as Trustees. Marcus Davey who is a Trustee receives remuneration for his role as Chief Executive and Artistic Director; further details are provided in Note 11 to the accounts.

Pay Policy for Executive Team

The Board has delegated the responsibility for deciding on the salary of the Chief Executive and his leadership team (the Executive team) to the Chair and subset of Trustees. Outside of the Executive team a committee comprising the Executive directors and the Head of HR are responsible for setting pay across the organisation.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Reference and Administrative Details

Charity number: 1071487
Company number: 03572184
Registered Office: The Roundhouse, Chalk Farm Road London NW1 8EH

The Roundhouse Trust is incorporated and domiciled in the UK.

The charity also makes itself known as The Roundhouse.

Trustees of The Roundhouse Trust

The following have been Trustees throughout the period to the date of this report, unless otherwise stated.

S Turner – Chairman
A Adepitan
N Allott
J Badyal
N Bellan-White
E Bennett
S Bhaskar
M Davey - Chief Executive & Artistic Director
C Ellis (appointed on 29 November 2019, resigned 19 August 2020)
J Freeman (appointed on 8 May 2019)
A Gutman
E Johnson
C J Norman
S O'Neill (resigned on 8 May 2019)
R Shennan
P Tambling
S Wood

Each year the Roundhouse appoints at least two trustees who are under 25. They serve for a period of one year and act as a key voice for young people at board level on all matters. During 2019/20 the Young Trustees were:

Tatum Swithenbank (appointed 22 May 2019)
Rachel Santa Cruz (appointed 22 May 2019)

D Farley (from 24 May 2018 until 22 May 2019)
A Charles (from 24 May 2018 until 22 May 2019)

Company secretary

Philip Watkins

Key management personnel for The Roundhouse Trust and its subsidiary

The Roundhouse Trust Executive Team at the date the report was approved

Marcus Davey – Chief Executive & Artistic Director
Sam Oldham - Commercial and Operations Director (from 3 September 2019)
Delia Barker – Programmes Director
Michaela Greene – Development & Communications Director
Michael Dixon – Finance and Business Resources Director

Executive team for Roundhouse Trading Limited at the date the report was approved

Marcus Davey - Director
Caspar Norman - Director
Michael Dixon - Director

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Our Advisors

Auditors

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Bankers

Barclays Bank
Soho Square Branch
27 Soho Square
London W1D 3QR

Investment Managers

Waverton Investment Management Limited
21 St James's Square
London,
SW1Y 4HB

Solicitors

Brown Rudnick LLP
8 Clifford Street
London
W1S 2LQ

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also the directors of The Roundhouse Trust 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 Generally Accepted Accounting Standards (United Kingdom Accounting Standards).

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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 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 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 corporate and financial information included on 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 as to the disclosure to our auditors

In so far as we are aware:

- there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The annual report and accounts, including the strategic report, was approved by the Board of Trustees and signed on their behalf by:



Marcus Davey (Trustee)

Date_____14 December 2020_____

**THE ROUNDHOUSE TRUST
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31ST MARCH 2020**

Independent Auditor's Report to the Members of The Roundhouse Trust

Opinion

We have audited the financial statements of The Roundhouse Trust for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement 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 the group's and the charitable company's affairs 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 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.

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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

**THE ROUNDHOUSE TRUST
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31ST MARCH 2020**

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report or the] directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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 or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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, 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Thomas
Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 18 December 2020

THE ROUNDHOUSE TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2020

INCOME AND EXPENDITURE

		Unrestricted Funds £	Restricted Programme Funds £	Restricted Capital Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
Income							
Donations	2	842,229	-	175,000	-	1,017,229	1,057,821
Income from charitable activity	3	4,919,388	71,070	250,000	-	5,240,458	6,767,464
Income from other trading activities :							
Commercial trading activities	4	5,315,661	-	-	-	5,315,661	5,013,445
Investment income	5	155,541	-	-	-	155,541	148,696
Total Income		11,232,819	71,070	425,000	-	11,728,889	12,987,426
Expenditure							
Cost of raising funds	6	3,697,855	0	6,250	37,725	3,741,830	3,668,308
Expenditure on charitable activities							
Roundhouse Creative Programme for Young People	7	2,636,351	97,455	7,500	-	2,741,306	2,459,181
Roundhouse Productions	7	2,380,944	-	8,750	-	2,389,694	3,041,338
Music Hires	7	1,814,447	-	2,500	-	1,816,947	1,826,275
Maintaining & improving the Building	7	1,080,485	-	388,655	-	1,469,140	1,206,851
Sub total		7,912,227	97,455	407,405	-	8,417,087	8,533,645
Total expenditure		11,610,082	97,455	413,655	37,725	12,158,917	12,201,953
Operating surplus/(deficit)		(377,263)	(26,385)	11,345	(37,725)	(430,028)	785,473
(Loss)/gain on investments	14	-	-	-	(103,281)	(103,281)	448,678
Net income/(expenditure)		(377,263)	(26,385)	11,345	(141,007)	(533,309)	1,234,151
Transfer between funds	17	528,607	-	(431,850)	(96,757)	-	-
Net movement in funds		151,344	(26,385)	(420,505)	(237,763)	(533,309)	1,234,151
Reconciliation of funds							
Total Funds brought forward		6,048,156	36,385	20,640,819	5,990,582	32,715,943	31,481,792
Total funds carried forward	17	6,199,500	10,000	20,220,314	5,752,820	32,182,634	32,715,943

All transactions are derived from continuing activities. All recognised gains and losses are included in the statement of financial activities. The notes on pages 24 to 39 form part of these financial statements.

