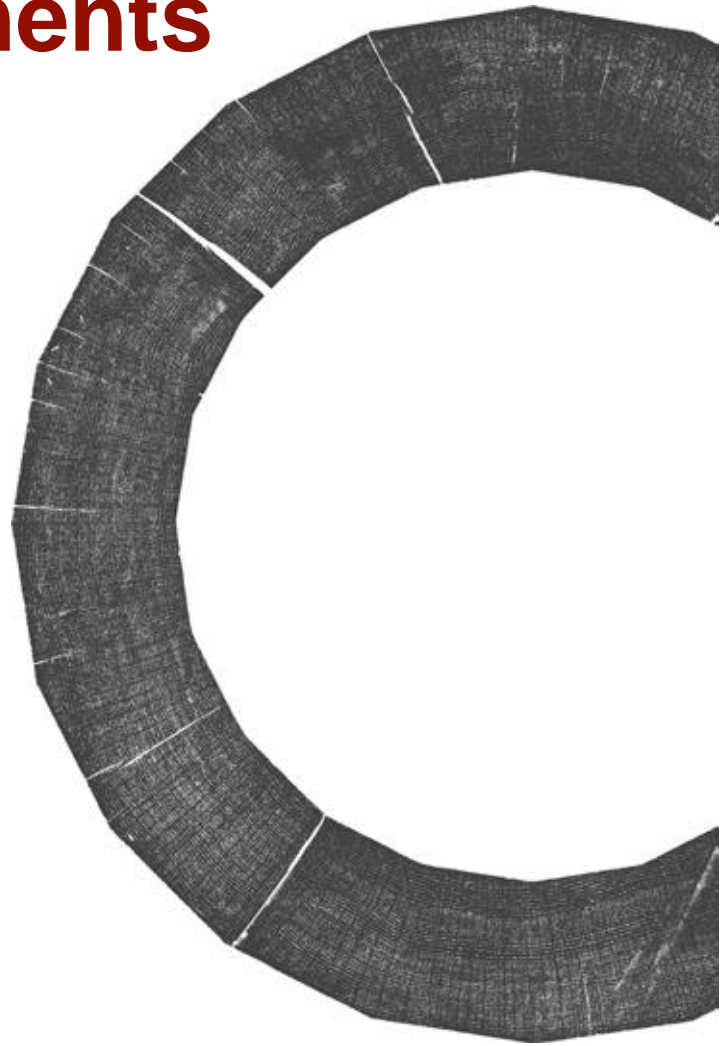


The Shakespeare Globe Trust

Annual Report and Financial Statements 2021



**Annual Report and Financial Statements for
the year ended 31 October 2021**

Registered company number: 1152238

Registered charity number: 266916

**Registered office:
21 New Globe Walk, London SE1 9DT**

TRUSTEES, EXECUTIVES AND ADVISERS

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TRUSTEES

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Chief Finance and Operating Officer

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Co-Directors of Development

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David Lyon FCCA (left May 2021)

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Rebecca Wootton (appointed December 2020)

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The Shakespeare Globe Trust

(a charitable company limited by guarantee)

Registered company number

1152238 Registered charity

number 266916

Registered Office:

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The Shakespeare Globe Trust (the 'Trust') is a charitable company limited by guarantee incorporated in England and Wales and registered with the Charity Commission. There is no ultimate controlling entity. The principal activities of the Trust derive from theatre performances, educational workshops and exhibitions and tours. Details of the Trust's subsidiaries are set out in Note 14 to the financial statements.

Contents.

Trustees, Executives and Advisers	1
Message from the Chair and Chief Executive	5
Trustees' Report	10
Strategic Report	11
Plans for 2021/2022	27
Public Benefit	29
Financial Review	30
Structure and Governance	36
Independent Auditors' Report to the members of The Shakespeare Globe Trust	41
Consolidated Statement of Financial Activities	44
Balance Sheets	45
Consolidated Cash Flow Statement	46
Notes to the Financial Statements	47

FOREWORD

As stated in last year's Annual Report, the impact of the Covid-19 global pandemic, which commenced in March 2020, presented the greatest threat to the future of Shakespeare's Globe since its opening in 1997 and its impact has been financially shocking.

As the organisation swiftly remodelled and re-scaled to ensure its recovery and future, the pandemic's ongoing impact has continued through to the current date and issuance of this 2021 Annual Report in May 2022.

Following the closure of both theatres and the Bankside site in March 2020 and then the eventual reopening of the Globe Theatre 429 days later in May 2021, the Board of Trustees, Chief Executive and leadership have worked tirelessly on flexible recovery plans, both operational and financial, to ensure the continued viability and business of the organisation.

The Trustees have taken a range of actions since March 2020, such as, unusually for the Globe, seeking and securing public funding in the form of grant and loan financing from the Government's Cultural Recovery Fund in the region of £6 million, seeking support from other sponsors and donors, as well as completing a significant restructuring programme and overall reduction in our costs and activities. Further details are set out in the 2021 Annual Report and Financial Statements.

We currently remain confident about our future, but these continue to be very challenging and unprecedented times for the Globe, the cultural sector and society in general; and are likely to remain so for quite some time to come as the charity endeavours to move from recovery to rebuilding the organisation over the next three-years.

Based on these plans and the current reserves position, the Board of Trustees are confident in the Globe's ability to remain as a going concern and have, therefore, prepared the financial statements on a going concern basis of accounting.

Nevertheless, the Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some years, given the financial modelling referred to above and the related key assumptions and sensitivities in our longer-term recovery plans.

Message from the Chair and Chief Executive.

At the time of presenting the previous message for the 2019/2020 Annual Report, the impact of Covid-19 had already presented the greatest threat to the future of Shakespeare's Globe since our opening in 1997.

In a normal year, Shakespeare's Globe welcomes over a million visitors a year and shares 10% of London's play-going audience, with an annual income of around £25 million. It has operated, for 24-years, without any regular public or Arts Council England subsidy. This is a model that has, in the past, enabled our financial independence and resilience, but with the loss of 90% of regular income in 2020 which saw the Globe critically vulnerable and at risk of closure and then with very limited income generating opportunities in 2021 due to the theatres being unable to reopen without major Government restrictions on attendance levels, has meant that the Globe had to secure many ways to safeguard its survival.

The impact of the last two-years has been financially devastating for not just the Globe but the whole of the UK's performing arts, leisure and heritage sectors and for those working in them.

Having first closed our doors in March 2020 for the first national lockdown, the organisation had to operate for the rest of the calendar year in a highly agile way as, due to the financial risks and ever-changing Government mandates, we were unable to open our theatres for performances. Whilst our physical doors remained closed, we continued the sterling work started earlier in the year to ensure that we remained connected with both current and new audiences by pivoting our activities, education offer and performances into an ever-expanding on-line world and what could be viewed as a new performance space.

Our first major event in the financial year was the live streaming, in November 2020, of our Olivier Award winning production of *Emilia*, which had played to great success in the West End in 2019, followed by our festive offering of *Christmas at the (Snow) Globe* produced as a new film instead of a live performance as theatres could not open, with Sandi Toksvig bringing audiences together from 43 countries. We were delighted that this film was also screened for free to over 200 care homes and children's hospitals across the country.

We continued our on-line endeavours with offerings from the Sam Wanamaker Playhouse with on-line Festivals around: *Shakespeare and Fear* and *Deep Night Dark Night* and a range of family activities for all ages. The 2020/21 Winter programme culminated with a staged socially distanced reading of our 2018 production of *Macbeth*.

As with many cultural organisations, we had planned to reopen our doors in early January 2021 to offer Guided Tours and Education activities for students on our stages and in our studios. These plans were significantly thwarted when the UK went into another significant second lockdown period until April 2021, thus also delaying our ambition to start rehearsals in the new year for a full Summer 2021 season.

Recognising the continuing needs of these times, the Education department continued their work on-line between October 2020 and April 2021, helping to support families, teachers and students of all ages, from many countries, as they sustained the new world of home-schooling and virtual classrooms. During the lockdown, the Education team also supported teachers with on-line Continuing Professional Development sessions, delivered on-line revision sessions and study workshops, and enabled educators to stay connected by sharing learning resources directly to over 12,000 teachers each month through our teacher newsletter.

This 2020/21 year, we offered over 160 on-line events for teachers and schools. Our family work has helped us reach six different continents, 52 different countries and over 3,500 families. In total, we've delivered over 100 hours of interactive content for families and young people.

Though the Board of Trustees had approved a further use of reserves to fund the operating deficit in this 2020/21 financial year, the enforced four-month lockdown meant that our income generating opportunities were extremely limited and thus necessitated the further potential use of another circa £1m of reserves and keeping a large number of colleagues on the Government's job retention furlough scheme.

In the end, we were able to reopen the Bankside site for Guided Tours and Education activities from early-April 2021 and created a new mobile shop unit outdoors for these visitors, though the attendance levels were low due mainly to the dearth of international tourists and out of town visitors to London who had concerns about using public transport. For many of these visitors, it was the first time they had visited London for over a year and we were delighted they had chosen to visit our unique spaces.

It was understandably a very emotional moment for all when we, at last, reopened our doors for the delayed Summer season in mid-May 2021, when Government restrictions lifted enabling theatres to reopen at much reduced, socially distanced capacities.

The Summer season opened with a re-mount of 2019's popular *A Midsummer Night's Dream*. The production was reworked to include two metre social distancing on stage, an approach which was then continued for all productions. Audiences reported feeling secure in the Globe, with no intervals, timed arrivals, temperature checks, social distanced seating (including seats in the Yard), NHS Track and Trace, hand sanitising and, of course, playing in the open-air.

Though the Globe Theatre would normally welcome 1,600 audience members for each performance, our capacity was reduced to only 470 theatre-goers, including only 60 of the usual 700 seated in the Yard, due to the Government Performing Arts Guidelines. Capacities increased slightly in June 2021, and groundlings finally welcomed back to stand in the Globe Theatre Yard in early August 2021.

Also across the season were new productions of *Romeo & Juliet* and *Twelfth Night* and the Globe on Tour ensemble performed three plays: *The Tempest*, *As You Like It* and *A Midsummer Night's Dream* opening at the Globe before embarking on a London-based tour reaching local communities who may otherwise not visit the theatre. *Metamorphoses*, a playful new piece of theatre inspired by Ovid's collection of myths, opened to critical and audience acclaim in the Sam Wanamaker Playhouse in September 2021, written by our first writers-in-residence: Sami Ibrahim, Laura Lomas and Sabrina Mahfouz.

We were proud to have engaged hundreds of freelancers, the most impacted workers in our sector, and achieve our ambitions to create wider opportunities with 49% of the Summer season acting company coming from a Global Majority background.

With significant financial support from the Garfield Weston Foundation, each production in the season was livestreamed to reach our audiences internationally and to those who could not travel to us, our ever-popular 'Midnight Matinees' continued to provide London's nightlife with world-class culture, and our critically acclaimed access performances, including incorporated sign-language, and provisions ensured that we could provide "Shakespeare for All".

Although total visitor numbers were significantly down on previous years, the Globe Theatre season of seven productions and 295 performances, with only having had to cancel two performances due to Covid safety issues, welcomed almost 190,000 theatre-goers, representing over 80% of maximum Covid-allowed capacity.

Our Education activities, meanwhile, welcomed 24,000 students and participants and the Guided Tour offer received 22,000 visitors. In total, over 233,000 people visited our two theatres, educational studios and tour, in comparison to the million plus visitors in a normal year, whilst we engaged with over 2.3 million digitally through our on-line events, films and website. The total for on-site visits was 75% down from a regular year.

Though we provided support and regular communications, there was a mental health and wellbeing impact on the 85% of our staff who experienced an extended furlough of more than one year and for some employees up to September 2021. We introduced a reimagination of our induction processes, and all staff were re-inducted, to ensure that they felt supported as they took up their roles once more.

We completed the final phase of the restructure of the organisation with significant changes in the Finance, Marketing, Communications and Digital teams as part of the £2m savings programme started with other departments last year. Many roles have changed as a result of the substantial restructure and this has involved new training arrangements, many of them delivered on-line.

The one-year anniversary of the murder of George Floyd and the Black Lives Matters protests continued to be a stark reminder of the racism that continues to pervade society, institutions and our industry. This continues to be a profound moment of reflection for us and our sector on the inadequacies of the past and the urgency of effecting long-term change addressing conscious and unconscious racism and bias, seeking to embed the values of diversity and inclusion at the heart of everything we do. Alongside the divide between rich and poor highlighted by the pandemic, this also brought to the fore, racial injustice, lack of educational opportunity and the challenges of mental health.

Following the Board of Trustees' commitment and public statement for the Globe to be an anti-racist pro equality organisation, we deepened our work on Shakespeare & Race and continued to develop and deliver the positive actions proposed by our Anti-Racist Taskforce.

Alongside the £3m Cultural Recovery Fund grant awarded in October 2020, we applied, in early 2021, to the second round of the Fund for a £3m loan, to de-risk the Globe's financial position over the next two years, mitigating against lost income. The 20-year Government loan was confirmed in March 2021 and underpins the viability of our vital 2021 & 2022 seasons and increases wider organisational resilience by sheltering us from the impact of any necessary cash depletion in the face of a potential worsening public health outlook, before we return to a degree of financial sustainability and start to rebuild the organisation's depleted operating reserves over a 3-year period.

Our supporters have, very generously, donated over £2m in contributions in 2020/21, which are being invested in our ongoing educational and artistic work.

We were thrilled that, at the end of the year, all our hard work in keeping our doors open and our strong creative season and endeavours was recognised by Time Out with naming the Globe as *London Theatre of the Year* and secured a number of acting nominations in the UK West End Theatre Broadway World Awards.

Since the end of the financial year, we have been able to mount a Winter season of productions in the Sam Wanamaker Playhouse, as well as a Christmas show in the Globe Theatre. We have also been able to offer some Guided Tours over the weekends and hosted our first study abroad conservatory training programmes and education activities, including the annual Playing Shakespeare with Deutsche Bank production for schools. We continued to review our future major capital projects options, including how to deliver components of our original Project Prospero ambitions, alongside rethatching the Globe Theatre.

This year saw Trustee Joanna Mackle retire in April 2021 after her second term of three years and the appointment of Matthew Jones OBE, providing continuity in the important area of secondary education. Our Chair, Margaret Casely-Hayford CBE was also reappointed in December 2020 for a second term of three years. After the end of the financial year, Dame Anne Pringle, Lady Cynthia Hall and Jenny Topper all retired from their role as Trustees having completed their maximum terms. We remain indebted for their significant support and board leadership over this challenging period of the pandemic. John Baker was appointed as a Trustee in March 2021.

We welcomed new talent into the leadership team as we said farewell to directors who, between them, had dedicated more than half a century of talented support leading the Globe. Ian Dixon (Chief Operating Officer) retired in May 2021 and was succeeded by Niki Cornwell, who joined from the Barbican Centre and Guildhall School of Music & Drama in a new role of Chief Finance and Operating Officer. David Lyon (Director of Finance and Business Administration) left the organisation and was succeeded by Joel Moseley as Finance Director. Following Patrick Spottiswoode's (Director of Globe Education) retirement in October 2020, Professor Farah Karim-Cooper and Lucy Cuthbertson joined the Directorate as Co-Directors of Education, and Rebecca Wootton joined from The Royal National Theatre as the new Director of Audiences, encompassing all marketing, communications, digital and visitor experience activities in December 2020. All in all, six members of the Senior Leadership Team have now been promoted to the Directorate, demonstrating the ongoing personal development opportunities the organisation can provide with the next generation of leaders now shaping the Globe's future.

