

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	SOCIETY OF LONDON THEATRE				
Year ended:	31 December 2019				
List No:	1437E				
Head or Main Office:	32 ROSE STREET				
	LONDON				
Postcode	WC2E 9ET				
Website address (if available)	http://solt.co.uk				
Has the address changed during the year to which the return relates?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	JULIAN PIERS BIRD (CHIEF EXECUTIVE)				
Contact name for queries regarding the completion of this return:	LISA RADFORD				
Telephone Number:	020 7557 6705				
E-mail:	lisa@soltukt.co.uk				

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: eymw@tctyoung.co.uk

Contents

Employers' Association's details.....	1
Return of members.....	2
Change of officers.....	2
Officers in post.....	2a
Revenue Account/General Fund.....	3
Accounts other than the revenue account/general fund.....	4-6
Balance sheet.....	7
Fixed Assets Account.....	8
Analysis of investments.....	9
Analysis of investments income (Controlling interests).....	10
Summary sheet.....	11
Notes to the accounts.....	12
Accounting policies.....	13
Signatures to the annual return.....	13
Checklist.....	13
Checklist for auditor's report.....	14
Auditor's report (continued).....	15
Guidance on completion.....	16

Return of Members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	Totals
214			13	227

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
Member of Board of Management	Nicholas Henry Frankfort		20 June 2019
Member of Board of Management	Jonathan Richard Bath		27 November 2019
Member of Board of Management		Lucy Alexandra Davies	24 January 2019
Member of Board of Management		Patrick Howard Murphy	20 June 2019

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
KENNETH HOWARD WAX	PRESIDENT AND MEMBER OF BOARD OF MANAGEMENT
CAROLINE DENISE NEWLING	VICE-PRESIDENT AND MEMBER OF BOARD OF MANAGEMENT
NICHOLAS DAVID ALLOTT	MEMBER OF BOARD OF MANAGEMENT
LOUNICA MAUREEN PATRICIA BURNS	MEMBER OF BOARD OF MANAGEMENT
JONATHAN RYERSON DOUGLAS CHURCH	MEMBER OF BOARD OF MANAGEMENT
LUCY ALEXANDRA DAVIES	MEMBER OF BOARD OF MANAGEMENT
ALEXANDER RUPERT GAVIN	MEMBER OF BOARD OF MANAGEMENT
NIOVE RACHEL JANIS	MEMBER OF BOARD OF MANAGEMENT
REBECCA KANE BURTON	MEMBER OF BOARD OF MANAGEMENT
ELEANOR ROSE LLOYD	MEMBER OF BOARD OF MANAGEMENT
CATHERINE ROWENA MALLYON	MEMBER OF BOARD OF MANAGEMENT
JEREMY SIMON MEADOW	MEMBER OF BOARD OF MANAGEMENT
PATRICK MURPHY	MEMBER OF BOARD OF MANAGEMENT
ANDRE JAN PTASZYNSKI	MEMBER OF BOARD OF MANAGEMENT
DAFYDD HARRIES ROGERS	MEMBER OF BOARD OF MANAGEMENT
ADAM SPEERS	MEMBER OF BOARD OF MANAGEMENT
ROSEMARY ANNE SQUIRE	MEMBER OF BOARD OF MANAGEMENT
JULIAN PIERS BIRD	CHIEF EXECUTIVE

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
	From Members	Subscriptions, levies, etc	574,244	574,244
	Investment income	Interest and dividends (gross)		
		Bank interest (gross)	43,480	43,480
		Other (specify)		
		Total Investment Income	43,480	43,480
	Other Income	Rents received	388,161	388,161
		Insurance commission		
		Consultancy fees	40,865	40,865
		Publications/Seminars		
		Miscellaneous receipts (specify)		
		Ticket sales / commissions	5,655,570	5,655,570
		Total of other income		6,084,596
		Total income		6,702,320
		Interfund Transfers IN		
	Expenditure			
	Administrative expenses	Remuneration and expenses of staff	2,514,163	2,514,163
		Occupancy costs	163,674	163,674
		Printing, Stationery, Post	17,394	17,394
		Telephones	15,901	15,901
		Legal and Professional fees	83,285	83,285
		Miscellaneous (specify)		
		Cost of goods and promotion	3,506,539	3,506,539
		Pension fund movements	36,010	36,010
		Total of Admin expenses		6,336,966
	Other Charges	Bank charges	10,409	10,409
		Depreciation	65,293	65,293
		Sums written off		
		Affiliation fees		
		Donations		
		Conference and meeting fees	14,670	14,670
		Expenses		
		Miscellaneous (specify)		
		Total of other charges		90,372
		Taxation	63,116	63,116
		Total expenditure		6,490,454
		Interfund Transfers OUT		
		Surplus/Deficit for year		211,866
		Amount of fund at beginning of year		1,340,382
		Amount of fund at end of year		1,552,248

