

Company No. 00926862
Charity No. 255460

Leeds Theatre Trust Limited

(Limited by guarantee)

Trustees' annual report and financial statements

For the Year Ended 31 July 2021

Leeds Theatre Trust Limited

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Charity Information

Charity number	255460
Company number	00926862
Registered office	Leeds Playhouse Playhouse Square Quarry Hill Leeds LS2 7UP
Trustees	Ms R Breen, Chair (Appointed 11 August 2020) Mr N Adleman, Vice Chair Mr A Dix (Retired 30 April 2021) Mr M H Ellis Mr K H Emsley Ms S Friskney Cllr C Harrison (Deceased 12 July 2020) Mr D Jones (Retired 31 May 2021) Cllr J Lennox Ms C Lowson Mr M Nabarro Ms R Pitt Miss S Pitter Mr M Rashid Mr K Reid Mr S Walker Mrs S Watson
Secretary	Mr C J Williams
Artistic Directors and Joint Chief Executive	Mr J Brining
Executive Director and Joint Chief Executive	Mr R Hawkes
Bankers	National Westminster Bank plc 8 Park Row Leeds LS1 5HD
Auditors	Azets Audit Services Limited Triune Court Monks Cross Drive York YO32 9GZ
Investment Advisors	Rathbone Investment Management Limited Port of Liverpool Building Pier Head Liverpool L3 1NW

Leeds Theatre Trust Limited

Trustees' Annual Report for the year ended 31 July 2021

The trustees, who are directors of Leeds Theatre Trust Limited ("The Trust") for the purposes of company law and trustees for the purpose of charity law, present the trustees' annual report (including the strategic report) together with the financial statements for the year ended 31 July 2021. Leeds Theatre Trust Limited operates as "Leeds Playhouse".

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the 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 (FRS102) (effective 1 January 2019).

Statement by the Chair and Joint Chief Executives

The Playhouse's 2020/21 year was enormously impacted by the effects of the Covid-19 pandemic. The year began with the Playhouse building closed to the public, the majority of its staff on furlough, and with no certainty as to when theatres would be permitted to reopen. An ACE Emergency Relief Funding grant of £680k received in July 2020 had delivered a vital lifeline. A reduced active staff body led by the senior management team was functioning in an emergency operating mode, whilst engaging in an iterative process of scenario planning, in close consultation with a 'skeleton' board sub-group. This group was joined at the start of the year by the Playhouse's new Chair of Trustees, Rozina Breen, and Vice Chair, Neil Adleman.

The key focus throughout the year remained ensuring the survival of the Playhouse from the existential threat of the pandemic and attempting to rebuild the financial resilience of the organisation. To this end, prudent utilisation of the CJRS furlough scheme allowed the organisation to mitigate its salary overheads by almost £800k across the year. Further successful applications for Covid emergency funding both to cover losses and rebuild reserves yielded almost £4m from sources including the Culture Recovery Fund. Leeds City Council was also successful in an application to ACE's Capital Kickstart scheme relating to the recent capital redevelopment, which allowed the Council to reduce the Playhouse's liability in this regard by almost £1.8m overall.

In terms of output, the key priority at the start of the period continued to be delivery of the Playhouse Connect programme, which expanded out from its focus on particularly vulnerable and isolated participants and communities to support a wider range of individuals suffering from the consequences of ongoing lockdowns and restrictions on daily life, including young children and their parents, members of our Youth Theatre and work in schools. This commitment remained undiminished right across the year, with the consequence that the programme reached more than 12,000 participants within 12 months.

Digital and virtual activities also become an important part of our offer during this period and provided the platform to continue to deliver a creative, supportive response to the crisis, in relation not only to our performance programme but more broadly across the range of our participatory activities. We launched our own platform Playhouse: At Home, with the capacity to provide access to the work of the Playhouse as well as other content creators.

A strong desire to fulfil a role in the civic life of the city as well as to support artists and audiences led us to reopen the theatre under Covid-secure conditions for 5 weeks from the start of October. The Playhouse was amongst the very first handful of theatres to reopen its doors, and this period was instrumental in supporting the long-term future of the Playhouse by:

1. reengaging audiences and artists, and providing momentum for staff
2. supporting the local artistic ecology, providing opportunities to freelancers and local companies which rely on our infrastructure
3. regenerating confidence for visitors to the city centre

The reopening was a great success, with repeated positive feedback from audiences about the safety of the experience, and the value of the opportunity for a shared community experience in that environment. Attendances were at reduced capacity across the month of October, until it was necessary to close the theatre again in early November for the national lockdown.

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Trustees' Annual Report for the year ended 31 July 2021

Statement by the Chair and Joint Chief Executives cont.

Valuable learning from this period meant that the Playhouse was again primed to respond swiftly to the Roadmap and reopen again within days of the move to Step 3 in May 2021, and increase capacity to fuller houses for most performances from late-June. The Playhouse was able to deliver a performance programme which continued right through the summer months, thanks to careful scheduling of maintenance activities earlier in the year whilst the theatre was not permitted to be open.

One further silver-lining of the enforced periods of closure has been the opportunity to complete some aspects of the fit out of front of house areas of the building, which were compromised by a lack of time and funds towards the end of the Redevelopment. A generous grant from the Bramall Foundation has enabled the installation of additional elements which add colour, warmth, and a human touch, which has been well received by visitors to the building.

By year end, the Playhouse is in a significantly more resilient position with its underlying financial health restored, and most areas of its activity restarted, albeit in a limited form in many cases. A new Reserves Policy has been ratified by the Board, which includes for the rebuilding of free reserves which had been impacted by the Redevelopment and the pandemic, and the designation of funds for Covid recovery and much needed maintenance works including to the Playhouse's roof. However, audience demand continues to be suppressed compared to the pre-pandemic period, and the prospect of further Covid-related restrictions are a further cause for potential concern.

Structure, governance and management

Governing document

Leeds Theatre Trust Limited (the Trust or the charitable company) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 5 February 1968 and amended to allow for governance arrangements on 19 March 2013. It is registered as a charity with the Charity Commission. There are 14 members (2020: 17) each of whom agrees to contribute £1 in the event of the Trust winding up.

Appointment of trustees and members

The board of trustees of the charitable company is made up of a minimum of five members and no maximum, although this can be varied by ordinary resolution. The trustees have the power to appoint any person who is able and willing to do so to be a trustee, at which time they automatically become a member of the company. The number of members of the company is the same as the maximum number of trustees. The company has a maximum of two Local Authority trustees who are appointed by Leeds City Council.

A rotation plan is in place for trustees in office at 19 March 2013. Trustees appointed after this date serve in office for an initial period of four years following which they may be reappointed by the trustees for a further term of four years. Any trustee who has served in office for two terms must retire for a period of at least one year, following which they may be reappointed. The Articles were amended in June 2021 to allow the trustees to determine to extend the second term of office of a trustee by up to one year in order to provide continuity amongst the trustees. The Chair of the board is appointed by the board of trustees and is entitled to preside at meetings of the trustees and of the company.

Trustee induction and training

All new trustees receive a welcome pack containing important information about the Trust's work, recent achievements, copies of key documents, including the Articles of Association, organisation chart, financial plans, annual accounts, and reports together with a schedule of forthcoming meeting dates and the artistic and education programmes for the next season. All trustees are invited to an induction day where they will meet with the Chief Executive and other members of the senior management team and take a tour of the Leeds Playhouse building. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The trustees administer the charitable company and there are sub-committees covering Arts Development, Finance, and Fundraising. The Joint Chief Executives are appointed by the trustees to manage the day-to-day operations.

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Trustees' Annual Report for the year ended 31 July 2021

Arrangements for setting the pay and remuneration for key management personnel

The directors consider that the trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in notes 10 and 23 to the accounts. The pay of the senior staff is reviewed annually and benchmarked against pay levels in other theatres of a similar size run on a voluntary basis.

Members

The trustees serving during the year and since the year end were as follows:

Ms R Breen, Chair
Mr N Adleman, Vice Char
Mr A Dix (Retired 30 April 2021)
Mr M H Ellis
Mr K H Emsley
Ms S Friskney
Mr D Jones (Retired 31 May 2021)
Cllr C Harrison (Deceased 12 July 2020)
Ms C Lowson
Cllr J Lennox * appointee of Leeds City Council
Mr M Nabarro
Ms R Pitt
Miss S Pitter
Mr M A Rashid
Mr K Reid
Mr S Walker
Mrs S Watson

Related parties

The Trust has a close working relationship with Leeds City Council who provide essential core funding in support of both the artistic and education programmes for the benefit of local residents and the public. A summary of all transactions with Leeds City Council is set out in note 23 to the financial statements.

Objectives and activities

The objectives of the Trust are to promote, maintain, improve and advance the education of the public in the performing arts. The vision of the theatre is centred on an eco-system of three interwoven strands of creative output: the artistic programme on our stages, our Furnace artist development programme, and our Creative Engagement programme.

Leeds Playhouse is one of the country's leading theatres and delivers an exceptional range of work. The year-round stage programme brings major productions with leading artists, new writing for the stage, established classics, music theatre and family work to a wide and increasingly diverse audience. The Playhouse has successfully transferred work into the West End and produced national and international tours, taking its work beyond the region, and ensuring a national reputation. The Playhouse makes a significant percentage of its own work, designing, building, costuming, and normally producing nine or more major productions and co-productions per annum from its building in central Leeds. In addition, Leeds Playhouse collaborates with and presents work from some of Britain's leading touring theatre companies. The theatre hosts dance, comedy events and large-scale community performances.