THE ROUNDHOUSE TRUST
GROUP AND CHARITY BALANCE SHEETS
AS AT 31ST MARCH 2020

	Notes	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
FIXED ASSETS					
Intangible fixed assets	12	55,635	55,635	18,315	18,315
Tangible fixed assets	13	23,649,258	23,649,258	23,701,484	23,701,484
Investments	14	5,752,820	5,752,821	5,990,583	5,990,584
Total fixed assets		29,457,713	29,457,714	29,710,382	29,710,383
CURRENT ASSETS					
Stock		75,256	-	59,558	-
Trade and other debtors	15	736,300	3,950,401	1,788,277	4,277,494
Cash at bank and in hand		5,737,089	3,651,461	6,045,171	1,999,813
Total current assets		6,548,645	7,601,862	7,893,006	6,277,307
Creditors: Amounts falling due within one year	16	(3,823,724)	(4,871,942)	(4,887,445)	(3,271,747)
NET CURRENT ASSETS		2,724,921	2,729,920	2,123,796	3,005,560
TOTAL ASSETS LESS CURRENT LIABILITIES		32,182,634	32,182,634	32,715,943	32,715,943
TOTAL NET ASSETS		32,182,634	32,182,634	32,715,943	32,715,943
FUNDS AND RESERVES					
Endowment funds	17	5,752,820	5,752,820	5,990,583	5,990,583
Restricted income funds	17	10,000	10,000	36,385	36,385
Restricted capital funds	17	20,220,314	20,220,314	20,640,819	20,640,819
Unrestricted funds	17	6,199,500	6,204,500	6,048,156	6,048,156
TOTAL FUNDS AND RESERVES		32,182,634	32,182,634	32,715,943	32,715,943

With income of £9,792,129 and expenditure of £10,325,440 the net income for the year for the charitable company totalled £ (533,311) (2019: Net income of £1,234,152). This includes the gift aid donation of £3,494,284 (2019: £3,323,982) from Roundhouse Trading.

The notes on pages 24 to 39 form part of these financial statements.

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



.....
 Marcus Davey (Trustee)
 14 December 2020

THE ROUNDHOUSE TRUST
CONSOLIDATED CASH FLOW STATEMENT
AS AT 31ST MARCH 2020

	Notes	2020 £	2019 £
Net cash provided by operating activities	A	480,137	2,214,858
Cash flows from investing activities			
Interest income		24,297	17,318
Purchase of tangible & intangible fixed assets		(828,242)	(581,259)
Withdrawals and investments fees		265,726	264,786
Net cash used in investing activities		(538,219)	(299,155)
Cash flows from financing activities			
Cash outflow from repayment of borrowings		(250,000)	(250,000)
Net cash used by financing activities		(250,000)	(250,000)
Change in cash and cash equivalents in the reporting period		(308,082)	1,665,703
Cash and cash equivalents at the beginning of the reporting year		6,045,171	4,379,468
Total cash and cash equivalents at the end of the reporting year	B	5,737,089	6,045,171

	2020 £	2019 £
A. Reconciliation of net movement in funds from operating activities		
Net income for the reporting period		
As reported on the statement of financial activities	(533,309)	1,234,152
Add back depreciation charge	843,148	794,141
Loss/(gains) on investments	103,281	(448,678)
Income shown in investing activities	(155,541)	(148,696)
Increase in stock	(15,698)	(133)
Decrease in debtors	1,051,977	172,199
Decrease/(increase) in creditors	(813,721)	611,873
Net cash provided by operating activities	480,137	2,214,858
B. Analysis of cash and cash equivalents		
Cash in hand	4,724,648	5,038,371
Notice deposits (less than 3 months)	1,012,441	1,006,800
Total cash and cash equivalents	5,737,089	6,045,171

THE ROUNDHOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2020

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015) - (Charity SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on a going concern basis

In their assessment of going concern the Trustees have considered the current and developing impact on The Roundhouse Trust as a result of Covid-19. There has been a significant, immediate impact on operations as we have essentially not been able to earn commercial income since the middle of March. Fundraising income has however remained at a significant level and we have been the beneficiaries of £1.3million of emergency funds. This combined with other responses such as a large reduction in our expenditure means that we expect to continue to operate with sufficient cash reserves throughout the rest of 2020/21 and 2021/22, with unrestricted reserves expected to be at £1.1million at 31 March 2022..

The Executive have updated annual budgets and forecasts based on current estimates of the impact of the pandemic and considered a number of scenarios which might occur. Having considered in detail the most likely scenario and applied sensitivity analysis to this forecast, Trustees are satisfied that they have adequate cash reserves available to meet their operating cash requirements for the foreseeable future. Accordingly, Trustees believe it appropriate to adopt the going concern basis in preparing the financial statements.

A fuller narrative on the assessment has been included in the Trustees Report.

Legal Status of the Trust

The Roundhouse Trust (Charity Number 1071487, Company Number 03572184) is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The Trust's address is The Roundhouse, Chalk Farm Road, London, NW1 8EH.

Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its active subsidiary, Roundhouse Trading Limited, on a line by line basis.

As permitted by section 408 of the Companies Act 2006 the income and expenditure of the charity is not presented as part of these accounts. The profit and loss account for the trading subsidiary is presented separately in Note 4.

The parent charity has taken advantage of the disclosure exemption under FRS 102 to separately disclose categories of financial instruments and items of income, expenses, gains or losses relating to instruments as these have been presented on a group basis in the notes to the accounts and from also preparing a parent entity only cash flow statement.

The group financial statements have also been prepared on a going concern basis. The going concern statement in the Trustees report provides more detail on this area.

Critical accounting judgements and key source of estimation uncertainties

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

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

In the view of the Trustees the only significant estimations are those linked to the allocation of support costs across our charitable and non-charitable activities. Allocations of this nature inherently require estimation of time spent on certain activities, space used and other resources use judgements. Note 8 provides more information on the allocation methodology.

Income

All income is recognised when the charity has entitlement to funds, any performance conditions have been met, it is probable that the income will be received and the amount of the receipt can be measured with reasonable accuracy. Grant income is accounted for when the charity is entitled to recognise the monies, and is deferred if there are preconditions for use. Income from venue hires and trading activities are accounted for on a receivable basis. Income from ticket sales, included within Artistic Programme, is deferred if the performance takes place in the next accounting period.

Production costs and income

Pre-production costs incurred in respect of a theatre production are released to the Statement of Financial Activities over its run, except when it is anticipated that future production income will be insufficient to cover these costs.

