

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

Kiln Theatre

**Trustees' report and financial statements
for the year ended 31 March 2021**

Kiln Theatre

Company information

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

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Trustees' report For the year ended 31 March 2021

The Trustees (who are also Directors of the Company) present their report, together with the audited financial statements of the charitable company, for the year ended 31 March 2021.

1. TRUSTEES AND ADMINISTRATIVE DETAILS

Trustees:

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

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

Dawn Austwick	
Nicholas Basden	
Dominic Cooke	
Moyra (Doyle) Brown	
Sita McIntosh	
Anneke Mendelsohn	(resigned 7 October 2021)
Karen Napier	
Shrina Shah	(appointed 21 April 2020)
Barrie Tankel	(resigned 25 February 2021)
Christopher Yu	(appointed 1 April 2021)

Brent Council Representatives (Observers):

Cllr Muhammed Butt
Cllr Rita Conneely

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

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

Appointment of Trustees

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

Dawn Austwick has been Chair of the Trustees since 1 January 2020.

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Trustees Induction and Training

The Nominations Committee is responsible for reviewing the skills of Trustees and ensuring that any gaps that exist in those skills are addressed as vacancies arise. All potential Trustees are referred to the Nominations Committee to ensure that any appointment fills identified gaps. The Committee will then make its recommendation to the full Board, who will then decide whether to invite him or her to become a Trustee.

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

Organisation

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

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

Related Parties

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

Risk Management

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

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

At the 31 March 2021 the key risk facing Kiln Theatre was the continuing situation around Covid-19 and its impact on the theatre being able to open and operate in a way that enables it to continue its mission.

3. OBJECTIVES AND ACTIVITIES

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

Kiln Theatre sits in the heart of Kilburn in Brent, a unique and culturally diverse area of London where over 140 languages are spoken. We are a newly refurbished, welcoming and proudly local venue, with an internationally acclaimed programme of world and UK premieres. Our work presents the world through a variety of lenses, amplifying unheard / ignored voices into the mainstream, exploring and examining the threads of human connection that cross race, culture and identity.

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We believe that theatre is for all and want everyone to feel welcome and entitled to call the Kiln their own. We are committed to nurturing the talent of young people and providing a platform for their voices to be heard.

Our Vision

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

Our Mission

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

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

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

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

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

Artistic Programme

As 2020 began, Kiln had really hit its stride with productions such as ***Blues in the Night***, Anupama Chandrasekhar's ***When the Crows Visit*** and ***Pass Over*** by Antoinette Nwandu attracting some of the most diverse audiences in London. Our 19/20 season included four Kiln commissions: half by female playwrights, all directed by women. They tackled contemporary issues including colonisation and empire; how women can perpetuate misogyny in patriarchal societies and police brutality on Black men in America. On 16 March 2020 we cancelled all Theatre and Cinema performances due to the COVID-19 nationwide lockdown. This meant that our critically acclaimed production of ***Pass Over*** was cut short and future productions ***A Museum in Baghdad*** by Hannah Khalil (a co-production with the RSC), ***The Glee Club*** by Richard Cameron (a co-production with Out of Joint and Cast) were cancelled. When offered a refund, over a third of customers offered to donate their ticket amount to the theatre as a gift.

In 2020, Brent was the Mayor of London's Borough of Culture which was a year-long celebration of London's most diverse and exciting borough. It was a fantastic opportunity to celebrate Brent and everyone who lives and works in the borough and was to be an excellent opportunity for audience development and engagement. Kiln Theatre was integral to the delivery of a number of cultural projects. Due to Covid-19, many events of Brent 2020 were unfortunately cancelled or taken online. Through support from Brent and the Brent2020 legacy charity Metroland, Kiln Theatre will continue to develop and support these projects through 2020 and 2021. We are committed to produce our two Brent-focussed plays NW Trilogy by Moira Buffini, Suhayla El-Bushra and Roy Williams and Zadie Smith's playwriting debut *The Wife of Willesden*. For

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us, this is the focus to reengage and support our local audiences and offer outstanding work on their doorstep about their communities. NW Trilogy will be presented as part of the Mayor's London Borough of Culture, Brent 2020 with support from Airbnb Community Tourism Programme and will sit alongside the Listen Local Young Writers Programme, giving young potential writers an opportunity to begin learn how to write a play. *The Wife of Willesden* is presented by Kiln Theatre in association with Brent 2020, London Borough of Culture.

As we couldn't produce anything on our stage for a physical audience, we decided to offer the following programme of work online for free to you.

Kiln Insight was a programme of ways for us to keep in touch with our audiences and for them to learn more about, and get involved in our artistic output. This was a programme of exclusive interviews, webinars, filmed content and workshops available for free to everyone.

Highlights from our Kiln Insight series was a Directing workshop with Artistic Director Indhu Rubasingham, Musical Theatre workshop with Associate Director Susie McKenna, interviews with Sharon D Clarke, Rakie Ayola, Roy Williams and Suhayla El Bushra and a series of webinars with freelancers about how they collaborate with one another.

Our New Work Associate led a number of free workshops sessions for young budding playwrights from Brent which evolved into a larger Young Writer Playwriting course, their final plays of which were performed by professional actors and live streamed from the Kiln stage.

Our most successful digital output were the live streams of our rehearsed readings of Ayad Akhtar's *The Invisible Hand* directed by Indhu Rubasingham in December and Marina Carr's *Girl on an Altar* in March, directed by Susie McKenna and Indhu Rubasingham.

