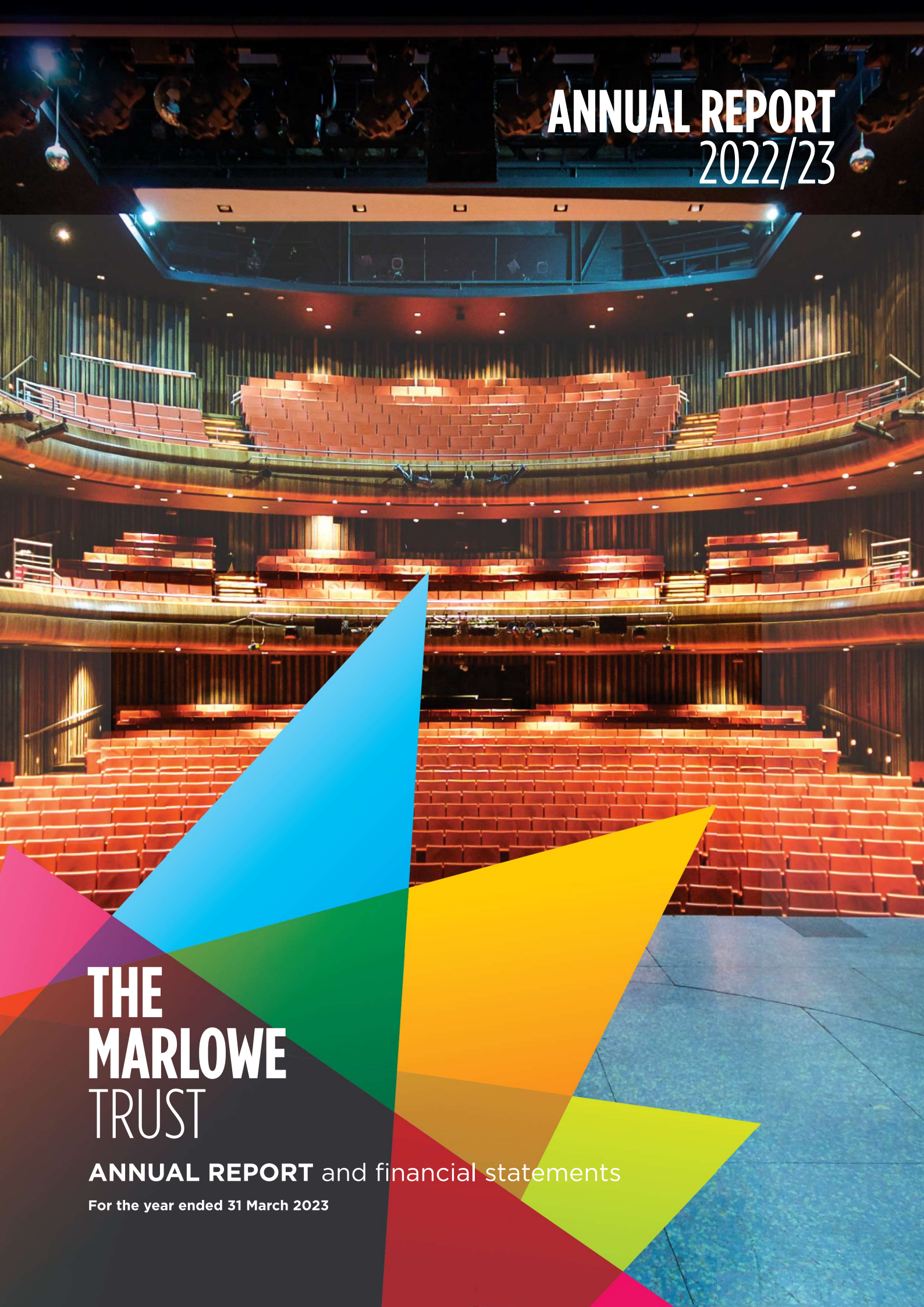

ANNUAL REPORT 2022/23

THE MARLOWE TRUST

ANNUAL REPORT and financial statements

For the year ended 31 March 2023

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Reference and Administrative Details

For the year ended 31 March 2023

Trustees
Jonathan Church - Chair
David Harrel - Vice Chair#
Clive Relf* (Resigned 29 June 2023)
Guy Holloway
Kate Grieg (Resigned 25 May 2023)
Kathleen Dacre
Abdur-Rehman Ismael Mia*
Matthew Norwell*
Colin Carmichael
Nigel Cripps* (Appointed 2 October 2023)

 # Developement Sub Comittee
** Finance Sub Comittee*

Company Registered Number
11188407

Charity Registered Number
1179882

Registered Office
The Marlowe Theatre, The Friars, Canterbury, Kent, CT1 2AS

Company Secretary
Paul Turner

Chief Executive
Deborah Shaw

Executive Management Team
Deborah Shaw, Chief Executive
Paula Gillespie Dickson, Chief Operating Officer
Paul Turner, Chief Finance Officer

Independent Auditors
Azets Audit Services, 2nd floor, 32-33 Watling Street, Canterbury, Kent CT1 2AN

Bankers
Lloyds Bank plc, 49 High Street, Canterbury, Kent, CT1 2SE

Chairman's Report

The Marlowe has continued its post-Covid recovery with a full year of high-quality programming and continued growth in both its economic impact and creative ambition.

The theatre has not only scaled its team and programming back up in record time but has also had the confidence to set long-term goals with major capital projects underway and further development of its independent business model, combining commercial acumen with a strong charitable purpose.

It has achieved the first year of KPIs in the new Business Plan, delivering an operating surplus which can be reinvested into youth, community and artist development programmes.

I want to thank my fellow Trustees for their wisdom and support as ever, and the Marlowe team, led by Deborah Shaw, for their commitment to a vision which places The Marlowe in the forefront of the theatre industry, presenting and creating nationally-significant theatre for and with the audiences and communities of Kent.

Jonathan Church

Jonathan Church CBE
Chair

Jonathan Church
Chairman

Chief Executive's Report

The Marlowe's success is a testimony to its people – from the Board of Trustees to the staff team, our supporters and audiences. I'm delighted that we have now achieved our first full post-Covid year of productions in 2022/23, with audiences and income returning to pre-crisis levels. It is also a great source of pride that our investment in our staff team, with a ground-breaking People Plan that focuses on bespoke training programmes, progression routes, reward, well-being, and life/work balance, has been recognised nationally with the UK Theatre Workforce Award 2022.

