

Company No. SC125708

The Royal
Lyceum
Edinburgh

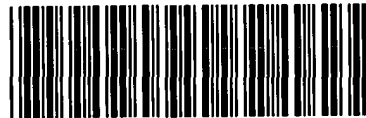
LYCEUM THEATRE TRADING LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

1 APRIL 2023 TO 31 MARCH 2024

SATURDAY



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COMPANIES HOUSE

LYCEUM THEATRE TRADING LIMITED

COMPANY INFORMATION

Directors	Hedda Beeby Michael Griffiths Janet Hamblin
Secretary	Michael Griffiths
Registered office	Royal Lyceum Theatre 308 Grindlay Street Edinburgh EH3 9AX
Bankers	Royal Bank of Scotland 142-144 Princes Street Edinburgh, EH2 4EQ
Auditor	Saffery LLP Chartered Accountants and Statutory Auditor 9 Haymarket Square Edinburgh EH3 8RY
Company number	SC125708

LYCEUM THEATRE TRADING LIMITED

DIRECTORS REPORT

The directors submit their report and financial statements for the year ended 31 March 2024.

Principal Activity

The Company's principal activity during the period was the provision of bar and catering facilities.

Results

The trading profit for the period amounted to **£120,002** (2023: £82,308). Contribution made to the parent undertaking, The Royal Lyceum Theatre Company Limited, under gift aid was **£120,002** (2023: £69,617). This resulted in a retained profit for the period of **£2** (2023: £2).

Directors

The directors during the period were as follows:-

Hedda Beeby
Michael Griffiths
Janet Hamblin

Statement of directors responsibilities

The directors are responsible for preparing the Directors Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make adjustments 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:-

- as far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all the steps they ought to have taken as a director in order to make them aware of any relevant audit and to establish that the company's auditor is aware of that information.

Auditor

A resolution to reappoint Saffery LLP as auditor will be put to the shareholders at the Annual General Meeting.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act

ON BEHALF OF THE BOARD



Michael Griffiths

Director

Date: 14/11/2024

LYCEUM THEATRE TRADING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LYCEUM THEATRE TRADING LIMITED

Opinion

We have audited the financial statements of Lyceum Theatre Trading Limited (the 'company') for the year ended 31 March 2024 which comprise profit and loss account, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainties related to going concern

We draw attention to note 14 within the financial statements which states that the company relies on the ongoing support of the parent charitable company to meet debts as they fall due.

The future operations of the charitable parent company, group and company are dependent on the continued financial support of group core funding bodies, the receipt of the parent charity Theatre Tax Credit claims, ongoing group bank funder support and sufficient future operating group surpluses and cashflow to finance group ordinary activities.

The charitable parent company and group is awaiting, at the date of approval of the accounts, on the formal outcome of funding applications made by the charitable parent for core funding continuity beyond March 2025. In the circumstances, the Directors and charitable parent Trustees have sought and received assurances where possible from Creative Scotland on likely outcomes including access to transitional funding in the event that regular funding applications are unsuccessful.

Against this background, the charitable parent company Trustees and company directors have considered and approved management prepared financial operating group and company projections for the period to 31 December 2025 which include funding assumptions for both positive funding outcomes and separately on a transitional funding basis using anticipated operational costs and income assumptions for both scenarios which the charitable parent company Trustees and company Directors consider to be reasonable and prudent.

In arriving at these assumptions, the company Directors, mindful of the deficit of reserves within the charitable group, accept that adequate future Creative Scotland parent charity support including flexible arrangements to cover any operating cash shortfalls relating to the timing of parent charity TTR receipts and the ongoing availability of group bank overdraft arrangements over the forecast period and the ability to reshape group operations are material uncertainties to the going concern basis of preparation. However, having considered the matters above and the conclusions from the parent charity Trustees, the company Directors are of the view that, at the date of approval of the financial statements, the company has access to sufficient reserves and other resources and the ability to reshape the business as group funding outcomes may require to continue to operate and meet debts as they fall due for the foreseeable future. Therefore, the financial statements have been drawn up on a going concern basis.