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 2		Fund Account	
Name of account:		£	£
Income			
	From members		
	Investment income		
	Other Income (specify)		
	Total Income		
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

Account 3		Fund Account	
Name of account:		£	£
Income			
	From members		
	Investment income		
	Other income (specify)		
	Total Income		
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 4		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
	Total Income		
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
	Total Expenditure		
Interfund Transfers OUT			
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

Account 5		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
	Total Income		
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
	Total Expenditure		
Interfund Transfers OUT			
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 7		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Balance Sheet as at [31st December 2019]

(see notes 19 and 20)

Previous Year		£	£
1,563,729	Fixed Assets (as at Page 8)	1,537,698	1,537,698
	Investments (as per analysis on page 9)		
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		
	Total Investments		
	Other Assets		
2,701,674	Sundry debtors	2,569,450	2,569,450
4,970,032	Cash at bank and in hand	5,585,055	5,585,055
	Stocks of goods		
	Others (specify)		
11,448,288	Intercompany loans / accounts	11,491,347	
265,567	Prepayments and accrued income	363,519	
7,220	Deferred tax asset	11,210	
	Total of other assets	20,020,581	20,020,581
	Total Assets		21,558,279
1,340,382	Revenue Account/ General Fund	1,552,248	
	Revaluation Reserve		
	Liabilities		
	Trade Creditor	885,113	
	Unredeemed Theatre Tokens	18,409,050	
	Accruals and deferred income	436,523	
	Taxation	216,345	
	Pension liability	59,000	
	Total Liabilities		20,006,031
	Total Assets		21,558,279

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period	1,540,639	23,090		1,563,729
Additions during period		39,262		39,262
Less: Disposals				
Less: Depreciation	-40,000	-25,293		-65,293
Total to end of period	1,500,639	37,059		1,537,698
Book Amount at end of period	1,500,639	37,059		1,537,698
Freehold	1,500,639			1,500,639
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets	1,500,639	37,059		1,537,698

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Total Unquoted (as Balance Sheet)	
	Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members	574,244	574,244
From Investments	43,480	43,480
Other Income (including increases by revaluation of assets)	6,084,596	6,084,596
Total Income	6,702,320	6,702,320
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	6,490,454	6,490,454
Funds at beginning of year (including reserves)	1,340,382	1,340,382
Funds at end of year (including reserves)	1,552,248	1,552,248
ASSETS		
Fixed Assets		1,537,698
Investment Assets		
Other Assets		20,020,581
Total Assets		21,558,279
Liabilities		
Total Liabilities		20,006,031
Net Assets (Total Assets less Total Liabilities)		1,552,248

Notes to the accounts

(see note 34)

All notes to the accounts must be entered on or attached to this part of the return.

Please see enclosed Annual Report and Financial Statements

Accounting policies

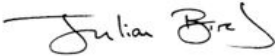
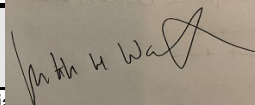
(see notes 35 & 36)

Please see enclosed Annual Report and Financial Statements

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Secretary's Signature:		Chairman's Signature:	
			(or other officer: _____ as stated)
Name:	Julian Piers Bird (Chief Executive)	Name:	Kenneth Howard Wax (President)
Date:	28.10.2020	Date:	28.10.2020

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate? (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 43)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Please see tab 'P15 (continued)'