THE ROUNDHOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2020

Similarly, production specific income or grants received in advance are also carried forward and released over the period of the production run.

Donated services and facilities

Gifts and services received in kind are included within donations and charged to the respective expenditure heading within the Statement of Financial Activities at the best estimate of their open market value or their value to the charity.

In accordance with the Charities SORP (FRS102) the volunteer time is not recognised in financial terms. See page 12 of the trustee's annual report for more information about this valuable contribution

Expenditure

Expenditure including irrecoverable VAT is charged to the Statement of Financial Activities on an accruals basis. Costs of generating funds are those costs incurred to raise voluntary income, the costs of trading activities for the purpose of raising funds and investment management fees.

Costs of activities in furtherance of charitable objectives represent the direct costs of each activity together with an allocation of support costs. The allocation of support costs is made on the basis of a proportion of expenditure incurred in that activity or headcount whichever is the more relevant cost driver.

Governance costs are incurred in meeting the constitutional and statutory requirements of the charity.

On occasion, management decides to make redundancy or termination payments for operational reasons. These are expensed in the SOFA on an accruals basis.

Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation has been charged on the renovation costs on the basis of the remaining lifetime of each individual asset and charged to the restricted capital fund. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold property and building fabric	over the period of the lease (currently 85 years remaining)
Renovation costs	over the period of the lease if linked to the leasehold property and building; others between 2 and 50 years
Furniture and equipment	various rates between 2 and 25 years

The group's policy is to capitalise all items above a value of £500. The carrying value of the leasehold property is evaluated for impairment on a regular basis. Where the carrying value of the property is considered to be impaired the difference between the existing carrying value and the written down value is taken to reserves.

Intangible fixed assets

The purchase of new computer software has been capitalised within intangible assets as they relate to specific expenditure which drives anticipated future benefits. Once brought into use intangible assets are amortised on a straight line basis over the anticipated useful life of the software, typically 3-5 years.

Fixed asset investments

Fixed asset investments are included on the balance sheet at market value. Realised and unrealised gains and losses at the year-end are credited and debited to the statement of financial activities in the year in which they arise.

Pension contributions

The charity operates two stakeholder pension schemes which are available to all employees. Pension contributions are charged to the Statement of Financial Activities as they become due.

Fund accounting

Unrestricted funds represent trading or other income received with no restriction on use. Designated funds are amounts designated by the Trustees from unrestricted reserves for the specific purposes outlined in the notes. Restricted funds are amounts received towards a particular programme or project. Capital funds are amounts received towards the purchase of capital assets. Endowment funds are amounts received for investment to produce regular income to fund activities.

Stock

Stock is valued at the lower of cost and net realisable value.

Financial instruments

The Trust has financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, other debtors and accrued income. Financial liabilities held at amortised cost comprise trade and other creditors and accruals. Investments held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure. At the balance sheet date, the trust held financial assets at fair value of £5,083,863 (2019: 5,890,445).

Leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term. Where income is receivable under office space rental agreements it is recognised in the Statement of Financial Activities on a straight line basis over the lease term.

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

2. INCOME FROM DONATIONS

	2020	2019
	£	£
Gifts	908,694	959,755
Donated Services	108,535	98,066
	<u>1,017,229</u>	<u>1,057,821</u>
	=====	=====

The income from donations for the year was £1,017,229; all of this was unrestricted. The Trust is grateful to Brown Rudnick LLP for their legal support across a range of areas. The value of their support in the year has been estimated as £104,145 (2019: 82,320). Donated services in 2019-20 also included £151 (2019: £6,836) of interest costs on the loan from the Norman Trust which they have generously waived, and £4,390 (2019: £2,390) of advice provided by RB Health and Safety Solutions Ltd. The estimated value of the support is recognised within income and an equivalent charge included within support costs.

The Roundhouse has ongoing and very valuable support from a group of volunteers who help with visitor services for incoming music and artistic performances. In accordance with FRS 102 and the Charities SORP (FRS102) the economic contribution of general volunteers is not recognised in the accounts.

3. INCOME EARNED FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Ticket and related income from Roundhouse commissioned work	667,567	785,426
Income from Music Hires	2,454,288	2,602,855
Biennial Fundraising Gala	-	1,002,310
Arts Council England - National Portfolio Funding	974,713	974,713
Membership Schemes	253,938	231,208
Income from Trusts & Foundations	647,951	772,881
Corporate Sponsorship (linked to charitable activity)	107,695	266,392
Course & Project fees (including related room hire income)	118,192	121,579
Other Sundry Income	16,114	10,100
	<u>5,240,458</u>	<u>6,767,464</u>
	=====	=====

Of the total income of £5,240,458 in the year £321,070 (2019 £593,748) was restricted under agreements to support a mixture of Roundhouse Creative programmes, developing a capital project and to support our own commissions.

The Roundhouse stages a major fundraising gala every two years with the net revenue from this earmarked for projects spanning those two years. The total income received from this event is split between two financial years. 50% of the net revenue has been released in 2019-20 via designated funds (See Note 17).

The Roundhouse receives a grant from Arts Council England, a government funded organisation, as one of their National portfolio organisation. 2019-20 was the second of a three year grant agreement which will see the Roundhouse receive £974,713 each year through to 2020-21. These grants are unrestricted funding to the organisation.

4. INCOME FROM OTHER TRADING ACTIVITIES

The charity has two 100% owned subsidiary companies: Roundhouse Trading Limited and Roundhouse Productions Limited. (Company number 05672688). Roundhouse Productions Ltd is currently not trading. The registered office of both companies is the same as the parent charity as detailed in note 1 and both companies are incorporated and domiciled in the UK.