Creative Engagement programme

The pandemic has made us even more committed to Kiln's mission, which feels like it is needed more than ever. It has made us dig deep into our values and to explore what Kiln's contribution can be to Brent's recovery and renewal. We collaborated with a brilliant charity Food for All, to provide free meals every Tuesday lunchtime for those in need in the local area from January to May. We have remained committed to young people in our community throughout this period, producing two online productions to great success and continuing to deliver The Agency which is a social change project to support Brent-based young people between 15-25 years old develop ideas for their area, turning their passion into projects.

In addition, our Minding the Gap project which supports young people newly arrived in the UK, to develop the language skills and confidence through drama has been continuing and will do so throughout the school term. We have had to tailor it and adapt it for the changing circumstances, so currently it's more of a satellite scheme where we visit individual schools and colleges, but we're determined to keep it running for those young people who need it.

We have also launched our Young Writers Programme to engage with young people from Brent with something to say, but who have never written for theatre before; giving a platform and amplifying the voices of the next generation. As the pandemic progressed we pursued different ways of connecting with local communities, including an English language project for parents in February half term in collaboration with Salusbury World and we worked with our neighbours Brondesbury Medical Centre to forge closer links even becoming a vaccination hub for a day at the end of May 2021.

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For the year ended 31 March 2021

On 21 May 2021, Kiln Theatre reopened for socially distanced performances of the award-winning debut play *Reasons You Should(n't) Love Me*, in co-production with Paines Plough, the Women's Prize for Playwrighting and 45 North.

Cinema

The cinema was closed for the entire financial year. Following some refurbishment we hope to reopen the cinema in late August 2021.

In planning the charity's activities, the trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit.

4. ACHIEVEMENTS AND PERFORMANCE

Throughout the financial year Kiln Theatre remained closed. The key focus of the Executive team through the year was to ensure the survival of the Theatre so that it was ready and able to reopen when allowed. Kiln was successful in receiving 3 grants from the Arts Council and DCMS during this period with the emergency funding grant and the first Culture Recovery Fund supporting it through the year and then the Culture Recovery Grant 2 supporting the reopening of the theatre in the first quarter of 2021/22. The majority of staff were put on furlough in the year and whilst redundancies had to be made these were much reduced by the furlough scheme and cost control.

The Trustees were delighted that Kiln Theatre was awarded the Best London Theatre in 2021 by The Stage.

"In 2020, a year like no other, Kiln Theatre not only enjoyed runs of critically acclaimed shows but also recommitted to its core mission - serving its local community. It is devoted to young people and has had Brent's recovery and renewal firmly at the heart of its initiatives"

Kiln Community

Kiln Community work included:

- Kiln Theatre's Young Writers Programme supporting local young people - new to writing for theatre - to develop their skills
- Kiln Theatre's year-long Creative Engagement programme which includes Youth Theatres, Young Companies and their Minding the Gap project which supports young people newly arrived in the UK to develop their language skills and confidence through drama
- A free English language project for adults in Brent, with free childcare
- A collaboration with a local GP surgery to support people living with diabetes in Brent
- A collaboration with charity Food for All to provide free hot meals once a week during the pandemic
- Subsidising tickets for a season of socially distanced theatre from May 2021
- The reopening of Kiln Cinema with low ticket prices to enable access for all

"I absolutely loved watching these incredible young people devise and perform such moving pieces about the climate change emergency we are having!" Tweet in praise of *Dear Future Generations*

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"My goodness, this live stream of Marina Carr's new play is absolute fire!" Tweet in praise of ***Girl on an Altar***

"Great writing and powerful performances. I miss being in the room but was gripped by this livestream and would love to see the full production. Also offered for FREE but well worth the donation." Tweet in praise of ***Girl on an Altar***

"Watching the enthralling live-stream reading of *The Invisible Hand*. Thank you, Kiln Theatre!" Tweet in praise of ***The Invisible Hand***

Fundraising

Our fundraising efforts in 2020-21 were both heavily influenced by and carried out in response to the COVID-19 pandemic.

Within days of our building's closure, we launched our Solidarity and Support fundraising appeal, encouraging all those who were able to support us with a donation of any size as we navigated those deeply uncertain times. 284 individuals gave a total of £46,400 to this appeal. In addition, 418 ticket-bookers kindly allowed us to retain some or all of their ticket refund as a donation, contributing a further £16,000. Finally, Backstage Trust, Esmée Fairbairn Foundation and Wellington Management UK Foundation made emergency grants to Kiln Theatre totalling £180,000. This combined support played a fundamental role in supporting us during the early months of the COVID-19 pandemic.

In November 2020 we launched our second fundraising appeal: Kiln Community. Funds raised supported our many different communities during the pandemic, including freelance creatives, young people, aspiring playwrights, members of our local community, and many others. 260 donors contributed £79,700 to this appeal in just four months, enabling us to employ freelance creatives for two free live-streamed rehearsed readings, continue our drama workshops with young people, offer free hot meals for those in need from our building each week, reopen our building safely, and much more. Through donations large and small, over the entire campaign Kiln Theatre supporters gave £97,487.95 to our Kiln Community Appeal. Which exceeded the original target of £70,000.