Furnace is the Playhouse's development engine: it encompasses the work we do to develop artistic voices and new theatre for the stage. The Playhouse works with the community of artists in Leeds, Yorkshire and the wider North to strengthen the region's creative ecology by creating a broader, more diverse, and highly skilled pool of artists living and working in Leeds, allowing skilled practitioners to build sustainable careers in the city.

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Trustees' Annual Report for the year ended 31 July 2021

Objectives and activities (continued)

Through the projects the Playhouse supports we provide a home for independent artists at all stages of their careers to create and share new work with audiences, allowing them to increase the ambition and scale of their work. The Playhouse also supports smaller, less established theatre and performance spaces and companies around Leeds and the region.

A core element of the Playhouse's creative activity is an exemplary and award-winning Creative Engagement department which delivers a full programme of education and community initiatives. The aim of the Creative Engagement department is to use theatre to open up possibilities for people of all ages and abilities in the Leeds city region. Working with approximately 10,000 people each year, Creative Engagement comprises four strands of activity: Young People, Older People, Creative Education and Communities. Alongside these strands is also our pioneering work with refugees and asylum seekers as the UK's first Theatre of Sanctuary.

Funding

The Trust received annual revenue grants to fund the Playhouse from Leeds City Council and Arts Council England. As the funding periods to which these grants relate do not coincide with the Trust's financial year, the receipts from the two bodies are split proportionately over two financial years. The annual grants are shown below together with the value of the funding recognised in the year ending 31 July 2021. Included in Arts Council England is £3,000,000 from Culture recover Fund.

	For the year ended 31 March 2020	For the year ended 31 March 2021	12 months recognition of funding for the year ended 31 July 2021
	£	£	
Leeds City Council	588,665	587,493	559,232
Arts Council England	2,213,846	1,535,853	1,535,853
	2,802,511	2,123,346	2,095,085

Investment powers and policy

Under the memorandum and articles of association, the Trust has the power to make any investment which the trustees see fit. With the completion of the Theatre Redevelopment Project, the time to spend a large portion of the investment is approaching and the Trust has therefore sought security of principle ahead of gains and income. A proportion of the portfolio is held in cash in readiness as the Trust will be due to pay over to Leeds City Council its proportion of the funding in due course.

Reserves policy

The Trust has adopted a formal reserves policy as outlined below

- To meet its objectives of promoting artistic excellence, the Trust presents a programme of theatre productions and other events at the Playhouse which are aimed at the widest possible audience. This inevitably involves a degree of risk. Identifying and managing risk is an important part of good charity governance. The charity aims to hold sufficient free reserves to withstand the financial impact of these risks.
- Having considered various stressed financial scenarios the Trust has concluded that it should hold free reserves within a range of £1.2M to £1.8M which is the equivalent to 8 weeks and 12 weeks average annual income. Given the current risks and uncertainties around the Covid-19 pandemic, the Trust believes it is prudent to operate close to the top of the upper range of free reserves. The target level of free reserves is reviewed regularly by the Finance Committee and recommendations made to the Board for their approval.
- Designated funds are held at the discretion of Trustees. The Trust has identified four main designated funds as follows:
 - Capital Equipment Fund
 - Roof Replacement Fund
 - Grant Specific Designations
 - Planned future deficits as part of our Covid-19 recovery plan
 - See Note 19 for details of designated funds

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Trustees' Annual Report for the year ended 31 July 2021

Objectives and activities (continued)

Changes in fixed assets

Movements in fixed assets are set out in note 11 to the financial statements. The trustees are of the opinion that the market values of the Trust's properties are in excess of the amounts at which they are stated in the financial statements.

Public benefit

Leeds Theatre Trust is a public benefit entity and has five main areas of activity with which it seeks to provide benefit to its customers and the public at large: Own theatre productions, Visiting theatre productions, Touring out and Creative Engagement and Furnace artist development.

The trustees can confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Strategic Report

Risk management

The Trust uses various financial instruments including investments, cash and items such as trade debtors and trade creditors that arise directly from its operations. The main risks arising from the financial instruments are market risk, cash flow risk, interest rate risk and liquidity risk.

The trustees have established a strategy for the management of risks including:

- a periodic review of the risks facing the charitable company.
- the establishment of systems and procedures to mitigate any risks identified, including regular financial and non-financial reports.
- the implementation of procedures designed to minimise any potential impact on the charitable company by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably; and
- regular reviews with the Trust's investment managers to manage the investment portfolio.

The principal risks facing the organisation have been reported under Principal Risks and Uncertainties.

Fundraising Activity

The Fundraising activity for Leeds Theatre Trust Limited is led by an in-house team employed directly by the charity. The dedicated team of three fundraising and development staff raises funds for charitable activity from a combination of sources including individuals, corporates, trusts and foundations, working to a fundraising strategy approved by the trustees. The team is managed by the Director of Fundraising, a member of the Senior Management Team who reports to the Executive Director and Joint Chief Executive.

Leeds Theatre Trust Limited has developed a clear and transparent strategy to deliver the new GDPR rules and part of this commitment is to ensure that we do not unintentionally contact vulnerable individuals who do not have a direct and obvious relationship with the Playhouse. We no longer include telephone fundraising as part of our strategy, and we carefully monitor the records we keep on previous and current donors. We never target our campaigns without applying these rules.

Leeds Theatre Trust Limited has received no complaints relating to its fundraising practice.

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Achievements and performance

Overview

The twelve months from August 2020 to July 2021 was largely a year of imposed closure due to the Covid-19 pandemic. The theatre was briefly open in August 2020 to the end of October 2020, and again from mid May 2021 onwards. The long, enforced closures and the stop-start nature of periods activity made programming creative output extremely difficult, and the impact on the commercial trading activity was devastating. The theatre relied heavily on emergency funding from the Government's Culture Recovery Funds as well as emergency funding from Trusts and Foundations.

Organisational development

In recent years, significant work has been undertaken to create an organisation with a much greater clarity of purpose which is better understood both by staff and stakeholders. A new artistic vision has firmly taken root and become embedded in the organisation's approach to all of its activities and this clarity of purpose was communicated externally through the newly developed brand of Leeds Playhouse throughout this period.

Because of the reduced output due to the Covid-19 lockdowns in 2020-21, Senior Managers across the organisation were working closely with the HR department to ensure maximum staff retention over this difficult period. Senior Managers maximised grant funding and Government subsidies to ensure the survival of Leeds Playhouse over this exceptional period.

Strategic Partnerships

We consider partnership working to be fundamental to the resilience of the Playhouse, the theatre industry and the wider arts and culture sector. A strong example of this is the success of the partnership between the Playhouse and Leeds City Council to successfully deliver our major Redevelopment Project.

Our redeveloped theatre contributes more towards the City's key agendas and priorities, meeting the City Council's Corporate and Asset Management objectives, and making it fit to form part of the Leeds 2023 International Festival of Culture. It will contribute to both a strong economy and to a compassionate city by making Leeds a more attractive place to invest but also a better place to live, contributing to Child Friendly Leeds, and to Leeds' ambition to be best city by 2030. Our new building has significantly improved access facilities breaking down barriers and allowing more people to share their stories and our spaces.

Access, Inclusion and Equality

A commitment to Equality and Inclusion values was in our DNA long before it became a priority across our sector. The Playhouse has engaged in meaningful ways with local communities, particularly those disconnected from mainstream cultural activity, and our programme has always been positively influenced by the principles at the heart of the Creative Case. The Playhouse, like Leeds, is a melting pot of people, cultures, and experiences. Its rich diversity is its strength, and we intend to evolve and actively respond to this context. In August 2020 Rozina Breen was appointed Chair of the Playhouse Board. She brings significant expertise in this area of work from her role as Head of North for the BBC where she is a champion of diversity.

In 2020/21, in addition to the access and inclusion work, which is intrinsic across our programme and operations, work has begun on the development of two new key initiatives: our Plan for Change, and our Diversity Champions and Inclusion Allies.

Plan For Change

The Playhouse has created an externally facilitated Reference Group tasked with developing a Plan for Change to support its commitment to being an anti-racist organisation, providing a safe and supportive environment for black colleagues and communities and contributing to the advancement of progressive values around equity of representation and dismantling discriminatory structures.

The Plan will set out positive actions we will take both as an employer and as a major cultural institution in the city and the results of this survey will fold accountability, measurement, and urgency into the process, so we can set goals for the future and report on progress. This work has a dedicated budget including resource to allow the appointment of new changemaker roles and provide targeted financial support to artists who have experienced racism.

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Plan For Change (continued)

The Plan for Change was formulated by May/June 2021 and signed off by the Board and contains commitments, specific targets and measurable outcomes covering some of the following areas:

- Making recruitment processes more open and inclusive and better targeted to creating routes into the organisation to diversify workforce
- Re-structure so we have more diversity of thinking and lived experience at a senior level of the organisation
- Training and learning opportunities across the organisation
- Increase financial commitment to this area of work
- Respond to and build on outcome of perceptions analysis
- Improved data gathering and analysis
- Consideration of our communications in this area

The plan is anticipated to include measurable plans to make the Playhouse's board, workforce, volunteers, and audiences more representative of the communities of Leeds City Region.

Diversity Champions and Allies:

Through external facilitation, we are training all our Senior Management Team as Diversity Champions, to help to build awareness of issues that people may face, to develop our internal and external relationships, and to ensure that we consider the widest possible range of impacts when we propose any organisational change.

We will also be training a cohort of Playhouse staff from across other levels of the organisation as Inclusion Allies. These are designed to complement the Diversity Champion roles and provide different routes for people to seek help or support, or to check in with someone.