Signature(s) of auditor or auditors:	<i>Nyman Libson Paul</i>	
Name(s):	Nyman Libson Paul	
Profession(s) or Calling(s):	Chartered Accountants Statutory Auditors	
Address(es)	124 Finchley Road, London NW3 5JS	
Date:	23 September 2020	
Contact name for enquiries and telephone number:	Paul Taiano - 020 7433 2421	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

Auditors' Report

Opinion

We have audited the financial statements of Society of London Theatre (the 'Company') for the year ended 31 December 2019, which comprise the statement of comprehensive income, the statement of financial position 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 Company's affairs as at 31 December 2019 and of 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, Section 28, 32 and 36 of the Trade Union and Labour Relations Act 1992.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The 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 auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement 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.

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

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

Use of our report

This report is made solely to the Company's shareholders 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders for our audit work, for this report, or for the opinions we have formed.

Registered number: 00527227

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	Nicholas Allott OBE Jonathan Bath (resigned 27 November 2019) Lounica Burns OBE Jonathan Church OBE Lucy Davies (appointed 24 January 2019) Nicholas Frankfort (resigned 20 June 2019) Alexander Gavin Niove Janis Rebecca Kane Burton Eleanor Lloyd Catherine Mallyon Jeremy Meadow Patrick Murphy (appointed 20 June 2019) Caroline Newling (Vice President) Andre Ptaszynski (deceased 29 July 2020) Dafydd Rogers Adam Speers Dame Rosemary Squire Kenneth Wax (President)
Secretary and Chief Executive	Julian Bird
Registered number	00527227
Registered office	32 Rose Street London WC2E 9ET
Independent auditors	Nyman Libson Paul Chartered Accountants & Statutory Auditors 124 Finchley Road London NW3 5JS

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

CONTENTS

	Page
Strategic Report	1
Directors' Report	2 - 3
Independent Auditors' Report	4 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Analysis of Net Debt	11
Notes to the Financial Statements	12 - 27

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Business review

The directors consider the results for the year satisfactory and ahead of expectations. They believe that the current level of reserves is appropriate given the challenges facing the industry, the expanding industry support activities of the organisation and the profile of risks and uncertainties.

Trading activities were generally robust during the year, with the exception of TKTS where the volume of sales fell by 19% in a difficult market. Turnover was also impacted by the discontinuation of some newspaper listings previously arranged directly through the company and charged to producers. For the first time Theatre Token sales expanded into gift card malls and online redemption was launched through the company's own ticketing platform – www.officiallondontheatre.com.

The company continued to provide a wide variety of support for the industry, from promotional events including the Olivier Awards, New Year Sale, Kids Week and West End Live, to lobbying, advocacy and specialist advice, including seminars on the implications of a no-deal Brexit. The cost base to support these activities remained largely unchanged from prior year and expenditure was kept under close control notwithstanding several initiatives in the year including improvements to IT capability within the operation.

Principal risks and uncertainties

The company generates the majority of revenue from outside its membership but relies quite heavily on the supply of ticket inventory along with participation in the Theatre Tokens scheme and other promotional initiatives. The company benefits from the success of the theatre community in London, through advertising and levies, while also relying on the industry's need to participate in discounting tickets through the company's various operations. The company also relies on a number of partnerships, particularly in funding the Olivier Awards and in operating the national Theatre Token scheme.

During 2020 the company and the wider industry has been severely impacted by the Covid-19 pandemic, with theatres closed from mid-March and a significant proportion of the company's income stream ceasing. Uncertainty surrounds when theatre activity on any scale will re-start and therefore a continuing risk to the company's financial position exists. Mitigating steps have already been taken in terms of cost reduction and this is set to continue for the duration of theatre closures. The impact of Brexit is an additional uncertainty for 2021 and beyond.

Financial key performance indicators

The company has an aim of maintaining reserves at a reasonable level by operating at break even or a small surplus over the medium to long term. Given the nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not required for an understanding of the development, performance or position of the business.

This report was approved by the board on 23 September 2020 and signed on its behalf.