We are indebted to the trusts and foundations whose continued support enabled us to undertake as much of our core activity as possible, including our Creative Engagement projects. These include Marie-Louise von Motesiczky Charitable Trust, Bertha Foundation, John Lyon's Charity, Wellington Management UK Foundation, Roddick Foundation, Foyle Foundation, Pears Foundation, Young Londoners Fund, Cockayne – Grants for the Arts and London Community Foundation, BBC Children in Need, Brent London Borough of Culture 2020, 29th May 1961 Charitable Trust, Vanderbilt Family Foundation, Noël Coward Foundation and John Thaw Foundation.

We are also grateful to the 105 individual supporters whose monthly and annual donations became more important than ever as core income during COVID-19. We also received a generous legacy from local resident Harry Frank Rose and we are proud to have named a seat in our auditorium in his memory. We are indebted to our Visionaries group whose guidance, generosity and commitment to our mission made a uniquely significant contribution to our reopening plans.

Finally, support from Backstage Trust and Bertha Foundation enabled us to recruit an Associate Designer, create Kiln's new Resident Assistant Designer scheme and commission five new plays from an extraordinary group of Global Majority women, ensuring that we were able to open up pathways for emerging talent and develop new writing in a year in which so much was paused or cancelled in the theatre industry.

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The support of our donors in 2020-21 cannot be underestimated. Our heartfelt thanks to each and every person and organisation who supported us during the year with gifts both small and large.

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

The Board of Trustees is regularly updated on fundraising progress. Our Acceptance of Donations Policy outlines the process for accepting and soliciting donations to ensure that fundraised income is raised in accordance with the theatre's ethics as well as other policies and the Code of Fundraising Practice. It also contains guidelines for fundraising involving vulnerable people. In the year ended 31 March 2021 no complaints were received in respect of fundraising.

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

The Executive Director, Finance Director and Director of Fundraising have reviewed and monitored all fundraising activity in 2020-21 against these policies and can report that there is no evidence of any negligence or non-compliance with the charity's policies.

Other Activities

Sustainability

Kiln Theatre continues to be an active participant in Julie's Bicycle/London Theatre Consortium partnership. Kiln Theatre was awarded a 3* Creative Green rating for 2019/20, which is one star less than the rating received for the previous year. This was because the baseline date for data capture was reset by Julie's Bicycle and it is not necessarily a reflection of practices within the organisation. It is hoped that the new plant equipment will lead to a reduction of carbon emissions for the next year, and all recommendations from Julie's Bicycle's 18/19 report have been reviewed and incorporated in an action plan.

Health and Safety

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

The Staff

The organisation is run day to day by the Executive Team, supported by a senior management team who lead a skilled, experienced and highly committed permanent team of 30 staff. Over the course of the year the majority of our staff were furloughed for some of the time. The team are also supported by a casual workforce. This team were furloughed until October 2020 when unfortunately the decision was taken with no confirmed prospect of reopening at that point to make the all the Ushers and the majority of Box Office Assistants redundant. We retained 10 casual workers, Box Office Assistants and Duty Managers, who continued to be furloughed for the rest of the financial year. Kiln Theatre received £355,210 in support from the Coronavirus Job retention scheme which enabled redundancies to be kept to a minimum and for us to retain the majority of our highly skilled and committed staff team through the pandemic.

The Remuneration of Key Management Personnel

Key management personnel are those that the Trustees have delegated the day-to-day running of the charity to. During the year the Trustees considered the Artistic Director and Executive Director to be the key management personnel. Their remuneration is reviewed annually by the Finance, Risk & Remuneration Committee with reference to industry standards. As a result of the conditions surrounding the receipt of the CRF grant from the Arts Council, a pay freeze has been applied to the salary of the Chief Executive, Executive Director and Finance Director until 31 March 2023.

5. FINANCIAL REVIEW

The results for the year show net income of £813,227. With the Theatre and Cinema being closed for the entire year box office income was zero. The Theatre received substantial support in the year from the Arts Council England and DCMS in the form of 2 additional grants. The first was the emergency funding grant of £280,000 and the second was the Cultural Recovery Fund grant (round 1) amounting to £364,000. This funding alongside our NPO grant, the funding from the Coronavirus Job Retention scheme of £355,000 and considerable support of our donors enabled the theatre to cover its costs of £2,162,767 with no other income. We received in excess of £1 million in fundraising income with the majority of it restricted to be used to reopen the theatre and support productions from April 2021. At the year end restricted income funds amounted to £623,000 and were largely restricted to support our work post reopening.

Costs were considerably lower this year than in the previous year due to all production ceasing. Costs were associated largely with running the building whilst it was closed, our community and creative engagement work and our staff costs. The support of the Coronavirus Job Retention Scheme meant that we were able to hold off on redundancies until October and November 2020. Unfortunately we had to take the difficult decision to make 22 people redundant, including 4 from our permanent team. The cancellation of the 2 shows planned for early in the year led to net costs being incurred of £67,000. In addition to this other full time staff who were not furloughed voluntarily reduced their contract to 80% for a number of months which supported further cost savings.

The support of our donors and the Arts Council has meant that we were in a position to reflate our reserves to 3 months operating expenses which has proved a vital support to the Kiln as it opens post pandemic. At the start of the crisis the future of the Kiln was uncertain but it has come out of the pandemic stronger due to the action taken to control costs and the support received from our funders and supporters.

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Investment Powers and Policy

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

Reserves Policy

At 31 March 2021 the company held total reserves of £11,845,359. Of this reserve £11,082,531 was restricted, £315,828 was held in the general funds and £447,000 in designated funds. Within restricted funds there is a capital reserve of £10,459,008 largely as a result of improvements to the leasehold property. This is being amortised over the life of the asset. At the year end £623,523 was held in restricted income funds and was largely to support the reopening of the Theatre which took place in May 2021.