Performance Programme

A strong desire to fulfil a role in the civic life of the city as well as to support artists and audiences led us to be one of the first theatres nationally to reopen under Covid-secure conditions 5 weeks from the start of October. This period was also instrumental in supporting the long-term future of the Playhouse by:

1. reengaging audiences and artists, and providing momentum for staff
2. supporting the local artistic ecology, providing opportunities to freelancers and local companies which rely on our infrastructure
3. regenerating confidence for visitors to the city centre

The reopening of the theatre generated repeated positive feedback from audiences about the safety of the experience, and the value of the opportunity for a shared community experience in that environment. Attendances were at capacity across the month of October (nearly 4,000 people in total), until it was of course necessary to close the theatre again in early November for the national lockdown.

The Playhouse was again one of the very first theatres nationally to reopen under Covid-secure conditions within days of Roadmap Step 3 and was then primed to respond swiftly to Roadmap Step 4 by increasing capacity to fuller houses for most performances from late-June, whilst retaining a number of socially distanced performances in order to provide access for those who remain more cautious. We delivered a performance programme which continued right through the summer months, thanks to careful scheduling of maintenance activities earlier in the year whilst the theatre was not permitted to be open. The programme included a number of collaborations with other companies, including A Little Night Music with Opera North, and Dangerous Liaisons with Northern Ballet, and Piaf with Nottingham Playhouse.

Digital and virtual activities also become an important part of our offer during the year and provided the platform to continue to deliver a creative, supportive response to the crisis, in relation not only to our performance programme but more broadly across the range of our participatory activities. We have adapted our workforce and increased our skill base significantly and we want to further develop this moving forward. Digital activities included:

- Missing People: A digital version of our co-production with Japanese theatre Kani Public Arts Centre, which was cancelled on its press night at the start of the first lock down, was made available to audiences online across August/September 2020.

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Performance Programme (continued)

- A Christmas Carol: We creatively integrated BSL into the show making every performance accessible to BSL users. Audience post-show survey feedback was positive, including about the quality of the filming and production, the ability to watch it from home (and far away from Leeds in some cases), the integrated access aspects and that it is providing 'something happy to talk about'. The production was streamed more than 4000 times across 16 countries in December 2020, generating £20k of income. NHS key workers who had booked the 1,000 free tickets were also sent the link at no cost to extend the goodwill gesture.
- Romeo & Juliet: CBeebies used the Quarry theatre in March 2021 to film this new performance which has already been broadcast numerous times.
- Orpheus in the Record Shop: We were asked by the BBC to contribute to their Lights Up series, broadcast in April 2021 on BBC4. The piece was written and performed by Testament, together with singers and players of co-producers Opera North.
- Decades: Our first production upon reopening in 2021 was made available in both in person and digital forms, to allow audiences to access the show in the medium of their choice.
- The 'Playhouse: At Home' platform has the capacity to provide access to the work of the Playhouse as well as other content creators in the region.
- Playhouse Connect Digital Showcase: a series of co-created digital outputs (audio drama podcasts, short films, interactive website stories and online galleries), achieving almost 700 views on YouTube.

Creative Engagement

A core element of the Playhouse's Creative Programme is its Creative Engagement department which is one of the largest engagement teams of permanent staff in the UK theatre industry outside London, engaging over 12,000 participants each year through: Playhouse Youth, Playhouse Older People (including our award-winning Dementia Friendly work), Playhouse Education and Playhouse Communities. This is enriched by a wrap-around theme: Theatre of Sanctuary.

Our Young People's programme consists of creative projects, workshops, and productions for anyone aged 5 to 25. In a normal year, over 350 young people access the Playhouse every week both in the theatre building but also in our dedicated creative space for young people, First Floor. The programme's innovative approach combines outstanding professional artists and qualified youth workers to offer creative experiences that encourage young people to explore the world and their place within it, building their confidence and raising aspirations.

People aged 55 and over are encouraged to participate in our Older People's Programme. The programme has been and continues to be shaped in response to the needs of older people involved in Heydays, the creative arts project for over 55's, who meet on a weekly basis to take part in visual arts, performance and discussion groups. The Playhouse leads the sector in its approach to people living with Dementia, having created the concept of Dementia Friendly Performances, as well as a guide for other theatres in how to approach this work.

Schools and Teachers are the central focus of our Creative Education strand of activity, though anyone working or learning in formal education setting can engage with this work. Projects, one-off workshops and CPD sessions for education professionals form the core of the offer. As the teaching of creative subjects in schools becomes more challenging, we aim to support the teaching of drama and theatre and aim to ensure that every child has access to an exciting and inspiring cultural education.

Our communities strand aims to reach those areas where there are particular challenges and engagement with the arts is low offering access and entry points for people regardless of their background. Throughout the year, we deliver workshops and performances in Community Partner Areas of the city as well as inviting local community leaders to bring their neighbours to the Playhouse.

Theatre of Sanctuary connecting and providing support for refugees or those seeking asylum through a women's choral group, Asmarina for younger children to engage in play sessions, Conversation Cafe - a weekly 'cafe' with those with English as a second language to chat and learn in a relaxed setting.

We offer projects to support learning disabled adults and create platforms for people from all walks of life to share their stories and perform on our renowned stages.

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Creative Engagement (continued)

In 2020/2021 In response to the challenges presented by the pandemic, we refocused a great deal of our work to support those people in the most vulnerable circumstances.

PLAYHOUSE CONNECT was our programme of creative activities that aimed to connect with and support a range of participants including people living with dementia and their supporters; young people with learning disabilities and their families; refugees and people seeking asylum; young people attending alternative education; older people; and teachers and schools continuing to deliver in lockdown. Throughout the year, we slowly expanded our activity to reach more and more people.

Despite our aim to support 4,000 people, thanks to a dedicated delivery team, support from other departments and the flexibility of our funders, we were able to connect with 13,151 through a variety of projects and supportive initiatives from bespoke wellbeing phone calls to online projects culminating in an inspirational Digital Showcase in Autumn 2020. We also delivered a range of creative workbooks, challenges, and artworks to enjoy across Leeds including 15,000 Creative Walk booklets distributed via food banks; Storybooks capturing and sharing the stories of community members in hyperlocal targeted areas delivered to those less likely to be able to leave the house; and Creative Advent Calendars for older people living alone. We repurposed our programme to encapsulate over 45 new projects that would build new partnerships with 15 organisations with 4 clear aims:

- Diminish impact of feelings of isolation for people in vulnerable circumstances
- Improve mental health & wellbeing in the community
- Support the recovery & reconnection of the city
- Develop skills and employability amongst young people

A key feature of this activity was in maintaining our commitment to our freelance and casual workforce.

We are immensely proud of our contribution and the massive effort that so many community-based organisations made during the pandemic to ensure that those most at risk did not fall through the cracks. One participant observed

"You know every week you have someone to talk to, and they chase you up, so you know they care."

We intend to continue this work, and supporting those in the most vulnerable circumstances, in the years to come and, using what we learned during this time, and the friends and partners we have made to identify the best way to go about it.

Furnace (Artistic Development)

Freelancers in our sector have been hit particularly hard by the pandemic, and many of them have found it impossible to access government support directly. So we have been conscious of our responsibility to try to support this vital element of our sector. This has been one of the primary motivators for us to stay as active as we possibly could throughout the year, providing employment opportunities to mostly locally based artists in both our live performances and our digital programme.

Artist Development opportunities have included:

During rehearsals for A Christmas Carol, we piloted Zoom Chair working with RTYDS and Ramps on the Moon to provide paid opportunities for 18 deaf and disabled directors to observe rehearsals.

We supported 10 local artists in their applications to ACE Develop Your Creative Practice fund. This includes offering letters of support, mentoring, placements, advice and networking opportunities.

Monthly Furnace Social Club newsletters have continued to go out to around 1000 local artists each month throughout lockdown.

We delivered over 100 'Fancy a Virtual Brew' 121s with local artists.

We threw open the doors of our new Bramall Rock Void studio space for 17 weeks across Summer 2021, hosting 76 local artists and providing them with 144 hours of free technical support, to help in the recovery of the local cultural sector.

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Board activity & governance

Rozina Breen was appointed as the new Chair on 1st August 2020, and Neil Adleman was appointed Vice-Chair on the same date. Al Dix and David Jones retired as trustees during the year.

Financial review

The financial results for the period 2020/21 were impacted adversely by continued enforced closures due to the Covid-19 pandemic. The theatre relied heavily on emergency funding during the period both to cover losses and rebuild reserves, leaving the Playhouse in a significantly more resilient position. The Playhouse also benefited from Leeds City Council's successful application to the ACE's Capital Kickstart scheme, relating to the recent capital redevelopment, which allowed the Council to reduce the Playhouse's liability in this regard by almost £1.8m. The surplus for the year on unrestricted funds was £4,513,393 (2020: deficit £183,895). We carry forward a consolidated surplus on unrestricted funds of £4,420,706 (2020: deficit £92,687) of which £1,846,912 (2020: £19,817) is designated. In future years we aim to become more sustainable by developing the trading areas and diversifying income streams, working more efficiently, and expanding fundraising activities. The impact of the Covid-19 Pandemic will require us to review our current business plan and operating model to enable us to do this.

The Redevelopment of the theatre cost £16.5m and was completed in September 2019. It was originally financed by contributions from Arts Council England (ACE) £6.6m, Leeds City Council £5.1m, Leeds Playhouse £4.8m. The total amount due to Leeds City Council was £4,788,876, however during the year Leeds City Council were awarded an ACE Capital Kickstart grant of £1,792,459 allowing the Council to reduce the overall contribution from the Playhouse. After the agreed £1,538,876 cash contribution and the already agreed £500,000 Courtyard Loan, this leaves a residual amount outstanding of £957,541. This amount was converted to a loan repayable over a five-year period ending in September 2024.