We also acknowledge, with great sadness, the passing of our Royal Patron, His Royal Highness The Prince Philip, Duke of Edinburgh in April 2021. Prince Philip served as our Patron for over 40 years and it was gratifying to see how widely our relationship with His Royal Highness was recognised and celebrated in the news coverage around his death. His friendship with our founder Sam Wanamaker was integral to building the Globe Theatre and later opening the Sam Wanamaker Playhouse. He was, at that time, a Patron of the founding US charity for the Globe, and his support ensured North American donors made Sam's dream of a Globe Theatre come into a reality. His support for our cause has spanned decades, and his enthusiasm was unwavering. His last visit was for our celebrations in 2016 for the 400th anniversary of Shakespeare's death but he continued to hold a keen interest in our successes.

Shakespeare's Globe has a commitment to explore Elizabethan and Jacobean theatre in the playing conditions under which Shakespeare and his contemporaries originally worked. This principle underlies all our work with schools and universities and informs the experience offered to every visitor to the Globe's unique spaces, shaping the way in which we present ourselves to the world. Without their loyalty, support and commitment we would not have survived, and we are so grateful to each and every one of them.

We also simply would not have survived the year without the significant and vital support from Arts Council England and the Government's Department for Digital Culture, Media & Sport through the Culture Recovery Fund and indeed the essential support from the Government's

MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE

Coronavirus Job Retention Scheme, and so all our thanks go to the Government for this lifeline, which helped address some of the immediate financial damage caused by this crisis, easing our route to re-opening this year and paving the way for the performances and education activities to return to our stages.

2020/21 continued to be a very difficult year for all theatres and, as an organisation, we are proud of the effort and sacrifices our colleagues, freelancers such as actors and production staff, and volunteers have made to ensure the Globe's survival and successful reopening of its doors last Spring. It is this extraordinarily committed community of dedicated staff, volunteers and freelancers that make Shakespeare's Globe such a remarkable institution, and our deepest thanks go to all our former and current colleagues for their inspiration, dedication and professionalism.

Profound gratitude is also extended to our family of friends, patrons, philanthropists and audiences, without whom the Globe could not have survived and whose continuing support will enable us once more to bring exceptional performances and activities to all audiences and streamed across the World.

And finally, we remain very thankful to our dedicated Board of Trustees, our generous supporters, and our ever-loyal audiences (in person and on-line) as we look to rebuild this year and a brighter but continually challenging and uncertain 12-months ahead.

Margaret Casely-Hayford CBE
Chair

Neil Constable
Chief Executive

TRUSTEES' REPORT

The Trustees present their report and the audited financial statements for the year ended 31 October 2021.

The information contained within the Trustees, Executives and Advisers section on page 2, Forward on page 4, Message from the Chair and Chief Executive on pages 5 to 9 and the Statement of Trustees' Responsibilities on page 39 form part of this Trustees' report.

The financial statements as at 31 October 2021 and for the year then ended have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards comprising the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) including 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), and the Companies Act 2006.

OUR CAUSE

We celebrate Shakespeare's transformative impact on the world by conducting a radical theatrical experiment.

Inspired and informed by the unique historic playing conditions of two beautiful iconic theatres our diverse programme of work harnesses the power of performance, cultivates intellectual curiosity and excites learning to make Shakespeare accessible for all.

'And let us ... on your imaginary forces work'.

Henry V, Prologue

OUR CHARITABLE AIMS

The Charitable Aims of The Shakespeare Globe Trust, as laid down in our founding instrument, are as follows:

"The Trust's primary purpose is to promote, maintain, improve and advance education, by encouraging and stimulating public appreciation and understanding of the dramatic art in all its forms, but principally in relation to the works of William Shakespeare. The Trust aims to fulfil this purpose through educational programmes, theatre performances, exhibitions and guided tours at the Globe Theatre."

Strategic Report.

Performance.

Digital performance.

The focus for the start of this 2020/21 year was on-line and digital contributions as we continued to navigate our way through the Covid-19 crisis. In November 2020, and again for International Women's Day in March 2021, we supported the on-line stream of the Olivier Award winning hit *Emilia* by Morgan Lloyd Malcolm reaching 26,000 households from over 80 countries. An archive recording was made available to watch on-line from as little as £1, fully accessible for all and raising vital support for the incredible team of freelancers who put together the show. The *#EmiliaWatchParty* trended at #3 on Twitter and we changed our name to Emilia's Globe!

For Halloween we shared our second digital festival from the Sam Wanamaker Playhouse 'broadcast studio': *Shakespeare and Fear*. Over 2,100 households around the world joined us for: *Deep Night Dark Night*, a series of old, new and true ghost stories told by candlelight. We also staged a socially distanced reading of *Macbeth* with Michelle Terry, Paul Ready and the company of the acclaimed 2018 production, as well as debate and discussion on current affairs in our series: *In Conversation: Fear In Our Moment*. A series of on-line 'How to' workshops for children were also led by our skilled in-house production team, creating Halloween themed make-up and props.

As we approached the end of the 2020 calendar year, like many other theatres across the country, our plans for in-person events were swiftly derailed due to the increases in Covid-19 cases. Further lockdowns and restrictions on gathering resulted in the cancellation of several events we had planned for our audiences – and also meant a delay to us being able to test how to create work in a Covid-safe way ahead of the 2021 Summer season.

Plans for *Christmas at the (Snow) Globe* were also swiftly adapted from an experience with a live audience to creating our first ever on location film: *Christmas at the (Snow) Globe: The Movie*, was shot socially distanced in our empty Globe, captured and released over Christmas 2020. The film, written by and starring Sandi Toksvig, was released for free to over 200 care homes and children's hospitals across the country, with audiences joining from 43 countries around the world.

Leading up to the release of *Christmas at the (Snow) Globe* we launched our first ever Globe Advent Calendar, celebrating all that the Globe has to offer from storytelling to how-to workshops, to poetry, song and baking.

"If you can't get to us then we will get to you" remained our mantra throughout the year and, as well as physically getting to audiences, we have been able to stream productions live into homes. Two live streams of *Dream*, *Twelfth Night* and *Romeo and Juliet* were filmed, reaching over 6,000 households around the world.

To give deeper insight into the plays, the process and the productions we also continued our *Behind Closed Doors* digital series.

On stage.

Amongst the challenges of Winter 2020/21, we continued to work hard with pragmatic optimism to create a 2021 Summer season in the face of an ever-changing cultural, social and covid landscape, writing and re-writing risk assessments and covid-contingency plans, to ensure that we were always able to best protect our staff, artists and audience: this included the decision to play all of the plays without intervals, as originally written.

After fourteen months of closure, we finally opened our doors to audiences once more in mid-May 2021. Over the course of the season, we played seven productions for 295 performances, engaged over 150 freelancers, reaching nearly 200,000 human beings, navigating Government requirements and track and trace and, incredibly, only cancelling two performances.

These productions we shared this season included *A Midsummer Night's Dream* and *Twelfth Night* performed by The Globe Ensemble 2021, directed by Sean Holmes.

For the first time ever, *A Midsummer Night's Dream* was also our Playing Shakespeare with Deutsche Bank production, playing to hundreds of school children across 15 performances and including, for the first time, fully integrated British Sign Language performed by hearing and deaf interpreters.

We shared *Romeo and Juliet* directed by Ola Ince, with Alfred Enoch as Romeo and Rebekah Murrell as Juliet.

Our Globe on Tour Ensemble performed three plays: *As You Like It*, *A Midsummer Night's Dream* and *The Tempest*, dividing their time between Bankside and beyond. Given the ever-changing restrictions on gathering and movement, we took the lead from advice to 'stay local', using this opportunity to engage more deeply and authentically with our local community. We strove to develop new and existing relationships, sharing these plays with people who were sometimes previously too frightened, suspicious, intimidated, or nervous to come to us. On tour we delivered 10 performances and 7 workshops across 8 London boroughs, reaching over 800 audience members. Some highlights included:

As You Like It in a Camberwell churchyard for Spring Community Hub foodbank users and volunteers – a magical late summer performance with parakeets and bats flying overhead. From a member of the foodbank team: 'A lot of the audience were young, and some don't have too much English, but they all left with smiles on their faces and loved it. You gave a lot of people their first experience of seeing a Shakespeare play and created a lot of memories for people. Which I think was the plan!'

The Tempest for mental health charity Mental Fight Club. The performance and workshop was part of the charity's plan to encourage its participants to engage with a wider range of activities in general, but particularly after the pandemic's forced isolation.

A Midsummer Night's Dream in a Clapham community centre that's starting to come back to life after the pandemic forced its closure. This performance was the first time some elderly and vulnerable people had left their home for something other than errands, and the first time that they had seen friends in over a year.

As the seasons started to change, we moved once again into the Sam Wanamaker Playhouse with our critically acclaimed production of *Metamorphoses* – a new play inspired by Ovid's stories of the same name and written by the Globe's first resident writers in over 400 years, Sami Ibrahim, Laura Lomas and Sabrina Mahfouz.

These writers had been with us since 2019, with this new production expected to be part of the Summer 2020 season, and finally finding its audience in October 2021.

Throughout the year, we have played host to a wide range of visiting artists including: The Comedy Store Players, Damon Albarn, James Bay, Arlo Parks, Dara O'Brien, Nitin Sawney, The Sixteen, Dead Poets Live, BBC Singers, supported our freelance community and Freelancers Make Theatre work, with a theatre spa day in the Globe Theatre, welcomed Good Chance and Little Amal (a 3.5 metre Syrian refugee puppet on her 8,000km journey across Europe), hosted the book launch of 50 Women In Theatre (in which the previous and current Artistic Director of The Globe were featured) and contributed our short film: Shakespeare's Letter to the Earth to the wider Letters to the Earth project released to coincide with Cop26.

Supporting the performance sector.

Talent development and amplifying the voices of those currently underrepresented in our industry continues as a key part of our work. In the Spring of 2021, we hosted a Writers Residency Week for eight emerging and mid-career playwrights, curated by Morgan Lloyd Malcolm, with workshops, lectures and guest speakers. The aim of the week was to encourage and develop diverse group of writers to engage in writing for epic spaces. We continue to work towards representing our community on and off our stages by further diversifying our freelance teams. We are consistently maintaining gender parity across our acting companies and this season 49% of our performers are of the Global Majority.

We found, and continue to find, ways to address, challenge and improve our industry and workplace culture - working towards becoming a truly safe and brave space for all. This includes a revised meet and greet day to welcome all freelancers, not only into the building, but to also give an introduction to some of our core values around Anti-Racism, Equality and Equitability. We have rewritten our welcome pack to include some of our anti-racist, anti-oppressive principles and continue to review and revise our process and practice to ensure all those who engage with our work, also engage with our values.

We worked with the Freelance Task Force during lockdown, and then continued our relationship with our freelance task force representative to establish our own internal freelance working group, to ensure we continue to broach and bridge the often disconnected relationship between the self-employed and our organisation.

As a result of this working group, we have also revised and refreshed the terms of reference for our Creative Council to make sure that this body of theatre industry peers and practitioners has a robust mechanism for feeding not only into the Theatre work but also into the Board of Trustees.

Education & Research.

Higher Education activities.

In 2021, we were thrilled and delighted to welcome students and teachers back on-site as we moved towards a hybrid delivery model. In March, during the lockdown, we successfully brought students on-site from East 15 drama school who were in a two-week programme. With the support of our Production team, we have enabled our programmes to take place safely and securely. Testing our heavy Covid regulations helped us to build our confidence to bring students back into the building more regularly so they could enjoy our two iconic buildings, attend performances and work in our studios.

As experienced elsewhere in the sector, we have seen unprecedented staff turnover in the last year and welcomed many new faces into the department. We recruited a new Library and Archive Manager to work with our Collections and Content Manager and our Digital Archivist, as we welcomed readers back into our dedicated Shakespeare library to consult our unique collections, books and periodicals.

Since January 2021, we have recruited 12 new Globe faculty members with an extensive range of experience and backgrounds. We delivered 19 on-site and 11 on-line courses, 10 of the on-site and 8 of the on-line courses being international. Our celebrated MA in Shakespeare Studies had its first term on-site since the pandemic. We excitedly welcomed our 2020/21 cohort of Rutgers Conservatory students in June, who were thrilled to finally be able to take classes on-site and perform their showcase in the Globe Theatre, while the 2021/22 cohort of Rutgers actors and designers arrived in September.

We launched the Anti-racist Shakespeare webinar series, generously sponsored by Cambridge University Press, the first one on *A Midsummer Night's Dream* saw over 400 attendees. We ran our first on-site festival since the pandemic began on Women and Power in December 2021, which featured events on *Hamlet and She* (a discussion with female Hamlets, including our Artistic Director, Michelle Terry), a scholarly symposium on-line, a recording of *The Guilty Feminist Podcast* and an 'In conversation' event on *MeToo Shakespeare*.

Professor Karim-Cooper, has been serving as President of the Shakespeare Association of America, and gave the prestigious Gresham Lecture in October at the Museum of London; she was elected to the Board of the Lyric Hammersmith and Advisory Board of the School of Arts and Humanities at Roehampton University.

Learning and family activities.

In Learning, the return of national lockdown at the beginning of the year, meant that the on-site Lively Action workshop and schools' outreach programmes went on hold once more. Instead we continued to deliver and further develop our on-line offers, providing an even greater variety of sessions depending on what schools needed including teaching whole year groups of students at home via their school digital platform and virtually teaching classes of socially distanced students back in school. New workshop products, the Lockdown Special & GCSE Boost proved very popular and we continued to provide a variety of on-line Continuing Professional Development sessions for teachers including a new *Shakespeare & Women* course and our *Teaching Anti-Racist Shakespeare* course continued to be very popular.

As families faced yet another holiday in lockdown, we saw huge demand for our February 2021 half-term on-line *Telling Tales Festival* of storytelling and workshop events with nearly 50 sold out separate events.

We delivered a large project over several months of lockdown that brought together on-line up to 10 of their primary schools nationally from the Girls' Day School Trust on 4 separate occasions for storytelling events and workshops.

Our plans for the flagship *Playing Shakespeare with Deutsche Bank* production for secondary schools opening the season in Spring 2021 had to be cancelled and, with Deutsche Bank's support, we postponed the project to the end of the season in October, losing the usual paid school performances, but retaining the free shows for state schools and welcoming 16,000+ students and teachers to *A Midsummer Night's Dream*. This was for many schools their first trip since lockdown.

In-person work slowly returned with in-school outreach work finally resuming mid-May and some collaborations with schools that had to begin on-line in lockdown were finally able to finish on-site at the Globe, including the Jeremy Lemmon project working with Harrow schools and *Shakespeare on my Doorstep*, a new project in collaboration with Borough Academy in Southwark over several months that culminated in families from the school community being given a tour of the Globe by their students.