Deborah Shaw
Chief Executive

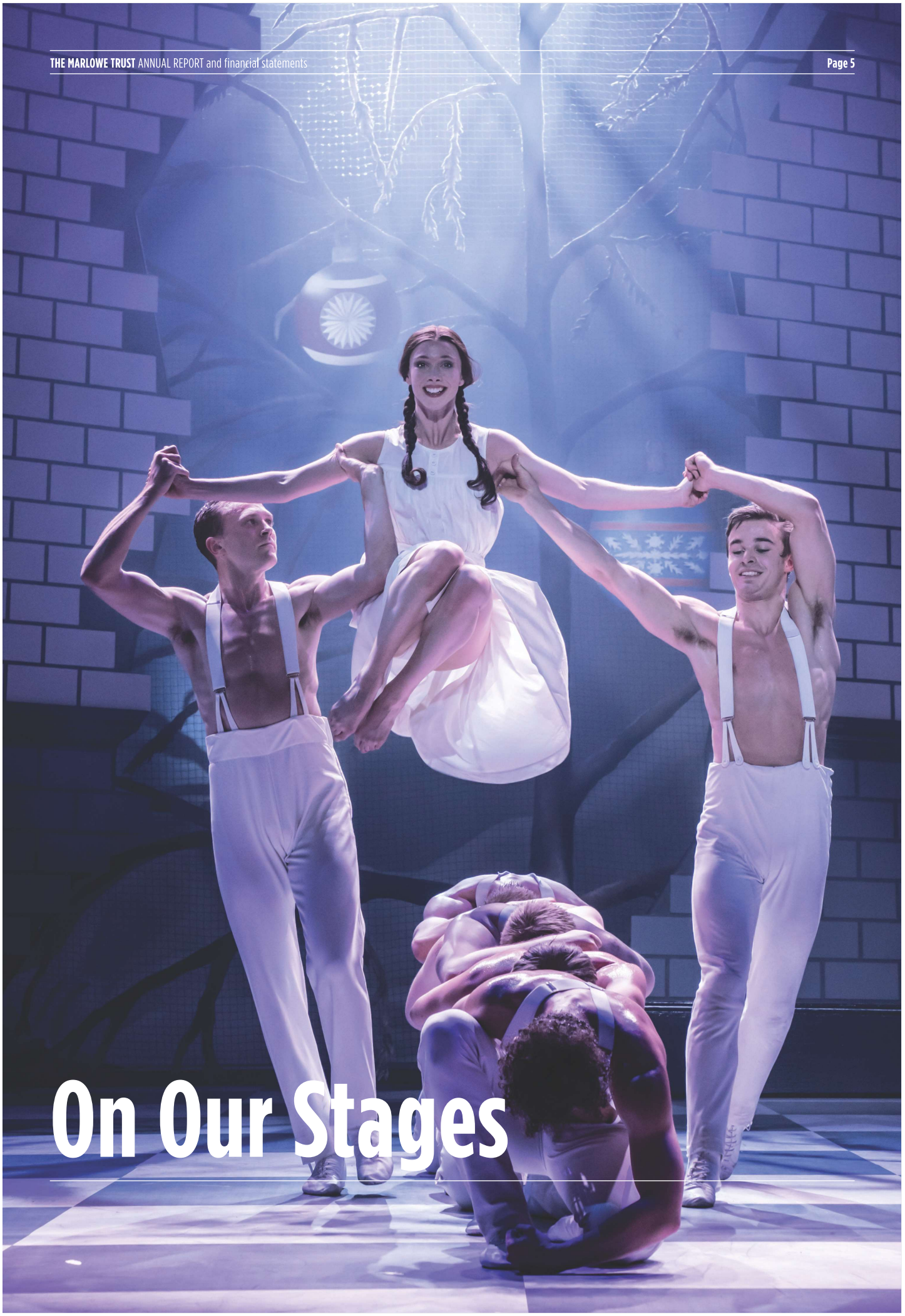
We have continued to build the theatre's resilience whilst focusing on our longer-term Business Plan ambitions of producing large-scale work and becoming a regional powerhouse for training the next generation. One of the building blocks for those ambitions has been to equip our managers to support apprenticeships and work placements, which has been a flourishing area of our work this year.

The launch of our partnership with the East Kent Colleges Group and the creation of the Marlowe Academy of Performing Arts, to deliver an industry-leading formal Performing Arts qualification based on action learning alongside The Marlowe's professional team has been another high point.

The Marlowe continues to go from strength to strength in an environment that remains challenging for the performing arts sector as a whole. It is important that we continue to support the wider sector – including freelance artists and technicians – and that we invest in the theatre makers of the future.

D. Shaw

Deborah Shaw
Chief Executive



On Our Stages

Les Misérables
Photo by Danny Kaan

Our Programme

The Marlowe returned to a full and vibrant year of programming, with 416 productions in our spaces. On our main stage, this year was all about living up to our Theatre of the Year Award 2022, putting on a raft of West End and national touring shows, championing new work, and taking on some of our most ambitious projects to date that stretched our capacity to the limits.

Our biggest show to date, Cameron Mackintosh's much anticipated *Les Misérables*, came to Canterbury in October 2022, two years after it was originally due to arrive. 38,000 people came to see over 36 performances over five weeks, making it our longest running show outside of pantomime.

In order to house this mammoth production, the team had to build a temporary dock extension at the back of the theatre to give production a full backstage for storage, quick changes and crossovers. As well as pushing the boundaries of our physical space, the production was a triumphant collaboration from every department; from the technical achievement and a record-breaking on-sale to our Front of House welcome - all of which led to a phenomenal reaction both from our audiences and our staff.

OUR THEATRE IN NUMBERS

376,508
AUDIENCE MEMBERS

22,658
FIRST TIME TICKET BUYERS

82%
AVERAGE MAIN HOUSE CAPACITY

20%
INCREASE IN MEMBERSHIPS

ON OUR STAGES IN 2022/2023:

Julian Clary: Born To Mince
Nina Conti: The Dating Show
Magic Goes Wrong
Bootleg Beatles
Live At The Marlowe
School Of Rock
Johannes Radebe: Freedom
Animal Farm
Dara Ó Brian: So, Where Were We?
The Sensational Sixties Experience
Philharmonia Orchestra Season
Jools Holland And His Rhythm & Blues Orchestra
Barry Humphries: The Man Behind The Mask
Guilty Feminist
The Osmonds: A New Musical
The Illegal Eagles
The Ukulele Orchestra Of Great Britain
Ministry Of Science Live: Science Saved The World
Russell Kane Live: The Essex Variant!
The Play What I Wrote
Anything Goes
The Cher Show
Rob Beckett: Wallop!
Billionaire Boy
Sarah Millican: Late Bloomer
Michael McIntyre: Work In Progress

Lea Salonga: Dream Again
Sandi Toksvig Live! Next Slide Please...
Oti Mabuse: I Am Here
Edinburgh Comedy Previews
Some Mothers Do 'Ave 'Em
The Death Of King Arthur
Confetti
Chloe Petts: Transience
Strictly Presents: Keeeep Dancing!
Dreamgirls
Head Set
Seder
Jonny And The Baptists: Dance Like It Never Happened
Fantastically Great Women Who Changed The World
Waitress
We Will Rock You
Girl From The North Country
Dragons And Mythical Beasts
Mamma Mia!
The Alternative Comedy Show
Jen Brister: The Optimist
Reasons You Shouldn't Love Me
Les Ballets Trockadero de Monte Carlo
Jon Richardson: Knitwit
Queen Machine
Les Misérables
Ed Gamble: Electric
Harry Hill: Pedigree Fun!