Julian Bird
Secretary and Chief Executive

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors

The directors who served during the year were:

Nicholas Allott OBE
Jonathan Bath (resigned 27 November 2019)
Lounica Burns OBE
Jonathan Church OBE
Lucy Davies (appointed 24 January 2019)
Nicholas Frankfort (resigned 20 June 2019)
Alexander Gavin
Niove Janis
Rebecca Kane Burton
Eleanor Lloyd
Catherine Mallyon
Jeremy Meadow
Patrick Murphy (appointed 20 June 2019)
Caroline Newling (Vice President)
Andre Ptaszynski (deceased 29 July 2020)
Dafydd Rogers
Adam Speers
Dame Rosemary Squire
Kenneth Wax (President)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments 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.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

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 to 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.

Land and buildings

In the opinion of the directors the value of the company's freehold property is likely to be greater than cost but a formal valuation has not been carried out.

Financial instruments

The company has no financial instruments except for cash, debtors and creditors all arising in the normal course of business.

The main financial risks to which the company is exposed include liquidity risk, cash flow risk, and credit risk. These risks are managed by ensuring sufficient liquidity is available to meet foreseeable needs.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Non-adjusting post balance sheet events

In March 2020 the World Health Organisation declared the Coronavirus a pandemic. The UK government's restrictions imposed to control the spread of Coronavirus, in particular the closure of theatres, have had a significant impact on the activities of the company, as its various revenue streams are closely tied in with the operations of London's West End theatres.

The economic consequences for the company are considerable with the directors anticipating an operating deficit of around £270,000 for the year ending 31 December 2020. The pandemic represents a non-adjusting subsequent event and, at the date of signing, there have been no material impacts on the values of assets or liabilities recognised in these financial statements.

Auditors

The auditors, Nyman Libson Paul, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 23 September 2020 and signed on its behalf.


.....

Julian Bird
Secretary and Chief Executive

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SOCIETY OF LONDON THEATRE

Opinion

We have audited the financial statements of Society of London Theatre (the 'company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity 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 company's affairs as at 31 December 2019 and of 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 section 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The 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 Auditors' 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.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SOCIETY OF LONDON THEATRE
(CONTINUED)

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

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement 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.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SOCIETY OF LONDON THEATRE
(CONTINUED)

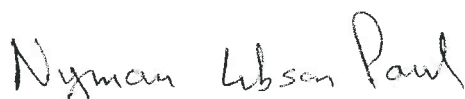
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the company's shareholders 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 shareholders those matters we are required to state to them in an Auditors' 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 shareholders for our audit work, for this report, or for the opinions we have formed.



Jennifer Pope (Senior Statutory Auditor)

for and on behalf of
Nyman Libson Paul

Chartered Accountants
Statutory Auditors

124 Finchley Road
London
NW3 5JS

23 September 2020

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Turnover	4	6,229,814	6,700,867
Gross profit		<u>6,229,814</u>	<u>6,700,867</u>
Distribution costs		(5,335,664)	(5,709,136)
Administrative expenses		(1,054,664)	(936,523)
Other operating income	5	429,026	359,153
Operating profit		<u>268,512</u>	<u>414,361</u>
Interest receivable and similar income	8	43,480	28,084
Other finance income	9	(1,000)	(67,000)
Profit before tax		<u>310,992</u>	<u>375,445</u>
Tax on profit	10	(63,116)	(74,305)
Profit for the financial year		<u><u>247,876</u></u>	<u><u>301,140</u></u>
Other comprehensive income for the year			
Actuarial losses on defined benefit pension scheme		(40,000)	(70,000)
Movement of deferred tax relating to pension deficit		3,990	7,030
Other comprehensive income for the year		<u>(36,010)</u>	<u>(62,970)</u>
Total comprehensive income for the year		<u><u>211,866</u></u>	<u><u>238,170</u></u>

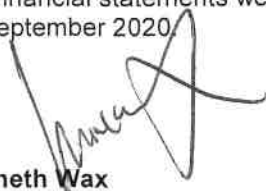
The notes on pages 12 to 27 form part of these financial statements.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00527227