International on-line work included projects with Wellington College, Beijing, schools in France and Berlin and a pilot project with the large Chinese All Round Education provider, New Oriental.

We hosted the *Poetry by Heart* finalists' celebrations in the theatre with over 300 young people, teachers and parents from schools all over the UK; Summer Schools were delivered on-site, on-line and in -schools, the latter as part of the Government's catch-up funding; *Telling Tales* storytelling events in the Sam Wanamaker Playhouse, including a new *Merchant of Venice* for children, marked the first indoor performances back at the Globe.

Guided Tour.

During the year, we continued to provide a Guided Tour of the site, allowing visitors to Bankside the opportunity to experience our iconic open-air theatre. In addition to access to our unique spaces to experience the craftsmanship visitors were told of the history of the site was well as the original 1599 theatre.

As with other areas, our ability to operate the Guided Tour was significantly impacted by Covid. Tours did not run for large periods of the year but did re-open in April 2021 following changes to Government restrictions. However, although we were able to re-open the tour at this point, as seen in many of London's visitor attractions, the reduction in tourism to London, especially from overseas, meant that the scale of the operation was significantly reduced from the level seen before Covid.

Commercial.

We have continued to support the delivery of the Trust's charitable objectives through the commercial activities undertaken by SGT Trading Limited, a subsidiary of the Trust. These activities included our on-site and on-line shop, catering partnership, corporate relationships, and venue hires.

Retail

As with our charitable activities, this remained a challenging year for our retail revenue with the site closed for substantial periods and footfall significantly lower. Retail on-site reopened in mid-April 2021 with a very limited pop-up shop on the Globe Piazza which in order to manage storage, wastage and ensure efficiency, sold just 10 products. The pop-up only opened for the last fifteen minutes of each hour while tours were running. We opened a small Bankside Shop in mid-May, which offered a selection of our most popular products and a limited number of books. The Bankside Shop opened Thursday to Sunday and relied on footfall from the tours and closed in early September. Covid rule changes finally allowed us to open the Main Shop at the end of July.

Since reopening the eCommerce site in July 2020, we have been innovative in exploring new ways to generate revenue on-line without adding cost. In August 2021, we launched our industry-leading Print to Order service, which now offers an increasing selection of on-line

exclusive clothing, bags, and homeware. This service already accounts for some 24% of on-line sales. We have now added most of our products to Google Shopping and hope to see increased search engine optimisation. We also partnered with the Smartify app in October 2021 on their eCommerce platform, an app used by galleries and attractions to provide extra commentary on exhibits with 2.5 million subscribers.

Despite the challenges, the shop still generated c. £0.4m of income over 22,000 transactions with over 85% of that income was made following the initial reopening in April.

Catering

We continued our relationship with Swan at the Globe who provided bar and restaurant facilities as well as private events for customers. As with all other areas, the hospitality sector was significantly affected by Covid and the associated restrictions on public gatherings. Following a significant period of closure, the Swan re-opened in April 2021, with additional outdoor seating to respond to the restrictions in place before gradually increasing the public offer as possible. After the end of the financial year, SGT Trading Limited signed a new contract with Swan at the Globe to extend the relationship for a further six years.

Access. Shakespeare for All

The disabled community has been disproportionately, negatively affected by the Covid-19 pandemic. Numerous more barriers existed between disabled patrons and theatre attendance than did before 2020. We have tried our best to adapt in the current circumstances, and to ensure that we do not further isolate any of our historic audiences whilst trying to find new ones.

Ensuring that all of our livestream offering was both captioned and audio described meant that we could reach new access audiences across the world. The team at the Globe has had to adapt and learn quickly in order to provide constant access provision of quality for our livestreams, and this learning will undoubtedly inform future digital work.

Having been postponed from 2020, we participated in the Inclusive Description for Equality and Access project with the Royal Holloway University, VocalEyes and the Donmar Warehouse. The aim of the project was to uncover new ways of describing actors and characters for our visually impaired audiences, addressing some historic biases whilst also establishing what future best practice could be. Over a series of facilitated workshops, the acting companies worked with visually impaired patrons and audio describers to approach the topic in relation to *Twelfth Night* and *Romeo and Juliet*.

Also postponed from 2020 was our partnership with the Extant Pathways programme, offering shadowing opportunities for visually impaired and blind trainee directors. This project will conclude in January 2023.

As *A Midsummer Night's Dream* was both a season production and our *Playing Shakespeare with Deutsche Bank* production, we used the opportunity to introduce integrated sign language to the season more broadly than before. For the first time at the Globe, we used a panel (including Deaf members) to audition performance interpreters, which led to us engaging a team of two: one Hearing and one Deaf. This was the first time a Deaf interpreter had been used on the Globe stage, and there was considerable positive feedback about this in terms of both accessibility and representation. The team worked closely with the company. Audiences were very positive, though we also received constructive criticism that will help us build on this practice in future years.

In-person attendance from our Access audiences reflected the wider barriers to people wishing to travel in and around London, as well as the lack of confidence that various people showed when social distancing measures were lifted. Where there was extra, external marketing (such as that which ran alongside the IDEA project), we saw the occasional increase in attendance for some provisions. There is no guarantee that numbers will return to where they were in 2019 by the end of 2022 as there are still many factors that cannot be predicted, but planning is being put in place to encourage more access audiences to return in the near future.

Our Spaces.

The impact of the pandemic and the closure of our theatres and other spaces continued through the first half of the 2020/21 financial year. Throughout this period, the focus remained on ensuring that all spaces were Covid-safe and ready for the return of staff, and to enable a safe opening of the site for visitors.

Significant work was undertaken to develop new processes and procedures in the form of Covid-safe policies and risk assessments that spanned all activities, including extensive preparation front of house to welcome back students and patrons.

Digital entry sign and temperature scanning screens were installed in three locations, opening up new staff entrances to enable social distancing and the zoning of the built environment. Work continued throughout this period to clear, clean and lightly redecorate various spaces to enable more spacious and safe working areas. The procurement and installation of React Air purifying units further enabled the opening up of office and studio rehearsal spaces previously restricted due to the limited availability of fresh air circulation. This work extended across all buildings within the Globe estate, including the Sam Wannamaker Playhouse.

Over the course of the financial year, a limited amount of small-scale capital and non-capital works continued. The Globe site-wide compartmentation works, including critical areas within the Globe Theatre and the reinstatement of lime plaster panels, was completed; and a further phase of the fire door replacement programme was undertaken.

Additional fire detection equipment was installed as a result of changing work-spaces, including additional call points and detectors. A new VESDA aspirating smoke detection system was installed in the basement original practice wardrobe and props storage areas, following works undertaken to improve this area. This system will provide an early warning mechanism where a rapid response to a fire in this area is critical.

The West Block roof box guttering repairs and sealant was completed, including the installation of a Mansafe system for ease of access. This work has resolved significant areas of water ingress across the West Block, however remedial work remains ongoing further to identification of smaller areas of ingress that fell outside the original scope of works.

Following the completion of the estate-wide electrical testing and remedial works programme, and the replacement of all back-up power supplies, the installation of the emergency lighting to the first floor was completed. Throughout this programme and the works across the site to welcome back staff, LED lighting units replaced less efficient models with a view to reducing our energy usage.

The year-long programme of the Building Management System (BMS) upgrade was also completed which, moving forwards, will enable us to control the air handling and heating units across the site more efficiently, with a view to reducing our overall energy consumption and lowering our carbon footprint. This work has been supplemented by the Globe's enrolment on the Mayor's Business Climate Challenge working alongside Better Bankside and a small number of London businesses who are rising to the challenge of making London net-zero and tackling the climate emergency.

During the early stages of this scheme, the West Block offices underwent an energy efficiency audit reviewed lighting, ventilation, heating and cooling. The results of the audit are now being developed to form a route map towards net-zero emissions and to form the template for rolling out the programme across all the Globe estate.

We continued to review investment options for further major capital works in light of postponing Project Prospero with the use of previously designated project funds to help ensure the long term viability of the organisation.

Our People.

During the year, we completed a challenging but necessary restructure of the organisation and began to plan for re-opening once restrictions started to ease. As part of this, we commenced a programme of re-induction training to prepare our people for a return to the workplace.

Access to site was restricted to essential staff only and many colleagues remained working from home and a few remained furloughed until the end of August 2021. To support staff during this difficult time our new-style – ‘re-induction’ programme – which included story-telling elements, Globe history and purpose in addition to Diversity, Inclusion and Anti-Racism training, Health and Safety including Covid-Safe procedures plus welfare, well-being and mental health support was rolled out to 132 employees.

We also created a train-the-trainer programme focussing on technical skills training which empowered those with in-depth knowledge of our systems and processes to train others as part of their re-familiarisation programme. We continue to invest in leadership and management training despite the financial challenges and also ran a regular well-being virtual classroom for all colleagues to ‘check in’ regularly in an open space. We launched a new podcast series focussing on Diversity and Anti-Racism which colleagues can access at home or at work and an all-Globe newsletter sent to all colleagues in order that everyone stayed connected and updated with events as the pandemic unfolded. Since April 2021, we have welcomed more than 45 new colleagues to the Globe via our virtual induction programme.

We ended our employee furlough scheme in September 2021, in line with Government guidelines.

Anti-Racist Taskforce.

The Anti-Racist Taskforce was established during lockdown, with organisational representatives, including trustees, working towards systemic and policy change. The Inc Arts Toolkit was released in 2021 and Shakespeare’s Globe pledged its support for the toolkit and is currently working on the commitment we can make in the short and long term to the suggestions made.

The Environment.

As part of our March 2021 Culture Recovery Fund Repayable Finance agreement with DCMS, we made a commitment to progress towards net-zero greenhouse gas emissions by 2050 and to report against such commitment.

Our indoor, candlelit, theatre is the most authentic reproduction of a Jacobean theatre in the world, and our iconic outdoor Globe Theatre is a replica of the original: both are therefore innately carbon light, and we recognise our ability to respond to the climate emergency in an authentic and powerful way.

In September 2021, we initiated the development of a new multi-year Strategic Plan, a project that began prior to Covid-19 and was necessarily put on hold in March 2020. The new plan will see the development of a new Environmental Action Plan that will build upon the action already being undertaken to improve our carbon footprint and advocate for environmental responsibility. In the meantime in 2020/21, we have focused our carbon reduction efforts on our retail function and building operations.

Within our retail operation, we examined the environmental impact of every product that we sell and the way in which we sell it and, as a result, we initiated several trading changes that make us a more environmentally responsible business:

- We have removed single use plastic packaging from all products.
- Our toy weapons are sourced from a small company in South Germany. The company have been managing the forest for seventy years and re-plant two trees for every one they use in production, so all the wood is sustainable.
- Our fabric printer has a printing certification from the Soil Association, so we can be sure that dye waste is disposed of responsibly.
- Greetings cards and prints are now wrapped in corn-starch packaging which is completely bio-degradable (you can add it to your kitchen waste bin).
- We have moved to bio-degradable reusable rain ponchos, rather than the plastic macs we used to sell.
- Pencils are made from recycled plastics.
- We use a minimum of 50% recycled packaging for our on-line orders and this policy is stated on the website.
- Although thermal till receipts cannot be recycled, we have found a company who plant trees in Scotland for every box of till rolls sold.
- We re-purpose discarded props and scenery from the theatre for use as display pieces in the shop, thus saving them from landfill.
- We have avoided greenwashing: printing our posters on recycled paper would seem to be green, but de-inking and then pulping paper to recycle would use far more water and energy than the paper we already use. Our printer has a Forestry Commission certificate and works with managed woodlands, so we can be assured the paper is as environmentally sound as possible.

- We have introduced a Print to Order service on-line, which is a sustainable way to create products as items are only made once they have been ordered.
- We have added in a cotton bag-for-life, which visitors are actively encouraged to purchase rather than a plastic carrier bag.
- We continue to research sustainable products that are ethically sourced and new products are being added shortly, replacing less sustainable versions.

The Environmental Sustainability Taskforce has also been established to, amongst other things, collectively action the Theatre Green Book and monitor our organisational carbon footprint and commitment to climate action.

In addition, when considering the environmental impact of our estate:

Better Bankside - Business Climate Challenge

In March 2021, Shakespeare's Globe signed up to the Mayor's Business Climate Challenge and we are working alongside Better Bankside and a small number of London businesses who are rising to the challenge of making London net-zero and tackling the climate emergency.

We will be working with technical experts over the course of the programme to set targets for the built environment, receiving bespoke technical support, coaching and quarterly training.

Our office buildings will undergo an energy efficiency audit and receive a Display Energy Certificate (DEC) as part of this scheme.

Audits of the office buildings will review lighting, ventilation, heating and cooling. The results of the audit will be used to develop a route map towards net-zero emissions and inform the process for other buildings with similar characteristics.

As part of the scheme, we are committed to reducing our building energy consumption by 10% by the end of 2022.

Building Upgrade Projects

Throughout all our building projects, we are committed to promoting sustainable working practices and energy saving measures.

In 2020/21 we installed low-energy LED lights and automatic sensor lighting where appropriate and we are currently upgrading our Building Management System (BMS) to the latest iQ4 technology for improved efficiency of all our mechanical and electrical equipment.

Streamlined Energy and Carbon Reporting (SECR)

In accordance with the requirements of Streamlined Energy and Carbon Reporting (SECR) imposed by the 2018 SECR Regulations, we are required to disclose the following energy and carbon information:

<p>Scope 1: Emissions from combustion of Gas tCO₂e: 2021: 300 (Energy consumption: Gas 1,625,822 Kwh) 2020: 257 (Energy consumption: Gas 1,585,120 Kwh)</p>
<p>Methodology: tCO₂e calculated from the product of the invoiced gas consumption in kWh during the reporting period and the 2021 UK Government GHG Conversion Factors for Company Reporting (version 1.0) for 'Natural Gas'</p>
<p>Scope 2: Emissions from purchased electricity tCO₂e: 2021: 309 (Energy consumption: Electricity 1,455,036 Kwh) 2020: 324 (Energy consumption: Electricity 1,391,426 Kwh)</p>
<p>Methodology: tCO₂e calculated from the product of the above stated electricity consumption in kWh during the reporting period and the 2021 UK Government GHG Conversion Factors for Company Reporting (version 1.0) for 'Electricity Generated/Electricity: UK'</p>
<p>Scope 3: Emissions from business travel in rental cars or employee-owned vehicles where the company is responsible for purchasing fuel tCO₂e: 2021: 0.01 2020: 0.2</p>
<p>Methodology: tCO₂e calculated from the total mileage expenses claimed during the reporting period (38 miles) multiplied by the 2021 UK Government GHG Conversion Factors for Company Reporting.</p>
<p>Intensity ratio: tCO₂e gross figure based from mandatory fields (tCO₂e/m²): 0.7</p>
<p>Methodology: Intensity ratio stated above has been calculated as Tonnes of CO₂e per total square metres of useful floor area (8,677m²)</p>

Trustees’ duties.

Trustees’ duty to promote the success of the Charity – Section 172 Statement

Section 172 of the Companies Act 2006 requires the directors/trustees to act in the way that they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes.