The reserves policy of the company is to maintain free reserves to cover the costs of 3 months' operating expenses. At the year end £397,000 was calculated as 3 months operating expenses and was designated as a separate fund by Trustees for the purpose of the reserve policy. In addition £50,000 was set aside as a capital maintenance fund for use for emergency repairs to the building. In addition to these designated reserves of £447,000, at 31 March 2021 free reserves stood at £315,828.

6. PLANS FOR THE FUTURE

The Kiln re-opened its doors to the public on 4th May with our café opening for drinks and snacks. As a result of the pandemic the catering operation had been brought in house and now operates through the trading subsidiary, Tricycle Screen Limited. On 21st May 2021 the Theatre re-opened its doors to audiences for the first time since 16th March 2020 [check date of final uncanceled perf]. Our reopening season began with Amy Trigg's award-winning debut play, ***Reasons You Should(n't) Love Me***, a heart-breaking yet hilarious tour-de-force performance about a young woman navigating her 20s with spina bifida. The production is directed by Charlotte Bennett and co-produced with all female-led production companies The Women's Prize for Playwriting, Paines Plough and 45North.

Next the revival of Ayad Akhtar's thrilling ***The Invisible Hand***, directed by Indhu Rubasingham played in July 2021 and received a glowing critical and public reception.

Both ***Reasons You Should(n't) Love Me*** and ***The Invisible Hand*** were played to a socially distanced auditorium capacity with other Covid measures in place such as face masks, one way system and social distancing in line with government guidance in place at the time.

Our ambitious productions celebrating our local communities ***NW Trilogy*** by Moira Buffini, Suhayla El-Bushra and Roy Williams and Zadie Smith's playwriting debut ***The Wife of Willesden***, will play from September 2021. ***NW Trilogy*** will be directed by Kiln Associate Directors Susie McKenna and Taio Lawson and will tell three local stories that changed the world and the bawdy ***The Wife of Willesden*** will be directed by Indhu Rubasingham and is a contemporary retelling of Chaucer's ***The Wife of Bath***.

7. TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

In so far as the Trustees are aware:

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

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

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For the year ended 31 March 2021**

8. AUDITORS

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

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



Dawn Austwick

Chair of the Trustees

7 October 2021

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Independent auditors' report to the members For the year ended 31 March 2021

Opinion

We have audited the financial statements of Kiln Theatre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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.

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Independent auditors' report to the members (continued) For the year ended 31 March 2021

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

**Independent auditors' report to the members (continued)
For the year ended 31 March 2021**

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with

Independent auditors' report to the members (continued)
For the year ended 31 March 2021

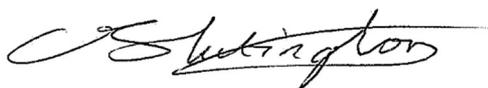
appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available 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 parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 12 November 2021

Kiln Theatre

Consolidated statement of financial activities (Incorporating an income and expenditure account) For the year ended 31 March 2021

	Notes	General Fund £	Designated Funds £	Restricted Funds £	2021 Total £	2020 Total £
Income and endowments from:						
Donations and legacies	4	1,513,253	-	1,362,301	2,875,554	1,769,044
Charitable activities	5	97,742	-	-	97,742	1,344,069
Other trading activities	6	2,433	-	-	2,433	83,492
Investments	7	266	-	-	266	248
Total income		<u>1,613,694</u>	<u>-</u>	<u>1,362,301</u>	<u>2,975,995</u>	<u>3,196,853</u>
Expenditure on:						
Raising funds	8	211,452	-	-	211,452	212,988
Charitable activities	8	671,806	-	1,269,510	1,941,316	3,851,960
Total expenditure		<u>893,258</u>	<u>-</u>	<u>1,269,510</u>	<u>2,162,768</u>	<u>4,064,948</u>
Net income / (expenditure) for the year		720,436	-	92,791	813,227	(868,095)
Taxation – Theatre tax credit	9	-	-	-	-	203,067
Transfers between funds	10	(472,770)	447,000	25,770	-	-
Net movements in funds		<u>247,666</u>	<u>447,000</u>	<u>118,561</u>	<u>813,227</u>	<u>(665,028)</u>
Funds brought forward		47,984	-	10,984,148	11,032,132	11,697,160
Funds carried forward	10	<u>295,650</u>	<u>447,000</u>	<u>11,102,709</u>	<u>11,845,359</u>	<u>11,032,132</u>

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

All activities relate to continuing operations.

The notes on pages 20 to 39 form part of these financial statements.

Kiln Theatre

Balance sheets As at 31 March 2021

	Notes	Charity only		Consolidated		Charity only		Consolidated	
		2021	2021	2021	2021	2020	2020	2020	2020
		£	£	£	£	£	£	£	£
Fixed assets									
Tangible fixed assets	11		10,436,321	10,436,321		10,776,231		10,776,231	
Intangible fixed assets	12		22,687	22,687		34,010		34,010	
Investments	13		200	-		200		-	
			<u>10,459,208</u>	<u>10,459,008</u>		<u>10,810,441</u>		<u>10,810,241</u>	
Current assets									
Debtors	14	368,383		360,762		492,913		487,945	
Cash		<u>1,596,733</u>		<u>1,598,681</u>		<u>710,395</u>		<u>710,395</u>	
		1,965,116		1,959,443		1,203,308		1,198,340	
Creditors: amounts falling due in less than one year	15	<u>(569,185)</u>		<u>(573,092)</u>		<u>(972,544)</u>		<u>(976,449)</u>	
Net current assets			<u>1,395,931</u>	<u>1,386,351</u>		<u>230,764</u>		<u>221,891</u>	
Net assets			<u>11,855,139</u>	<u>11,845,359</u>		<u>11,041,205</u>		<u>11,032,132</u>	