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	1,537,698	1,563,729
		<u>1,537,698</u>	<u>1,563,729</u>
Current assets			
Debtors	12	14,435,526	14,422,749
Current asset investments	13	4,200,000	2,200,000
Cash at bank and in hand	14	1,385,055	2,770,032
		<u>20,020,581</u>	<u>19,392,781</u>
Creditors: amounts falling due within one year	15	(19,947,031)	(19,578,128)
		<u>73,550</u>	<u>(185,347)</u>
Net current assets/(liabilities)		<u>73,550</u>	<u>(185,347)</u>
Total assets less current liabilities		<u>1,611,248</u>	<u>1,378,382</u>
Pension liability		(59,000)	(38,000)
Net assets		<u><u>1,552,248</u></u>	<u><u>1,340,382</u></u>
Capital and reserves			
Profit and loss account		<u>1,552,248</u>	<u>1,340,382</u>
		<u><u>1,552,248</u></u>	<u><u>1,340,382</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2020.


Kenneth Wax
 Director


Lounica Burns
 Director

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Profit and loss account £	Total equity £
At 1 January 2018	1,102,212	1,102,212
Comprehensive income for the year		
Profit for the year	301,140	301,140
Actuarial losses on pension scheme	(70,000)	(70,000)
Deferred tax movements	7,030	7,030
Other comprehensive income for the year	(62,970)	(62,970)
Total comprehensive income for the year	238,170	238,170
At 1 January 2019	1,340,382	1,340,382
Comprehensive income for the year		
Profit for the year	247,876	247,876
Actuarial losses on pension scheme	(40,000)	(40,000)
Deferred tax movements	3,990	3,990
Other comprehensive income for the year	(36,010)	(36,010)
Total comprehensive income for the year	211,866	211,866
At 31 December 2019	1,552,248	1,552,248

The notes on pages 12 to 27 form part of these financial statements.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	247,876	301,140
Adjustments for:		
Depreciation of tangible assets	65,293	58,580
Non cash pension interest	1,000	67,000
Interest receivable	(43,480)	(28,084)
Taxation charge	63,116	74,305
(Increase)/decrease in debtors	(8,787)	22,342
Increase in creditors	380,092	486,099
Defined benefit contributions paid	(20,000)	(100,000)
Corporation tax paid	(74,305)	(8,016)
Net cash generated from operating activities	<u>610,805</u>	<u>873,366</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(39,262)	(21,401)
Purchase of short term unlisted investments	(4,200,000)	(2,200,000)
Sale of short term unlisted investments	2,200,000	1,800,000
Interest received	43,480	28,084
Net cash from investing activities	<u>(1,995,782)</u>	<u>(393,317)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(1,384,977)</u>	<u>480,049</u>
Cash and cash equivalents at beginning of year	<u>2,770,032</u>	<u>2,289,983</u>
Cash and cash equivalents at the end of year	<u><u>1,385,055</u></u>	<u><u>2,770,032</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>1,385,055</u>	<u>2,770,032</u>
	<u><u>1,385,055</u></u>	<u><u>2,770,032</u></u>

The notes on pages 12 to 27 form part of these financial statements.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2019

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	2,770,032	(1,384,977)	1,385,055
	<u>2,770,032</u>	<u>(1,384,977)</u>	<u>1,385,055</u>

The notes on pages 12 to 27 form part of these financial statements.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Society of London Theatre is a company limited by guarantee and incorporated in England. The address of the registered office is 32 Rose Street, London, WC2E 9ET.

The company does not have share capital and is limited by guarantee. In the event of the company being wound up, the maximum amount which each member is liable to contribute is £1. As at 31 December 2019 there were 227 members (2018: 216 members).

The Society has maintained as part of its activities the Official London Theatre Guide, the TKTS Ticket Booth in Leicester Square, the Theatre Tokens scheme and the Olivier Awards.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements have been prepared using the presentational currency of pounds sterling.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The company meets its day to day working capital requirements through the utilisation of its own funds.

The UK theatre industry has been badly affected by the impact of COVID-19, with theatres closing initially on government advice on 16 March 2020 and subsequently by government instruction for an indefinite period. Whilst the full, final effect of these closures is not yet known, it is clear that the company's various revenue streams will be severely affected as they are tied to operations of London's West End theatres.