The Companies Act 2006 requires the Globe, as a large company, to report on how directors/trustees have complied with Section 172 and other linked matters:

1. Section 172: Directors/ Trustees must promote the charity, in good faith, towards its charitable objectives and in doing so have regard to:

a) The likely consequences of any decision in the long term

In a year when we had to continue to combat the impact of a global pandemic, our objectives and plans had to respond to the changes in Government policy and public behaviour. Our previous programme to design a five year strategic plan had been paused in the previous year and replaced by a rebuilding and recovery plan for 2021 and 2022. We continued to deliver and refine this plan adjusting, as necessary for changes in Government policy and significantly the Government roadmap announced in February 2021.

With this in mind, we continued to place the needs of our key stakeholders at the forefront of our thinking, ensuring that our decision making always considered the impact on our current and future audiences as well as students, visitors, employees, freelancers, and donors.

In the early periods of the financial year, we continued to deliver against our charitable objectives albeit digitally and as the year progressed we could re-open on-site activity initially to the reduced audience capacity required by Government guidance and later to larger audiences.

These decisions, coupled with Government support that we were able to obtain, helped secure the organisation’s future and allow us to reopen when Government restrictions were lifted in May 2021.

b) The interests of the charity’s employees

The Trustees consider the needs of our employees as key to inform our strategy and aims. This is reflected in the additional salary protections provided to lower paid staff during our use of the Government’s Coronavirus Job Retention Scheme where we committed to “top up” their pay to protect their position. During the periods of closure and reduced activity we also ensured that we maintained a strong engaged relationship with a large community of regular freelancers whose position was devastated by the cessation of all activities.

Beginning at the end of the previous financial year, a restructure programme was undertaken after careful consideration. Sadly, this resulted in a number of voluntary and compulsory redundancies and the Trustees/Directors would like to thank those staff who left us for their contribution.

The savings achieved through the restructure, together with a range of salary sacrifice arrangements, were necessary to reduce costs to a sustainable level during the period of closure and reduced income. as we emerge from closure. We remain grateful for the support of our people during this time.

During the year, some staff returned to the workplace having spent long periods working from home or on furlough. As a reaction to this mix of staff experiences, we put in place new measures and ways of working. A re-induction programme was introduced to engage all staff in key principles including general re-induction, health and safety, mental health awareness and anti-racism. We continue to provide support through our Employee Assistance Programme to support our people during the very difficult period. The future of hybrid working will be an important area to develop in the coming years.

c) The need to foster the charity’s business relationships with suppliers, customers and others.

The Globe has a range of different customer groups including theatre audiences, families, domestic and overseas tourists, school children, other students, learning groups and more. Engagement with these groups is essential in order to ensure that we understand their needs through regular and varied feedback channels.

The Trustees also recognise the importance that the relationships with our wide supplier network has on the success of the Globe. In addition to the freelance community who contribute to a large amount of our activities, we developed a network of key suppliers making a crucial contribution to the running of our stages, workshops, tours and administrative activity. We ensure that our interactions with all suppliers are conducted professionally and in a way that encourages mutual respect and is fair to both parties

d) The impact of the charity’s operations on the community and the environment

The Trustees recognise our responsibility to minimise the environmental impact of our activities and contribute to the care of the environment. See page 20 for details of our environmental action plan.

We are respectful of our local community and its needs. We are represented on a number of local community groups with our cultural neighbours. This includes Better Bankside, the local Business Improvement District, which ensures effective two way engagement and, where relevant, we consider the needs of our community in our decision making.

e) The desirability of the charity maintaining a reputation for high standards of business conduct

The Trustees recognise the crucial role that our reputation plays in our future success.

Trustees have in place a number of policies promoting ethical behaviour, reporting and managing conflicts of interest and collective responsibility, including this year a new Trustee Handbook.

The Staff Handbook also outlines appropriate employee behaviour in a range of areas and we have separate policies concerning ethical fundraising, whistleblowing and safeguarding. During the year, we began developing a new Staff Handbook which expands the scope in these areas.

We have also looked, internally, to implement training for staff and freelancers in a number of areas to encourage ethical behaviour. In particular, we have encouraged good behaviours including the re-induction plan. Best practice training includes areas such as recruitment and procurement helping to ensure that the partners we work with share our values.

f) The need to act fairly as between members of the charity

The Trustees believe that a successful modern performing arts organisation is somewhere for everyone, where inclusivity and accessibility are paramount: we aim to be a fully inclusive and anti-racist organisation which is relevant and accessible for everyone. We will not unfairly discriminate against anyone.

A Diversity and Inclusion Working Group and a Anti Racist Task Force is working towards ensuring that all areas of the Globe are represented. All staff are trained in diversity, anti-racism and inclusion and hiring managers are trained in fair recruitment procedures.

2. How directors/trustees have engaged with employees and taken account of their interests

The Trustees recognise that our colleagues and freelance community play an essential role in our future success and therefore regular engagement is an essential priority especially at these challenging times.

At each Board meeting, Trustees are made aware of any substantial emerging issues of staff concern and, in particular, at the Remuneration and Human Resources Committee specific consideration is given to employee welfare and mental health. Both our CFOO and Head of People regularly attend Remuneration and Human Resources Committee meetings to provide updates on progress against our long-term People Strategy, including diversity and inclusion and updated policies.

Trustees are advised of any major Health and Safety issues at each Trustee Board meeting and our CFOO and the Head of Building Operations & Security provide a full report on accident reporting and issues on an regular basis.

The Directorate provide staff with information on matters of concern to them and encourage feedback through various channels of communication, including monthly all-staff briefings on current activity and upcoming events, more detailed all-staff briefings on progress against our strategic plans, regular departmental team meetings and our staff intranet. The Directorate team consult with staff to address any issues raised as quickly as possible.

We have a number of networks set up, including the Creative Council of actors and creatives, to bring together and represent specific groups of employees, including our valuable volunteers, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social networks.

3. How directors/trustees have engaged with other stakeholders, for example service users, beneficiaries, funders and the wider community

Our relationships with partners, suppliers and other key stakeholders are key to our effectiveness.

Trustees and the Directorate team ensure, through regular engagement with key stakeholders, that we maintain an understanding of their needs to inform our strategy and aims. Our decision-making process considers the impact of potential decisions on relevant stakeholders.

Our Creative Council, a group of 60 freelancers attached to the Globe, meet regularly to discuss and objectively assess the strengths and weaknesses of our repertoire, to support the Artistic Director and Executive Director (Theatre) in developing forward-looking creative strategy, and to represent the interests of the creative freelance community on whom we depend to create and present the work on our stages.

Our donors are fundamental to our ability to achieve our aims and mission. The Development team engages, on a regular basis, with all our donors, friends and patrons to seek their feedback, in accordance with their communication preferences.

Plans for 2021/2022

The context for the 2021/22 period remains challenging with acknowledgement that the longer-term impact of Covid remains to be seen in our financial model. We remain mid-crisis and our plans have been very much developed with this in mind and with consideration of the factors that continue to impact on our finances and sustainability.

In particular, we continue to see a challenging landscape with our audiences with significant reductions in international tourism and London still not returning as a priority location for domestic tourists. In addition, across our school audiences, we are still seeing changes with more schools and students remaining in their local areas/ countries or making changes to their pre-Covid calendars. These factors place significant strains on our ability to generate income across all areas while, at the same time, our ability to further reduce our fixed cost base is limited as we continue to operate in the same complex regulatory and operational environment we did before Covid. The Globe also faces new challenges with changes to audience and staff behaviours in a mid-pandemic world as well as changes in Government policy and the challenges posed by Brexit and other geo-political and macro-economic issues.

In addition to this financial context, there also numerous other challenges facing the Globe over the period including significant staff vacancies and recruitment challenges, operating in an uncertain public health environment, staff morale and well-being and a changing workplace as well as continued infrastructure challenges. We also remain an ambitious organisation with a profile that requires us to deliver leading artistic and educational content which needs investment of time and other resources.

With the above in mind, we have still been able to plan for an exciting and impactful year. After a two-week site closure in November 2021 to give colleagues the opportunity to recover from a very intense Summer season, we opened our indoor 24-week season Winter season in the Sam Wanamaker Playhouse on 19 November with a new production of *Measure for Measure* directed by Blanche McIntyre. This production was followed by *Hamlet* with a new acting ensemble, directed by Associate Artistic Director Sean Holmes, in the new year and *The Merchant of Venice*, directed by Abigail Graham. A festive reimaging of Hans Christian Andersen's *The Fir Tree*, written by Hannah Khalil, played outdoors in December.

2022 also marks the 16th Anniversary of *Playing Shakespeare with Deutsche Bank*, returning from 3 March with a production of *Macbeth* created especially for young people. This project provides up to 20,000 free tickets to state secondary school children from London and Birmingham. Since the programme started, more than 211,000 students have benefited from the programme, which also supports teachers by offering free Continued Professional Development (CPD) sessions, workshops, and free learning resources.

The 2022 Summer season will start with a new production of *A Much Ado About Nothing*, followed by *Henry VIII* programmed to recognise Her Majesty's Platinum Jubilee, the postponed from 2021 production of *King Lear* with Kathryn Hunter in the title role, *The Tempest* and a new version of *Joan of Arc* by Charlie Josephine.

We also announced a series of events running alongside the Winter season of Shakespeare plays in the indoor candlelit Sam Wanamaker Playhouse. These include: a panel discussion with Maxine Peake, Artistic Director Michelle Terry and Co-Director of Education Professor Farah Karim-Cooper, dubbed *Hamlet and She* as part of a *Women and Power Festival*; the hit feminist comedy podcast, *The Guilty Feminist*, returning for another live recording in the Playhouse.

The Education department also presents a series of free webinars exploring the relationship between race, social justice, and Shakespeare. *Anti-Racist Shakespeare: Perspectives on the Plays* will enable live discussion of the Winter season productions. We have also restarted our Youth Theatre which will run for 11-19-year-olds with a weekly training programme for young performers hungry to engage with acting and performance between January to July 2022.

In January 2022, we continued to support teachers through a variety of on-line and on-site CPD workshops. Teach Shakespeare offers a practical toolkit for teaching *Macbeth* and *Romeo and Juliet*; *Teaching Anti-Racist Shakespeare* will explore anti-racist approaches to teaching and will equip teachers with strategies to facilitate conversations with their classes about sexism, misogyny, and depictions of women in Shakespeare.

In December 2021, we relaunched our video-on-demand streaming service, Globe Player. The original platform introduced in 2014 was the first of its kind and the upgrade enables audiences from all over the world to subscribe or pay-on-demand for world-class Shakespeare productions to devices internationally. For the first time, audiences can subscribe to Globe Player in addition to the existing pay-per-production system, providing audiences unlimited access to a growing collection of filmed performances. Audiences that were unable to visit the Globe last summer are now able to stream all the 2021 Summer season productions.

We also completed a new six year partnership contract with Swan at the Globe, our catering partner since 2008 as a part of the commercial activities of our subsidiary SGT Trading Limited.

We are actively developing our 3-year Rebuilding Strategic Plan with colleagues and Trustees to plan for the organisation to move from recovery to a more sustainable future post Covid and ensure that we rebuild our reserves position to one that provides the financial cushion needed and to be able to plan for our major projects with confidence.

Public Benefit

In shaping the Trust's objectives the Trustees have taken into consideration the Charity Commission's guidance on Public Benefit. Our Strategic Objectives and activities are focussed on our charitable objects. For example, one of our Strategic Objectives for 2021 was Shakespeare for All: guided by the culturally democratic playing conditions of our spaces, we will continue to strive for equality of opportunity to participate in the creative and imaginative work that shapes our individuality and our culture.

Members of the general public, and particularly children and young people and students, benefit from the charitable activities of the Globe, by attending performances, workshops and our Guided Tour, across our sites and on digital platforms.

The Globe's ticket pricing strategy reflects our strategy and the aim of enabling all members of the public, irrespective of means, the opportunity to attend theatrical performances and benefit from educational activities. There has been no change to the price of £5 for standing tickets since our opening over 20 years ago. Following the year under review, when our sites have been substantially closed, our digital presence has substantially increased, with a large amount of material presented on our website and through YouTube screenings free of charge.

Subsidiaries

The activities recorded in the annual report and financial statements include the Charity (The Shakespeare Globe Trust) as well as its three subsidiaries:

1. Shakespeare Globe Productions Ltd ('SGPL'), a limited company that has the principal activities of producing, running and closing productions on behalf of the Charity.
2. Shakespeare Globe Trading Limited ('SGTL'), a limited company which previously undertook commercial activities on behalf of the Charity. SGTL is no longer active and will be wound up in due course.
3. SGT Trading Limited ('SGTTL'), a limited company which undertakes commercial activities on behalf of the Charity. SGTTL was incorporated in July 2019 and the transfer of trade and certain asset and liabilities from SGTL to SGTTL was effective from 31 October 2019.

Related Party - The Shakespeare Globe Centre (USA)

The Shakespeare Globe Centre (USA) Inc. ("SGC USA") is a not-for-profit registered charity in the USA. It has objects related to those of the Globe and makes grants to the Globe from time-to-time. SGC USA has 8 trustees, two of whom are also Trustees of the Globe. The purpose of SGC USA is to support theatre, educational, and research projects at Shakespeare's Globe in the United Kingdom and to expand the reach of Shakespeare's Globe through educational, outreach and developmental projects in the United States and around the world.

Financial Review.

INTRODUCTION

This has been another challenging year for the Globe, and indeed for the cultural sector and society in general. The impact of Covid-19 on the Globe and its finances has continued to be significant with activities during the year either reduced or halted.

The summary financial review below covers the period from 1 November 2020 to 31 October 2021. However, due to the impact of Covid-19, the Globe remained substantial closed to the public until Spring 2021 and initially re-opening with the limitations associated with social distancing. This has resulted in the Group's ability to operate commercially being significantly reduced.

As a result of the impact of Covid-19 seen over the previous two financial years, the data for each of the full years ended 31 October 2020 and 31 October 2021 is clearly not comparable between these two years and also to the periods before the pandemic.

OVERVIEW – STATEMENT OF FINANCIAL ACTIVITIES

An overall deficit of £1,603k (2020: £6,336k) was recorded for the year.

The prior year deficit in 2019/2020, included an additional impairment charge of tangible fixed assets, attributable to the realignment of Project Prospero, of £717k. Before this impairment the deficit was £5,619k.

INCOME

The Globe is funded from a variety of sources and, in normal circumstances, receives no public subsidy. Total income for the year was £13,562k (2020: £11,212k), of which £10,314k (2020: £9,306k) was unrestricted.

Income for the year included (a) a grant from the Government's Culture Recovery Fund (£1,956k – included within restricted income, and £1,030k which was recognised in the previous year, resulting in a total grant of £2,986k), (b) receipts from the Government's Coronavirus Job Retention Scheme for furloughed staff (£1,145k), and (c) a grants administered through Southwark Local Authority (£44k). Without these subsidies the deficit for 2020/2021 would have been £4,748k.

Income from our charitable activities (£7,533k; 2020: £4,903k) included (a) income from Theatre and performance (£6,180k; 2020: £2,635k), (b) income from our Guided Tour activities (£269k; 2020: £1,419k), and (c) income from our Education activities (£1,082k; 2020: £848k), for the periods during which the Globe was able to operate.