Katherine Ryan: Missus
An Evening With Pam Ayres
Glyndebourne Tour 2022
South Pacific
Sleeping Beauty
The Storm Whale
The Best Exotic Marigold Hotel
Bugsy Malone
The King And I
Parenting Hell Live: Work In Progress
Giovanni Pernice: Made In Italy
Hey Dugee The Live Theatre Show
Fisherman's Friends: The Musical
Unbroken
Maisie Adam: Buzzed
Firedance
Tim Peake: My Journey To Space
Sophie Duker
Dada Masilo's The Sacrifice
Henning Wehn: It'll All Come Out In The Wash
Unexpected Twist
Strictly Ballroom The Musical
Matthew Bourne's Sleeping Beauty
I'm Sorry I Haven't A Clue
Ray Bradshaw: Deaf Com 1

Our Programme

In February 2023, we launched the national tour of another classic musical – Roger & Hammerstein's *The King And I*, fresh from its sold out season at The London Palladium. The show played to 92% capacity across ten shows. To open a show of this scale was a testament to our highly skilled team, building our reputation as a theatre with the ability to open complex large-scale commercial productions.

WATCH *THE KING AND I* SET UP

The outlook continued to be tough for commercial producers, with high costs and diminished audiences nationally. Some tours collapsed and we had to find late replacements in the programme; some needed help when already out on the road. We helped where we could with restructured deals and advances. This occasionally affected our bottom line but ensured that we were supporting the industry's recovery and that work of the highest quality could be enjoyed by our audiences.

Our collaborations with our Associate and Resident companies continued to grow. Glyndebourne brought their new intimate opera *Glass Human* to the Studio, developed out of a series of interviews about the experience of loneliness during lockdown, while the Philharmonia Orchestra season delighted audiences with well-loved classics, such as *Santtu Conducts Beethoven*, and enticed younger audiences to experience *The Music Of Harry Potter* in September 2022.

As a member of The Touring Partnership, Dance Consortium and the Children's Theatre Partnership, we continue to collaborate with partner theatres across the country to support the creation and touring of new and international work across a range of artforms and to bring it to our audiences in Kent.

Across the festive season, we focused on co-produced work, collaborating with our pantomime partners Evolution Productions on *Sleeping Beauty*, and picking up our pre-Covid co-commission for the Studio *The Storm Whale*, presented in partnership with York Theatre Royal, Engine House and Little Angel.

Sleeping Beauty
Photo by Pamela Raith

The Storm Whale
Photo by Alex Brenner

Sleeping Beauty was one of the highest attended pantomimes in the country, playing to an audience of 89,000 during its run. The star power of West End and YouTube sensation Carrie Hope Fletcher allowed us to engage with digital and millennial audiences to grow the following of our pantomime online.

Meanwhile, *The Storm Whale* evidenced a clear demand for Christmas family shows created for a younger audience. Having originally co-commissioned the show in 2020, we rehearsed it with a new cast and refurbished and enhanced the set and props. *The Storm Whale* played to 90% capacity during its December run.

Photo by David Oxberry

Audience Development

In June 2022, we began our Customer Journey project, involving representatives from departments across the organisation, deep-diving into The Marlowe customer experience across all touch points, from our digital to our physical presence. The project encompassed a significant database survey and elements like 'secret shoppers', who reported back on their experience and were interviewed by an independent analyst, allowing us to identify areas for improvement.

Positive responses to the survey included appreciation of the quality and range of choice available in our programme, and our professional and knowledgeable staff - commended for 'going the extra mile' to create a "welcoming, friendly, caring, and fun atmosphere".

Equity, diversity and inclusion are embedded in our organisational strategies and this year we prioritised improving access provision for our audiences. We forged new relationships with local disability support organisations and worked closely with touring producers to tailor our approach to individual access needs. We invited our local partners to experience our theatre to test our accessible performances. Their feedback allowed us to remove barriers to their access and enjoyment of The Marlowe, as valued audience members.

As a result, we have seen phenomenal growth in our accessible performance bookers and will continue an integrated approach across every department to ensure that our audience's access needs are met.

In November 2022 we revamped our £10 Discovery Ticket Scheme for 16-to 26-year-olds to make it more accessible. Beginning with a data dive and survey of Discovery ticket bookers to identify areas for improvement, we then focused on expanding the number of eligible shows, improving the functionality, rewarding loyalty and raising awareness through a social media campaign which encouraged young people to explore our programme.

BY THE END OF MARCH 2023:

278%
GROWTH IN DISCOVERY TICKET BOOKERS

153%
GROWTH IN BSL PERFORMANCE BOOKERS

95%
GROWTH IN AUDIO DESCRIBED PERFORMANCE BOOKERS

90%
GROWTH IN CAPTIONED PERFORMANCE BOOKERS

Skills Development

UK Theatre Workforce Award 2022

People Plan

In October 2022 The Marlowe was delighted to be awarded the UK Theatre Workforce Award at a ceremony at the Guildhall in London. The judges commended our industry-leading People Plan, recognising our commitment to supporting our team in their professional development and providing training and pathways into the industry.

This year has seen us offer more training and skills development opportunities for our staff as well as a range of new initiatives to increase health and wellbeing.

We had 11 internal promotions and 86 new starters within the 2022/23 year, offering over 50 staff training courses throughout the year, including a bespoke Marlowe Managers training course designed to ensure our managers have the capacity and confidence to enact change and support their teams.

We have a Health and Well-being Fund that has been set-up to support well-being and health at work. So far, we have had such amazingly varied activities as kayaking, pumpkin carving, games nights, and yoga. Any staff member can submit an idea to the Health & Well-Being Committee, made up of representatives from across the organisation.

“Thanks to the People Plan and the Marlowe Manager’s training, I have been equipped with a range of skills that has helped both my professional and personal development, along with giving our managerial team the toolkit to support and foster a positive culture within the whole organisation.”

JESS BELL, MARKETING MANAGER

Team Green Photo

The People Plan made a commitment to encourage teams to visit peer organisations to exchange knowledge and experience. So far, Development, Technical and Learning & Participation teams have arranged visits to their peers in theatres in the Midlands and Chichester Festival Theatre. Our teams are connecting with - and on occasion setting up - national peer networks, for support and to disseminate best practice in their areas. As a result we are a more outward-looking and confident organisation.

A number of cross-organisation working groups have been set up during the year, broadening staff involvement in issues they care about and ensuring that the organisation takes practical steps to achieve its goals around the climate emergency and equity, diversity and inclusion. The EDI Challenge Group has already influenced policy and been the driving force behind the creation of a Womens+ Health Support Group.

With a focus on improving accessibility, our HR team have transformed recruitment processes to make them accessible to people who have access and neurodiverse needs.

In line with our work as a Creative Green organisation, our cross-department Team Green Working Group continues to provide on-going challenge to the organisation and keep us on track with our ambition to be carbon neutral.

Creating pathways

Out of hundreds of applications, we were able to offer two technical apprentices the chance to work with our technical team, and we provided 45 work experience opportunities for young people across the organisation.

Again, collaboration is at the heart of what we do – as the national home for Matthew Bourne's New Adventures Cygnet School, we continued the year-long training programme for emerging young dancers aged 12-21. The dancers were selected from across the UK for their talent and potential, all stemming from diverse or low socio-economic backgrounds.

Two places were ring-fenced for young talent from across Kent to provide extensive and groundbreaking skills development programmes for these young dancers. We also delivered 'Shine a Light' sessions giving the Cygnets insights into all areas of the theatre and provided tickets to shows.