Plans for the future

The Playhouse aims to attract new audiences to its newly revitalised spaces. It must also ensure that the spaces are working well and function according to their design to deliver on the Redevelopment Project's objectives to make the Playhouse a resilient organisation fit for the 21st Century. This will also require it to grow new revenues from the enhanced theatre and front of house offer, to maximise the benefits the Redevelopment has been designed to bring.

Principal risks and uncertainties

The trustees have examined the major strategic, business, and operational risks which the Trust faces and confirm that systems have been established and measures introduced to manage risks, accepting that it is not possible to eliminate all risks. The organisation maintains a risk register which is regularly scrutinised by the Trustees.

The principal risk areas normally relate to the costs and revenues associated with the artistic programme including theatre tax relief. The existing risks around physical hazards and health and safety continue to apply. The uncertainty as to the future impact on the Group of the ongoing Covid-19 outbreak is also significant and is detailed separately below:

Covid-19

Uncertainties and risks relating to the Covid-19 pandemic include:

- Audience appetite to return to the theatre, during and post pandemic, remains uncertain adding further to the revenue risks associated with the artistic programme.
- Reduced audience numbers due to reduced capacity and audience appetite could impact significantly on the Bar & Catering income.
- The risk of a further outbreak remains and could lead to a further period of closure and cancelled shows.

Leeds Theatre Trust Limited

Trustees' Annual Report for the year ended 31 July 2021

Physical hazards

There are physical hazards inherent in the nature of the work we carry out: we construct and operate large-scale physical stage sets and there are large numbers of visitors every day to our premises. Failure to manage risks arising from these operations could result in major injuries or loss of life to staff, contractors and members of the public, significant disruption to the programme of work on our stages and damage to our reputation. The cost related to the recovery or resultant litigation could have a material financial impact.

Trustees' responsibility statement

The trustees (who are also directors of Leeds Theatre Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of 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 accounting 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 and group will continue in business.

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

The trustees confirm that:

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

Leeds Theatre Trust Limited

Trustees' Annual Report for the year ended 31 July 2021

Going concern

The activities of the group, together with the factors likely to affect its future development and performance, are set out in the Report of the Trustees. The financial position of the group, its cashflow and liquidity are described in the Financial Statements and accompanying notes. The organisation was working to its Business Plan of which 2019/20 formed the third year and funding from Arts Council England and Leeds City Council is confirmed for the four-year period 2018 to 2022. The Business Plan is being reviewed in light of the ongoing impact on the business model caused by Covid-19.

The theatre has been closed for long periods during 2020/21 and this has had a significant impact on income and expenditure for the Group. The theatre has taken advantage of the Government's furlough scheme and other support.

The financial statements have been prepared on a going concern basis. The Trustees have taken note of the guidance issued by the Financial Reporting Council on Going Concern assessments in determining that this is the appropriate basis of preparation of the financial statements and have considered a number of factors.

The total amount due to Leeds City Council relating to the capital redevelopment at 31 July 2020, was £4,788,876, however during the year Leeds City Council were awarded an ACE Capital Kickstart grant of £1,792,459 allowing the Council to reduce the overall contribution from the Playhouse. After the agreed £1,538,876 cash contribution and the already agreed £500,000 Courtyard Loan, this leaves a residual amount outstanding of £957,541. This amount was converted to a loan repayable over a five-year period ending in September 2024.

In addition to the regular Arts Council England funding, during the year, the Group has been awarded significant emergency funding from Arts Council England amounting to £2,929,817. The awards include grants made under Culture Recovery Funds rounds 1 and 2. The Group has also received significant Government assistance through the Coronavirus Job Retention Scheme (Furlough Scheme). The Playhouse was also successful in its recent ACE Culture Recovery Fund: Continuity Support application for £499,758.

The Trustees have prepared forecasts and cashflows covering the period to July 2023 and approved by the Board in Dec 2021. The uncertainty as to the future impact on the Group of the recent Covid-19 outbreak has been separately considered as part of the Trustees' consideration of the going concern basis of preparation.

Notwithstanding the indications of the forecasts and cashflows of the financial stability of the Group and Company, there is a risk that the impact of Covid-19 could be more significant than can be currently anticipated, and the Trustees have concluded that these circumstances represent a material uncertainty which could cast significant doubt on the Group's ability to continue as a going concern. These financial statements do not include any adjustment that would arise if the going concern basis of preparation was not considered appropriate.

Leeds Theatre Trust Limited

Trustees' Annual Report for the year ended 31 July 2021

Auditors

Azets Audit Services Limited were appointed auditor to the company following their acquisition of the trad of Garbutt & Elliott Audit Limited on 1 December 2021. In accordance with s587(2) of the Companies Act 2006 they are deemed reappointed annually.

Statement of disclosure to the auditor

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.

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report in their capacity as company directors.

On behalf of the Board



Rozina Breen
Chair of Trustees
20/04/2022
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Leeds Theatre Trust Limited

Independent Auditor's Report to the Members of Leeds Theatre Trust

Opinion

We have audited the financial statements of Leeds Theatre Trust Limited (the 'charitable company') and its subsidiary for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources including, the group's 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 have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 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 Trustees' 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.

Leeds Theatre Trust Limited

Independent Auditor's Report to the Members of Leeds Theatre Trust

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

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

- 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's 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 for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, 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 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.

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

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.

Leeds Theatre Trust Limited

Independent Auditor's Report to the Members of Leeds Theatre Trust

Extent to which the audit was considered capable of identifying irregularities, including fraud

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Trustees and other management, and from inspection of the charity's regulatory and legal correspondence. We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable company is subject to laws and regulations that directly affect the financial statements including company law, charity law, financial reporting legislation, pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising safeguarding, environmental, health and safety and employment legislation, and, in the current economic climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the group and the charitable company to commit fraud. Our risk assessment procedures included: enquiry of Trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition, in particular:
 - the risk that income is recognised in the wrong reporting period and not correctly deferred, highlighted this year due to delayed performances and venue closures;
 - the risk that performance related conditions within grants have not been met; and
 - the risk that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

These risks arise due to a potential desire to present the results in a differing light to suit management objectives and funding applications.

As required by auditing standards we also identified and addressed the risk of management override of controls.

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias;
- testing the recognition of income and in particular that it was recognised in the correct period and any restrictions recognised.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

Leeds Theatre Trust Limited

Independent Auditor's Report to the Members of Leeds Theatre Trust

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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 trustees 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.

Azets Audit Services Limited

Laura Masheder
Senior Statutory Auditor

For and on behalf of Azets Audit Services Limited
Statutory Auditor

21/04/2022

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Triune Court
Monks Cross Drive
York
YO32 9GZ

Leeds Theatre Trust Limited

Consolidated statement of financial activities (incorporating income and expenditure account)

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Donations and legacies	2,19	1,036,180	1,583,903	2,620,083	1,008,907
Commercial trading operations		58,640	-	58,640	588,915
Income from investments		55,289	-	55,289	57,614
Income from charitable activities	3	5,063,148	587,493	5,650,641	6,036,118
Coronavirus Job Retention Scheme		760,537	-	760,537	621,449
Total income		6,973,794	2,171,396	9,145,190	8,313,003
Expenditure on:					
Raising funds		262,336	305,391	567,727	741,788
Expenditure on charitable activities		3,473,453	826,221	4,299,674	7,691,133
Capital Redevelopment Contribution	21	(1,181,347)	-	(1,181,347)	-
Total Expenditure	4	2,554,442	1,131,612	3,686,054	8,432,921
Net income / (expenditure) before other gains / (losses)		4,419,352	1,039,784	5,459,136	(119,918)
(Losses)/gains from investments	12	94,041	-	94,041	(49,431)
Net movement in funds		4,513,393	1,039,784	5,553,177	(169,349)
Reconciliation of funds:					
Total funds brought forward	19, 20	(92,687)	5,138,733	5,046,046	5,215,395
Total funds carried forward	19, 20	4,420,706	6,178,517	10,599,223	5,046,046

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derives from continuing activities.

A fully detailed Statement of Financial Activities for the year ended 31 July 2020 is shown at note 24.

Leeds Theatre Trust Limited

Consolidated Balance Sheet as at 31 July 2021

	Note	Group		Company	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible assets	11	6,173,998	6,278,698	6,173,998	6,278,698
Investments	12	680,247	586,206	680,249	586,208
		6,854,245	6,864,904	6,854,247	6,864,906
Current assets					
Stocks	13	24,808	32,426	13,096	16,928
Debtors	14	1,572,776	3,624,189	2,110,537	3,610,170
Cash at bank and in hand		4,956,170	924,018	4,388,892	844,476
		6,553,754	4,580,633	6,512,526	4,471,574
Current liabilities					
Creditors: amounts falling due within one year	15	(1,547,796)	(1,443,210)	(1,547,949)	(1,379,402)
Net current assets		5,005,958	3,137,423	5,054,577	3,092,172
Total assets less current liabilities		11,860,203	10,002,327	11,908,824	9,957,078
Creditors: amounts falling due after more than one year	17	(1,260,980)	(4,956,281)	(1,215,980)	(4,911,281)
		10,599,223	5,046,046	10,692,844	5,045,797
Funds of the charity					
Restricted funds	19	6,178,517	5,138,733	6,178,518	5,138,734
Unrestricted funds	19	4,420,706	(92,687)	4,514,326	(92,937)
		10,599,223	5,046,046	10,692,844	5,045,797

The financial statements were approved by the Board of Trustees and signed on their behalf on
20/04/2022