A further £800k (2020: £1,148k) was derived from trading both in our retail shop and as a contribution from our catering partner, Swan at the Globe, as well as from a number of corporate memberships and sponsorships.

We also received substantial funding, restricted and unrestricted, through our membership programme and other fundraising activities (£2,058k; 2020: £1,981k).

EXPENDITURE

Total expenditure for the year was £15,165k (2020: £17,546k).

Almost 50% of total expenditures relate to staff costs (2020: 49%), with the balance principally comprising building operations (including depreciation) at 26% (2020: 22%) and operational costs at 11% (15%), with the remaining balance comprising administration and other costs.

BALANCE SHEET

The recorded overall deficit has led to a reduction in the Group's net assets to £33,876k (2020: £35,479k). The movement in this position is reduced as a result of the support provided by Government. The debtors balance at the end of the year reduced to £1,680k (2020: £2,859k) largely due to the receipt of the final instalments of the Government's Culture Recovery Fund grant. Utilising this grant has acted to reduce the reported deficit during the year. Similarly, the total creditors balance has increased during the year to £7,093k (2020: £2,961k) largely as a result of the award of a £3m Government loan under the Culture Recovery Fund. The impact of this is also seen in the increased cash balance reported at the end of the year (£14,289k; 2020: £9,491k).

Consequent on the impact of Covid-19 on the Group's finances, in March 2021, the Globe successfully secured a term repayable finance facility of £3m from the Government, via its Cultural Recovery Fund. The finance agreement was signed in March 2021 and the facility was fully drawn down in March 2021. The facility is interest bearing at 2% per annum. Repayments of £115k will be made twice per year over a 16 year period from March 2025 to March 2041. The Globe is permitted to voluntarily prepay the loan prior to the end of the repayment period. The facility is unsecured, but has certain on-going non-financial covenants and conditions attached to it.

The net asset position at 31 October 2021 mostly comprise restricted income funds and the fixed asset reserve, in aggregate £28,575k, and the balance of £5,301k being unrestricted funds available for use by the Globe. Since the year end, the Trustees approved the re-designation of £1m of the unrestricted funds balance to designated funds for remedial works to fund essential maintenance and repair works to the West Block building of the Globe site and for the estimated quinquennial building and theatres maintenance requirements.

We will continue to work with all our stakeholders to seek to secure the financial future of the Globe, but acknowledge that there is a level of uncertainty, which is likely to persist for some time.

GOING CONCERN

The Board of Trustees and Directorate continue to recognise the significant impact that Covid has had on the organisation's financial position as well as the on-going risks that it presents from both an operational and financial perspective.

Over the past two years we have worked to generate flexible plans that are responsive to the changing national and international environment in which we operate. Although we remain confident about our future, we recognise that the same level of uncertainty is likely to exist within the organisation and in the wider cultural sector for some time to come.

An integral part of the plans produced in response to Covid has been a consideration of our solvency and ability to manage risks outside of our control. Whilst we continuously refine these plans we continue to need to rely on key inter-related assumptions such as those concerning:

- audience demand in the face of an uncertain public health environment
- national and local Government policy decisions for the public as well as those regarding indoor and outdoor venues;
- domestic and international travel restrictions;
- our ability to obtain sponsorship and donations;
- inflationary pressures on our fixed and variable cost structure; and
- any Government funding and support for the Globe.

The plans and models have been prepared for the period to October 2023, which is a period of at least 12-months from the date of approval of the financial statements.

In performing their assessment, the Board of Trustees have also identified several challenging, yet reasonably plausible, downside scenarios based on information currently identified as a result of the impact of Covid (sensitivity analysis). We have performed sensitivity analysis and additional modelling of these key assumptions in order to evaluate the potential impact on the Globe's financial viability.

Based on the information gained through these downside scenarios, as well as other risk management procedures put in place, the Trustees' project to have sufficient free-cash through the period to October 2023. The Trustees consider that sufficient resources exist to continue the Globe's (Charity and Group) operational existence for a minimum period of at least 12 months from the date when the financial statements are approved. On this basis, the Board of Trustees remain confident in the Globe's ability to remain as a going concern and have therefore prepared the financial statements on a going concern basis of accounting. Further details of the above are set out in Note 3 to the financial statements.

INVESTMENT POLICY

The Globe's primary objective with regard to its funds is to preserve the capital value and has always interpreted this by holding all of its reserves in bank deposits.

RESERVES POLICY

The Globe adopts a risk-based approach to seeking to set a minimum level of free general reserves which the Trustees consider to be appropriate to maintain at any time. Factors taken into account include working capital requirements, budgets, cash flow forecasts, long term financial plans and projections, key risks, the timing of major incoming and outgoing cash flows, cash flows not included in the budget process and estimated wind-up costs.

Last year, in the light of the Covid-19 crisis and the particular focus upon the Globe's needs for funding, the Trustees carried out a full review of its needs in terms of resourcing and reserves.

The Globe aspires to having reserves that would cover at least three months of normal expenditure. The reserves cover at 31 October 2021 was sufficient to cover over four months of in-year expenditure. The value of free general reserves at 31 October 2021 was £5.3m (2020: £5.9m).

The Trustees are satisfied that sufficient reserves were held as at 31 October 2021.

FUNDRAISING

We raise a percentage of our funds from the public and our aim is always to ensure we do this in a respectful and responsible way that is consistent with our values.

As a member of the Fundraising Regulator, the Trust supports its purpose and activities. All fundraising conducted on behalf of the Globe, whether by committees, volunteers or staff is compliant with the Fundraising Regulator's Code of Fundraising Practice for the UK and relevant legislation. Fundraising activity is monitored by the Board of Trustees who act in accordance with the requirement of the Charities Act 2011.

The Trust does not engage in unsolicited approaches to the public, whether by use of external agencies or otherwise, for the purposes of raising funds. Donation boxes and tap-to-donate machines are present throughout the site, and via our website there is the option to donate on the home page and at the point of purchase, but the public are not solicited for donations. No complaints have been received from our current or prospective donors.

INTERNAL CONTROL AND RISK MANAGEMENT

Trustees are responsible for ensuring that the Globe has effective systems to identify, manage and control risks across the organisation. The primary tool of risk management is the risk register, which records and assesses all significant risks, controls and other measures in place to mitigate those risks, and ensures that those measures are effective. In addition, policies and controls have been reviewed or introduced.

The risk register is presented at every Audit and Risk Committee meeting and, in addition, the Board review significant risks on a regular basis either as full board or in committees. Within these reviews they ensure that any internal controls are commensurate, economic and effective. During the year, the Audit and Risk Committee has considered the best method of evaluating risks in detail and introduced a schedule of topics for deep dive investigation.

The Trustees are satisfied that appropriate risk management and internal control systems and processes are in place.

PRINCIPAL RISKS AND UNCERTAINTIES

The Globe faces the following principal risks and challenges:

The primary risk is, of course, the impact of the on-going Covid-19 pandemic, which has created on-going and wide-ranging levels of uncertainty covering most of the operations of the Globe.

- The impact of the pandemic on audience demand and, in particular, the return of worldwide audiences and international travel.
- The on-going uncertainties regarding future potential restrictions to public gathering which could reduce our ability to deliver our offer to the required scale.
- On-going need to ensure an appropriate balance between the creative and educational objectives as compared with the financial requirements to maintain and build reserves
- The future physical estate needs of the Globe in a post-pandemic future, given the reduction in funds available for the rebuilding of the estate under Project Prospero.
- The departure of the United Kingdom from the European Union continues to exert far-reaching and, as yet, uncertain impacts on our ability to attract audiences and other visitors, and to secure the services of a diverse and engaging staff team.

THE GLOBE'S PEOPLE AGENDA

The Globe remains committed to its people agenda, initiated in 2017, which aims to establish a clear employer brand at the Globe and continue to make the Globe a great place to work.

The Globe has continued to investigate ways to engage and support colleagues whether they continue to work from home, have returned to site or have been on furlough. As referred to above, we have a comprehensive re-induction programme that was delivered to all staff in early 2021 and also provided to any new staff members joining the organisation.

We also have a Staff Consultative Group which meets several times each year to discuss matters that impact on our people.

PAY POLICY FOR SENIOR STAFF

The Directorate comprise the key management personnel of the Globe in charge of directing and controlling, running and operating the Globe on a day-to-day basis.

In a normal year, the pay of senior staff is reviewed and typically increased in accordance with average earnings with the proposals presented to and agreed by the Remuneration and Human Resources Committee. However, due to the challenging financial environment no overall increase to the pay of senior staff was proposed at the end of the financial year.

TRANSACTIONS INVOLVING TRUSTEES

Trustees declare any and all actual and potential conflicts of interest and duty and these are held as a matter of record. An annual declaration is made in accordance with the Board's Conflicts Policy. Furthermore, each Board agenda includes an opportunity for Trustees to declare any conflicts in connection with items to be discussed or resolved.

No Trustee had a material interest in any contract or matter of significance to the Globe's business during the period or subsequently; immaterial interests are detailed in note 21 to the financial statements.

The Globe's Chief Executive also acts as a Trustee of the Charity. The Chief Executive was remunerated for his services as Chief Executive, and not in his capacity as a Trustee. This is permitted under Article 3.3.2(c) of the Articles of Association. Procedures are in place to manage any potential conflicts that this dual role could cause.

VOLUNTEERS

Our volunteers have made a vital contribution to the running of events, activities and performances in a complex year. They have stayed passionate, engaged and enthusiastic in an ever-changing environment and have increased the amount of support in a year that has seen many volunteers take a step back due to the pandemic. Many have taken on extra hours to help us in our time of need and provided 28,000 hours of support for the Globe since January 2021.

We've worked with an active team of around 400 volunteers this year, last year we had around 700 active volunteers. We've done ongoing recruitment and welcomed an extra 80 new volunteers to the team with training support provided by our very skilled team of current long-term volunteers.

We want to say a huge thank you to our volunteers for their time, patience, adaptability, and endurance this year in the face of many changes. Our team has pulled together to provide a significant role in the Globe activities.

EMPLOYMENT OF DISABLED PERSONS AND DISABILITY AWARENESS

The Globe will consider all applications for employment from disabled persons, bearing in mind the aptitudes of the individuals concerned and make reasonable adjustments. If an existing employee becomes disabled reasonable adjustments are made to enable them to continue with us.

The Globe's policy is to provide training, career development and opportunities for promotion in a manner identical for all employees.

The Globe seeks to achieve the objectives set down in the Equality Act 2010 and regularly reviews its operational policies and procedures to ensure that equality of access to the Globe's facilities and services is offered to each individual, in accordance with legislation and best practice, and in the furtherance of the Globe's aims to be accessible, open and welcoming to people from all sections of society.

Structure and Governance

LEGAL STATUS

The Shakespeare Globe Trust (the ‘Globe’ or the ‘Trust’) is a registered charity and a company limited by guarantee. Its Memorandum and Articles of Association dated December 1973, and amended most recently in 2016 set out its objects.

‘to promote, maintain, improve and advance education, by encouraging and stimulating public appreciation and understanding of the dramatic art in all its forms and generally to cultivate and improve public taste in such art as a memorial to William Shakespeare.’

The Trustees are the only members of the company. The guarantee is for an amount not exceeding £10 for each member. There were 15 members as at 31 October 2021 (2020: 15).

The Trustees have due regard to the Charity Commission’s guidance on public benefit when exercising their powers and duties to which that guidance refers, and take the view that the contents of this Report demonstrate that its requirements are met.

TRUSTEES AND DIRECTORS

Trustees, who are also directors under company law, are appointed by the Board. The Trustees have control of and responsibility for the affairs of the Globe. The Trustee Board comprises the Chair, Deputy Chairs, the Chief Executive, Honorary Treasurer, and other Trustees.

Trustees serve a term of 3 years, with a maximum of 9 years. Terms are only extended beyond 6 years in exceptional circumstances related to the Trust rather than the individual. The maximum term for a Board Officer (Chair, Deputy Chairs and Honorary Treasurer) is 6 years.

In March 2021, Trustees agreed to extend the term of a Trustee experienced in the performing arts until 2 months after the appointment of a successor Trustee. That recruitment forms part of a recruitment process to appoint new Trustees in 2022.

During the year, Trustees held seven formal Board meetings. In addition, there were a number of virtual meetings as needed, workshops and briefings. Due to the Covid-19 pandemic, these were held virtually and from July 2021 the Board held hybrid meetings.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Trustees are recruited through the operation of the Nominations Committee. This Committee acts on guidelines agreed by the Board and aims to ensure that the Board and its committees represent an appropriate mix of skills, experience, background and diversity relevant to the scope of activities carried on by the Trust. The Committee also seeks to ensure continuity of these attributes in the light of Trustee retirement and oversees succession arrangements. The Committee recommends candidates for appointment by the Board.

TRUSTEE INDUCTION AND TRAINING

The Nominations Committee also oversees induction for new Trustees and training across the whole Board, based on individual and group need. On appointment, each new Trustee receives an induction pack and is briefed by the Chair, Chief Executive and members of the Directorate. They are also given an opportunity to tour the Globe site and observe its activities.

THE BOARD AND ITS COMMITTEES

There are six Trust Board Committees:

- Audit and Risk Committee
- Development Committee
- Digital Committee
- Nomination Committee
- Remuneration and Human Resources Committee
- Theatre, Performance, Learning and Research Committee

In addition, a Crisis and Recovery Committee was in place for the first part of this financial year, then wound up.

The Chair of each Committee is a Trustee who reports to the Trustee Board on that Committee's activities at each Board meeting. Some Committees include non-Trustees who are appointed for their specialist knowledge.

Audit and Risk Committee

The Committee has responsibility to review, assess and monitor the risks to which the Globe is exposed; and to ensure that the organisation has a robust framework of internal controls in place to minimise the occurrence and impact of adverse events arising from those risks, and ensuring that these controls are operating effectively. This Committee, is also responsible for the production of the Trustees' Annual Report and Financial Statements as well as overseeing the relationship with the Globe's external auditors. The Committee met five times during 2020/2021 (2019/2020; five times).

Development Committee

The Committee assists the Trustees in developing strategies for fundraising and aid their implementation, particularly with regard to the Globe's reopening and rebuilding as a result of the Covid-19 pandemic and its capital strategy. The Committee met two times during 2020/21.

Digital Committee

The Committee supports the work of planning and building digital strategies, technologies and platforms that underpin the Globe's operations, so extending the artistic and educational work beyond Bankside. The Committee met two times during 2020/21.

Nomination Committee

The Committee's role includes making recommendations to the Board for Trustee appointments and assisting in establishing the process for Trustee and the Chief Executive's appraisal.

Remuneration and Human Resources Committee

The Committee considers remuneration strategy, policies, structure and other issues regarding the workforce, particularly with regard to the Directorate and senior staff, and advises the Board accordingly. The Committee met two times in 2020/21 (2019/2020: three).

Theatre, Performance, Learning and Research Committee

The Committee works with the Theatre and Education Departments to support them in achieving strategic aims within the principle of 'One Globe'. It was established in May 2021 and met one time in 2020/2021.