Roundhouse Trading Limited 's (Company number 05672691) principal activities are the sale of private hire facilities and the operation of bar and catering facilities within the Roundhouse, and the rental office rental space. Summarised financial information is set out below:

	2020	2019
Profit and Loss	£	£
Income from Private Hire	1,973,968	1,884,371
Income from Bar & Catering operations	2,588,233	2,624,969
Office Rental Income & Service Charge	408,860	272,022
Other Trading Income	344,600	232,083
	<u>5,315,661</u>	<u>5,013,445</u>
Cost of sales	(1,833,479)	(1,696,742)
	<u>3,482,182</u>	<u>3,316,703</u>
Gross profit	12,102	7,279
Interest receivable	(3,494,284)	(3,323,982)
Donation via Gift Aid	-	-
Result for the period	<u>-</u>	<u>-</u>
	=====	=====

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

Balance sheet		
Current Assets	4,367,596	5,173,709
Creditors: Amounts falling due within one year	(4,367,595)	(5,173,708)
Net current assets	1	1
Called up share capital	1	1
Profit and loss account	-	-
Equity Shareholders' funds	1	1

5. INVESTMENT INCOME

The Trust's total investment income of £155,541 (2019: £148,696) is derived from restricted endowment fund investment income of £131,244 (2019: £131,378) and income from interest bearing deposit accounts of £24,297 (2019: £17,318).

6. ANALYSIS OF COST OF RAISING FUNDS

	Note	2020 £	2020 £	2019 £	2019 £
Commercial trading operations cost of sales	4	1,828,479		1,696,742	
Share of support costs, governance & depreciation *	8	897,057		843,020	
			2,725,536		2,539,762
Investment management fees			37,725		36,792
Direct Costs of fundraising and publicity		884,651		1,008,897	
Share of support, governance and depreciation costs**	8	93,918		82,857	
			978,569		1,091,754
			3,741,830		3,668,308

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Roundhouse Creative Programme	Roundhouse Productions	Music Hire	Maintaining & Improving the building	Total 2020	Total 2019
	£	£	£	£	£	£
Artistic & creative fees	33,343	250,178	1,874	-	285,395	732,899
Costume & set build costs	8,450	36,175	-	-	44,625	59,989
Direct live streaming cost	8,597	12,968	733	-	22,298	41,822
Tutor & course leader fees	306,805	6,787	2,250	-	315,842	294,356
Direct management, producer and coordinator fees	1,471,255	955,952	613,982	592,679	3,633,868	3,140,305
Direct security costs	1,855	37,780	234,585	-	274,220	296,625
Direct insurance costs	-	-	-	-	-	1,587
Equipment hire & maintenance	17,733	59,186	179,144	17,557	273,620	391,976
Performing rights society royalties	5	9,946	235,410	2,017	247,378	237,082
Travel & subsistence	57,328	56,524	3,173	748	117,773	142,732
Direct marketing support	60,547	187,345	31,668	1,361	280,921	467,662
Credit card transaction fees	21	15,005	54,815	-	69,841	66,762
Other miscellaneous	38,459	46,776	26,212	146,598	258,045	227,438
Governance & support costs (See Note 8 – Support and Depreciation cost allocation table)	619,816	606,960	374,467	239,269	1,840,512	*** 1,714,678
Share of depreciation (See Note 8 – Support and Depreciation cost allocation table)	117,092	108,112	58,634	468,911	752,749	*** 717,732
Total	2,741,306	2,389,694	1,816,947	1,469,140	8,417,087	8,533,645

8. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

The table below details the Roundhouse's support costs by area. These costs are apportioned using the basis summarised below across the charitable activities undertaken, fundraising activities and the commercial operations. The governance costs are a subset of each area and have been identified by consideration of the costs in each category and are allocated on the same basis as the support costs. Depreciation is being shown separately due to the significant effect it has on the overall apportionment. Due to the integrated nature of our support function the basis of allocation uses a number of assumptions and estimates.

	General Support Costs	Governance	Total 2020	Total 2019	Basis for allocation
	£	£	£	£	
Senior management oversight	163,809	59,466	223,275	211,608	Allocated on time
Finance	229,885	18,500	248,385	259,290	Allocated on activity /time
HR	444,315	-	444,315	337,542	Allocated on time
IT support	384,668	-	384,668	351,377	Allocated on activity/time
Central marketing & box office Support	122,336	-	122,336	126,220	Allocated on time
Visitors services and general security	81,600	-	81,600	89,250	Allocated on time
Building operations, maintenance & cleaning	877,640	2,518	880,158	883,194	Allocated on activity
Administration office	206,777	-	206,777	153,347	Estimate of space used
Technical management support	149,573	-	149,573	152,318	Allocated on auditorium activity
Total support costs excluding depreciation (see column A in table below)	2,660,603	80,484	2,741,087	2,564,146	
Total Depreciation	843,149	-	843,149	794,141	Estimate of space /Asset use
Total Support Costs	3,503,752	80,484	3,584,236	3,358,287	

Support and Depreciation costs allocation table

The above Support and depreciation costs were allocated across the following areas

	General Support Costs	Depreciation	Total 2020	Total 2019
	(Column A)	(Column B)		
	£	£	£	£
In support of commercial trading operations (see Note 6)*	825,928	71,129	897,057	843,020
In support of fundraising and publicity (See Note 6)**	74,647	19,271	93,918	82,857
In Support of charitable activities (See Note 7)***	1,840,512	752,749	2,593,261	2,432,410
	2,741,087	843,149	3,584,236	3,358,287

9. NET INCOMING RESOURCES AND EXPENDITURE FOR THE YEAR

	2020	2019
	£	£
This is stated after charging:		
Depreciation & Amortisation of Intangible assets	811,835	762,828
Amortisation of lease	31,313	31,313
Auditors' remuneration – audit services	18,500	17,500
Trustee Indemnity Insurance	2,518	2,237

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

10. ANALYSIS OF STAFF COSTS, STAFF NUMBERS AND THE COSTS OF KEY MANAGEMENT PERSONNEL

	2020	2019
	£	£
Staff costs during the year were as follows:		
Wages and salaries	5,203,817	4,798,061
Social security costs	416,759	388,173
Other pension costs	198,241	108,507
	<u>5,818,817</u>	<u>5,294,741</u>
	=====	=====

Pension Costs are allocated to activities in line with the related staffing costs and are wholly charged to unrestricted funds.