Rozina Breen
Chair of Trustees

Leeds Theatre Trust Limited

Consolidated Statement of Cash Flows for the year ended

	2021 £	2020 £
Reconciliation of cashflow from operating activities		
Net income/(expenditure) for the year	5,553,177	(169,349)
Depreciation	427,354	398,498
(Gains)/Losses on investments	(94,041)	49,431
(Profits)/Losses on sale of fixed assets	700	-
Investment income	(55,289)	(57,614)
Decrease/(increase) in stocks	7,618	(15,977)
Decrease/(increase) in debtors	2,051,413	(1,832,970)
(Decrease)/increase in creditors	(159,681)	787,434
Net cash (used in)/provided by operating activities	7,731,251	(840,547)
Cash inflow from investing activity		
Income from investments	55,289	57,614
Purchase of tangible fixed assets	(323,354)	(33,957)
Cash inflow from financing activity	(268,065)	23,657
Payment of finance lease obligations	(69,792)	(12,324)
Other loans repaid/(advanced)	(3,361,242)	45,000
Cash provided by/(used in) financing activities	(3,431,034)	32,676
Change in cash and cash equivalents in the year	4,032,152	(784,214)
Cash and cash equivalents at the beginning of the year	924,018	1,708,232
Cash and cash equivalents at the end of the year	4,956,170	924,018

Analysis of changes in net debt

	1 August 2020 £000's	Cashflows £000's	31 July 2021 £000's
Cash at bank and in hand	924,018	4,032,152	4,956,170
Borrowings excluding overdrafts	(5,036,375)	3,431,034	(1,605,341)
Net debt	4,112,357	7,463,186	(3,335,829)

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

1 Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charitable company information

The charitable company is a registered charity and a company limited by guarantee and registered in England.

Charity number:	255460
Company number:	0926862
Registered Office:	Leeds Playhouse, Playhouse Square, Quarry Hill, Leeds LS2 7UP

Leeds Playhouse (Enterprises) Limited is a wholly owned subsidiary of the charitable company.

Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) ("Charities SORP (FRS 102)"), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Leeds Theatre Trust meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies adopted in the preparation of the financial statements have remained unchanged from previous years and are set out below.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary Leeds Playhouse (Enterprises) Limited on a line-by-line basis. A separate statement of financial activities and income and expenditure accounts are not presented for the charity itself following the exemptions afforded by the Companies Act 2006 and the SORP 2019.

Going concern

The activities of the group, together with the factors likely to affect its future development and performance, are set out in the Report of the Trustees. The financial position of the group, its cashflow and liquidity are described in the Financial Statements and accompanying notes. The organisation was working to its newly created Business Plan of which the capital redevelopment year 2018/19 forms the first year and funding from Arts Council England and Leeds City Council is confirmed for the four-year period 2018 to 2022. The Business Plan has been extended for 2021-22 and 2022-23.

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

1 Principal accounting policies

The financial statements have been prepared on a going concern basis. The trustees have taken note of the guidance issued by the Financial Reporting Council on Going Concern assessments in determining that this is the appropriate basis of preparation of the financial statements and have considered a number of factors.

The total amount due to Leeds City Council of £4,788,876 is shown in Note 17 to the accounts. After the year end, Leeds City Council were awarded an ACE Capital Kickstart grant of £1,792,459 relating to the recent capital redevelopment, which allowed the Council to reduce the overall contribution from the Playhouse in this regard. After the agreed £1,538,876 cash contribution and the already agreed £500,000 Courtyard Loan, this leaves a residual amount outstanding of £957,541. This amount was converted to a loan repayable over a five-year period ending in September 2024.

In addition to the regular Arts Council England funding, since the year end, the Group has been awarded significant emergency funding from Arts Council England amounting to £3,669,326. The awards include grants made under ACE Emergency Fund and Culture Recovery Funds rounds 1 and 2. The Group has also received significant Government assistance through the Coronavirus Job Retention Scheme (Furlough Scheme).

The Trustees have prepared forecasts and cashflows covering the period to July 2023 and approved by the Board in May 2021. The uncertainty as to the future impact on the Group of the recent Covid-19 outbreak has been separately considered as part of the Trustees' consideration of the going concern basis of preparation.

As part of the financial forecasting work referred to in Going Concern as set out above, the Trustees have considered the impact of the pandemic on the business, including on its working capital and the availability of cash.

Income

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned as the related goods and services are provided.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract. Where entitlement to grant funding is subject to specific performance conditions, this is recognised as earned as the related goods or services are provided.

Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when admission fees or performance related grants are received in advance of the performances or event to which they relate.

Government grants in the form of Coronavirus Job Retention Scheme are recognised at entitlement and are shown separately on the face of the SoFA.

Expenditure

Expenditure is recognised when a liability is incurred.

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

1 Principal accounting policies

Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the staging of concerts, stage productions, art exhibitions and educational programmes and include both the direct costs and support costs relating to these activities. Production costs are written-off in the year in which the first performance of the related production takes place, unless the substantive part of the show's run is post year end, in which case both income and expenditure would be deferred.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g., the proportion of turnover.

Production comprises the salaries and overhead costs of the production, literary and artistic teams. Executive comprises executive salaries and travel. Support services comprise IT, administration, finance and secretarial salaries and overheads as well as theatre management costs and legal and other professional fees. Promotion comprises marketing and press salaries and costs. Front of house comprises box office, reception and duty management salaries and costs. Occupancy costs comprise cleaning and maintenance salaries and costs as well as utilities.

The following bases of allocation are used: Production – direct production costs, Executive – unrestricted direct costs, Support services – unrestricted direct costs, Promotion – Box office income, Front of house – Box office income, Occupancy – unrestricted direct cost

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the appropriate fund.

Unrestricted funds are donations and other income received or generated for expenditure on the general objectives of the charity.

When grants and donations are received for a specific purpose involving capital investment, the cash will be recorded against a restricted fund. When the investment has been made, the relevant capital asset will be recorded against the relevant fund, and depreciation of the asset charged against the fund. Once any restrictions on the use of the asset have expired, the asset will be transferred from the restricted fund to the Trust's unrestricted funds.

Stocks

Stocks are stated at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items. Cost comprises the invoiced value of the goods and services received.

Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets except freehold land by equal annual instalments over their expected useful lives. The periods applicable are as follows:

Freehold buildings	50 years
Long leasehold buildings	50 years
Wardrobe equipment, office, bar and restaurant fixtures and fittings	4 - 10 years
Computer equipment	5 years
Electrical equipment	7 - 15 years
Theatre fixtures and fittings	6 - 12 years
Motor vehicles	4 years

Freehold land is not depreciated.

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

1 Principal accounting policies

Investments

Investments are stated at market value at the balance sheet date.

The investment portfolio is held to generate returns and gains for the charity and accordingly is designated as fair value through profit and loss ("FVTPL"). Under this designation the portfolio is revalued at each period end to its fair value, as determined by reference to quoted market prices and values determined by independent fund managers, with any gains or losses going through the SoFA.

Staff costs

The costs of short-term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Pensions

Leeds Theatre Trust Limited operates a Group Personal Pension Plan with Standard Life which is a defined contribution contracted-in money purchase scheme.

Accordingly, these financial statements include pension costs payable on a defined contribution basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SoFA on a straight-line basis over the period of the lease.

Financial instruments

The group 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.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

Financial assets, other than those held at fair value through profit and loss, 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 income and expenditure account.

Creditors, loans and provisions

Creditors, loans and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Financial liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

As permitted by paragraph 34.90 of FRS 102, concessionary loans are initially recognised at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

1 Principal accounting policies

Taxation

Leeds Theatre Trust is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the charity is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

Critical accounting judgements and estimation uncertainty

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment and the note below for the useful economic lives for each class of assets.

2 Income from donations and legacies

	2021 £	2020 £
Donations (Unrestricted)	1,036,180	128,923

In addition to the unrestricted voluntary income above, the Trust has received restricted grant income of £1,583,903 (2020 £879,984), which is analysed in note 19.

3 Income from charitable activities

	2021 £	2020 £
Core funding/performance grants:		
- Arts Council England	1,465,670	2,213,846
- Culture Recovery Fund	3,000,000	-
- Leeds City Council	587,493	588,665
	5,053,163	2,802,511
Income from theatre productions:		
Admission charges	408,402	2,372,083
Co-production income	70,337	500,480
Recharge income	675	39,963
Touring out	-	148,756
Creative engagement: education and event income	40,991	55,462
Royalty income	-	17,450
Other income	77,073	99,413
	5,650,641	6,036,118

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

4 Expenditure on charitable activities and raising funds

The Trust undertakes direct charitable activities only and does not make grant payments.

For the year to 31 July 2021	Unrestricted direct costs	Unrestricted support costs (Note 5)	Unrestricted total costs	Costs against designated fund	Restricted total costs	Total 2021
Expenditure on charitable activities:	£	£	£	£	£	£
Own theatre productions	447,162	1,107,805	1,554,967	19,818	38,557	1,613,342
Visiting theatre productions	214,144	586,762	800,906	-	-	800,906
Touring out	45,450	84,533	129,983	-	-	129,983
Creative Engagement	373,647	884,510	1,258,157	-	200,171	1,458,328
	1,080,403	2,663,610	3,744,012	19,818	238,728	4,002,559
Depreciation	121,963	-	121,963	-	305,391	427,354
Governance	8,269	8,120	16,389	-	-	16,389
Total expenditure on charitable activities	1,210,634	2,671,730	3,882,364	19,818	544,119	4,446,301
Expenditure on raising funds:						
Fundraising expenses	131,311	131,025	262,336	-	-	262,336
Trading expenses	158,764	-	158,764	-	-	158,764
Total expenditure on raising funds	290,075	131,025	421,100	-	-	421,100
Total	1,500,709	2,802,755	4,303,464	19,818	544,119	4,867,401
Capital redevelopment contribution	(1,181,347)	-	(1,181,347)	-	-	(1,181,347)
Total expenditure	319,362	2,802,755	3,122,117	19,818	544,119	3,686,054

As disclosed in note 22 the capital redevelopment fund relates to a credit against the amount Leeds Theatre Trust contributed towards the capital project in prior years. This arose due to Leeds City Council obtaining additional funding such that a credit against this expense was due back to the charity.