Crisis and Recovery Committee

From April to December 2020, the Crisis and Recovery Committee was formed. It met at least monthly and often more frequently as an advisory group of the Board to discuss and debate strategies around managing resources and reopening strategies during the on-going Covid-19 pandemic restrictions. It was wound up in December 2020.

OTHER COMMITTEES

Advisory Committees provide advice on Creative & Artistic Programming, Architectural Research, Higher Education and International Relations.

There is also an independent, but related, US charity, The Shakespeare Globe Centre USA, that supports fundraising activities in the USA, which then donates to Shakespeare Globe. Two of the Trustees of The Shakespeare Globe Centre USA are also Trustees of the Globe.

GLOBE COUNCIL

The purpose of the Council is to serve as an advisory group for the Trustees with respect to the overall strategies and activities of the Globe and is chaired by former Deputy Board Chair Iraj Ispahani. It meets quarterly.

The Emeritus Council does not hold formal meetings but its members receive regular updates about our work.

CHARITY GOVERNANCE CODE

The Trustees have adopted the Charity Governance Code for larger charities (the 'Code'). The Code encourages charities to publish a short narrative in their annual report explaining their use of the Code.

In 2020/21 an internal board effectiveness review was carried out, using the Code as reference points. As well as positives, the review identified areas where governance could be strengthened and the Trustees agreed to implement an action plan. As part of this a series of workshops were held and new governance documentation adopted. The work will continue into 2021/22.

Trustees are evaluated by the Chair annually and the Chair is appraised by the Deputy Chairs.

DIRECTORATE

Day-to-day executive management of the Globe is delegated to the Chief Executive who is accountable and reports to the Trustees. He holds all powers not expressly reserved to the Board or delegated by the Board to Committees, subject to the policies and strategy set by the Trustees and within an annual operating plan and budget approved by the Trustees and these powers may be exercised on his behalf by such members of staff as he determines.

Senior leadership within the Globe is provided by the department Directors who collectively form the Directorate. As was the case in 2019/20, the Directorate met frequently in 2020/21 as a response to the on-going impact of Covid-19.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Shakespeare Globe Trust for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law (United Kingdom Generally Accepted Accounting Practice).

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 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

QUALIFYING THIRD PARTY INDEMNITY

The Articles of Association provide the directors with a qualified third party indemnity which was in force throughout the period. The indemnity remains in force at the date of approval of this annual report and financial statements.

INFORMATION PROVIDED TO THE AUDITORS

The Trustees who held office at the date of approval of this Trustees' report confirm, so far as they are aware, there is no relevant audit information of which the Group's auditors are unaware and each Trustee has taken all the steps that he or she ought to have taken as a Trustee to make himself or herself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

APPROVAL AND SIGNATURE

This Trustees' Report (including the Strategic Report) as set out on pages 10 to 40 was approved by the Trustees and signed on their behalf by:

Margaret Casely-Hayford CBE

Chair

Date 13 May 2022

Independent auditors' report to the members of The Shakespeare Globe Trust

Report on the audit of the financial statements

Opinion

In our opinion, The Shakespeare Globe Trust's group financial statements and charity financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the charity's affairs as at 31 October 2021 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheets (group and charity) as at 31 October 2021; the consolidated statement of financial activities, and the consolidated cash flow statement, for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group and charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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's and the charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and charity's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent

INDEPENDENT AUDITORS' REPORT

material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial period for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and charity and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, 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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 charity'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 and charity 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.

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

Based on our understanding of the group and the charity and the environment in which they operate, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered the direct impact of these laws and regulations on the financial statements. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustees, management and those responsible for, or involved in, the preparation of the underlying accounting records and financial statements, and determined that the principal risks were related to the posting of inappropriate journal entries to conceal misappropriation of assets or manipulate financial results. Audit procedures performed by the engagement team included:

- Testing journals entries where we identified particular fraud risk criteria.
- Obtaining confirmations of cash balances at the year end.
- Testing estimates and judgements made in the preparation of the financial statements for indicators of bias.
- Reviewing meeting minutes, contracts and agreements.
- Holding discussions with the trustees and management to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations.
- Assessing financial statement disclosures, and agreeing these to supporting evidence, for compliance with applicable laws and regulations.

INDEPENDENT AUDITORS' REPORT

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the charity or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the charity financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Andrew Lowe (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 13 May 2022

CONSOLIDATION STATEMENT OF FINANCIAL ACTIVITIES

The Shakespeare Globe Trust
Consolidated Statement of Financial
Activities
Year ended 31 October 2021

		2021			2020		
	Note	£000	£000	£000	£000	£000	£000
		Unrestricted	Restricted	Total funds	Unrestricted	Restricted	Total funds
Income from:							
Donations and legacies	5	1,050	1,008	2,058	1,380	601	1,981
Government grants and support	6	1,189	1,956	3,145	1,892	1,030	2,922
Trading activities	7	800	-	800	1,148	-	1,148
Charitable activities	8	7,249	284	7,533	4,628	275	4,903
Other income	9	-	-	-	230	-	230
Interest receivable		26	-	26	28	-	28
Total income		10,314	3,248	13,562	9,306	1,906	11,212
Expenditure on:							
Raising funds	10	693	-	693	865	-	865
Trading activities	10	834	-	834	1,006	-	1,006
Charitable activities	10	10,461	3,177	13,638	13,695	1,263	14,958
Total expenditure (before impairment)		11,988	3,177	15,165	15,566	1,263	16,829
Net (expenditure) / income (before impairment)		(1,674)	71	(1,603)	(6,260)	643	(5,617)
Impairment of tangible fixed assets	13	-	-	-	717	-	717
Total expenditure (including impairment)		11,988	3,177	15,165	16,283	1,263	17,546
Unrealised foreign exchange loss		-	-	-	(2)	-	(2)
Net (expenditure) / income before transfers		(1,674)	71	(1,603)	(6,979)	643	(6,336)
Transfers between funds	17	357	(357)	-	356	(356)	-
Net movement in funds		(1,317)	(286)	(1,603)	(6,623)	287	(6,336)
Accumulated funds brought forward at 1 November	17	26,717	8,762	35,479	33,340	8,475	41,815
Accumulated funds carried forward at 31 October	17	25,400	8,476	33,876	26,717	8,762	35,479

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. There is no difference between the Statement of Financial Activities and the Income and Expenditure Account and therefore a separate statement of recognised gains and losses has not been prepared.

The notes on pages 47 to 63 form part of these financial statements.

BALANCE SHEET

The Shakespeare Globe Trust
Balance Sheets as at 31 October 2021
Company Number: 1152238

	Note	Group		Charity	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fixed assets					
Tangible fixed assets	13	24,655	25,775	24,655	25,775
Investment in subsidiary	14	-	-	670	670
Total fixed assets		24,655	25,775	25,325	26,445
Current assets					
Stocks		345	315	-	-
Debtors	15	1,680	2,859	3,178	4,139
Cash at bank and in hand		14,289	9,491	12,210	7,203
Total current assets		16,314	12,665	15,388	11,342
Current liabilities					
Creditors: amounts falling due within one year	16	(4,055)	(2,961)	(3,799)	(2,754)
Net current assets		12,259	9,704	11,589	8,588
Total assets less current liabilities		36,914	35,479	36,914	35,033
Creditors: amounts falling due after more than one year	16	(3,038)	-	(3,038)	-
Total net assets		33,876	35,479	33,876	35,033
Funds					
Unrestricted funds	17	5,301	5,854	5,301	5,408
Designated funds	17	-	-	-	-
Fixed asset reserve	17	20,099	20,863	20,099	20,863
Total unrestricted income funds		25,400	26,717	25,400	26,271
Restricted income funds	17	8,476	8,762	8,476	8,762
Total funds	18	33,876	35,479	33,876	35,033

The Charity's net expenditure was £1,157k (2020: net expenditure £6,370k). The notes on pages 47 to 63 form part of these financial statements.

These financial statements on pages 44 to 63 were approved by the Trustees and signed on their behalf by:

Patrick Figgis
Honorary Treasurer/Trustee
Date: 13 May 2022

CONSOLIDATED CASH FLOW STATEMENT

The Shakespeare Globe Trust
Consolidated Cash Flow Statement
Year ended 31 October 2021

	Note	2021 £000	2020 £000
Net cash generated from / (utilised by) operating activities	20	2,244	(4,284)
Cash flows from investing activities			
Interest receivable	13	26	28
Purchase of tangible fixed assets		(472)	(727)
Net cash utilised by investing activities		(446)	(699)
Cash flows from financing activities			
Culture recovery fund loan	16	3,000	-
Net cash provided by financing activities		3,000	-
Net increase (decrease) in cash and cash equivalents		4,798	(4,983)
Cash and cash equivalents at beginning of year		9,491	14,476
Effect of unrealised foreign exchange loss		-	(2)
Cash and cash equivalents at end of year		14,289	9,491
Cash and cash equivalents comprise:			
Cash at bank and in hand		14,289	9,491

The notes on pages 47 to 63 form part of these financial statements.

The Group's net debt is a net credit of £11,289k (2020: £9,491k) comprising the Group's cash and cash equivalents of £14,289k (2020: £9,491k) less the Culture recovery fund loan of £3,000 (2020: £nil) (note 16). The movement in the year was solely due to the cash flows of the entity as shown in the Group Cash Flow Statement and so no separate reconciliation of net debt is presented.

NOTES TO THE FINANCIAL STATEMENTS

1. Background

The Shakespeare Globe Trust (the 'Charity') is a registered charity (registered charity no.: 266916) and company limited by guarantee (registered company no. 1152238). The Charity's beneficially owned and controlled subsidiaries comprise:

- Shakespeare Globe Trading Limited (private limited company; trading subsidiary, active until 31 October 2019, subsequently non-trading in nature);
- Shakespeare Globe Productions Ltd (private limited company; theatre production company); and
- SGT Trading Limited (commenced trading on 1 November 2019 as the Charity's new trading subsidiary).

All group companies share a registered office at 21 New Globe Walk, London SE1 9DT. The Charity and its subsidiary undertakings are referred to as the 'Group'.

2. Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards comprising the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) including, 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) and the Companies Act 2006.

3. Going concern

BACKGROUND

In assessing the going concern position of the Charity and the Group, the Trustees have considered the Group's projected activities, financial budgets, cash flows and liquidity for a period to October 2023, which is a period of at least 12-months from the date of approval of the financial statements.

Based on the Group's cash flow projections, the Board of Trustees have adopted the going concern basis of accounting in preparing these financial statements.

IMPACT OF COVID-19

The Covid-19 global pandemic continues to be a matter of concern for Trustees and Executive Management. The original operating plan for the year included limited activities taking place over the winter months, however on 31 October 2020 the Government announced further lockdown measures and a further announcement was made on 4 January 2021.

On 22 February 2021, the Government announced a roadmap for easing restrictions between 29 March 2021 and 21 June 2021. Restrictions were ultimately lifted on 19 July 2021.

Although planned activities over the winter 2020/21 were limited, the impact of these announcements meant that all on-site activities needed to be cancelled and therefore the only continuing operations were those taking place on-line.

On-site activities re-started in April 2021 in line with the Government roadmap although at a more limited level than initially envisaged. Theatrical performances in the Globe theatre restarted in May 2021 at socially distanced levels. Following the relaxation of the social distancing requirements in July 2021, audience capacities were gradually increased over the remainder of the financial year.

TRUSTEES' ACTIONS

In response to these changes, the following actions, amongst others, were undertaken by the Trustees, some of which continue to remain in place:

- The Group has taken advantage of the following Government schemes:
 - o The Coronavirus Job Retention Scheme (CJRS) – permitting a large number of staff to be furloughed whose roles were dependent on an open site, with initially 80% of their salaries payable and covered by Government grant. This scheme continued through to 30 September 2021, but with differing levels of Government contributions. Note 6.
 - o Business Rates relief for properties included in the hospitality and leisure sector.
 - o Grants from the local authority applicable to certain properties.
- o Receipt of funding from the Department for Digital, Culture, Media & Sport's Culture Recovery Fund (CRF); £2.986m of restricted funding (for use in planned and approved activities in the period October 2020 to March 2021). The grant has been received in full by the Globe and all associated conditions have been satisfied. Note 6.

NOTES TO THE FINANCIAL STATEMENTS

- Loan finance of £3m from the CRF was approved and received in March 2021, to enable the organisation to deal with any temporary shortfall in unrestricted cash balances. The loan is repayable over 20 years with an initial four year payment holiday. Interest is charged at 2% per annum on any balance outstanding. Note 16
- In January 2021, the Globe was awarded a restricted grant £750k from the Garfield Weston Foundation's Weston Culture Fund to enable the summer 2021 Globe productions to be professionally filmed, and to carry out adjustments to the Globe's infrastructure and systems which will enable the venues to welcome audiences safely. Note 5.
- The full impact, to date, of Covid-19 on the organisation, necessitated the implementation of a significant and on-going restructuring programme, with associated redundancy plans, in order to seek to reduce the overall annual costs of the Group from early November 2020 including payroll, the latter by circa 25%.
- Staff pay cuts were implemented across the Group and support costs were reduced and service contracts were renegotiated.

BUSINESS PLANS

In order to assess, for example, the use of the going concern assumption, the Trustees have produced detailed, yet adaptable, business plans that considers projected activity, the related financial budgets, cash flows and liquidity of the Group covering the period to October 2023.

KEY ASSUMPTIONS

The business and financial plans incorporate the following key assumptions:

- There are no further impositions of closures or lockdowns or social distancing measures that would affect the Group's performance spaces.
- Audience and visitor numbers return, but box office and related income return is at a lower level than normally achieved in previous years as a result of reduced demand.
- Full management of the Globe's fixed and variable cost structures.
- The ability to continue to attract sponsorship and obtain donations is retained.

SENSITIVITY ANALYSIS

The Trustees have considered the impact on projected activities, budgets, and cash flows of several challenging, yet reasonably plausible, downside scenarios such that the key assumptions are not met, or able to be met, in whole or in part. These include:

- New impositions of closures or lockdowns or restrictions as a consequence of developments with Covid-19 during winter 2022/23.
- A more significant reduction in audience demand including that associated with the Guided Tour due to the association with international tourism.
- Additional inflationary pressures on the fixed and variable cost base including the costs associated with occupying the site.

The Trustees have also sought to identify certain mitigating actions that could be implemented in order to provide additional liquidity or reduce cash outflows so as to ensure that the Group can maintain sufficient liquidity over the period to October 2023.

The success of the mitigating measures to reduce cash outflows, whilst being identified and achievable based on current advice, are dependent upon the timing of when they may be required to be implemented.

As such, the Trustees fully acknowledge that there is a level of uncertainty, which is likely to persist for some time, given the key assumptions and the financial modelling referred to above.

CONCLUSIONS

Having assessed the combination of all these various options, the Trustees have a reasonable current expectation that the Charity and the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12-months from the date of approval of the financial statements.

For these reasons, the Board of Trustees have adopted the going concern basis of accounting in the preparation of these financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Charity and the Group were unable to continue as a going concern.