Matthew Bourne's New Adventures Cygent School
Photo by David Oxberry

East Kent Colleges Group

“Working with The Marlowe has been an incredible experience. The atmosphere of the team and the working environment was very enjoyable. Not only was this part of my work experience but I was also made to feel like part of their team and it was a pleasure being able to work with, and around, some great performers too. This opportunity has helped me to expand my portfolio.”

LUCY EDWARDS, CANTERBURY COLLEGE STUDENT

As the largest arts sector employer in the region, we play a key role in providing skills development and training to create pathways into our industry.

Over the last year, over 30 students from Canterbury College (part of the East Kent Colleges Group) have had work experience opportunities, developing their professional skills in a range of theatre departments that have included Finance, Administration, Learning & Participation, Building Services and Communications. The Marlowe was awarded the title of Outstanding Employer by Canterbury College in early 2022 in recognition of this work experience programme.

As a result of our collaboration, we recognised the opportunity to expand our partnership with the East Kent Colleges Group and developed an MOU together to provide vocational training and pathways into the profession for Kent students. This involved a commitment to expand the work experience programme, offer workshops and ticket deals, with the centrepiece the creation of a ground-breaking co-delivered 2-year UAL Level 3 course in the Performing Arts for 16-to 18-year-olds in The Marlowe Academy of the Performing Arts. The course curriculum was agreed and recruitment begun for the first cohort to start in September 2023.

Lucy Edwards

Learning and Participation

Education

The educational strand of our work continues to be a key focus of our Learning and Participation team, and we continue to offer schools across the county a menu of drama, music and dance participatory activities linked to our presented programme.

We are the Royal Shakespeare Company's Associate Theatre partner in the South East, delivering participatory projects and CPD for teachers throughout the year to our Associate Schools.

The 22 schools we provide long-term support to on our Associate Schools Programme are in areas of low cultural engagement with a high pupil premium.

This year we worked with our school communities to celebrate the writing talent of young people across the whole of Kent in the RSC's *37 Plays* project, a national playwriting project to mark the 400th anniversary of Shakespeare's First Folio. Eleven schools from Medway to Thanet took part in the project, which included training for teachers and inspirational workshops for young people, led by established playwrights Charlie Josephine, Alecky Blythe and Lizzie Hopley.

The young people's plays were inspired by the main stage RSC production of *Julius Caesar* with many of the plays submitted to the RSC's national competition. The project culminates in the young people performing their plays in the Marlowe Studio in April, alongside the RSC company in the Main House.

37 Plays
Photo by Alex Brenner

Community

We work with our communities, going where we are needed, often working in partnership with our resident and associate companies to develop active engagement with the arts in some of the most socio-economically deprived areas of the county.

With the creation of a dedicated Community Co-ordinator, we were able to grow our work with our communities.

Our partnership with the RSC expanded into the RSC Learning Community Strand. We worked with a targeted group of community leaders to create a Community Chorus which will perform onstage alongside the professional company in the RSC's *Julius Caesar*.

We also worked in partnership with resident company Projekt Europa to host Projekt Encounter, a weekly performance-based programme for people with lived experience of migration to Kent. The project included 18 weeks of drama-based activity for over 20 first generation migrants to Kent, focusing on sharing their stories and establishing new communities and connections. The project culminated in a public sharing in the Studio of their devised piece *Seagulls And Tangerines*.

Seagulls And Tangerines
Photo by David Oxberry

Young People

In 2022, we changed the format of our youth companies, dividing the groups into Juniors and Seniors, in order to meet the individual needs of each age bracket. The Juniors connected their Youth Company work to our Main House programme, focusing on the Children's Touring Partnership's production of *Unexpected Twist*, a beatboxing musical re-telling of the Charles Dickens classic *Oliver Twist*.

For the Seniors, their work through the year culminated in a production devised by the company and performed in the Studio. *The Stories Of Us* was a poignant, hard hitting production portraying young people suffering under the weight of the mental health crisis. The young people worked with a professional creative team, supported by The Marlowe's technical and production expertise – giving them firsthand experience and a unique insight into professional theatre.

Our Youth Company supports participants with access needs and provides bursary places for those for whom cost is a barrier.

In January 2023, our Learning & Participation team launched a countywide engagement project delivering drama-based workshops to 968 young people in schools and youth groups across Kent, exploring the climate crisis and youth activism.

This work will culminate in 12 young people being selected to perform in our professional main house production of Dawn King's *The Trials* in late summer 2023.

Stories Of Us
Photo by Steve Gregson

Future plans

Place-making

Since becoming an independent charitable trust, The Marlowe has continued to grow its role as a major culture institution in Kent, investing time and resource in the creative potential of our city and region.

We are closely involved in initiatives to make Canterbury and Kent a great place to live, work and study. Our Chief Executive is Chair of Creative Kent, made up of arts organisations and freelancers from across Kent and Medway who come together to explore how they can work together to create regional opportunities for young people, placemaking initiatives and develop the arts workforce. Our Chief Finance Officer is Vice-Chair of Canterbury BID, a membership organisation providing support and advocacy for the businesses of Canterbury and improving the city centre.

We were part of our city's successful £19.5 million Levelling Up bid supporting the continued improvement of Canterbury, with the ambition to become a premier visitor destination and the performing arts capital of Kent. Over £1 million was allocated for urgent repairs to the Marlowe Kit building, kick starting our capital campaign there.

The Marlowe is committed to using local suppliers and makes a significant impact on its local economy, generating income for businesses across the region through the visitors that it attracts to Canterbury and the money that it spends. Our annual regional economic impact is £44 million (ACE Shellard Formula).

Capital projects

We have two major capital projects in development, one to house our expanding work with young people and our communities, and the other to ensure our theatre building and facilities match our large-scale presenting needs and producing ambitions.

The Marlowe Kit is a jewel of a medieval building within the city walls which we want to develop into a Creative Learning Centre and free-to-access visitor destination.

The building is a Grade I & II listed former Poor Priests' Hospital of historical significance. We are working with renowned architects Richard Griffiths and Sara Wigglesworth, who bring their heritage and environmental sustainability expertise to the project and a commitment to involving our young people on the design journey.

The second project in development is a 'Phase 2' development of our main theatre in the centre of the city, 12 years after it was originally built. We want to add rehearsal rooms, extend the loading dock for the ever-expanding touring shows we present and improve back-of-house facilities.

Both projects speak to the city and region's regeneration and economic growth agendas, and our long term investment plans will provide jobs, training facilities and pathways into the performing arts for the next generation of Kent-based theatre-makers.

The Marlowe Kit
Photo by Richard Leahair

Trustees' Report

For the year ended 31 March 2023

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives
Our vision is for a Kent that is thriving, creative, connected, confident, and compassionate.

Our Core Mission is to be Kent's engine house for the performing arts, shaping the spirit of our region.

Our Core Values: we are resilient, passionate, and supportive. We want to be: Authentic. Collaborative. Diverse.

We will present and make theatre and live performance of the highest quality. We will reflect the society we live in through the relevance and diversity of our programme. We will provide a welcoming, inclusive, and safe space for all our communities. We will provide opportunities for all ages to participate, co-create, and learn. We will celebrate our region's heritage and potential.