Kiln Theatre

Balance sheets (continued) As at 31 March 2021

	Notes	Charity only		Consolidated		Charity only		Consolidated	
		2021	2021	2021	2021	2020	2020	2020	2020
		£	£	£	£	£	£	£	£
Represented by:									
General fund	10		305,430		295,650		57,057		47,983
Designated funds	10		447,000	-	447,000		-		-
Restricted funds:	10								
- Capital funds		10,459,008		10,459,008		10,784,47		10,784,47	
- Income funds		<u>643,701</u>		<u>643,701</u>		<u>199,677</u>		<u>199,678</u>	
			<u>11,102,709</u>		<u>11,102,709</u>		<u>10,984,148</u>		<u>10,984,149</u>
Net assets	18		<u>11,855,139</u>		<u>11,845,359</u>		<u>11,041,205</u>		<u>11,032,132</u>

As permitted by s408 Companies Act 2006, the charity has not presented its own profit and loss account and related notes. The charity's profit as defined by the Companies Act 2006 for the year was £813,934 (2020: loss of £617,725).

The notes on pages 20 to 39 form part of these financial statements

The financial statements were approved by the Board on 7 October 2021.



Dawn Austwick
Chair

Kiln Theatre

Consolidated statement of cash flows For the year ended 31 March 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities:					
Net income for the reporting period		813,227		(868,095)	
Tax credit receivable		-		203,067	
Depreciation		331,119		342,964	
Amortisation of intangible fixed asset		11,323		11,323	
Disposal of fixed assets		8,791		-	
Decrease/(increase) in debtors		127,183		450,058	
(Decrease)/increase in creditors		(403,357)		(99,621)	
Net cash provided by operating Activities			888,286		39,696
Cash flows from investing Activities					
Purchase of fixed assets		-		(25,770)	
Net cash used in financing Activities			-		(25,770)
Net cash movement			888,286		13,926
Cash at 1 April 2020			710,395		696,469
Cash at 31 March 2021			1,598,681		710,395
Net cash movement	19		888,286		13,926

**Notes to the financial statements
For the year ended 31 March 2021**

1. Accounting policies

1.1 Accounting convention

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

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

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

1.2 Going concern

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

1.3 Income

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

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

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

All income is recorded net of VAT.

Notes to the financial statements (continued)
For the year ended 31 March 2021

1. Accounting policies (continued) (continued)

1.4 Expenditure

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

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

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

1.5 Tangible fixed assets and depreciation

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

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

1.6 Intangible fixed assets and amortisation

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

1.7 Leasing

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

Notes to the financial statements (continued)
For the year ended 31 March 2021

1. Accounting policies (continued) (continued)

1.8 Investments

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

1.9 Pensions

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

1.10 Consolidation

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

1.11 Fund accounting

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

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

1.12 Financial instruments

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

1.12.1 Impairment of financial assets

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

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

1.12.2 Derecognition of financial assets

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

Notes to the financial statements (continued)
For the year ended 31 March 2021

1. Accounting policies (continued) (continued)

1.12.3 Derecognition of financial liabilities

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

2. Critical accounting judgements and key sources of estimation uncertainty

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

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

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

3. Status of company

The company is a registered charity, limited by guarantee. The total of such guarantees at 31 March 2021 was £8 (2020: £12).

Kiln Theatre

Notes to the financial statements (continued) For the year ended 31 March 2021

4. Income from donations and legacies

	Unrestricted	Restricted	Total 2021
	£	£	£
Creative engagement grant income	-	234,256	234,256
Grant income	130,100	361,000	491,100
Donations	203,338	102,529	305,867
Arts Council income	844,782	644,338	1,489,120
Coronavirus job retention scheme grant	355,210	-	355,210
	<u>1,533,430</u>	<u>1,342,123</u>	<u>2,875,553</u>

The Arts Council supported the Theatre with 2 additional grants (the Culture Recovery Fund and the Emergency Funding Grant) to the value of £644,000 which was in excess of the £844,782 received in National Portfolio Organisation Grant. In total Kiln Theatre received £1,489,000 in funding from the Arts Council.

In addition to this we are hugely grateful to the following individuals, trusts and foundations who supported us in 2020-21:

Backstage Trust	Ros and Alan Haigh
Marie-Louise von Motesiczky Charitable Trust	Adam Kenwright
Bertha Foundation	29 th May 1961 Charitable Trust
John Lyon's Charity	Vanderbilt Family Foundation
Wellington Management UK Foundation	Sir Trevor and Lady Susan Chinn
Roddick Foundation	Jeremy Lewison and Caroline Schuck
Foyle Foundation	Elaine Morris
Pears Foundation	Jonathan Levy and Gabrielle Rifkind
Young Londoners Fund	The Basden Family
Cockayne – Grants for the Arts and London	Noël Coward Foundation
Community Foundation	Carol and Gary Fethke
Esmée Fairbairn Foundation	Atalanta Goulandris and Stephane Gripari
The late Harry Rose	Penny Badowska
Jules and Cheryl Burns	John Thaw Foundation
BBC Children in Need	Three Monkeys Trust
Dasha Theatricals	Rosemary Morgan
Matthew Greenburgh and Helen Payne	David and Iona Heath
Christopher Hogg	Gerald Moss
Brent, London Borough of Culture 2020	Laure Duvoisin
Tim and Cathy Score	Alan and Virginia Lynch
Dawn Austwick	Nicola Horton and Tiffany Evans
Sarah and Joseph Zarfaty	Nicola Kerr
Jon and NoraLee Sedmak	Frances Magee
Primrose and David Bell	Alan Maclean and Jo Corkish
	Matthew McDougall

And thousands of others, including those who prefer to remain anonymous.