No Redundancy payments were made during the year (2019: Nil). An ex-gratia payment of £22,500 was made in the year (2019: Nil).

The number of employees earning over £60,000 per annum were

	2020	2019
	Number	Number
£60,001 - £70,000	1	1
£70,001 - £80,000	-	3
£80,001 - £90,000	4	1
£100,001 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	1	1

Six employees (2019: six) receiving remuneration of £60,000 or more participated in the charity's pension scheme. The total employer contribution for them in the year was £39,290 (2019: £32,696).

The average number of employees during the year were:

	2020	2019
Fundraising	12	13
Creative Programme & Production	77	81
Food & Beverage & Events	55	60
Technical & Build Services	66	52
Visitors Services	52	42
Other Support staff	34	30
	<u>296</u>	<u>278</u>
	=====	=====

The key management personnel of the group and the charity comprise the Trustees and the Executive Directors. The total value of the employee benefits of the key management personnel for the year were £552,510 (2019: £531,899).

11. TRUSTEES' REMUNERATION AND EXPENSES

In accordance with the authority contained in clause 4 (b) of the charity's Memorandum and Articles of Association, one trustee who is also an employee of the company received remuneration during the year. Details of the amount paid are set out below.

One other trustee received remuneration for their services during the year that totalled £300 (2019: £22,200). These services related to employment and freelance work for the charity and not for their duties as trustees, which were unpaid.

None of the Trustees were paid expenses in either 2019/20 or 2018/19.

	Salary and benefits		Pension Contributions	
	2020	2019	2020	2019
	£	£	£	£
M J Davey	132,001	129,413	20,729	20,536

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

12. INTANGIBLE FIXED ASSETS

Group & charity	System Software
Cost	£
At 1 st April 2019	39,013
Additions	57,673
At 31 st March 2020	96,686
	=====
Amortisation	
At 1 st April 2019	20,698
Amortisation for year	20,352
At 31 st March 2020	41,051
	=====
Net Book Value	
At 31 st March 2020	55,635
	=====
At 1 st April 2019	18,315
	=====

13. TANGIBLE FIXED ASSETS

Group and charity	Leasehold Property	Renovation & Other Building Costs	Furniture & Equipment	Total
Cost	£	£	£	£
At 1 st April 2019	3,100,000	28,951,962	2,979,563	35,031,525
Additions	-	633,166	137,404	770,570
Disposals	-	-	-	-
At 31 st March 2020	3,100,000	29,585,128	3,116,967	35,802,095
	=====	=====	=====	=====
Depreciation				
At 1 st April 2019	501,007	8,547,830	2,281,204	11,330,041
Depreciation for year	31,313	530,691	260,792	822,796
Disposals	-	-	-	-
At 31 st March 2020	532,320	9,078,521	2,541,996	12,152,837
	=====	=====	=====	=====
Net Book Value				
At 31 st March 2020	2,567,680	20,506,607	574,971	23,649,258
	=====	=====	=====	=====
At 1 st April 2019	2,598,993	20,404,132	698,359	23,701,484
	=====	=====	=====	=====

All fixed assets are used for charitable purposes, apart from assets relating to bar and catering equipment and those relating to the construction and fit-out of the café. The cost and net book values of these are £244,921 and £30,505 respectively.

In addition to the interest held in the Roundhouse by The Norman Trust, disclosed in note 16, five funding bodies have legal charges over the Roundhouse. In total the amounts granted for the development project which are the subject of the charges amount to £11,379,000.

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

14. INVESTMENTS

	2020	2019
	£	£
Market Value at 1 April 2019	5,990,583	5,675,319
Withdrawals	(228,000)	(228,000)
Reinvested investment income	131,244	131,378
Investment fees	(37,726)	(36,792)
Loss on investments in year	(103,281)	448,678
Market Value at 31 March 2020	<u>5,752,820</u>	<u>5,990,583</u>
UK Fixed Interest	783,495	274,470
UK Equities	441,357	277,888
Overseas Equities	3,698,638	4,642,806
Overseas Fixed Interest	160,373	695,281
Cash held for investment	668,957	100,138
Market Value at 31 March 2020	<u>5,752,820</u>	<u>5,990,583</u>
Historic Cost at 31 March 2020	<u>5,040,117</u>	<u>5,056,170</u>

No individual investment held is greater than 5% of the total portfolio.

Since the year end the value of the portfolio increase to £6.2million. The financial markets at the year-end were impacted by COVID 19 pandemic and have since rebounded in values.

15. TRADE AND OTHER DEBTORS

	Group	Charity	Group	Charity
	2020	2020	2019	2019
	£	£	£	£
Trade debtors	359,581	75,401	1,175,568	387,480
Due from trading subsidiary	-	3,499,284	-	3,323,982
Accrued income and prepayments	318,721	317,718	470,040	456,998
Other debtors	57,998	57,998	142,669	109,034
VAT recoverable	-	-	-	-
	<u>736,300</u>	<u>3,950,401</u>	<u>1,788,277</u>	<u>4,277,494</u>

Amounts due from subsidiary represents the amount payable due to the gift aid donation of £3,499,284 (2019: £3,323,982). Note 4 provides more detail on the amount donated under gift aid.

16. CREDITORS: amounts falling due
Within one year

	Group	Charity	Group	Charity
	2020	2020	2019	2019
	£	£	£	£
Loan from The Norman Trust (see below)	-	-	250,000	250,000
Trade creditors	659,722	599,986	819,102	727,670
Amount due to trading subsidiary	-	1,921,530	-	234,029
Other creditors	1,861,391	1,730,037	1,668,051	1,408,921
Other taxes and social security	261,098	98,848	381,717	137,199
Accruals and deferred income	1,041,513	521,541	1,768,575	513,928
	<u>3,823,724</u>	<u>4,871,942</u>	<u>4,887,445</u>	<u>3,271,747</u>

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

Deferred income comprises amounts received or billed for which the service, project or expenditure occurs in a future financial year. All of the 2019-20 brought forward balances for both the group and the charity were released in 2019-20.