We will create an inclusive environment which values diversity. We will be a training organisation committed to developing the skills of our staff and industry and sharing best practice. We will create a sustainable model for regional theatre which combines the most successful aspects of the commercial and subsidised sectors. We will extend our reach and reputation locally, regionally, and nationally.

As Kent's engine house for the performing arts, we will respond to the cultural landscape and the needs of regional artists. We will work together with artists and companies who share our commitment to audiences. We will support artists and companies who share our commitment to audiences. We will support artists at different stages of their career. We will encourage, collaborate, and invest in new work.

We will develop the creative lives of young people in our region. We will inspire a lifelong love of theatre. We will develop the skills of young people as co-creators, participants, advocates, and leaders. We will bring together young people, artists, and theatre makers to inspire each other. We will take transformational action to reduce our environmental impact.

Our teams will be clear about, engaged with, and accountable for, the Trust's vision, mission, and values, because they have been developed together, clearly communicated, and are demonstrated in everything we do.

b. Strategies and activities for achieving objectives
The Marlowe is Kent's regional theatre. It has three spaces: the 1,200-seater Theatre, 160-seater Studio and a listed medieval building that houses a dedicated schools programme and our regular creative classes and youth company.

As a presenting theatre, we attract some of the biggest musicals and drama productions, both pre and post

Trustees' Report (continued)

West End. We have a series of resident companies who visit regularly, including Glyndebourne, Philharmonia Orchestra, Matthew Bourne's New Adventures, and the Royal Shakespeare Company.

We co-produce a much-loved annual pantomime (with Evolution Productions) attended by audiences of over 90,000 each year.

We are part of the RSC's Associate Schools Programme (working with 22 local schools to deepen their understanding of Shakespeare through workshops and performance) and we host *Connections*, the NT's annual festival of youth theatre.

c. Public benefit statement
In setting the objectives and strategies above, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

ACHIEVEMENTS AND PERFORMANCE

a. Review of activities
See the reports on pages 3-21.

b. Fundraising activities/Income generation
Income generation is predominately achieved through the charitable activities of ticket sales, memberships, participation, trading subsidiary and donations along with project specific funding. During the 2021/22 financial year the Theatre was able to operate at 50% reduced capacity in June and up to mid-July. From this point on the Theatre reverted back to full capacity, however this meant that overall for the financial year number of performances and potential capacity was down by a third. For the financial year 2022/23 we have now been back to our full performance capacity, however due to pressure in touring, the total number of performances were down by roughly 24 in the year.

The Trust was in receipt of major funding from the Government Culture Recovery Fund (CRF), processed via Arts Council for England. The Trust was awarded £2,999,999, the maximum grant available, and this was recognised in full within the 2020/21 financial year and an additional £1,000,000 in 2021/22. In 2022/23 there was no funding available to the Trust.

In 2021/22 there was a return to operational profit and positive cash flow for the wholly owned subsidiary, The Marlowe Trust Trading Ltd, this strong recovery after full re-opening has continued and a record profit has been generated, £214,327.

Income to the value of £146,375 that was generated and allocated to a restricted reserve for the planned *Murder In The Cathedral* event planned to be held in Canterbury Cathedral in 2020 remains as a restricted reserve. This activity was scheduled for October 2020 but has now been delayed in agreement with Canterbury Cathedral whilst we work on allocation that the Cathedral would need to make available for the production.

c. Investment policy and performance
Investments are treated as current assets due to the short-term nature of the deposits placed on a monthly, quarterly or annual basis. The process to invest is delegated to the Director of Finance with a mixed investment strategy to allow efficient access to the funds when required and maximising return.

During the 2021/22 financial year the Trust purchased 15 The Friars, a house which has now been granted planning permission for change of use to provide additional office space, a board room and staff area. At the point of year end 2022/23 the Trust had started early discussion on the possibility of purchasing 14 The Friars.

Trustees' Report (continued)

FINANCIAL REVIEW

Income / Expenditure
Due to the COVID 19 Pandemic the income was restricted by the inability to operate to its usual financial model for the first four months of the financial year. The Trust was in receipt of Government support via the CRF, but also maximised the use of the Government CJRS for periods that the CRF did not cover, including for the support of Zero Hours and Casual staff, which further aided the swift re-opening of the theatre.

Total income for 2022/23 was £15,939,802 (2022: £11,760,014) of which £100,724 was restricted. Total expenditure was £15,723,766 (2022: £10,861,211) of which £100,724 was restricted.

RESERVES

a. Going concern
After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Reserves policy
With this early stage of the Theatre transferring its governance to The Marlowe Trust, trustees have set a target of building an unrestricted reserve in excess of £1.8 million which will cover operation running costs for a period of approximately six months.

At 31 March 2023 unrestricted reserves stood at £1,813,796 (2022: £1,622,760).

At 31 March 2023 designated reserves stood at £241,581 (2022: £216,581).

At 31 March 2023 restricted reserves stood at £146,374 (2022: £146,374).

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution
The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 5 February 2018 as also amended on 7 December 2021.

The company is constituted under a Memorandum of Association dated 5 February 2018 as also amended on 7 December 2021, and is a registered charity number 1179882.

The company was incorporated on 5 February 2018 and began operations on 1 December 2018. The principal object of the company and the group is to bring world-class theatre to Canterbury.

b. Method of appointment or election of Trustees
The management of the company and the group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Policies adopted for the induction and training of Trustees
The Trustees appointed on the set up of the Trust all were Trustees of other existing charities and brought a wide range of experience and skills to their roles.

Induction and training of new Trustees is in development and will commence upon appointment.

d. Pay policy for senior staff
Trustees approve the remuneration of key management personal, benchmarking against similar roles within the industry.

e. Organisational structure and decision making
The Marlowe Trust Limited (Company Number 11188407) is limited by guarantee and does not have any share capital. It

Trustees' Report (continued)

operates under the name of The Marlowe. It is governed by its Articles of Association dated 5 February 2018. The company is also a registered charity (Charity Registration Number 1179882).

The financial statements are prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS) (effective 1 January 2015)

The Trustees are required by the Articles of Association to serve for a period of three years. At the annual retirement meeting one third of the members of the board retire. A retiring member of the board is eligible for reappointment, provided they haven't reached the end of their fixed term of 9 years. The trustees meet approximately five times a year and annual budget and all major strategic decisions.

The Chief Executive is appointed by the trustees to manage the day to day operations of the group. To facilitate effective operations the Chief Executive and Executive Team have delegated authority within the terms of delegation approved by the Board, for all operational matters.

The key management personnel within the executive team include;
- Chief Executive
- Chief Operating Officer
- Chief Finance Officer

A further level of senior management form the Strategic Management Team along with the executive. This team comprises of;
- Director of Marketing & Communications
- Director of Development
- Director of Learning & Participation
- Director of Operations
- Technical Director

f. Risk management
The Trustees have assessed the major risks to which the company and the group is exposed, in particular those related to the operations and finances of the company and the group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Plans for future periods
See page 19-21.