These events or conditions along with other matters as set forth in Note 14, indicate that material uncertainties exist which may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

LYCEUM THEATRE TRADING LIMITED

Identifying and assessing risks related to irregularities:

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

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:

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

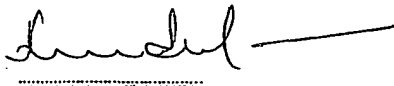
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of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

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

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

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kenneth McDowell (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors
9 Haymarket Square
Edinburgh EH3 8RY

Date: 15 November 2024

LYCEUM THEATRE TRADING LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024

		1 April 2023 to 31 March 2024 £	1 April 2022 to 31 March 2023 £
	Note		
Turnover	4	281,014	209,243
Cost of sales		(148,530)	(113,306)
Gross Profit		132,484	95,937
Administrative expenses		(12,482)	(13,629)
Operating Profit	5	120,002	82,308
Interest receivable		-	-
Taxation	7	-	-
Profit for the year and total comprehensive income		120,002	82,308
 Retained Earnings at 31 March 2023		2	(12,689)
Payment under gift aid to The Royal Lyceum Theatre Company Limited		(120,002)	(69,617)
Retained Earnings at 31 March 2024		2	2

All results relate to continuing activities.

The notes on pages 8 to 11 form part of these financial statements

LYCEUM THEATRE TRADING LIMITED
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2024

	Note	31 March 2024	31 March 2023 As Restated
		£	£
Fixed assets			
Tangible assets	8	79	499
Current assets			
Stocks	9	12,623	6,734
Debtors	10	13,844	14,227
Cash at bank and in hand		3,780	16,675
		<u>30,247</u>	<u>37,636</u>
Creditors: amounts falling due within one year	11	(30,324)	(38,133)
		<u>(77)</u>	<u>(497)</u>
Net current liabilities			
		<u>2</u>	<u>2</u>
Net Assets / liabilities			
		<u>2</u>	<u>2</u>
Capital and reserves			
Share capital		2	2
Profit and loss account		-	-
Equity shareholders' funds		<u>2</u>	<u>2</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements were approved by the Directors on 14/11/2024



Michael Griffiths
Director

Company No. SC125708

The notes on pages 8 to 11 form part of these financial statements

LYCEUM THEATRE TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Company information

Lyceum Theatre Trading Limited is incorporated and domiciled in Scotland with registered company number SC125708. The registered office is Royal Lyceum Theatre, 30B Grindlay Street, Edinburgh, EH3 QAX. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the Company.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Accounting convention

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the Company's ability to continue as a going concern and have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future; further details are given in note 14 of the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) 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 8 for carrying amounts of tangible assets.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Bar and room hire equipment - over 5 years

Stocks

Stocks are stated at the lower of cost and net realisable value.

Cash flow statement

The company is a wholly owned subsidiary of The Royal Lyceum Theatre Company Limited and its cash flows are included in the consolidated cash flow statement of its parent. Consequently, the company is exempt from preparing a cash flow statement.

LYCEUM THEATRE TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments, which include trade and other receivables and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Basic financial liabilities, which include trade and other payables, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised through profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

4. Turnover

Turnover includes bar, catering and merchandise receipts and is stated net of value added tax.

5. Operating profit/(loss)

	2024	2023
	£	£
This is stated after charging:		
Auditor's remuneration	2,090	3,600
Depreciation	<u>420</u>	<u>948</u>

6. Staff costs

The average monthly number of employees during the period was nil (2023: nil).

All staff are now employed by The Royal Lyceum Theatre Company - Lyceum Theatre Trading Limited no longer has an active payroll.

The directors, who also make up the key management personnel, received no remuneration in the period (2023: £Nil).

7. Taxation

	2024	2023
	£	£
Charge for the period	<u>-</u>	<u>-</u>

Profits in the company are transferred by way of gift aid to the parent undertaking.

LYCEUM THEATRE TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Tangible fixed assets

	Bar and Room Hire Equipment £
Group	
Cost	
At 31 March 23	69,263
Additions	-
At 31 March 24	<u>69,263</u>
Depreciation	
At 31 March 23	68,764
Additions	420
At 31 March 24	<u>69,184</u>
Net book value	
At 31 March 24	<u>79</u>
At 31 March 23	<u>499</u>

9. Stocks

	2024	2023
	£	£
Goods for resale	<u>12,623</u>	<u>6,734</u>

10. Debtors

	2024	2023 As Restated
	£	£
Trade debtors	1,238	835
Amounts owed by group	2,807	4,323
Loan	9,000	9,000
Other debtors	799	69
	<u>13,844</u>	<u>14,227</u>