In December 2014 The Norman Trust made an unsecured loan to The Roundhouse Trust of £1,000,000. The loan was made to support the building of new administration offices at the site in Chalk Farm Road. It was repayable in equal instalments over four years. The last repayment was made in April 2020.

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Loan payable falling due within 1 year	-	-	250,000	250,000
Loan payable falling due in more than 1 year but less than 5 years	-	-	-	-
	-	-	250,000	250,000
	=====	=====	=====	=====

17. ANALYSIS OF FUNDS

	1 st April 2019 £	Incoming Resources £	Resources Expended £	Loss on Investment £	Transfers Between Funds £	31 st March 2020 £
Unrestricted funds:						
General reserve	1,100,000	11,232,818	(11,205,353)	-	180,273	1,307,738
Other funds:						
Designated fixed assets	3,298,980	-	-	-	648,748	3,947,728
Designated capital fund	243,887	-	-	-	-	243,887
Designated campus fund	657,719	-	(269,815)	-	111,956	499,860
Designated funds other	747,570	-	(134,913)	-	(412,370)	200,287
Total Unrestricted funds	6,048,156	11,232,818	(11,610,081)	-	528,607	6,199,500
Restricted funds:						
Programme fund	36,385	71,070	(97,455)	-	-	10,000
Endowment fund	5,990,583	-	(37,726)	(103,280)	(96,757)	5,752,820
Restricted capital funds:						
Next Generation	470,000	425,000	-	-	(431,850)	463,150
Restricted capital funds:						
Other	20,170,819	-	(413,655)	-	-	19,757,164
	32,715,943	11,728,888	(12,158,917)	(103,280)	-	32,182,634
	=====	=====	=====	=====	=====	=====

General reserve

The unrestricted general reserve fund is available to meet the targets set out in the Reserves Policy as described in the Trustees Report on page 14. The transfer between funds value is the net of the transfers (to)/from the following funds:

	£
Transfer to designated fixed asset fund	(648,748)
Transfer to designated campus fund	(111,956)
Transfer from designated funds other	412,370
Transfer from endowment fund	96,757
Transfer from restricted next generation fund	431,850

	180,273
	=====

An explanation of these transfers is provided under the relevant headings below.

Designated fixed asset fund

The unrestricted designated fixed asset fund represents the portion of unrestricted funds which has been invested in the Roundhouse tangible and intangible assets net of related outstanding loans. It has been calculated as follows:

	Note	£
Total Net Value of Intangible Fixed assets	12	55,635
Total Net Value of Tangible fixed assets	13	23,649,258
Less value covered by Restricted Capital Fund (see below)	See below	(19,757,165)

		3,947,728

THE ROUNDHOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2020

The transfer between funds value of £648,748 represents the amount transferred from the general reserve to bring the value of this fund up to the required level. This designated fund will be released over the life of the assets to which it relates; these assets have lives spanning up to 85 years.

Designated capital fund

£243,887 was designated into a Capital Renewal fund representing amounts set aside to ensure ongoing renewal and replacement of the building infrastructure. There was no movement in this fund during the year.

Designated campus fund

As highlighted in the strategic report, The Roundhouse has developed plans to add additional facilities to its Camden site which we are calling the Next Generation Campaign. Funds have been designated to cover part of the anticipated costs linked to this. The value of this designated fund at the 31 March 2020 was £499,860. Of this £103,115 has been set aside for Campus Building design and strategy costs. The balance of £396,745 has been designated to cover other costs relating to the further stages of the project.

Designated funds other

A total of £412,370 has been transferred out of designated reserves during the year. Most significantly this includes 50% of the net revenues from the fundraising gala held in March 2019 (see note 3).

With £747,572 brought forward from the previous year and £134,915 expended in the year, the balance at the 31 March is £200,288.

The balance in designated funds other at the end of the year is as follows:

	£	
Nicola Thorold fund	(a)	49,776
Building and infrastructure projects	(b)	150,512
		<hr/>
		200,288
		<hr/>

- Over the last two years we received a range of unrestricted donations in memory of a much loved colleague who passed away in 2017. These amounts have been amalgamated into a single designated fund. This fund will be used to support a series of Nicola Thorold Fellowships.
- There were a number of building improvement and infrastructure projects which either spanned or were being developed at the year-end. Funds have been designated to cover the remainder of the costs related to these. None of these amounts had been committed at the year end.

Restricted programme fund

The restricted programme funds represented funds received specifically for certain creative programmes and other operational aspects of the Roundhouse. There were £10,001 of unspent programme funds as at 31 March 2020.

Endowment fund

The Endowment fund represents amounts originally received from The Paul Hamlyn Foundation. These are invested in a portfolio managed by Waverton Investment Management in order to maximise income to be applied to the Roundhouse's creative programmes for young people. Under the ongoing drawdown rules of the endowment £228,000 was made available for the Roundhouse's charitable activities. £131,244 was earned directly from investment income with the remainder transferred through reserves. (see also Note 14)

Restricted capital fund: Next Generation

The restricted capital Next Generation represents amounts received that is restricted to expenditure on the building for which we received planning permission in 2018. Additional restricted funds totalling £425,000 were received in the years and £431,850 was transferred to transfer to general reserves to offset allowable expenditure. The remaining balance at the yearend was £463,150.

Restricted capital fund: Other

The restricted capital Other represents amounts received for the renovation of the Roundhouse (including funding to purchase the leasehold interest) as well as other funding for specific aspects of the redevelopment which have been expended in accordance with the terms and conditions of the donors.