Members' liability
The Members of the company and the group guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Employee involvement and employment of the disabled
Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The company and the group carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The company and the group has implemented a number of detailed policies in relation to all aspects of personnel matters including:
- Equal Opportunities Policy
- Health & Safety Policy

In accordance with the company and the group's Equal Opportunities Policy, the company and the group has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the company and the group's offices.

Trustees' Report (continued)

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation..

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

Disclosure of information to auditors
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

Auditors
Azets Audit Services, have indicated their willingness to continue in office. The designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees, on 21 December 2023 and signed on their behalf by:

Jonathan Church

Jonathan Church - Chair

Independent Auditors' Report To The Members Of The Marlowe Trust

Opinion

We have audited the financial statements of The Marlowe Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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
In auditing the financial statements we have concluded that the Trustees' use of going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information
The other information comprises the information in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. 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 there is a material misstatement in the financial statements

Independent Auditors' Report To The Members Of The Marlowe Trust (continued)

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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Group Strategic Report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable 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.

Independent Auditors' Report To The Members Of The Marlowe Trust (continued)

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charitable company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Other matter

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

Independent Auditors' Report To The Members Of The Marlowe Trust (continued)

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2016.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

John Howard FCA
(Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Statutory Auditor
32 – 33 Watling Street
Canterbury
Kent
CT1 2AN

Date: 21 December 2023

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) for the year ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	2022 £
Income from:					
Donations and legacies	2	**187,412**	**-**	**187,412**	1,383,279
Charitable activities	3	**14,095,268**	**100,724**	**14,195,992**	9,192,553
Other trading activities:					
Fundraising	4	**42,039**	**-**	**42,039**	28,200
Trading activities		**1,379,792**	**-**	**1,379,792**	905,846
Investments:					
Bank interest receivable		**66,330**	**-**	**66,330**	2,044
Other income		**68,237**	**-**	**68,237**	248,092
Total income		**15,839,078**	**100,724**	**15,939,802**	11,760,014
Expenditure on:					
Raising funds:					
Fundraising trading		**1,145,740**	**-**	**1,145,740**	775,486
Charitable activities		**14,477,302**	**100,724**	**14,578,026**	10,085,725
Total expenditure	5	**15,623,042**	**100,724**	**15,723,766**	10,861,211
Net movement in funds		**216,036**	**-**	**216,036**	898,803
Reconciliation of funds:					
Total funds brought forward		**1,839,341**	**146,374**	**1,985,715**	1,086,912
Total funds carried forward		**2,055,377**	**146,374**	**2,201,751**	1,985,715

The notes on pages 36 to 49 form part of these financial statements.

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) for the year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income from:				
Donations and legacies	2	**1,383,279**	**-**	**1,383,279**
Charitable activities	3	**8,926,167**	**266,386**	**9,192,553**
Other trading activities:				
Fundraising	4	**28,200**	**-**	**28,200**
Trading activities		**905,846**	**-**	**905,846**
Investments:				
Bank interest receivable		**2,044**	**-**	**2,044**
Other income		**248,092**	**-**	**248,092**
Total income		**11,493,628**	**266,386**	**11,760,014**
Expenditure on:				
Raising funds:				
Fundraising trading		**775,486**	**-**	**775,486**
Charitable activities		**9,819,339**	**266,386**	**10,085,725**
Total expenditure	5	**10,594,825**	**266,386**	**10,861,211**
Net movement in funds		**898,803**	**-**	**898,803**
Reconciliation of funds:				
Total funds brought forward		**940,538**	**146,374**	**1,086,912**
Total funds carried forward		**1,839,341**	**146,374**	**1,985,715**

The notes on pages 36 to 49 form part of these financial statements.

Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	10		**1,035,763**		918,464
Current assets					
Investments - 95 day notice account		**-**		2,000,000	
Stocks	12	**15,800**		17,910	
Debtors	13	**451,777**		673,344	
Cash at bank and in hand		**6,732,971**		6,480,538	
		7,200,548		9,171,792	
Creditors: amounts falling due within one year	14	**(6,034,560)**		(8,104,541)	
Net current assets			**1,165,988**		1,067,251
Net assets			**2,201,751**		1,985,715
Charity Funds					
Restricted funds	18		**146,374**		146,374
Unrestricted funds:					
Designated funds	19		**241,581**		216,581
General unrestricted fund			**1,813,796**		1,622,760
Total funds	20		**2,201,751**		1,985,715

The financial statements were approved and authorised for issue by the Trustees on 21 December 2023 and signed on their behalf, by:

Jonathan Church

Jonathan Church
Chair

The notes on pages 36 to 49 to form part of these financial statements.

Company Balance Sheet as at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	10		**951,008**		859,217
Investments	11		**1**		1
			951,009		859,218
Current assets					
Investments - 95 day notice account		**-**		2,000,000	
Debtors	13	**518,639**		717,966	
Cash at bank and in hand		**6,422,018**		6,328,059	
		6,940,657		9,046,025	
Creditors: amounts falling due within one year	14	**(5,975,055)**		(8,029,287)	
Net current assets			**965,602**		1,016,738
Net assets			**1,916,611**		1,875,956
Charity Funds					
Restricted funds			**146,374**		146,374
Unrestricted funds					
Designated funds	19		**241,581**		216,581
General unrestricted fund			**1,528,656**		1,513,001
Total funds			**1,916,611**		1,875,956

The financial statements were approved and authorised for issue by the Trustees on 21 December 2023 and signed on their behalf, by:

Jonathan Church

Jonathan Church
Chair

The notes on pages 36 to 49 to form part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 March 2023

	2023	2023	2022	2022
	£	£	£	£
Cash flows from operating activities				
Net income for the year		**216,036**		898,803
Adjustment for:				
Depreciation charges	**83,089**		50,454	
Loss on disposal of tangible fixed assets	**-**		1,888	
(Increase) / Decrease in stocks	**2,110**		(6,712)	
(Increase) / Decrease in debtors	**221,567**		(101,248)	
Increase/ (Decrease) in creditors	**(2,069,981)**		2,148,999	
		(1,763,215)		2,093,381
Net cash provided by operating activities		**(1,547,179)**		2,992,184
Cash flows from investing activities:				
Purchase of tangible fixed assets	**(200,388)**		(801,248)	
Net cash used in investing activities		**(200,388)**		(801,248)
Change in cash and cash equivalents in the period		**(1,747,567)**		2,190,936
Cash and cash equivalents brought forward		**8,480,538**		6,289,602
Cash and cash equivalents carried forward		**6,732,971**		8,480,538
Cash and cash equivalents				
Investments - 95 day notice account		**-**		2,000,000
Cash at bank and in hand		**6,732,971**		6,480,538
		6,732,971		8,480,538

The notes on pages 36 to 49 form part of these financial statements.

Notes To The Financial Statements

For the year ended 31 March 2023

1 Accounting Policies

Company Information
The Marlowe Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is The Marlowe Theatre, The Friars, Canterbury, Kent, United Kingdom, CT1 2AS.

1.1 Basis of preparation of financial statements
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

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

1.2 Going concern
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Company status
The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 Income
All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated

Notes To The Financial Statements (continued)

with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.5 Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

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

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Basis of consolidation
The financial statements consolidate the accounts of The Marlowe Trust and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the period are included from the effective date of acquisition.