Notes to the financial statements (continued)
For the year ended 31 March 2021

4. Income from donations and legacies (continued)

	Unrestricted	Restricted	Total 2020
	£	£	£
Creative engagement grant income	-	204,178	204,178
Grant income	150,600	286,639	437,239
Donations	248,368	45,006	293,374
Arts Council income	829,519	-	829,519
Coronavirus job retention scheme grant	4,734	-	4,734
	<u>1,233,221</u>	<u>535,823</u>	<u>1,769,044</u>

5. Income from charitable activities

	Unrestricted	Restricted	Total 2021
	£	£	£
Production income	36,887	-	36,887
Workshops and courses	55,216	-	55,216
Theatre Tax Relief from co-producers	5,639	-	5,639
	<u>97,742</u>	<u>-</u>	<u>97,742</u>

	Unrestricted	Restricted	Total 2020
	£	£	£
Production income	1,200,859	-	1,200,859
Workshops and courses	82,390	-	82,390
Grants relating to productions	-	60,820	60,820
	<u>1,283,249</u>	<u>60,820</u>	<u>1,344,069</u>

6. Income from other trading activities

	Total/ Unrestricted 2021 £	Total/ Unrestricted 2020 £
Sales and merchandising	69	75,831
Sundries	<u>2,364</u>	<u>7,661</u>
	<u>2,433</u>	<u>83,492</u>

Notes to the financial statements (continued)
For the year ended 31 March 2021

7. Investment income

	Unrestricted/ Total 2021 £	Unrestricted/ Total 2020 £
Exchange movement	-	-
Interest received	266	248
	266	248
	266	248

8. Expenditure

	Direct costs £	Support costs £	Total 2021 £
Raising funds			
Raising donations	119,160	101,586	220,746
Trading	706	-	706
	119,866	101,586	221,452
Charitable activities			
Production	726,401	619,263	1,345,664
Creative engagement	239,494	204,171	443,665
Community engagement	66,293	56,516	122,809
National Lottery Heritage Fund	12,063	10,284	22,347
Cinema	3,687	3,143	6,830
	1,047,938	893,377	1,941,315
	1,167,804	994,963	2,162,767
Support costs			
Advertising, publicity and Marketing			113,906
Administrative staff			208,138
Premises costs			176,498
Office costs			84,368
Professional and financial			17,735
Governance			2,994
Audit fee			13,881
Other fees paid to auditors			4,589
Depreciation and amortisation			342,442
Operating lease payments			28,358
Loss on exchange			2,054
			994,963
			994,963

Notes to the financial statements (continued)
For the year ended 31 March 2021

8. Expenditure (continued)

	Direct costs £	Support costs £	Total 2020 £
Raising funds			
Raising donations	138,596	74,341	212,937
Trading	51	-	51
	<u>138,647</u>	<u>74,341</u>	<u>212,988</u>
Charitable activities			
Production	1,949,746	1,045,814	2,995,560
Creative engagement	305,054	163,627	468,681
National Lottery Heritage Fund	102,582	55,023	157,605
Cinema	149,776	80,338	230,114
	<u>2,507,158</u>	<u>1,344,802</u>	<u>3,851,960</u>
	<u>2,645,805</u>	<u>1,419,143</u>	<u>4,064,948</u>
Support costs			
Advertising, publicity and Marketing			267,175
Administrative staff			227,870
Premises costs			360,738
Office costs			127,662
Professional and financial Governance			18,402
Audit fee			16,317
Other fees paid to auditors			16,800
Depreciation and amortisation			5,432
Operating lease payments			354,286
Loss on exchange			22,361
			<u>2,099</u>
			<u>1,419,143</u>

9. Taxation

The company is registered as a charity under the Charities Act 2011 and as such is entitled to the exemptions under Income and Corporation Taxes 1988. The tax credit of £nil (2020: £203,067) recognised in the Statement of Financial Activities represents the amount receivable for Theatre Tax Relief.