Notes to the Financial Statements for the year ended 31 July 2021

4 Expenditure on charitable activities and raising funds (continued)

For the year to 31 July 2020	Unrestricted direct costs	Unrestricted support costs (Note 5)	Unrestricted total costs	Costs against designated fund	Restricted total costs	Total 2020
Expenditure on charitable activities:	£	£	£	£	£	£
Own theatre productions	2,267,123	2,341,791	4,608,914	-	172,939	4,781,853
Visiting theatre productions	502,267	489,948	992,215	-	-	992,215
Touring out	233,036	167,119	400,155	-	-	400,155
Creative Engagement	113,307	226,580	339,887	-	406,265	746,152
	3,115,733	3,225,438	6,341,171	-	579,204	6,920,375
Depreciation	398,498	-	398,498	-	-	398,498
Capital build project costs	331,883	-	331,883	-	-	331,883
Governance	28,951	11,426	40,377	-	-	40,377
Total expenditure on charitable activities	3,875,065	3,236,864	7,111,929	-	579,204	7,691,133
Expenditure on raising funds:						
Fundraising expenses	139,930	55,911	195,841	-	-	195,841
Trading expenses	545,947	-	545,947	-	-	545,947
Total expenditure on raising funds	685,877	55,911	741,788	-	-	741,788
Total expenditure	4,560,942	3,292,775	7,853,717	-	579,204	8,432,921

Notes to the Financial Statements for the year ended 31 July 2021

5 Analysis of support costs

The Trust allocates its support costs between the charitable activities undertaken as shown in the table below.

For the year to 31 July 2021	Production	Executive	Support services	Promotion	Front of house	Occupancy	Total support costs 2021
	£	£	£	£	£	£	£
Allocated to cost of charitable activity:							
Own theatre productions	389,013	60,932	198,429	131,006	145,544	182,880	1,107,805
Visiting theatre productions	186,229	29,178	95,021	89,246	99,150	87,938	586,762
Touring out	39,487	6,196	20,177	-	-	18,673	84,533
Creative Engagement	413,487	64,787	210,982	-	-	195,254	884,510
Allocated to costs of generating donations	-	17,885	58,244	-	-	54,896	131,025
Governance	-	1,117	3,637	-	-	3,366	8,120
Total support costs	1,028,216	180,095	586,490	220,252	244,694	543,007	2,802,755

For the year to 31 July 2020	Production	Executive	Support services	Promotion	Front of house	Occupancy	Total support costs 2020
	£	£	£	£	£	£	£
Allocated to cost of charitable activity:							
Own theatre productions	825,888	138,054	537,382	209,931	268,057	362,479	2,341,791
Visiting theatre productions	159,662	26,687	103,880	56,942	72,708	70,069	489,948
Touring out	74,038	12,381	48,193	-	-	32,507	167,119
Creative Engagement	99,065	16,555	64,442	1,341	1,712	43,465	226,580
Allocated to costs of generating donations	1,158,653	193,677	753,897	268,214	342,477	508,520	3,225,438
Governance	-	7,437	28,948	-	-	19,526	55,911
	-	1,520	5,916	-	-	3,990	11,426
Total support costs	1,158,653	202,634	788,761	268,214	342,477	532,036	3,292,775

Notes to the Financial Statements for the year ended 31 July 2021

6 Analysis of funding support for charitable activities

This table shows the cost of the main charitable activities and the sources of revenue directly to support those activities.

For the year to 31 July 2021		Own theatre productions	Visiting theatre productions	Touring out	Creative Engagement	Total 2021
	£	£	£	£	£	£
Admission charges	242,924	165,478	-	-	-	408,402
Creative engagement: education and event income	-	-	-	-	40,991	40,991
Co-production income	70,337	-	-	-	-	70,337
Recharge income	-	675	-	-	-	675
Other income	32,386	-	-	-	-	32,386
Total direct revenue	345,647	166,153	-	-	40,991	552,791
Unrestricted total costs (Note 4)	(1,554,967)	(800,906)	(129,983)	(1,258,157)	(3,744,012)	
Net cost funded from grants and other income	(1,209,320)	(634,753)	(129,983)	(1,217,166)	(3,191,222)	
For the year to 31 July 2020		Own theatre productions	Visiting theatre productions	Touring out	Creative Engagement	Total 2020
	£	£	£	£	£	£
Admission charges	1,865,993	506,090	148,756	31,925	2,552,764	
Co-production income	500,480	-	-	-	500,480	
Recharge income	-	39,963	-	-	39,963	
Other income	10,000	-	-	23,537	33,537	
Total direct revenue	2,376,473	546,053	148,756	55,462	3,126,744	
Unrestricted total costs (Note 4)	(4,608,914)	(992,215)	(400,155)	(339,887)	(6,341,171)	
Net cost funded from grants and other income	(2,232,441)	(446,162)	(251,399)	(284,425)	(3,214,427)	

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

7 Financial activities of the charity

The Charity has taken advantage of section 408 of the Companies Act 2006 and has not included its own income and expenditure accounts in these financial statements.

A summary of the financial activities undertaken by the Trust is set out below:

	2021 £	2020 £
Income	9,045,050	7,766,728
Expenditure on charitable activities	(3,229,708)	(7,691,133)
Expenditure on raising funds	(262,336)	(195,841)
Gains on investments	94,041	(49,104)
Net movements in funds	5,647,047	(169,350)
Total funds brought forward	5,045,797	5,215,147
Total funds carried forward	10,692,844	5,045,797
Represented by:		
Restricted funds	6,178,518	5,138,734
Unrestricted funds	4,514,326	(92,937)
	10,692,844	5,045,797

Operating costs are stated after charging: Auditor's remuneration of £15,750 (2020: £15,750) for audit services in respect of the Group and £2,700 (2020: £2,700) for taxation services.

8 Operations of trading subsidiary

The wholly owned trading subsidiary, Leeds Playhouse (Enterprises) Limited, registered in England and Wales, pays all its profits to its parent charitable company under gift aid. Leeds Playhouse (Enterprises) Limited operates the bars, restaurant, coffee lounge and all commercial trading operations carried on at the Leeds Playhouse and is commissioned by Leeds Theatre Trust Limited and other theatre companies to produce theatre productions. Leeds Theatre Trust Limited owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results and financial position of Leeds Playhouse (Enterprises) Limited is shown below.

	2021 £	2020 £
Turnover	1,368,491	3,772,776
Other income – CJRS government grants	41,501	85,059
Cost of sales	(1,324,260)	(3,457,116)
Gross profit	85,732	400,719
Administrative expenses	(179,517)	(393,131)
Operating profit	(93,785)	7,588
Interest receivable	162	380
Operating profit	(93,623)	7,968
Tax on profit on ordinary activities	-	-
Profit for the financial year after taxation	(93,623)	7,968

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

8 Operations of trading subsidiary (continued)

	2021	2020
	£	£
Current assets	1,225,507	882,516
Creditors: amounts falling due within one year	(1,273,880)	(837,266)
Creditors: amounts falling due after one year	(45,000)	(45,000)
Total net assets	(93,373)	250
Share capital and reserves	(93,373)	250

9 Taxation

The Trust has charitable status, and its investment income and gains are exempt from corporation tax by virtue of the provisions of section 488, Corporation Taxes Act 2010. Furthermore, it is considered that the trading activities of the Trust are carried out as the primary purpose of the charitable company and, accordingly, any element of the operating surplus attributable to such activities is also exempt from corporation tax under the provisions of that section.

10 Staff costs

	Group 2021	2020
	£	£
Wages and salaries	2,528,333	4,011,852
Redundancy	9,052	-
Social security costs	215,058	246,181
Pension costs	57,470	75,720
	2,809,913	4,333,753

The average number of full-time equivalent employees (including casual and part-time staff) during the period was as follows:

	Group 2021	2020
	Number	Number
Trading	12	30
Stage performances	36	70
Box office and front of house	42	43
Creative Engagement	26	16
Administration	24	21
	140	180

The number of employees whose emoluments (excluding pension contributions, employer's social security costs but including benefits in kind) fell within the following bands:

	2021	2020
	Number	Number
£70,001 to £80,000	2	2

The key management personnel of the charity comprise the trustees, the Executive Director and Joint Chief Executive, Artistic Director and Joint Chief Executive, Finance Director, Technical Director, Marketing & Communications Director, Director - Creative Engagement, Strategic Director of Fundraising and Development, HR & Learning Director, Commercial Director, Associate Director, and the Senior Producer. The total cost of their employment was £569,831 (2020: £494,560).

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

10 Staff costs (continued)

Regular benchmarking exercises are carried out to ensure that staff salary rates are consistent with market rates for the sector. An annual pay review is implemented in April of each year.

During the year Neil Adleman (trustee) was reimbursed for out-of-pocket expenses of £nil (2020: £125).

The directors of the charity are also the Trustees under charity law and received no remuneration either from the Charity or its subsidiary. The Charity has taken out indemnity insurance that protects both the Charity and its Trustees from losses arising from neglect or default by the Trustees, employees or other agents of the Group.