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

Notes To The Financial Statements (continued)

1.7 Tangible fixed assets and depreciation
All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Computer equipment - 25%
- Plant & Machinery - 20%
- Theatre Equipment - 12.5%
- Heater Infrastructure - 10%
- Leasehold Improvements - 10% or life of lease
- Freehold Buildings - 2%

1.8 Investments
Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Stocks
Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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

1.11 Cash at Bank and in hand
Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions
Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments
The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with

Notes To The Financial Statements (continued)

the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 Pensions
The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

1.15 Fund accounting
General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Notes To The Financial Statements For The Year Ended 31 March 2023

2.	Income from donations and legacies	Unrestricted funds	Restricted funds	Total funds	Total funds
		2023	2023	2023	2022
		£	£	£	£
	Donations	187,412	-	187,412	133,126
	Unconditional Grants	-	-	-	1,250,153
	Total donations and legacies	187,412	-	187,412	1,383,279

3.	Income from charitable activities	Unrestricted funds	Restricted funds	Total funds	Total funds
		2023	2023	2023	2022
		£	£	£	£
	Income from Theatre Productions	14,095,268	-	14,095,268	8,926,167
	Grants	-	100,724	100,724	266,386
	Total donations and legacies	14,095,268	100,724	14,195,992	9,192,553

4.	Fundraising income	Unrestricted funds	Restricted funds	Total funds	Total funds
		2023	2023	2023	2022
		£	£	£	£
	Sponsorship, Advertising and Business Membership	42,039	-	42,039	28,200

5.	Direct costs	Staff costs	Direct costs	Support costs	Total	2022
		£	£	£	£	£
	Cost of raising funds	471,376	605,826	68,538	1,145,740	775,486
	Charitable activities:					
	Delivery of the arts	3,298,239	9,978,449	1,301,338	14,578,026	10,085,725
		3,769,615	10,584,275	1,369,876	15,723,766	10,861,211

Notes To The Financial Statements For The Year Ended 31 March 2023

6. Support costs	2023	2022
	£	£
Staff training	**57,085**	50,305
Insurance	**97,357**	138,976
Consultancy	**191,537**	67,832
Repairs and building maintenance	**67,215**	123,031
Computer and telephone costs	**59,288**	66,330
Light, heat and other building costs	**419,666**	306,402
Travel and subsistence	**27,696**	20,345
Bank charges	**4,255**	11,810
Equipment and materials	**15,416**	14,781
Legal and professional fees	**8,909**	15,259
EKS service charges	**22,878**	49,561
Publications and hospitality	**12,211**	11,552
Licenses and subscriptions	**67,818**	60,771
Irrecoverable VAT	**167,969**	141,975
Accountancy fees	**3,025**	2,750
Agency	**-**	42,155
Fundraising	**68,538**	60,022
Depreciation	**65,393**	40,329
Governance costs:		
Auditors remuneration	**13,620**	9,000
Auditors remuneration - over provision in prior year	**-**	(2,500)
Legal fees	**-**	782
Grant Audit	**-**	1,000
	1,369,876	1,232,468

Notes To The Financial Statements For The Year Ended 31 March 2023

7. Net income/(expenditure)	2023	2022
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charitable group	**65,394**	40,328
- Auditors' remuneration - audit	**13,620**	9,000

During the period, no Trustees received any remuneration.

During the period, no Trustees received any reimbursement of expenses.

8. Staff costs	2023	2022
	£	£
Staff costs were as follows:		
Wages and salaries	**3,188,659**	2,343,678
Social security costs	**262,223**	180,870
Other pension costs	**318,733**	286,487
	3,769,615	2,811,035

The average number of persons employed by the company during the period was as follows:		
	No.	No.
Total staff	**176**	136

The number of employees whose emoluments as defined for taxation purposes, amounted to over £60,000 in the year were as follows:

	No.	No.
£60,000 to £69,999	**-**	1
£70,000 to £79,999	**1**	1
£80,000 to £89,999	**1**	-
£100,000 to £109,999	**-**	1
£110,000 to £119,999	**1**	-
	3	3

The key management personnel comprise those listed on page 2. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel was £310,928 (2022 - £251,032).

Notes To The Financial Statements For The Year Ended 31 March 2023

9. Related party transactions

Jonathan Church, the Chair of the Board of The Marlowe Trust is also a director of the following companies who had the following related party transactions:

KMCB Productions Ltd
£nil (2022 - £12,687) was invoiced inclusive of VAT on an open market basis by KMCB for a production of David Suchet – *Poirot And More, A Retrospective*.

Make Em Laugh Ltd
£nil (2022 - £269,323) was invoiced inclusive of VAT on an open market basis by Make Em Laugh Ltd for a production of *Singin' In The Rain*.

Jonathan Church Productions Ltd who acted on behalf of Producer EHP LWW Ltd as General Manager
£nil (2022 - £151,545) was invoiced inclusive of VAT on an open market basis by EHP LWW Ltd for a production of *The Lion, The Witch And The Wardrobe*.

SP Theatre Ltd
£229,803 (2022 £nil) was invoiced inclusive of VAT on an open market basis ny SP Theatre Ltd for a production of *South Pacific*.

KI Tour 2018 Limited
£213,442 (2022 £nil) was invoiced inclusive of VAT on an open market basis by KI Tour 2018 Limited for a production of *The King And I*.

Notes To The Financial Statements For The Year Ended 31 March 2023

10. Tangible fixed assets	Land and Buildings	Leasehold improvements	Computer equipment	Theatre equipment	Total
Group	**£**	**£**	**£**	**£**	**£**
Cost					
Brought forward	567,374	138,486	111,486	192,100	1,009,446
Additions	-	61,884	19,102	119,402	200,388
As at 31 March 2023	567,374	200,370	130,588	311,502	1,209,834
Depreciation					
Brought forward	-	6,559	43,840	40,583	90,982
Charge for the period	-	16,167	28,933	37,989	83,089
As at 31 March 2023	-	22,726	72,773	78,572	174,071
Net book value As at 31 March 2023	**567,374**	**177,644**	**57,815**	**232,930**	**1,035,763**
As at 31 March 2022	567,374	131,927	67,646	151,517	918,464

	Land and Buildings	Leasehold improvements	Computer equipment	Theatre equipment	Total
Company	**£**	**£**	**£**	**£**	**£**
Cost					
Brought forward	567,374	138,486	111,053	118,361	935,274
Additions	-	61,884	19,102	76,199	157,185
As at 31 March 2023	567,374	200,370	130,155	194,560	1,092,459
Depreciation					
Brought forward	-	6,559	43,506	25,992	76,057
Charge for the period	-	16,167	28,834	20,393	65,394
As at 31 March 2023	-	22,726	72,340	46,385	141,451
Net book value As at 31 March 2023	**567,374**	**177,644**	**57,815**	**148,175**	**951,008**
As at 31 March 2022	567,374	131,927	67,547	92,369	859,217

Notes To The Financial Statements For The Year Ended 31 March 2023

11. Fixed asset investments

Shares in group undertakings	Company
	£
Market value	
As at 1 April 2022 and 31 March 2023	1

All the fixed asset investments are held in the UK.