The directors have prepared updated forecasts and projections based on a number of potential scenarios and these, together with reserves held, indicate that the company has adequate resources to continue its operations, albeit at a potentially lower level. It is, however, difficult to determine the assumptions that will prove to be most appropriate and therefore there is an element of uncertainty existing. Further funds are available through recalling some of the loan made to Theatre Development Trust, a charitable body with substantially the same Board of Directors as Society of London Theatre. Repayment could be funded through the transfer or disposal of the Theatre Development Trust's investments. Additional assurance is provided by the company's ownership of the freehold property it occupies which has not been revalued in the accounts since its purchase.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.2 Going concern (continued)

After reviewing the company's forecasts and projections, at the time of approving these financial statements the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the next 12 months. The directors therefore consider it appropriate to continue to adopt the going concern basis in preparing the company's financial statements.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts and rebates. The following criteria must also be met before revenue is recognised:

Subscriptions and service charges

Revenue from subscriptions and service charges are recognised over the period to which they relate. These are invoiced to individual and theatre members on an annual basis.

Performance levies

Revenue from performance levies is invoiced to the theatre on a monthly basis and is recognised in the period to which the relevant performance took place.

Commissions on ticket sales

Revenue from service charges and commissions on theatre tickets sold online and in the ticket booth are recognised at the point of sale as the risks and rewards of ownership have transferred to the customer.

Olivier Awards

Revenue from the Olivier Awards is recognised in the year in which the associated awards ceremony is held. The awards are held annually and income is generated from advertisements in the event brochure, the sale of tickets to attend the ceremony and sponsorship.

Theatre tokens

Commission on the redemption of theatre tokens is recognised at the point of redemption. Revenue from unredeemed theatre tokens is recognised when it is considered probable that the customer will not exchange the token for theatre tickets.

Theatre marketing, media, digital and publications

Sponsorship revenue generated through theatre marketing events is recognised when the event is held.

Revenue generated by advertising in the London Theatre Guide and listing services is recognised in the period to which the publication relates.

Online advertising is recognised when the relevant advert is sent to customers through the company's e-marketing.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Revenue (continued)

Rental revenue

A proportion of the company's freehold property is leased to tenants under operating leases. The rental income receivable under these leases is recognised through profit or loss on a straight-line basis over the term of the lease. Since the risks and rewards of ownership have not been transferred to the lessee, the asset continues to be recognised in the company's financial statements.

2.4 Investments

Current asset investments are a form of basic financial instrument and are initially, and subsequently, recognised at their transaction value. Interest receivable is included in debtors and is recognised in the statement of comprehensive income.

2.5 Tangible fixed assets

Freehold property

The property held by the company comprises office space and retail units. A proportion of the building is rented out on a commercial basis however the majority of the property is occupied by the company. Freehold property is initially recognised at cost and subsequently depreciated over its estimated useful life.

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line basis
Office furniture and equipment	-	20% straight line basis
Computer equipment	-	33% straight line basis

2.6 Operating leases: the company as lessee

Leases that do not transfer all of the risks and rewards of ownership are classified as operating leases.

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.9 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

The company has no material exposures to interest rate, credit or foreign exchange risk by virtue that there are no external borrowings.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.11 Pensions

Defined benefit pension plan

The company operates a defined benefit plan for a number of former employees. The plan is now closed to new employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

Defined contribution pension plan

The company operates two defined contribution plans for employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 Current and deferred taxation

Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Accruals

The company makes an estimate of accruals at the year end based on invoices received after the year end which relate to the year and which have not been invoiced.

Unredeemed theatre tokens

The company makes an estimate at the end of each financial year of the amount of unredeemed theatre tokens which it considers are unlikely to be redeemed. The calculation is reviewed annually and is based on the historical trends of token redemption since tokens were introduced in 1984. Movements are recognised in the income statement.

Tangible assets

Tangible assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In re-assessing the assets' lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management considers factors including the current credit rating of the debtor, the ageing profile and historical experience.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Turnover

The total turnover of the company for the year has been derived from its principal activities wholly undertaken in the United Kingdom.