4. Accounting policies

The following principal accounting policies have been applied consistently in respect of all material items within the financial statements:

4.1 Basis of consolidation

The consolidated financial statements incorporate the results and financial position of The Shakespeare Globe Trust and its subsidiary undertakings. The subsidiaries (which are all beneficially owned and controlled) have been consolidated on a line by line basis. Intra-group transactions, profits and balances have been eliminated on consolidation. No separate Statement of Financial Activities has been prepared for the Charity as permitted by section 408 of the Companies Act 2006.

4.2 Cash flow statement

The Group prepares a consolidated cash flow statement and the consolidated financial statements in which the Charity's results are included, are available to the public.

The Charity has, therefore, taken advantage of the exemption conferred by FRS102 not to prepare a separate cash flow statement for the Charity.

4.3 Reserves and fund structure

Unrestricted funds comprise accumulated surpluses on general funds which the Trustees are free to use for any purpose in furtherance of the Charity's charitable objectives.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are monies or other assets which are to be used in accordance with specific restrictions imposed by donors or grantmakers or which have been given to the Charity for particular purposes.

4.4 Income

In general, income is recognised when the Group has entitlement to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Where the Group has not met performance conditions attached to the income or it is uncertainty as to whether it will meet conditions within its control, then income is not recognised until performance conditions are met and the uncertainty resolved.

Donations and grants are generally recognised at the earlier of receipt of cash or entitlement to income where any donor imposed conditions are within the control of the Group, such as restrictions on the use of income received.

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

Theatre box office income is recognised when performances have taken place. Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met.

Income from guided tours and education activities is recognised once the guided tour or education activity takes place.

Income from retail activities is recognised at the point goods are sold. Income from catering and hospitality relates to commission due to the Group from the Group's catering and hospitality partner and is recognised as commission is earned.

All other income, including income received from corporate memberships and sponsorships, is recognised on an accruals basis, once there is reasonable probability of receipt of income and the amount to be received can be measured reliably.

Government grants are recognised under the performance model. Grants with no performance conditions are recognised when receivable and for grants with performance conditions, income is recognised to the extent that performance conditions have been met.

4.5 Expenditure

Expenditure is recognised on the accruals basis as a liability is incurred.

Irrecoverable VAT is included within relevant categories of expenditure or capitalised as appropriate.

Costs are directly allocated to the activities to which they relate. Where costs cannot be directly allocated, consideration is given as to whether these are shared costs and thus can be apportioned between two or more activities. Where costs are not considered to be costs directly related to a specific activity or shared

NOTES TO THE FINANCIAL STATEMENTS

costs then they are classified as support costs.

Support costs include central functions and have been allocated to activities on bases consistent with the utilisation of those resources by the various charitable operations of the Charity and its subsidiaries. See Note 4.15 for more details.

As a result of the impact of Covid-19 on the organisation, certain members of staff have been placed on furlough and some elements of the costs of their salary and associated costs have been recovered using the Government's Coronavirus Job Retention Scheme. Amounts recovered under this scheme are shown as income to the Group as Government grants and support, and the costs are shown as either direct costs, shared costs or support costs based on the member of staff's normal role. Income received under this scheme is recognised as salary and associated costs are paid.

Restructuring costs are recognised once the Group has a detailed plan of the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

4.6 Pensions

The Group offers an auto-enrolment defined contribution pension scheme to all of its employees and additionally offers alternative defined contribution scheme arrangements to eligible employees. The amounts charged to the Consolidated Statement of Financial Activities represent the total of contributions payable in respect of these schemes during the accounting period. As such, they represent the total cost to the Group of such arrangements.

4.7 Transactions in foreign currencies

The Group's functional and presentational currency is UK pounds sterling. Transactions in other currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities held in other currencies and existing at period end are translated using the rate prevailing at the balance sheet date, and any resulting gains or losses on those balances are shown as income or expenditure in the Consolidated Statement of Financial Activities.

4.8 Tangible fixed assets

The Group's long leasehold offices and theatres at 21 New Globe Walk and the freehold property at Bear Gardens, all in London SE1, are held at cost and depreciated on a straight-line basis over 50 years. Land, where held, is not depreciated.

Short leasehold properties held by the Group are accounted for as operating leases, but any initial or other major expenditure on improvements is capitalised and written off on a straight line basis, less residual, value, over the remaining life of any lease arrangements (subject to a maximum term of 50 years).

Group policy is to capitalise equipment with a value of £5k or more.

Assets subject to a period of construction are depreciated from the date they are brought into operational use. Other tangible fixed assets are depreciated on a straight line basis, less residual value, over their estimated useful life as follows:

Freehold buildings	– 2% per annum
Leasehold buildings	– 2% per annum
Leasehold improvements	– 10% per annum
Leasehold plant and machinery	– 5-25% per annum
Computer equipment	– 25% per annum
Fixtures and fittings	– 25% per annum
Exhibits & theatre artefacts	– 10-25% per annum

The carrying value of fixed assets is reviewed each year for indicators of impairment. When considering the existence of impairment indicators, the Trustees consider, amongst other things, the ability of assets to assist in the delivery of the Group's objectives and future activities. Where there is a material difference between the net book value and the recoverable amount (being the higher of the value in use or disposal value) an impairment charge reduces the carrying value to the lower of net book value and recoverable amount. In respect of assets under construction, the recoverable amount is considered to be the value of work completed to date that remains of use to the remaining project.

4.9 Stocks

Valuation of stock for resale, primarily comprising books, publications and merchandise, is determined using the first in first out method and stocks are stated at the lower of cost and net realisable value (fair value less costs to sell). Where it has been identified that stocks will not be sold, as a consequence of prolonged closure, then the stocks are considered to have a nil value. Any impairment recognised in respect of stocks is accounted for within expenditure on trading activities.

4.10 Taxation

The Charity is a charity within the meaning of Paragraph 1 Schedule 6 Finance Act 2010. Accordingly, the Charity is exempt from taxation in respect of income or chargeable gains within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 and Section 256 of the Taxation of Chargeable Gains Act

NOTES TO THE FINANCIAL STATEMENTS

1992 to the extent that such income or gains are applied exclusively to charitable purposes. Trading subsidiaries provide for tax at amounts expected to be paid or recovered using tax rates and laws that have been enacted or substantially enacted at the balance sheet date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Charity's active trading subsidiary pays any taxable profits to the Charity under deed of covenant. The Charity's theatre production company claims Theatre Tax Relief introduced as part of the Finance Act 2014.

The Charity is a culturally exempt organisation under Schedule 9 of the VAT Act 1994 and, during the year, VAT returns have been submitted on a culturally exempt basis. Irrecoverable VAT is charged against the cost of operational or support activities as incurred. Irrecoverable VAT on capital expenditure has been capitalised and will be written off over the life of the associated fixed assets.

4.11 Cash at bank and in hand

Cash at bank and in hand includes short term deposits held at banks with original maturities of three months or less.

4.12 Operating leases and leased assets

Rental charges applicable to operating leases are charged to the Consolidated Statement of Financial Activities on an accruals basis.

4.13 Investments

Investments in subsidiary companies are shown at cost in the Charity, less provisions where appropriate.

4.14 Financial Instruments

The Group applies section 11 and 12 of FRS102 when accounting for financial instruments. The Group holds financial assets and liabilities that qualify as basic financial instruments. These are recognised at transaction value on acquisition and subsequently measured at cost less impairment where applicable. The Group does not hold any asset which would qualify as a complex financial instrument.

During the year, the Group entered into a public benefit entity concessionary loan arrangement. The Group have elected to apply the accounting treatment set out under section 34 of FRS 102. As a result, the loan has been initially measured and recognised in the balance sheet at the amount of the loan principle amount received. Subsequently, the Group will adjust the carrying amount of the loan in each accounting period to reflect to reflect repayments and accrue for interest payable.

4.15 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are largely in relation to the useful economic lives of tangible fixed assets and associated risk of impairment. The value of tangible fixed assets are disclosed in note 13 and the Group's policy for depreciating assets and assessing assets for impairment are discussed in 4.8 above. Aside from the impairment recognised in respect of assets under construction in 2020, no further impairment indicators were identified.

The Group's activities mean that there are limited other estimates in which a material adjustment to the carrying value of assets or liabilities could occur in the following financial period. Those estimates, however, include the calculation of the theatre tax relief claim (note 15), valuation of stock for resale (note 4.9) and the Government's CJRS (notes 6 and 15).

The following significant judgements have been made by the Trustees in preparing the financial statements:

- The Group's operations continued to be significantly affected as a consequence of Covid-19 meaning that, as in the previous year, the method of apportioning support costs (£9,340k) needed to be considered (note 10a). It has been necessary to form a judgement on the appropriate method of allocating these costs to activities. The Group has determined not to change the underlying base metrics used to allocate costs, but has considered that, in certain cases, due to the closure of the Group's site, to use allocations based on metrics observed in the 2018/19 financial year as the last full year before Covid-19. Expenditure on building operations and depreciation of buildings has been allocated based on comparative square footage occupied in 2018/19 as, during the current year (until spring 2021) most staff worked remotely. This is to reflect the fact that the building costs allocated to activities should reflect how the buildings are set up, despite them laying empty. Similarly, visitor experience costs have been allocated based on footfall in the 2018/19 financial year, since the level of visitors experience costs has been based on the level of footfall over a normal year, and depreciation charged on equipment costs has been allocated based on the 2018/19 staff costs of each function. Communication costs have been apportioned on the basis of marketing spend on each activity during the year and administration costs have been allocated based on staff costs of each function, since spend on both of

NOTES TO THE FINANCIAL STATEMENTS

these categories is considered to be related to current year activity.

- In October 2020, the Group was advised that it had been successful in an application for a grant totalling £2,986k under the Government's Culture Recovery Fund. The grant permitted the monies to be used to fund a number of activities based on an activity plan submitted in September 2020 and the grant was permitted to cover costs incurred between October 2020 and March 2021. However, on 31 October 2020, the balance sheet date, the Government announced further lockdown measures and extended other Government support schemes. This called into question whether the Group would deliver the activity plan agreed when applying for the grant and that certain performance conditions would not be met. As a result, a judgement was formed in the prior year which concluded that it was not probable that the Group would be able to deliver its activity plan and conditions at 31 October 2020. This means that, in the prior year, income was only recognised to the extent that costs had been incurred in accordance with the original activity plan. This resulted in recognising £1,030k of income (note 6). Changes to the Group's activity plan were made and approved by the Government subsequent to the end of 2019/20 and the remaining income (£1,956k) and costs are recognised in the 2020/2021 financial statements (note 6). The Group has been notified that all required reporting related to the grant has now been satisfied.

- A judgement has been formed regarding restricted funds held in relation to the Group's Prospero Capital Campaign (note 17). Previously an asset balance relating to the project was held in assets under construction, however in the previous financial year this was fully impaired. A judgement has been formed that it is not probable that such income will be repaid to donors associated with the project. This judgement is based on (a) recent discussions with donors; and (b) the Group's current objectives that any future redevelopment project will encompass facilities that donations received to date were intended to fund.

NOTES TO THE FINANCIAL STATEMENTS

5 Donations and legacies

	2021			2020		
	£000	£000	£000	£000	£000	£000
	Unrestricted	Restricted	Total funds	Unrestricted	Restricted	Total funds
Donations and gifts	1,050	1,008	2,058	1,070	601	1,671
Ticket cancellation donations	-	-	-	305	-	305
Legacies	-	-	-	5	-	5
	1,050	1,008	2,058	1,380	601	1,981

The Group benefits greatly from the involvement and enthusiastic support of its many volunteers, details of whom are given in the annual report. In accordance with FRS102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

Included in the current year restricted donations is a grant of £750k which was awarded by the Garfield Weston Foundation in January 2021 to support the Globe's re-opening costs, and high- quality production filming and livestream of productions over summer 2021.

As a consequence of the impact of Covid-19, all tickets pre-sold for the 2020 summer season of theatrical productions had to be either refunded to the customer or held on credit in other creditors. Some customers elected to donate the cost of their ticket to support the Charity throughout the pandemic (£305k) in the previous financial year.

6 Government grants and support

	2021			2020		
	£000	£000	£000	£000	£000	£000
	Unrestricted	Restricted	Total funds	Unrestricted	Restricted	Total funds
Culture recovery fund grant	-	1,956	1,956	-	1,030	1,030
Coronavirus job retention scheme grants	1,145	-	1,145	1,867	-	1,867
Local authority grant	44	-	44	25	-	25
	1,189	1,956	3,145	1,892	1,030	2,922

The Charity was awarded £2,986k in October 2020 as part of the Government's Culture Recovery Fund. This grant was restricted to supporting the Charity throughout October 2020 to March 2021 (inclusive) as a result of enforced closures due to the impact of Covid-19. Income was recognised only to the extent that costs (£1,956k; 2020: £1,030k) have been incurred.

The Government's Coronavirus Job Retention Scheme (CJRS) grants represent amounts claimed under the scheme whereby the Government subsidised the cost of the furlough of staff who were unable to work during the period of closures due to the impact of Covid-19.

7 Trading activities

	2021	2020
	£000	£000
Retail	392	521
Catering and hospitality	239	269
Venue hire	35	136
Corporate memberships	25	83
Corporate sponsorships	108	89
Other trading income	1	50
	800	1,148

8 Charitable activities

	2021	2020
	£000	£000
Theatre and performance	6,180	2,635
Education activities	1,082	848
Guided tour activities	269	1,419
Other income	2	1
	7,533	4,903

Income from charitable activities includes theatre tax credit of £219k (2020: £337k) and £284k (2020: £275k) of restricted funds relating to grants to provide education activities.

NOTES TO THE FINANCIAL STATEMENTS

Income from the Group's recurring activities (including trading) was significantly affected by the impact of Covid-19. Theatre and performance income reflects that due to Government restrictions, performances did not take place between March 2020 and May 2021 and that when they did re-start capacities were restricted due to social distancing restrictions. Larger audience capacities did not commence until August 2021. Education activities were also significantly curtailed with school groups not returning to site consistently until April 2021, again initially with social distancing requirements. This also applied to guided tours which re-started consistently in April 2021 but with a reduced scale of operation due to social distancing combined with reduced footfall from UK and international tourists.

9 Other income

Other income is the settlement received in the previous financial year relating to compensation for a property development close to the land and buildings owned by the Group.