12. Stocks

	Group	Company	Group	Company
	2023	**2023**	2022	2022
	£	**£**	£	£
Finished goods and goods for resale	15,800	**-**	17,910	-

13. Debtors

	Group	Company	Group	Company
	2023	**2023**	2022	2022
	£	**£**	£	£
Trade debtors	**16,158**	**16,158**	24,983	70,216
Amounts owed by group undertakings	**-**	**67,611**	-	-
Other debtors	**322,196**	**322,196**	570,885	570,885
Prepayments and accrued income	**113,423**	**112,674**	77,476	76,865
	451,777	**518,639**	673,344	717,966

14. Creditors: Amounts falling due within one year

	Group	Company	Group	Company
	2023	**2023**	2022	2022
	£	**£**	£	£
Trade creditors	**224,622**	**184,258**	129,377	97,192
Amounts owed to group undertakings	**-**	**20,723**	-	4,110
Other taxation and social security	**93,740**	**93,740**	93,123	93,123
Other creditors	**1,432,197**	**1,392,333**	1,619,259	1,572,080
Accruals and deferred income	**4,284,001**	**4,284,001**	6,262,782	6,262,782
	6,034,560	**5,975,055**	8,104,541	8,029,287

Notes To The Financial Statements For The Year Ended 31 March 2023

15. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £318,733 (2022 - £286,487). Contributions totalling £nil(2022 - £nil) were payable to the fund at the balance sheet date

At the point of transfer the Charity was granted entry in to the Local Government Pension Scheme as an Admitted Body, adopting the process of being closed to new entrants after transfer date.

On termination of the Admission Agreement or on the Charity no longer having any Eligible Employees actively contributing to the Fund, the Council shall:

- procure that the Administering Authority transfers all of the Fund's assets and liabilities relating to the Eligible Employees (including for the avoidance of doubt any deferred or pensioner members of the Fund) from the Charity back to the Council and the Charity shall not be liable to settle any costs, expenses or liabilities arising at the date of termination of the Admission Agreement or the date the Charity no longer has any Eligible Employees actively contributing to the Fund;

- and the Council shall procure that the Charity shall be discharged from all and any future liabilities to the Fund.

16. Operating lease commitments

At 31 March 2023 the total of the future minimum lease payments under non-cancellable operating leases was:

Group and Company	**2023**	2022
	£	£
Amounts payable:		
Within 1 year	11,039	2,880
Between 1 and 5 years	24,956	720
Total	35,995	3,600

Notes To The Financial Statements For The Year Ended 31 March 2023

17. Principal subsidiaries

The Marlowe Trust Trading Limited

Subsidiary name:	The Marlowe Trust Trading Limited
Company registration number	11337139
Equity shareholding %	100%

	2023	2022
	£	£
Total assets as at 31 March	**432,979**	234,526
Total liabilities as at 31 March	**(147,839)**	(124,597)
Total equity as at 31 March	**285,140**	109,929
Turnover	**1,379,792**	905,686
Expenditure	**(1,165,465)**	(775,486)
Profit for the period	**214,327**	130,200

18. Restricted Funds

	Balance at 1 Apr 22	Income	Expenditure	Balance at 31 Mar 23
	£	£	£	£
Current year				
Murder In The Cathedral Fund	146,374	-	-	146,374
The Pilgrims Trust	-	15,000	(15,000)	-
AHF	-	50,000	(50,000)	-
RSC 37 Plays	-	1,500	(1,500)	-
RSC projects Fund	-	25,000	(25,000)	-
NT Connection Fund	-	9,224	(9,224)	-
Total restricted funds	**146,374**	**100,724**	**(100,724)**	**146,374**
Prior year				
NT Connection Fund	-	3,437	(3,437)	-
RSC projects Fund	-	42,839	(42,839)	-
Property, repairs & maintenance Fund	-	52,336	(52,336)	-
SELEP Fund	-	158,774	(158,774)	-
Catalyst for Culture	-	9,000	(9,000)	-
Murder In The Cathedral Fund	146,374	-	-	146,374
Total restricted funds	**146,374**	**266,386**	**(266,386)**	**146,374**

Notes To The Financial Statements For The Year Ended 31 March 2023

Murder In The Cathedral Fund
During the 2019/20 financial year fund were raised from individuals, corporate sponsors and Trust & Foundations for the planned production within the cathedral in late 2020. This activity was scheduled for October 2020 but has now been delayed in agreement with Canterbury Cathedral whilst we work on allocation that the Cathedral would need to make available for the production.

NT Connections Fund
The Marlowe Trust was fully engaged within the National Theatres NT Connections programme.

The Pilgrims Trust
To fund the Fabric and Service Condition reports for The Marlowe Kit.

Architectual Heritage Fund (AHF)
To fund the Architect Fees to RIBA Stage 1, co-ordination of Design & Development, Cost Consultants and Fundraising Strategy for The Marlowe Kit.

RSC 37 Plays
To participate in the Royal Shakespeare Company play making festival.

RSC Projects Fund
The Marlowe Trust is fully engaged within the Royal Shakespeare Company Associate Schools and Shakespeare Nation programme of activity.

Property Repairs & Maintenance Fund
Grants received for specific building repairs, maintenance, and improvements within the financial year.

The South East Local Enterprise Partnership (SELEP Fund)
SELEP funded a collaborative programme between three major cultural institutions in the LEP region – The Mercury Theatre in Colchester and Glyndebourne Opera in Sussex and The Marlowe Theatre in Canterbury, who were also the grant receiver and administrator of the project.

Catalyst For Culture Fund
Catalyst For Culture was a response to the challenges of the pandemic which had a devastating impact on the theatre sector.

The Marlowe Kit
Grant received from the National Lottery Heritage Fund for the upkeep of The Marlowe Kit during the pandemic.

Notes To The Financial Statements For The Year Ended 31 March 2023

19. Designated funds	Balance at 1 Apr 22	New designations	Designations released	Balance at 31 Mar 23
	£	£	£	£
Current year				
Marlowe Theatre Development Trust Fund	141,581	-	-	141,581
Investment Fund	75,000	25,000	-	100,000
Total restricted funds	**216,581**	**25,000**	**-**	**241,581**
Prior year				
Marlowe Theatre Development Trust Fund	23,427	118,154	-	141,581
	-	75,000	-	75,000
Total restricted funds	**23,427**	**193,154**	**-**	**216,581**

Marlowe Theatre Development Trust Fund
Marlowe Theatre Development Trust Fund is made of donations and legacies transferred and allocated as a designated fund for projects not within the core Marlowe budget.

Investment Fund
Designated to allow the Trust to invest deeper outside of the core budget for projects, programming and infrastructure.

20. Analysis of net assets between funds	Unrestricted funds	Restricted funds	Total funds
Current year	£	£	£
Tangible fixed assets	1,035,763	-	1,035,763
Current assets	7,054,174	146,374	7,200,548
Creditors due within one year	(6,034,560)	-	(6,034,560)
	2,055,377	**146,374**	**2,201,751**

	Unrestricted funds	Restricted funds	Total funds
Prior year	£	£	£
Tangible fixed assets	918,464	-	918,464
Current assets	9,025,418	146,374	9,171,792
Creditors due within one year	(8,104,541)	-	(8,104,541)
	1,839,341	**146,374**	**1,985,715**