

Updated Finance report for 2020AGM

Please note updated finance report below, balance sheet and income statement are also attached for the year. The final preparation and confirmation of the statutory accounts was delayed this year due to Covid but also as we moved across to a new Independent Accountant(IA) whose job it is to review the report and accounts. A late adjustment was requested by the new IA to reflect depreciation charges on our building. We had elected 3 years ago to suspend depreciation charges on the building on the basis that the market value of the building exceeded that contained in the accounts. Whilst the old IA agreed with this policy change, the new IA has not. We have taken advice from the ICAEW and have agreed with the new IA that we should indeed be depreciating the building and have thus made the adjustment, hence the movement from the first report of a small profit to a loss of £5704. Last year has been restated to aid consistency. An updated professional building valuation will be carried out this year.

Updated Financial review

The Playhouse made a loss of £5704 in the year which included the contribution from Minack of £26700. This compared with a loss last year of £21215 which had no Minack benefit. The deterioration in the Ilkley-only numbers is primarily due to a fall of 17% in audience numbers and the knock on effects through ancillary activities. The contribution from events and room hire was static year on year, managing to consolidate the excellent progress from prior years despite falling audience numbers elsewhere. There was minimal direct impact on the year's results from Covid 19.

There was a cash inflow of £6,436 in the year being the net result of a trading cash flow inflow of £16,389, offset by capital expenditure of £4,306 and an £5,647 increase in working capital. Cash reserves at the yearend were £116,470.

The aim stated in last year's report was to achieve cash breakeven excluding any Minack contributions within two years - which was effectively achieved in 2018/19. However, falling audience numbers have impacted the finances significantly this year and we are once again reliant upon contributions from Minack to maintain cash flows.

The Theatre was closed on 21st March 2020 due to the impact of Covid 19. All forms of possible financial assistance (government grants, staff furlough, voluntary donations) have been pursued but the impact on the Playhouse remains highly significant. We applied for the first round of Arts Council Covid related grants but were unsuccessful and have just applied under their second scheme and are expecting to be informed in October of our status. We have financially modelled various options for reopening the playhouse under the current social distancing rules but the results are challenging. The key issue not surprisingly is audience numbers and we are conducting surveys to try and establish the appetite for a return. More details will be discussed at the AGM.