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

Analysis of funds comparatives from the prior year end 31 March 2019:

	1 ST April 2018 £	Incoming Resources £	Resources Expended £	Gain on Investment £	Transfers Between Funds £	31 ST March 2019 £
Unrestricted funds:						
General reserve	1,072,588	12,393,678	(10,548,002)	-	(1,818,264)	1,100,000
Other funds:						
Designated fixed assets	2,760,822	-	-	-	538,158	3,298,980
Designated capital fund	-	-	-	-	243,887	243,887
Designated campus fund	747,987	-	(551,348)	-	461,080	657,719
Designated funds other	328,221	-	(252,412)	-	671,761	747,570
Total Unrestricted funds	4,909,618	12,393,678	(11,351,762)	-	96,622	6,048,156
Restricted funds:						
Programme fund	-	348,748	(312,363)	-	-	36,385
Endowment fund	5,675,319	-	(36,792)	448,678	(96,622)	5,990,583
Restricted capital funds:						
Next Generation	225,000	245,000	-	-	-	470,000
Restricted capital funds:						
Other	20,671,855	-	(501,036)	-	-	20,170,819
	31,481,792	12,987,426	(12,201,953)	448,678	-	32,715,943
	=====	=====	=====	=====	=====	=====

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Restricted Endowment Funds	31 ST March 2020
Intangible fixed assets	55,635	-	-	55,635
Tangible fixed assets	3,892,093	19,757,165	-	23,649,258
Investments	-	-	5,752,820	5,752,820
Current assets	6,075,496	473,149	-	6,548,645
Creditors: amounts falling due within one year	(3,823,724)	-	-	(3,823,724)
Total net assets	6,199,500	20,230,314	5,752,820	32,182,634
	=====	=====	=====	=====

Analysis of Net Assets between funds comparatives for the prior year ending 31 March 2019:

	Unrestricted Funds	Restricted Funds	Restricted Endowment Funds	31 ST March 2019
Intangible fixed assets	18,315	-	-	18,315
Tangible fixed assets	3,298,980	20,402,504	-	23,701,484
Investments	-	-	5,990,583	5,990,583
Current assets	7,618,306	274,700	-	7,893,006
Creditors: amounts falling due within one year	(4,887,445)	-	-	(4,887,445)
Total net assets	6,048,156	20,677,204	5,990,583	32,715,943
	=====	=====	=====	=====

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

19. TAXATION

The Roundhouse Trust is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

Roundhouse Trading Ltd is the wholly owned trading subsidiary of The Roundhouse Trust. Profits arising from the activity of Roundhouse Trading Ltd are passed to The Roundhouse Trust under the gift aid scheme.

20. LIABILITY OF MEMBERS

The Roundhouse Trust is constituted as a company limited by guarantee and has no share capital. The liability of each member is limited to the sum of £10 per member. At 31 March 2020, there were 19 members (2019: 16 members).

21. RELATED PARTY TRANSACTIONS

- 1) Caspar Norman is a trustee of both The Roundhouse Trust and The Norman Trust.

On 1st January 2002 The Roundhouse Trust acquired a 99-year leasehold interest in the Roundhouse from The Norman Trust for £3.1m. The funding for this purchase was provided by the DfES. As part of the funding agreement with the DfES, The Roundhouse Trust entered into a Pre-Emption Agreement with the DfES and The Norman Trust in 2005. This agreement grants certain pre-emption rights to The Norman Trust in the event that, as a result of a default by The Roundhouse Trust, the DfES exercises its rights to appoint a receiver or seeks to dispose of the 99-year leasehold interest in the Roundhouse. In July 2015 The Norman Trust extended the lease granted to The Roundhouse Trust for land adjacent to the Roundhouse from 25 years to 99 years in line with the main lease.

As noted on p. 15 The Norman Trust also holds an endowment for the benefit of the Roundhouse.

In December 2014 The Norman Trust loaned The Roundhouse Trust £1m to support the building of the new office accommodation. This loan has now been repaid in full after the final instalment was made in April 2019.

- 2) The total amount of donations received from Trustees during the year was £110,653 (2019: £210,659). All of these amounts in both years were donated without conditions.
- 3) The Trust has one active wholly owned subsidiary, Roundhouse Trading Limited, which is responsible for income generating activities which are incidental to the Trust's charitable purposes. These mainly relate to the organisation's food and beverage operation, events hire and office rental. During the year Marcus Davey and Michael Dixon who are key management personnel for the Trust and Caspar Norman who is Trustee were directors of the company. Roundhouse Trading Limited gifted £3,494,284 (2019: £3,323,982) to the Trust during 2019-20 (see also note 4). At the year end the company owed the Trust a net amount of £1,572,754 (2019: £3,089,953).
- 4) Caroline Ellis, a trustee of the Roundhouse until 19 August 2020, is a director of Deeds and Words Ltd. During 2019-20 Deeds and Words Ltd managed the design and delivery of the Creative Leaders Programme 2019. This was due to be completed in March 2020. The final residential had to be cancelled as a result of COVID-19. It is unlikely that this will be rescheduled. This amounted to £4,800. (2019: £nil).

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

22. COMMITMENTS

	2020	2019
	£	£
Assets under construction	103,115	-
	=====	=====

23. OPERATING LEASE

In July 2015 the Roundhouse Trust signed a space rental lease with a third party organisation. Under the terms of this lease future minimum lease receivables under non-cancellable operating leases are as follows:

	Group	Charity	Group	Charity
	2020	2020	2019	2019
	£	£	£	£
Amounts receivable within 1 year	288,097	288,097	220,000	220,000
Amounts receivable in more than 1 year but less than 5 years	768,597	768,597	110,000	110,000
	=====	=====	=====	=====
	1,056,564	1,056,694	330,000	330,000
	=====	=====	=====	=====