11 Fixed Assets

Group and company

	Freehold land and buildings £	Long Leasehold buildings £	Fixtures, Fittings and motor vehicles £	Total £
Cost				
At 31 July 2020	467,578	14,041,461	1,228,430	15,737,469
Additions	-	-	323,354	323,354
Disposals	-	-	(33,320)	(33,320)
At 31 July 2021	467,578	14,041,461	1,518,464	16,027,503
Depreciation				
At 31 July 2020	118,909	8,440,333	899,529	9,458,771
Provided in the period	6,537	280,000	140,817	427,354
Eliminated on disposal	-	-	(32,620)	(32,620)
At 31 July 2021	125,446	8,720,333	1,007,726	9,853,505
Book values				
At 31 July 2021	342,132	5,321,128	510,738	6,173,998
At 31 July 2020	348,669	5,601,128	328,901	6,278,698

All tangible fixed assets were used for charitable purposes. The bar, restaurant and conference facilities were also used by the trading subsidiary to generate funds.

Fixed assets includes assets held under hire purchase leases with a cost of £214,823, a book value of £128,893 and depreciation of £42,965 has been charged in the year.

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

12 Investments

Group and company

	Listed Investments £
Cost or valuation	
At 31 July 2020	586,206
Less: sale of investments	-
Net investment gains	94,041
At 31 July 2021	680,247
Net book amount	
At 31 July 2021	680,247
At 31 July 2020	586,206

Investments are listed on a recognised stock exchange and are valued at fair value through the statement of financial activities.

The allocation of investments held at the period end was as follows:

	2021 £	2020 £
UK and overseas equities	443,707	376,599
UK and overseas Fixed interest	65,593	67,903
Short term cash deposits	170,947	141,704
Book value at 31 July	680,247	586,206
Historical cost at 31 July	538,064	635,639

The Charitable company also holds a £2 investment in its subsidiary (2020: £2).

The £2 investment is stated at cost and represents 100% of the ordinary share capital of Leeds Playhouse (Enterprises) Limited, company number 02441300 registered in England and Wales with its registered office at the same address as its parent company. The results and aggregate amount of capital and reserves of the subsidiary at 31 July 2020 are disclosed in note 8 to these financial statements.

Leeds Playhouse (Enterprises) Limited is controlled by virtue of the parent Charity holding 100% of the issued share capital. It has a reporting date which is coterminous with the Charity and its registered office is the same as that of the parent company.

13 Stocks

	Group 2021 £	2020 £	Charitable company 2021 £	2020 £
Raw materials and goods for resale	24,808	32,426	13,096	16,928

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

14 Debtors

	Group		Charitable company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	150,427	139,299	134,810	130,315
Debtors arising on operations	7,914	1,573,007	7,914	1,555,982
Other debtors	181,818	749,499	-	-
Other taxes and social security	123,225	-	123,225	-
Prepayments	405,097	238,023	404,998	237,688
Accrued income	704,296	924,361	704,057	924,361
Amounts owed by subsidiary undertaking	-	-	735,534	761,824
	1,572,776	3,624,189	2,110,538	3,610,170

15 Creditors: amounts falling due within one year

	Group		Charitable company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	267,110	193,494	258,620	198,592
Other taxes and social security	70,259	99,605	65,519	93,915
Other creditors	167,869	160,088	116,700	139,670
Finance lease creditor	80,094	80,094	80,094	80,094
Loans - Leeds City Council	264,267	-	264,267	-
Amounts owed to subsidiary undertaking	-	-	-	-
Accruals	370,328	352,447	344,879	309,649
Deferred income (note 18)	327,870	557,482	327,870	557,482
	1,547,796	1,443,210	1,457,949	1,379,402

A bank overdraft facility is secured by a fixed and floating charge over the group and charitable company's freehold land and buildings.

16 Loans & Finance lease obligations

	Group		Charitable company	
Future minimum lease payments:	2021	2020	2021	2020
	£	£	£	£
Amounts due within one year	76,316	76,316	76,316	76,316
Amounts due in two to five years	66,599	143,662	66,599	143,662
	142,915	219,978	142,915	219,978
Less future finance changes	(10,208)	(17,479)	(10,208)	(17,479)
	132,707	202,499	132,707	202,499

	Group		Charitable company	
Future minimum loan payments:	2021	2020	2021	2020
	£	£	£	£
Amounts due within one year	286,253	-	286,253	-
Amounts due in two to five years	1,234,622	-	1,234,622	-
	1,520,875	-	1,520,875	-
Less future finance changes	(93,241)	-	(93,241)	-
	1,427,634	-	1,427,634	-

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

17 Creditors: amounts falling due after more than one year

	Group		Charitable company	
	2021	2020	2021	20
	£	£	£	£
Other creditors	-	4,788,876	-	4,788,876
Finance lease creditor	52,613	122,405	52,613	122,405
Loans - Leeds City Council	1,163,367	-	1,163,367	-
Other loans	45,000	45,000	-	-
	1,260,980	4,956,281	1,215,980	4,911,281

Other creditors (2021 £1,427,634, 2020 £4,788,876) are the amount payable to Leeds City Council representing the value of Leeds Theatre Trust Limited's grant contribution to the Council's scheme for the redevelopment of Leeds Playhouse and is summarised as follows:

- £500,000 loan agreement payable over 15 years from September 2021
- £957,541 loan repayable over a five-year period ending in September 2024.

Other loans represent a 3-year loan advanced to Leeds Playhouse (Enterprises) Limited by the brewery, the loan is interest free, but this is conditional on minimum purchasing commitments.

18 Deferred income

The movements in deferred income during the year were as follows. Contractual income is deferred when income is invoiced or received in advance of delivery of the associated service. The majority of deferred income relates to ticket sales for shows in the next financial year: the income is released when the performances take place.

	Group		Charitable company	
	2021	2020	2021	2020
	£	£	£	£
At 1 August 2020	557,482	867,655	557,482	861,655
Released in year	(557,482)	(867,655)	(557,482)	(861,655)
Deferred in year	327,870	557,482	327,870	557,482
At 31 July 2021	327,870	557,482	327,870	557,482

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

19 Analysis of charitable funds

For the year ended 31 July 2021	Balance at 31 July 2020	Movement in period		Transfers between funds	Balance at 31 July 2021
Restricted Funds	£	Income £	Expenditure £	£	£
Grants of a capital nature:					
Front of House Improvements	-	128,711	(19,157)	-	109,554
Premises fund - long leasehold theatre complex	5,581,972	-	(280,000)	-	5,301,971
Total capital grants	5,581,972	128,711	(299,157)	-	5,411,525
Grants of a revenue nature:					
Theatre of Sanctuary	10,000	-	-	-	10,000
Theatre redevelopment project	(802,294)	841,135	-	-	38,841
Roof Project	-	431,708	(10,670)	-	421,038
Leeds City Council	-	587,493	(587,493)	-	-
The Liz and Terry Bramall Charitable Trust	32,272	-	(32,268)	-	4
National Lottery Community Fund	6,745	-	(6,745)	-	-
ACE Celebrating Age	9,995	26,035	-	-	36,030
Esmée Fairbairn	66,159	-	(66,159)	-	-
Literary fund & Play Enabling	21,233	4,000	-	-	25,233
Ramps On The Moon	14,998	8,110	-	-	23,108
ACE Action Research	105,394	-	(6,234)	-	99,160
Andrew Lloyd Webber Foundation	2,503	10,000	-	-	12,503
Comic Relief	23,744	-	-	-	23,744
Stage One Theatre Investment Fund	8,518	-	(7,865)	-	653
Creative Arts & Dementia Project	351	-	-	-	351
Emerald Foundation	60,000	50,000	(35,000)	-	75,000
Talent Development	(3,857)	18,500	(16,470)	-	(1,827)
Weston Jerwood Fellowship	-	5,704	(3,551)	-	2,153
Society for Theatre Research	1,000	-	-	-	1,000
Burberry Inspire	-	60,000	(60,000)	-	-
Total revenue grants	(443,239)	2,042,685	(832,455)	-	766,991
Total Restricted Funds	5,138,733	2,171,396	(1,131,612)	-	6,178,517

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

19 Analysis of charitable funds (continued)

For the year to 31 July 2021	Balance at 31 July 2020 £	Movement in period			Balance at 31 July 2021 £
		Income £	Expenditure £	Designations £	
Unrestricted Funds					
Designated:					
Capital Equipment fund	19,817	-	(19,817)	87,250	87,250
Roof Replacement fund	-	-	-	430,000	430,000
Grant Specific designations	-	-	-	608,282	608,282
Covid-19 Recovery fund	-	-	-	721,380	721,380
Total Designated funds	19,817	-	(19,817)	1,846,912	1,846,912
Unrestricted – general:					
Unrestricted funds	(112,504)	6,973,794	(2,440,582)	(1,846,912)	2,573,794
Total Funds	(92,687)	6,973,794	(2,460,399)	-	4,420,706