11. Creditors : amounts falling due within one year

	2024	2023 As Restated
	£	£
Trade creditors	12,905	6,609
Amounts owed to group	-	-
Social security and other taxes	5,224	19,474
Other creditors	9,000	9,000
Accruals	3,195	3,050
	<u>30,324</u>	<u>38,133</u>

**LYCEUM THEATRE TRADING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Share capital

Authorised No.	Allotted & Called Up £
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Ordinary shares of £1 each

2	2
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13. Parent undertaking

The parent undertaking and immediate controlling party throughout the period was The Royal Lyceum Theatre Company Limited, which is limited by guarantee and incorporated in Scotland. The results of the company are consolidated within The Royal Lyceum Theatre Company Limited's group financial statements which are available from Companies House.

In the directors' opinion, there is no ultimate controlling party.

14. Going concern

The Directors consider the company to be a going concern and the financial statements have been prepared on that basis. The future operations of the company are dependent upon the ongoing support from the parent company, The Royal Lyceum Theatre Company Limited (RLTC).

At the date of approval of the financial statements, the Directors have confirmed with the parent charity that their Trustees consider the charitable parent company and group to be a going concern and the charitable group and parent charity financial statements have been prepared on that basis.

The future operations of the charitable parent company and group are dependent on the continued financial support of core funding bodies, the receipt of Theatre Tax Credit claims, ongoing bank funder support and sufficient future operating surpluses and cashflow to finance ordinary activities.

The charitable parent company and group currently meet day to day working capital requirements through available cash resources, including receipts from advance ticket sales, the ability to work with core funders on flexible funder arrangements and overdraft facilities to ensure that the company continues to meet obligations when they fall due. The Directors are aware that the charitable parent company is waiting to hear whether they will be getting increased Creative Scotland multi-year funding, funding at stand still level or transitional funding and have produced a variety of different forecasts of operating models for the theatre and charitable group. Outcomes from the funding applications are expected at the start of 2025.

In the circumstances, the directors have confirmed that the charitable parent company Trustees have sought and received assurances where possible from Creative Scotland on likely outcomes to inform their going concern consideration including access to transitional funding in the event that regular funding applications are unsuccessful.

Against this background the parent charity trustees and company directors have prepared and approved up-to-date management accounts which reflect programme delivery with additional income from a new strand of one-night performances, and ongoing cost control programme. The trustees and company directors have also prepared and approved cashflow projections to 31 December 2025 for the charitable group and company respectively which include key income and cost assumptions including ongoing support from the group's bank, funding bodies, principally Creative Scotland but have also prepared projections with transitional funding should the Charitable company be unsuccessful in its application for multi-year funding.

These projections also include timely receipt of the Theatre tax credit and prudent box office and trading income projections relevant to the parent charitable group. Forecast cost assumptions have taken account of the current issues facing the economy including funding uncertainties, energy costs and inflation pressures. In arriving at these assumptions, the company directors, mindful of the deficit of reserves within the charitable parent company and group, accept that adequate future Creative Scotland parent charity support including flexible arrangements to cover any operating cash shortfalls relating to the timing of TTR receipts and the ongoing availability of bank overdraft group arrangements over the forecast period and the ability to reshape group operations are material uncertainties to the going concern basis of preparation.

However, having considered the matters above and the conclusions of the parent charity Trustees, the company directors are of the view that, at the date of approval of the financial statements, the charitable group and company has sufficient forecast reserves and other resources and the ability to reshape the business as funding outcomes may require to continue to operate and meet debts as they fall due for the foreseeable future. Therefore, the financial statements have been drawn up on a going concern basis.

15. Related party transactions

At the period end, the company was owed £54,449 by its parent, The Royal Lyceum Theatre Company Limited (2023: £96,940). The company was due to pay £51,642 (2023: £92,617) to its parent representing the contribution of the company's profits for the period under gift aid, making a total balance due from the parent of £2,807 (2023: £4,323).

16. Prior year adjustment and contingent liabilities

The financial statements have been restated for a provision in relation to a historic operating charge with a corresponding reduction to a historic distribution to the parent. Debtors and creditors for the prior year have been restated by £9k in this regard. This liability and debtor estimate could increase by a further £10k however this is not deemed probable at the date of approval. There is no change to the reported reserves in connection with this matter