Further segmental analysis by business segment is not given, as in the opinion of the directors, such disclosure or information would be prejudicial to the interests of the company.

5. Other operating income

	2019 £	2018 £
Other operating income	40,865	24,080
Net rents receivable	388,161	335,073
	<u>429,026</u>	<u>359,153</u>

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	2,114,850	2,053,097
Social security costs	227,244	215,236
Cost of defined contribution scheme	172,069	177,220
	<u>2,514,163</u>	<u>2,445,553</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Administration	65	65
Directors	18	17
	<u>83</u>	<u>82</u>

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	2,250	2,125
	2,250	2,125
	2,250	2,125

Key management compensation

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services was £635,142 (2018: £618,017).

8. Interest receivable

	2019 £	2018 £
Other interest receivable	43,480	28,084
	43,480	28,084
	43,480	28,084

9. Other finance income

	2019 £	2018 £
Net interest on net defined benefit liability	(1,000)	(67,000)
	(1,000)	(67,000)
	(1,000)	(67,000)

10. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	63,116	74,305
	63,116	74,305
	63,116	74,305

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	310,992	375,445
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	59,088	71,335
Effects of:		
Expenses not deductible for tax purposes	3,584	15,830
Depreciation for year in excess of capital allowances	4,189	6,140
Pension contributions allowable for tax purposes	(3,745)	(19,000)
Total tax charge for the year	63,116	74,305

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2019	2,458,635	276,371	2,735,006
Additions	-	39,262	39,262
Disposals	-	(33,566)	(33,566)
At 31 December 2019	<u>2,458,635</u>	<u>282,067</u>	<u>2,740,702</u>
Depreciation			
At 1 January 2019	917,996	253,281	1,171,277
Charge for the year on owned assets	40,000	25,293	65,293
Disposals	-	(33,566)	(33,566)
At 31 December 2019	<u>957,996</u>	<u>245,008</u>	<u>1,203,004</u>
Net book value			
At 31 December 2019	<u>1,500,639</u>	<u>37,059</u>	<u>1,537,698</u>
At 31 December 2018	<u>1,540,639</u>	<u>23,090</u>	<u>1,563,729</u>

12. Debtors

	2019 £	2018 £
Due after more than one year		
Deferred tax asset	11,210	7,220
	<u>11,210</u>	<u>7,220</u>
Due within one year		
Trade debtors	2,569,450	2,701,674
Other debtors	11,491,347	11,448,288
Prepayments and accrued income	363,519	265,567
	<u>14,435,526</u>	<u>14,422,749</u>

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

13. Current asset investments

	2019 £	2018 £
Bank deposits not repayable on demand	4,200,000	2,200,000
	<u>4,200,000</u>	<u>2,200,000</u>

14. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	1,385,055	2,770,032
	<u>1,385,055</u>	<u>2,770,032</u>

15. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	885,113	714,376
Corporation tax	63,116	74,305
Other taxation and social security	153,229	186,913
Accruals and deferred income	436,523	359,093
Unredeemed theatre tokens	18,409,050	18,243,441
	<u>19,947,031</u>	<u>19,578,128</u>

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

16. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	18,256,740	16,338,399
Financial liabilities		
Financial liabilities measured at amortised cost	(885,113)	(714,376)

Financial assets that are debt instruments measured at amortised cost comprise current asset investments, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors.

17. Deferred taxation

	2019 £	2018 £
At beginning of year	7,220	190
Credited to other comprehensive income	3,990	7,030
At end of year	11,210	7,220

The deferred tax asset is made up as follows:

	2019 £	2018 £
Deferred tax in respect of defined benefit pension liability	11,210	7,220
	<u>11,210</u>	<u>7,220</u>

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

18. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Land and buildings		
Not later than 1 year	27,500	27,500
Later than 1 year and not later than 5 years	25,208	52,708
	52,708	80,208
	52,708	80,208
	2019 £	2018 £
Other		
Not later than 1 year	7,944	7,944
Later than 1 year and not later than 5 years	13,902	23,848
	21,846	31,792
	21,846	31,792

19. Pension commitments

The company operates a defined benefit pension scheme.