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2021

10. General, restricted and designated funds

	Balances brought forward	Income	Expenditure	Transfers	Taxation	Balances carried forward
	£	£	£	£	£	£
Restricted income funds						
Creative engagement	44,418	224,256	137,264	-	-	131,410
Productions	5,000	25,000	10,000	-	-	20,000
Other	150,259	1,113,045	771,013	-	-	492,291
	<u>199,677</u>	<u>1,362,301</u>	<u>918,277</u>	<u>-</u>	<u>-</u>	<u>643,701</u>
Restricted capital funds						
Leasehold improvements	9,792,482	-	274,257	25,770	-	9,543,995
Freehold land	350,000	-	-	-	-	350,000
Leasehold premises	365,762	-	5,099	-	-	360,663
Fixtures, fittings and equipment	242,217	-	60,554	-	-	181,663
Website	34,010	-	11,323	-	-	22,687
	<u>10,784,471</u>	<u>-</u>	<u>351,233</u>	<u>25,770</u>	<u>-</u>	<u>10,459,008</u>
Total restricted funds	<u>10,984,148</u>	<u>1,362,301</u>	<u>1,269,510</u>	<u>25,770</u>	<u>-</u>	<u>11,102,709</u>
General fund	<u>47,984</u>	<u>1,613,694</u>	<u>893,258</u>	<u>(472,770)</u>	<u>-</u>	<u>295,650</u>
Designated funds						
Capital improvement	-	-	-	50,000	-	50,000
Three months operating costs	-	-	-	397,000	-	397,000
Total designated fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>447,000</u>	<u>-</u>	<u>447,000</u>
Total	<u>11,032,132</u>	<u>2,975,995</u>	<u>2,162,768</u>	<u>-</u>	<u>-</u>	<u>11,845,359</u>

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2021

10. General, restricted and designated funds (continued)

	Balances brought Forward 2019 £	Income £	Expenditure £	Transfers £	Taxation £	Balances carried forward 2020 £
Restricted income funds						
Creative engagement	70,000	204,178	229,759	-	-	44,418
National Lottery Heritage Fund	-	121,629	121,629	-	-	-
Productions	-	60,820	55,820	-	-	5,000
Other	57,582	210,016	117,339	-	-	150,259
	<u>127,582</u>	<u>596,643</u>	<u>524,547</u>	<u>-</u>	<u>-</u>	<u>199,678</u>
Restricted capital funds						
Leasehold improvements	10,049,608	-	257,126	-	-	9,792,482
Freehold land	350,000	-	-	-	-	350,000
Leasehold premises	370,861	-	5,099	-	-	365,762
Fixtures, fittings and equipment	322,956	-	80,739	-	-	242,217
Website	45,333	-	11,323	-	-	34,010
	<u>11,138,758</u>	<u>-</u>	<u>354,287</u>	<u>-</u>	<u>-</u>	<u>10,784,471</u>
Total restricted funds	<u>11,266,340</u>	<u>596,643</u>	<u>878,834</u>	<u>-</u>	<u>-</u>	<u>10,984,149</u>
General fund	430,820	2,600,210	3,186,114	-	203,067	47,983
Total	<u>11,697,160</u>	<u>3,196,853</u>	<u>4,064,948</u>	<u>-</u>	<u>203,067</u>	<u>11,032,132</u>

10. General, restricted and designated funds (continued)

Restricted funds

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

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

Designated Funds

The Trustees designated 2 funds in the year. £397,000 was set aside as 3 months operating expenses in line with its reserves policy. In addition to this £50,000 was set aside as a capital maintenance fund to ensure funds are available for capital repairs to the building.

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2021

11. Fixed assets

Charity and Group

	Leasehold Improvements	Freehold land	Leasehold premises	Fixtures, fittings and equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2020	11,019,138	350,000	593,024	484,211	12,446,373
Additions	-	-	-	-	-
Disposal	(8,791)	-	-	-	(8,791)
At 31 March 2021	11,010,347	350,000	593,024	484,211	12,437,582
Depreciation					
At 1 April 2020	1,205,985	-	222,163	241,994	1,670,142
Charge for the year	265,466	-	5,099	60,554	331,119
Removed on disposal	-	-	-	-	-
At 31 March 2021	1,471,451	-	227,262	302,548	2,001,261
At 31 March 2021	9,538,896	350,000	365,762	181,663	10,436,321
At 31 March 2020	9,813,152	350,000	370,862	242,217	10,776,231

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2021

12. Intangible fixed assets

Charity and Group

	Website
	£
Cost	
Cost brought forward	56,616
Additions	-
	<hr/>
At 31 March 2021	56,616
	<hr/>
Amortisation	
Amortisation brought forward	22,606
Charge for the year	11,323
	<hr/>
At 31 March 2021	33,929
	<hr/>
At 31 March 2021	22,687
	<hr/>
At 31 March 2020	34,010
	<hr/> <hr/>

Kiln Theatre

Notes to the financial statements (continued)
For the year ended 31 March 2021

13. Investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2020 and 31 March 2021	200
Net book value	
At 1 April 2020 and 31 March 2021	200

Holdings of more than 20%

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

Company	Country of corporation	Class	Shares held	%	Reserves at 31 March 2021
Tricycle Screen Limited (03077972)	England and Wales	Ordinary	100	100	(£482)
Kiln London Productions Limited (04807399)	England and Wales	Ordinary	100	100	(£7,888)

14. Debtors

Charity	2021 £	2020 £
Trade debtors	39,915	56,305
Amounts due from subsidiaries	7,621	4,967
Prepayments and accrued income	267,925	408,031
VAT	33,953	-
Other debtors	18,969	23,610
	<u>368,383</u>	<u>492,913</u>
Group	2021	2020
	£	£
Trade debtors	39,915	56,305
Prepayments and accrued income	267,925	408,031
VAT	33,953	-
Other debtors	18,969	23,610
	<u>360,762</u>	<u>487,945</u>

Notes to the financial statements (continued)
For the year ended 31 March 2021

15. Creditors

Charity	2021 £	2020 £
Trade creditors	87,347	150,747
Other tax and social security	26,331	37,367
Accruals	122,712	372,082
Deferred income	103,459	168,072
VAT provision	174,696	205,760
Other creditors	<u>54,640</u>	<u>38,516</u>
	<u>569,185</u>	<u>972,544</u>

Group	2021 £	2020 £
Trade creditors	91,256	154,652
Other tax and social security	26,331	37,367
Accruals	122,710	372,082
Deferred income	103,459	168,072
VAT provision	174,696	205,760
Other creditors	<u>54,640</u>	<u>38,516</u>
	<u>573,092</u>	<u>976,449</u>

Deferred income of £103,459 relates to ticket sales for productions taking place after the year end and co production payments received in respect of productions due to take place in 2021/22.