For the year ended 31 July 2020	Balance at 31 July 2019 £	Movement in period		Transfers between funds £	Balance at 31 July 2020 £
		Income £	Expenditure £		
Restricted Funds					
Grants of a capital nature:					
Premises fund - long leasehold theatre complex	5,861,972	-	-	(280,000)	5,581,972
Total capital grants	5,861,972	-	-	(280,000)	5,581,972
Grants of a revenue nature:					
First Floor	3,476	-	(3,476)	-	-
Theatre of Sanctuary	-	10,000	-	-	10,000
Theatre redevelopment project	(1,327,504)	540,171	(14,961)	-	(802,294)
The Liz and Terry Bramall Charitable Trust	182,272	-	(150,000)	-	32,272
National Lottery Community Fund	6,741	99,346	(99,432)	-	6,745
ACE Celebrating Age	-	9,995	-	-	9,995
Esmée Fairbairn	101,790	66,159	(101,790)	-	66,159
Literary fund	21,233	-	-	-	21,233
Ramps On The Moon	14,998	-	-	-	14,998
Theatre Productions	46,676	-	(46,676)	-	-
ACE Action Research	111,628	-	-	(6,234)	105,394
Andrew Lloyd Webber Foundation	10,000	-	(7,497)	-	2,503
Comic Relief	4,868	23,973	(5,097)	-	23,744
Stage One Theatre Investment	18,030	-	(9,512)	-	8,518
Creative Arts & Dementia Project	8,007	-	(7,656)	-	351
Emerald Foundation	60,000	60,000	(60,000)	-	60,000
Talent Development	-	9,250	(13,107)	-	(3,857)
Society for Theatre Research	-	1,000	-	-	1,000
Burberry Inspire	-	60,000	(60,000)	-	-
Total revenue grants	(737,785)	879,984	(579,204)	(6,234)	(443,239)
Total Restricted Funds	5,124,187	879,984	(579,204)	(286,234)	5,138,733

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

19 Analysis of charitable funds (continued)

For the year to 31 July 2020

Unrestricted Funds	31 July 2019	Income	Expenditure	Transfers	31 July 2020
Designated:					
Capital Equipment fund	1,060,930	23,941	(1,084,871)	-	-
Unrestricted – general:					
Unrestricted funds	401,483	3,627,863	(4,228,699)	(290,561)	91,208
Total Funds	8,918,631	4,860,838	(8,564,074)	-	5,215,395

Grants of a capital nature

Restricted funds in respect of the long leasehold theatre complex are transferred to unrestricted funds over 50 years, being the period over which the theatre complex is depreciated. The Equipment fund represents the value of grants received towards the costs of specific theatre assets.

The Liz & Terry Bramall Charitable Trust provided funds of £111,211 for improvements to the Front of House areas. Other funds provided for this work included £5,000 from Roland Stross, £10,000 from Arnold Burton and £500 from Nicola Down.

Grants of a revenue nature

Grants of £841,135 were received towards the Theatre redevelopment project including £611,112 from Leeds City Council's successful application to ACE Capital Kickstart and £200,000 from The Liz and Terry Bramall Charitable Trust as a fifth instalment of the £1,000,000 total commitment from the Trust to the project.

The Backstage Trust provided funds totalling £431,708 towards the feasibility study and subsequent works to repair the Playhouse roof.

Arts Council England provided funding of £26,035 towards the Overcoming Loneliness project to help people overcome loneliness and isolation with creativity.

Ramps On The Moon is a collaboration between Birmingham Repertory Theatre, New Wolsey Theatre Ipswich, Nottingham Playhouse, Leeds Playhouse, Sheffield Theatres, Theatre Royal Stratford East and Graeae Theatre funded by Arts Council England aiming to lead a fundamental change across the theatre industry in the development of deaf and disabled people as performers, audiences and participants.

Leeds City Council provided a Play Enabling grant of £4,000 helping organisations make Leeds city centre more child friendly. Leeds City Council provided a grant of £587,493 to assist the Playhouse in delivering the Creative Programme. This was year 4 of a 4 year funding agreement.

The Emerald Foundation provided a £50,000 grant to fund Leeds Playhouse Youth Project consisting of creative projects, workshops and production for anyone aged 5-25 years old.

The Burberry Foundation provided £60,000 in the previous year to enable Leeds Playhouse to work as a key partner in the Burberry Cultural Capital in Yorkshire project delivering engaging and impactful experiences, through participating schools, giving young people the creative agency to become theatre-makers in their own right.

The Regional Theatres Young Directors Scheme provided a grant of £18,500 for talent development of a Resident Director

The Weston Jerwood Fellowship provided funds of £5,704 for talent development of a Resident Designer.

The Andrew Lloyd Webber Foundation provided funds of £10,000 towards the Leeds Playhouse – Young Leaders, providing training, support, and a host of creative opportunities to 12 young people with a passion for the arts.

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

19 Analysis of charitable funds (continued)

Unrestricted designated funds

Designated funds are held at the discretion of Trustees. The Trust has identified four main designated funds as follows:

- Capital Equipment Fund
- Roof Replacement Fund
- Grant Specific Designations
- Planned future deficits as part of our Covid-19 recovery plan

20 Analysis of group net assets between funds

As at 31 July 2021	Unrestricted		Restricted funds £	Total Funds £
	General funds	Designated funds		
	£	£		
Tangible fixed assets	872,027	-	5,301,971	6,173,998
Investments	680,245	-	-	680,245
Current assets	3,830,296	1,846,912	876,546	6,553,754
Current liabilities	(1,547,796)	-	-	(1,547,796)
Long term liabilities	(1,260,980)	-	-	(1,260,980)
	2,573,794	1,846,912	6,178,517	10,599,223

As at 31 July 2020	Unrestricted		Restricted funds £	Total Funds £
	General funds	Designated funds		
	£	£		
Tangible fixed assets	696,727	-	5,581,971	6,278,698
Investments	586,206	-	-	586,206
Current assets	5,004,054	19,817	(443,238)	4,580,633
Current liabilities	(1,443,210)	-	-	(1,443,210)
Long term liabilities	(4,956,281)	-	-	(4,956,281)
	(112,504)	19,817	5,138,733	5,046,046

21 Material Item - Reduction in Contribution to Leeds City Council Capital Redevelopment

The total amount due to Leeds City Council relating to the capital redevelopment, was £4,788,876 and was accounted as expenditure in prior years. During the year Leeds City Council were awarded an ACE Capital Kickstart grant allowing the Council to reduce the overall contribution to the capital redevelopment from the Playhouse. The reduction in the final contribution of £1,181,347 has therefore been accounted as negative expenditure in these financial statements.

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

22 Related party transactions

The Trust has a close working relationship with Leeds City Council, which has nominated two trustees and provides funding by means of an annual grant to enable the charitable company to carry out its charitable objectives. The following is a summary of financial transactions with Leeds City Council (excluding business rates and similar charges):

	2021 £	2020 £
Grants received	559,232	588,665

Grant funding was received either as fees under contract or by grant funding conditional on the staging of specific performances or drama training events. This income has been included in the financial statements under incoming resources from charitable activities.

The land on which the theatre complex is situated is owned by Leeds City Council and occupied by Leeds Theatre Trust Limited at a peppercorn rent, under a 250-year lease dated 3 May 2007. A balance of £1,427,634 (2020 - £4,788,876) included in other creditors due after more than one year in the balance sheet is payable to Leeds City Council representing the current value of Leeds Theatre Trust Limited's grant contribution to the Council's scheme for the redevelopment of Leeds Playhouse.

Leeds Theatre Trust Limited paid £nil (2020 £1,800) for legal services to Harbottle & Lewis LLP. Neil Adleman (trustee) is a partner at Harbottle & Lewis. Leeds Theatre Trust Limited also paid £29,198 (2020: £52,092) to Spektrix Ltd for box office services. Michael Nabarro, who is a trustee of Leeds Theatre Trust Limited, is CEO of Spektrix Limited. Sarah Friskney, trustee, was employed as Senior Development Surveyor at Caddick Developments Ltd. Caddick Group PLC, the parent company of Caddick Developments paid £20,000 (2020: £24,000) in capital sponsorship to Leeds Playhouse (Enterprises) Limited, and Moda Living Limited, the sister company, paid £nil (2020: £2,033) for catering to Leeds Playhouse (Enterprises) Limited during the year; Caddick Group PLC paid £nil (2019 £157) for catering. Sharon Watson, trustee, is the Artistic Director of Phoenix Dance Theatre; Leeds Theatre Trust paid Phoenix Dance Theatre £nil for choreography fees (2020: £19,256 for choreography fees) and Phoenix Dance Theatre paid Leeds Theatre Trust Limited £nil (2020 :£4,870). During the year Neil Adleman, trustee, was reimbursed for out-of-pocket expenses of £nil (2020: £125) and Claire Lowson, trustee, £nil (2019: £nil).

Leeds Theatre Trust Limited

Notes to the Financial Statements for the year ended 31 July 2021

23 Comparative statement of financial activity for the year ended 31 July 2020

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2020 £	Total Funds 2019 £
Income from:					
Donations and legacies	2,18	128,923	879,984	1,008,907	1,231,516
Commercial trading operations		588,915	-	588,915	228,865
Income from investments		57,614	-	57,614	57,569
Income from charitable activities	3	6,036,118	-	6,036,118	3,359,947
Coronavirus Job Retention Scheme		621,449	-	621,449	-
Total income		7,433,019	879,984	8,313,003	4,877,897
Expenditure on:					
Raising funds	4	741,788	-	741,788	470,787
Expenditure on charitable activities	4	7,111,929	579,204	7,691,133	8,134,287
Total expenditure		7,853,717	579,204	8,432,921	8,605,074
Net (expenditure)/ income before other (losses)/gains		(420,698)	300,780	(119,918)	3,727,177
Losses/(gains) from investments	12	(49,431)	-	(49,431)	23,941
Net (expenditure)/income before transfers		(470,129)	300,780	(169,349)	(3,703,236)
Transfers between funds	19	286,234	(286,234)	-	-
Net movement in funds		(183,895)	14,546	(169,349)	(3,703,236)
Reconciliation of funds:					
Total funds brought forward	19	91,206	5,124,187	5,215,395	8,918,631
Total funds carried forward	19	(92,687)	5,138,733	5,046,046	5,215,395