24. CONTINGENT LIABILITIES

There were no contingent liabilities as at the balance sheet date

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

25. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted Funds £	Restricted Programme Funds £	Restricted Capital Funds £	Endowment Funds £	Total Funds 2019 £	Total Funds 2018 £
Income							
Donations	2	1,057,821	-	-	-	1,057,821	1,394,637
Income from charitable activity	3	6,173,716	348,748	245,000	-	6,767,464	5,538,813
Income from other trading activities :							
Commercial trading activities	4	5,013,445	-	-	-	5,013,445	5,044,249
Investment income	5	148,696	-	-	-	148,696	139,342
Total Income		12,393,678	348,748	245,000	-	12,987,426	12,117,042
Expenditure							
Cost of raising funds	6	3,625,266	-	6,250	36,792	3,668,308	3,666,590
Expenditure on charitable activities							
Roundhouse Creative Programme for Young People	7	2,272,737	143,125	43,319	-	2,459,181	2,491,211
Roundhouse Productions	7	2,838,199	169,238	33,901	-	3,041,338	3,080,904
Music Hires	7	1,798,624	-	27,651	-	1,826,275	1,647,166
Maintaining & improving the Building	7	816,936	-	389,915	-	1,206,851	1,106,899
Sub total		7,726,496	312,363	494,786	-	8,533,645	8,326,180
Total expenditure		11,351,762	312,363	501,036	36,792	12,201,953	11,992,770
Operating surplus/(deficit)		1,041,916	36,385	(256,036)	(36,792)	785,473	124,271
Gain on investments	14	-	-	-	448,678	448,678	92,713
Net income/(expenditure)		1,041,916	36,385	(256,036)	411,886	1,234,151	216,984
Transfer between funds	17	96,622	-	-	(96,622)	-	-
Net movement in funds		1,138,538	36,385	(256,036)	315,264	1,234,151	216,984
Reconciliation of funds							
Total Funds brought forward		4,909,618	-	20,896,855	5,675,319	31,481,792	31,264,808
Total funds carried forward	17	6,048,156	36,385	20,640,819	5,990,583	32,715,943	31,481,792

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

26. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES FOR YEAR ENDED 31 MARCH 2019

	Roundhouse Creative Programme	Roundhouse Productions	Music Hire	Maintaining & Improving the building	Total 2019
	£	£	£	£	£
Artistic & creative fees	25,628	705,558	1,713	-	732,899
Costume & set build costs	7,932	52,057	-	-	59,989
Direct live streaming cost	8,669	32,278	875	-	41,822
Tutor & course leader fees	281,176	12,030	1,150	-	294,356
Direct management, producer and coordinator fees	1,257,077	882,449	580,664	420,115	3,140,305
Direct security costs	110	48,870	241,924	5,721	296,625
Direct insurance costs	-	1,120	-	467	1,587
Equipment hire & maintenance	18,514	119,348	240,989	13,125	391,976
Performing rights society royalties	39	12,813	223,207	1,023	237,082
Travel & subsistence	47,820	89,895	4,679	338	142,732
Direct marketing support	60,585	373,909	32,421	747	467,662
Credit card transaction fees	14	9,368	57,380	-	66,762
Other miscellaneous	55,203	31,583	28,007	112,645	227,438
Governance & support costs (See Note 8)	581,589	569,166	358,332	205,591	1,714,678
Share of depreciation charge (see Note 8)	114,825	100,894	54,934	447,079	717,732
Total	2,459,181	3,041,338	1,826,275	1,206,851	8,533,645

27. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES FOR YEAR ENDED 31 MARCH 2019

The table below details the Roundhouse's support costs by area. These costs are apportioned using the basis summarised below across the charitable activities undertaken, fundraising activities and the commercial operations. The governance costs are a subset of each area and have been identified by consideration of the costs in each category and are allocated on the same basis as the support costs. Depreciation is being shown separately due to the significant effect it has on the overall apportionment. Due to the integrated nature of our support function the basis of allocation uses a number of assumptions and estimates.

	General Support Costs £	Governance £	Total 2019 £	Basis for allocation
Senior management oversight	153,453	58,155	211,608	Allocated on time
Finance	241,790	17,500	259,290	Allocated on activity /time
HR	337,542	-	337,542	Allocated on time
IT support	351,377	-	351,377	Allocated on activity/time
Central marketing & box office Support	126,220	-	126,220	Allocated on time
Visitors services and general security	89,250	-	89,250	Allocated on time
Building operations, maintenance & cleaning	880,957	2,237	883,194	Allocated on activity
Administration office	153,347	-	153,347	Estimate of space used
Technical management support	152,318	-	152,318	Allocated on auditorium activity
Total support costs excluding depreciation	2,486,254	77,892	2,564,146	
Total Depreciation	794,141	-	794,141	Estimate of space /Asset use
Total Support Costs	3,280,395	77,892	3,358,287	

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

27. (continued) ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES FOR YEAR ENDED 31 MARCH 2019

The above Support and depreciation costs were allocated across the following areas

	General Support Costs	Depreciation	Total 2019
	£	£	£
In support of commercial trading operations (see Note 6)	784,885	58,135	843,020
In support of fundraising and publicity (See Note 6)	64,583	18,274	82,857
In Support of charitable activities (See Note 7)	1,714,678	717,732	2,432,410
	2,564,146	794,141	3,358,287

28. POST BALANCESHEET EVENTS

In March 2020, the World Health Organisation declared coronavirus pandemic. The government restrictions imposed to control the spread of coronavirus have impacted on the work of the Roundhouse and our commercial activities

Below is a summary of the main elements of the Balance Sheet that have been impacted

Investments – The Roundhouse has an endowment which is held within investments. Though the underlying value of investments fell significantly through April 2020 as the crisis began this loss has now been made up and as at November 2020 was up 9% on year end values. The nature of the rules that govern the amounts the Roundhouse can draw down annually are therefore unlikely to be impacted

Stock - There will inevitably be some write-off of some food and beverage items included with stock. Since the year end we have taken the opportunity to return stock to suppliers where possible so as to minimise any losses. The write off of stock is yet to be measured but it is expected that the amount written off will not have a material impact.

Creditors (deferred income) - Since the year end the majority of music and events bookings have been postponed until after March 2021. As a consequence, a proportion would now have been shown within Creditors falling due outside one year. A small portion relating to events that chose to cancel would remain and those that we agreed to refund would have been disclosed as other creditors.

Creditors (other taxes) – The Roundhouse has taken advantage of the government scheme to defer VAT relating to the quarter ending 31 March 2020 until April 2021. As a consequence, this amounts would now have been shown within Creditors falling due outside one year.