Kiln Theatre

Notes to the financial statements (continued) For the year ended 31 March 2021

16. Financial commitments

16.1 Operating leases

As at 31 March 2021, the company had annual commitments under non-cancellable operating leases as follows:

	Land and building		Equipment	
	2021	2020	2021	2020
	£	£	£	£
Expiry date:				
Within 1 year	30,001	20,001	2,108	2,108
Within 1 – 2 years	30,001	20,001	2,108	2,108
Within 2 – 5 years	90,003	60,003	176	2,284
In more than 5 years	780,096	540,097	-	-
	<u>930,101</u>	<u>640,102</u>	<u>4,392</u>	<u>6,500</u>

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

16.2 Capital commitments and contingent liabilities

At 31 March 2021 the charity had contractual commitments in respect of the finalisation of the building project. The building was occupied from September 2018 and at 31 March 2021 final payments were still due to be made to the contractor in respect of the final work to complete the project. At the year end costs to finalise the capital project of £66,349 were accrued and as such there were no other capital commitments in respect of the project.

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

Notes to the financial statements (continued)
For the year ended 31 March 2021

17. Employees

Number of employees

The average number of employees during the year was 59 (2020: 63).

This is split as follows:

	2021 No	2020 No
Number of staff		
Finance and Administration	6	6
Production	4	4
Artistic	3	16
Fundraising	4	4
Front of House Staff	23	23
Creative engagement	17	4
Operations	9	6
	66	63
	66	63
	2021 £	2020 £
Employment costs		
Wages and salaries	1,042,979	1,310,283
Social security costs	81,035	110,773
Other pension costs	24,353	30,690
	1,148,367	1,451,746
	1,148,367	1,451,746

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

No member of staff received a salary of over £60,000. (2020: 1 between £60,000 and £70,000).

Key management personnel is defined as the Executive Team. Total remuneration of key management personnel in the period was £116,426 (2020: £122,340).

Included within wages and salaries costs are redundancy and termination payments of £38,609 (2020: £12,500).

Notes to the financial statements (continued)
For the year ended 31 March 2021

18. Analysis of funds

	General funds	Desigated funds £	Restricted Funds £	Total 2021 £
Group				
Fixed assets	-		10,459,008	10,459,008
Current assets	868,742	447,000	643,701	1,959,443
Current liabilities	(573,092)		-	(573,092)
	<u>295,650</u>	<u>447,000</u>	<u>11,102,709</u>	<u>11,845,359</u>
Charity				
Fixed assets	200	-	10,459,008	10,459,208
Current assets	874,415	447,000	643,701	1,965,116
Current liabilities	(569,185)	-	-	(569,185)
	<u>305,430</u>	<u>447,000</u>	<u>11,102,709</u>	<u>11,855,139</u>
		General Funds £	Restricted Funds £	Total 2020 £
Group				
Fixed assets		25,770	10,784,471	10,810,241
Current assets		998,662	199,678	1,198,340
Current liabilities		(976,449)	-	(976,449)
		<u>47,983</u>	<u>10,984,149</u>	<u>11,032,132</u>
Charity				
Fixed assets		25,970	10,784,471	10,810,441
Current assets		1,003,631	199,677	1,203,308
Current liabilities		(972,544)	-	(972,544)
		<u>57,057</u>	<u>10,984,148</u>	<u>11,041,205</u>

Notes to the financial statements (continued)
For the year ended 31 March 2021

19. Analysis of net debt

	Cash at 1 April 2020	Cash movement	Cash at 31 March 2021
	£	£	£
Cash held	710,395	888,286	1,598,681

20. Related party transactions

At the year end, the company was owed £1,663 from Tricycle Screen Limited and £5,958 from Kiln London Productions Limited.

During the year, Tricycle Screen Limited made a loss of £596 (2020: profit of £nil).

During the year, Kiln London Productions Limited made a loss of £110 (2020: loss of £52).

No Trustees received any remuneration during the year.

The charity received an aggregate amount of £11,339 in donations from Trustees during the year. (2020: £46,669)

Notes to the financial statements (continued)
For the year ended 31 March 2021

21. Comparative statement of financial activities

	Unrestricted funds £	Restricted Funds £	2020 Total £
Income and endowments from:			
Donations and legacies	1,233,221	535,823	1,769,044
Charitable activities	1,283,249	60,820	1,344,069
Other trading activities	83,492	-	83,492
Investments	248	-	248
Total income	2,600,210	596,643	4,967,540
Expenditure on:			
Raising funds	212,988	-	254,759
Charitable activities	2,973,126	878,834	3,774,892
Total expenditure	3,186,114	878,834	4,064,948
Net income for the year	(585,904)	(282,191)	(868,095)
Taxation – theatre tax credit	203,067	-	203,067
Transfers between funds	-	-	-
Net movements in funds	(382,837)	(282,191)	(665,028)
Funds brought forward	430,820	11,266,340	11,697,160
Funds carried forward	47,983	10,984,149	11,032,132