The assets of the scheme are held separately from those of the company. The scheme is closed to new entrants and contributions of £20,000 (2018: £100,000) were made during the year. The company expects to make contributions of £20,000 in 2020.

The date of the actuarial valuation for accounting purposes was 31 December 2019 and the following information is reflected in the financial statements in accordance with Financial Reporting Standard 102.

	2019 £	2018 £
Amount recognised in the statement of financial position		
Fair value of plan assets	1,071,000	996,000
Present value of defined benefit obligation	(1,130,000)	(1,034,000)
	(59,000)	(38,000)
Recognised defined benefit liability	(59,000)	(38,000)

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Pension commitments (continued)

	2019 £	2018 £
Amounts recognised in the statement of comprehensive income		
Past service cost	-	67,000
Remeasurements recognised in comprehensive income	40,000	70,000
	40,000	137,000

Defined benefit cost

	2019 £	2018 £
Change in plan assets		
Assets at beginning of period	996,000	980,000
Interest income	26,000	23,000
Actual return on plan assets, excluding interest income	64,000	(73,000)
Employer contributions	20,000	100,000
Benefits paid	(35,000)	(34,000)
	1,071,000	996,000

Plan assets at end of period

	2019 £	2018 £
Asset class split		
Equities	374,850	348,600
Property	139,230	149,400
Corporate bonds	267,750	229,100
Gilts	235,620	219,100
Cash	53,550	49,800
	1,071,000	996,000

	2019 £	2018 £
Change in defined benefit obligation		
Defined benefit obligation at beginning of period	1,034,000	981,000
Interest expense	27,000	23,000
Past service cost	-	67,000
Remeasurement arising from changes in assumptions	111,000	(49,000)
Remeasurement arising from experience	(7,000)	46,000
Benefits paid	(35,000)	(34,000)
	1,130,000	1,034,000

Defined benefit obligation at end of period

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Pension commitments (continued)

	2019 %	2018 %
Principal actuarial assumptions		
Discount rate at 31 December	1.9	2.7
Retail price inflation	3.2	3.3
Consumer price inflation	2.3	2.4
Rates of increase in pensions payment - pre 6 April 1997	3.0	3.0
Rates of increase in pensions payment - post 6 April 1997	2.3	2.4

20. Defined contribution pension scheme

The company also operates a defined contribution scheme. Contributions payable by the company for the year were:

	2019 £	2018 £
Distribution	23,624	31,128
Staff pension costs	148,445	146,092
	<u>172,069</u>	<u>177,220</u>

Contributions amounting to £292 (2018: £nil) were outstanding at the reporting date.

21. Related party transactions

At the reporting date an amount of £5,345 (2018: £5,160) representing contributions receivable during the year was owed to the company by The Theatre Council, a body comprising UK Theatre Association, Society of London Theatre and Equity, all of which have responsibility for meeting the administrative expenses of the council.

Included in other debtors is an amount owed by the Theatre Development Trust, a charitable body with substantially the same Board of Directors as Society of London Theatre. The total loan outstanding at the reporting date was £11,150,000 (2018: £11,150,000). The loan is non interest bearing and repayable on demand. At the reporting date £94,474 (2018: £14,087) was also owed from the Theatre Development Trust.

During the year the company generated turnover of £4,971,344 (2018: £5,501,765) from operations conducted by the company on behalf its Members. Certain directors of the company have significant influence over Members entering into transactions through the above operations but all transactions are undertaken on normal commercial terms.

SOCIETY OF LONDON THEATRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

22. Non-adjusting post balance sheet events

In March 2020 the World Health Organisation declared the Coronavirus a pandemic. The UK government's restrictions imposed to control the spread of Coronavirus, in particular the closure of theatres, have had a significant impact on the activities of the company, as its various revenue streams are closely tied in with the operations of London's West End theatres.

The economic consequences for the company are considerable with the directors anticipating an operating deficit of around £270,000 for the year ending 31 December 2020. The pandemic represents a non-adjusting subsequent event and, at the date of signing, there have been no material impacts on the values of assets or liabilities recognised in these financial statements.