10 Expenditure

a) Analysis of total expenditure before impairment

2021							
	Theatre	Education	Guided Tour	Fundraising	Trading	Support	Total
	£000	£000	£000	£000	£000	£000	£000
Staff Costs	2,665	616	501	259	170	3,177	7,388
Restructuring Costs	-	-	-	-	-	131	131
Operational Costs	1,048	215	18	95	238	-	1,614
Visitor Experience	-	-	-	-	-	78	78
Communications	-	-	-	-	-	627	627
Building Operations	-	-	-	-	-	2,374	2,374
Administration	-	-	-	-	-	1,323	1,323
Interest Payable	-	-	-	-	-	38	38
Depreciation and Loss on Disposal (Equipment)	-	-	-	-	-	780	780
Depreciation and Loss on Disposal (Buildings)	-	-	-	-	-	812	812
Indirect Cost Allocation	4,670	1,811	2,094	339	426	(9,340)	-
Total expenditure before impairment	8,383	2,642	2,613	693	834	-	15,165

2020

	Theatre	Education	Guided Tour	Fundraising	Trading	Support	Total
	£000	£000	£000	£000	£000	£000	£000
Staff Costs	3,309	1,029	538	335	164	3,169	8,544
Restructuring Costs	69	47	30	38	35	191	410
Operational Costs	1,423	490	324	49	389	-	2,675
Corporation Tax	-	-	-	-	(32)	-	(32)
Visitor Experience	-	-	-	-	-	267	267
Communications	-	-	-	-	-	265	265
Building Operations	-	-	-	-	-	2,095	2,095
Administration	-	-	-	-	-	1,062	1,062
Depreciation and loss on disposal (Equipment)	-	-	-	-	-	729	729
Depreciation and loss on disposal (Buildings)	-	-	-	-	-	814	814
Indirect Cost Allocation	3,929	1,786	1,984	443	450	(8,592)	-
Total expenditure before impairment	8,730	3,352	2,876	865	1,006	-	16,829

NOTES TO THE FINANCIAL STATEMENTS

b) Cost analysis

Items included in total expenditure

	2021	2020
	£000	£000
Group auditors' remuneration:		
Audit fees FY19	-	15
Audit fees FY20	26	75
Audit fees FY21	75	-
Other services, principally taxation	4	12
Operating lease rentals:		
Land and buildings	384	285
Plant and equipment	92	19
Depreciation charges:		
Freehold property	67	67
Long leasehold property	598	598
Leasehold improvements	147	149
Plant and machinery	587	571
Fixtures, fittings and equipment	188	154
Impairment charges:		
Tangible fixed assets	-	717
Loss on disposal:		
Tangible fixed assets	5	4

11 Staff costs

	2021	2020
	£000	£000
Monthly wages and salaries	4,475	6,739
Weekly theatre production actors, musicians and associated workers	2,228	1,524
Social security costs	510	477
Other pension costs	306	214
	7,519	8,954

As a result of the impact of Covid-19 and the resulting loss of income, a number of staff salaries were reduced. This was done whilst ensuring that this did not lead to salaries falling below certain thresholds. Staff, who were not engaged in productive work for the Group, were placed on furlough if they qualified.

Restructuring costs comprised of £131k (2020: £410k) redundancy payments are included within Monthly wages and salaries.

Average number of staff during the year	2021	2020
Theatre and performance	68	84
Education activities	19	28
Guided tour	18	15
Visitor experience	30	23
Finance, Human Resources, Information Technology and Administration	27	25
Communications	26	29
Retail	6	10
Development	6	9
	200	223

NOTES TO THE FINANCIAL STATEMENTS

Number of staff whose gross salaries fell within the following bands	2021	2020
£60,001 - £70,000	5	4
£70,001 - £80,000	1	-
£80,001 - £90,000	2	2
£90,001 - £100,000	-	1
£100,001 - £110,000	-	1
	8	8

The Group considers its key management personnel to be the Directorate/Executive Committee. The total employment benefits including employer pension contributions of the key personnel were £670k (2020: £683k).

During the year, the Group incurred restructuring costs totalling £131k (2020: £410k) paid to 10 employees (2020:43). The costs incurred during 2020/2021 were in relation to the second phase of a restructuring programme undertaken as a result of the impact of Covid-19. This was announced to staff in May 2021 and steps were taken to implement the programme in June 2021. Of those included in staff paid between £60,001 and £70,000 none were included as a result of payments due under the restructuring programme (2020: two).

	2021	2020
Pension costs	£000	£000
Defined contributions pension costs outstanding at end of year	172	28

NOTES TO THE FINANCIAL STATEMENTS

12 Trustees' emoluments and expenses

No remuneration was paid to any Trustee, other than the Chief Executive, during the year nor did they receive any other benefits from employment with the Charity or its subsidiaries during the year. The Chief Executive was remunerated for his services as Chief Executive, and not in his capacity as a Trustee. This is permitted under Article 3.3.2(c) of the Articles of Association. He was paid £82k (2020: £110k), including pension contributions of £9k (2020: £10k). The reduction in pay was in response to the impact of Covid-19, consistent with the rest of the workforce.

None of the Trustees, who are also Directors for the purposes of the Companies Act, received emoluments in respect of services provided in their capacity as Trustees or Directors during the year (2020: the same). No expenses (2020: £1k) were reimbursed to Trustees (2020: three) in respect of expenditure incurred by them in the course of Trustee activities in the year. Expenses were reimbursed to the Chief Executive who is also a Trustee but these related to his role as Chief Executive. The Trustees are entitled to the same discounts enjoyed by staff in the restaurant and café as well as a limited number of free tickets to theatrical performances, limited educational workshops and guided tours. Third party indemnity insurance cover is provided for Trustees.

13 Tangible fixed assets

Group and Charity

	Freehold Property	Leasehold Property	Leasehold Improvements	Plant & Machinery	Fixtures, Fittings & Equipment	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost							
At beginning of the year	4,244	29,663	1,486	13,544	4,245	122	53,304
Additions	-	-	-	-	244	228	472
Transfers	38	-	-	150	67	(255)	-
Disposals	-	-	-	-	(1,552)	-	(1,552)
At end of the year	4,282	29,663	1,486	13,694	3,004	95	52,224
Depreciation							
At beginning of the year	659	11,964	365	10,555	3,986	-	27,529
Charge for the year	67	598	147	587	188	-	1,587
Disposals	-	-	-	-	(1,547)	-	(1,547)
At end of the year	726	12,562	512	11,142	2,627	-	27,569
Net book values							
At 31 October 2021	3,556	17,101	974	2,552	377	95	24,655
At 31 October 2020	3,585	17,699	1,121	2,989	259	122	25,775

The disclosure above includes £1,552k as the historic cost of assets disposed of during the year. The majority of these related to assets previously used as a part of the Globe's on site Exhibition or IT equipment that was no longer required due to new technology investment partly due to new working arrangements. The majority of these assets were already held at nil net book value having previously been fully depreciated. The net impact reflected as a loss on disposal was £5k.

During the prior year a review was completed to consider the balance within Assets under Construction. This led to an impairment of £717k which principally related to costs incurred on design works for Project Prospero, due to the decision by the Trustees to further reformat plans to meet the objectives of the project over a much longer term in light of the impact of Covid-19 on the Group. The impact of this decision made by the Trustees led to them concluding that it was unclear if work previously undertaken on the project and capitalised would contribute to the design of any assets constructed as part of a revised project.

14 Investment in subsidiary

The Group's net movement in funds includes the results of the following three 100% beneficially owned subsidiaries of the Charity, which are incorporated in the United Kingdom and registered in England and Wales, and whose registered office is at the same address as the Charity:

a. Shakespeare Globe Productions Ltd ('SGPL'), a limited company that has the principal activities of producing, running and closing productions on behalf of the Charity.

b. SGT Trading Limited ('SGTTL'), a limited company which undertakes commercial activities on behalf of the Charity. SGTTL was incorporated on 17 July 2019 and the transfer of trade and certain asset and liabilities from SGTL to SGTTL was effective from 31 October 2019.

To finance the purchase, the Charity loaned £670k to SGTTL. The loan is interest bearing at 3% above the Bank of England base rate, has no fixed repayment date and is secured by a fixed and floating debenture over the assets of SGTTL. This amount is shown by the Charity as an investment in the subsidiary.

c. Shakespeare Globe Trading Limited ('SGTL'), a limited company which previously undertook commercial activities on behalf of the Charity. SGTL is no longer active and will be wound up in due course.

NOTES TO THE FINANCIAL STATEMENTS

	Company Number		Total Income	Expenditure	(Deficit) / Surplus Before tax	Assets	Liabilities
			£000	£000	£000	£000	£000
Shakespeare Globe Trading Limited	997433	2021	-	-	-	-	-
		2020	-	-	-	1,068	(622)
Shakespeare Globe Productions Ltd	9288721	2021	2,389	(2,608)	(219)	556	(556)
		2020	2,380	(2,717)	(337)	963	(963)
SGT Trading Limited	12107582	2021	804	(804)	-	2,639	(2,639)
		2020	1,132	(1,084)	48	2,242	(2,242)

15 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Amounts falling due within one year:				
Trade debtors	402	191	330	188
Other debtors	141	206	63	167
Tax credit recoverable	556	963	-	-
Amounts owed by subsidiary undertakings	-	-	2,270	2,327
Culture recovery fund grant	-	1,030	-	1,030
Prepayments and accrued income	581	469	515	427
	1,680	2,859	3,178	4,139

The Culture Recovery Fund grant was awarded in October 2020 and was received in three instalments throughout the financial year with none outstanding at year end. At the end of the previous financial year the initial instalment was recognised as a debtor (£1,030k).

NOTES TO THE FINANCIAL STATEMENTS

16 Creditors

Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Trade creditors	805	262	727	261
Taxes and social security	158	226	135	144
Other creditors	858	878	828	867
Accruals and deferred income	2,234	1,595	2,109	1,482
	4,055	2,961	3,799	2,754

Deferred income	2021	2020	2021	2020
	£000	£000	£000	£000
At 1 November	128	1,267	52	1,158
Deferred income recognised in the year	(128)	(1,267)	(52)	(1,158)
Deferred in year	828	128	748	52
At 31 October	828	128	748	52

Creditors: amounts falling due after more than one year	2021	2020	2021	2020
	£000	£000	£000	£000
Culture Recovery Fund Loan	3,038	-	3,038	-

Other creditors includes £735k (2020: £784k) customer ticket credits held on account as a consequence of shows cancelled due to the impact of Covid-19.

Accruals and deferred income includes £46k (2020: £400k) accrued in respect of payments being made to staff members during 2021/2022 as a result of the implementation of the Group's restructuring programme during October 2020 (note 11).

Consequent on the impact of Covid-19 on the Group's finances, in March 2021, the Globe successful secured a term repayable finance facility of £3m from the Government, via its Cultural Recovery Fund. The finance agreement was signed in March 2021 and the facility was fully drawn down in March 2021. The facility is interest bearing at 2% per annum (£38k in the current financial period). Repayments of £115k will be made twice per year over a 16 year period from March 2025 to March 2041. The Globe is permitted to voluntarily prepay the loan prior to the end of the repayment period. The facility is unsecured, but has certain on-going non-financial covenants and conditions attached to it.

17 Movement in funds

2021

Restricted Funds - Group and Charity

	As at	Income	Expenditure	Net income/	Transfers	As at
	01/11/2020			(expenditure)		31/10/2021
	£000	£000	£000	£000	£000	£000
Globe Building Grant	4,912	-	-	-	(356)	4,556
Prospero Capital Campaign	3,378	44	-	44	(121)	3,301
Globe Education China	43	-	(6)	(6)	-	37
Education Projects	316	290	(261)	29	8	353
Performance and Theatre	3	194	(303)	(109)	118	12
Access and Apprenticeship	110	14	(23)	(9)	(6)	95
Culture Recovery Fund	-	1,956	(1,956)	-	-	-
Garfield Weston Foundation Grant	-	750	(628)	122	-	122
	8,762	3,248	(3,177)	71	(357)	8,476

NOTES TO THE FINANCIAL STATEMENTS

Unrestricted Funds - Group and Charity

	As at		Net			As at
	01/11/2020	Income	Expenditure	expenditure	Transfers	31/10/2021
	£000	£000	£000	£000	£000	£000
Preservation of the Theatres	-	-	-	-	-	-
Prospero Capital Campaign	-	-	-	-	-	-
Strategic Projects	-	-	-	-	-	-
Film Fund	-	-	-	-	-	-
Remedial Works Fund	-	-	-	-	-	-
Artistic Support Fund	-	-	-	-	-	-
Designated Funds	-	-	-	-	-	-
Fixed Assets Reserve	20,863	-	(1,120)	(1,120)	356	20,099
General Reserve	5,854	10,314	(10,868)	(554)	1	5,301
	26,717	10,314	(11,988)	(1,674)	357	25,400

2020

Restricted Funds - Group and Charity

	As at		Net			As at
	01/11/2019	Income	Expenditure	expenditure	Transfers	31/10/2020
	£000	£000	£000	£000	£000	£000
Globe Building Grant	5,268	-	-	-	(356)	4,912
Prospero Capital Campaign	2,897	544	(63)	481	-	3,378
Globe Education China	158	-	(115)	(115)	-	43
Education Projects	79	275	(38)	237	-	316
Performance and Theatre	3	-	-	-	-	3
Access and Apprenticeship	70	57	(17)	40	-	110
Culture Recovery Fund	-	1,030	(1,030)	-	-	-
	8,475	1,906	(1,263)	643	(356)	8,762

Unrestricted Funds - Group and Charity

	As at		Net			As at
	01/11/2019	Income	Expenditure	expenditure	Transfers	31/10/2020
	£000	£000	£000	£000	£000	£000
Preservation of the Theatres	3,636	-	-	-	(3,636)	-
Prospero Capital Campaign	2,993	-	-	-	(2,993)	-
Strategic Projects	18	-	-	-	(18)	-
Film Fund	7	-	-	-	(7)	-
Remedial Works Fund	573	-	-	-	(573)	-
Artistic Support Fund	292	-	-	-	(292)	-
Designated Funds	7,519	-	-	-	(7,519)	-
Fixed Assets Reserve	22,040	-	(1,533)	(1,533)	356	20,863
General Reserve	3,781	9,306	(14,752)	(5,446)	7,519	5,854
	33,340	9,306	(16,285)	(6,979)	356	26,717

There was a difference in the prior year, between the Group and Charity's funds related to £446k of funds retained by Shakespeare Globe Trading Limited. This amount was transferred to the Charity during the year meaning that the closing fund balances at 31 October 2021 of the Group and Charity are now the same. The amount was transferred to the Charity during the year. The Charity's unrestricted income totalled £9,292k (2020: £7,905k). The Charity's unrestricted expenditure was £10,965k (2020: £14,918k).

FIXED ASSET RESERVE

The fixed asset reserve are permanent funds matched to the value of fixed assets recognising that, in the event that cash is required, these assets cannot be readily liquidated and their realisable value may be negligible. There are two funds held, the Globe Building Grant (£4,556k) reflecting a restricted Arts Council England grant received in 1995 that was used to build the Globe, and the Fixed Assets Reserve (£20,101k), a designated fund, reflecting the balance of non-liquid assets held within tangible fixed assets (Note 11). Arts Council England hold a charge over the Globe site which enables them to reclaim some or all of the grant if the site is sold, ceases to use it for the Globe's purposes or in the event of insolvency.

NOTES TO THE FINANCIAL STATEMENTS

RESTRICTED FUNDS

The Project Prospero capital campaign fund £3,301k (2020: £3,378k) is restricted to the development of the Globe's West Block incorporating a new library, archive, exhibition, workshops and rehearsal studios and an upgrading of its production departments. The project is currently on hold pending a re-evaluation as to its feasibility. Within the total balance of £3,301k held in the restricted fund, £16k has been received from current Trustees and key management personnel. In 2020 £116k was held within the fund having been received from Trustees and key management personnel at the time.

The Globe Education China fund £37k (2020: £43k) is a restricted Arts Council England grant to promote Shakespeare in China through workshops and performances planned for 2022 and beyond.

Education Projects funds totalling £353k (2020: £316k) are restricted for use in specific education activities. The most significant of these funds relates to the Playing Shakespeare with Deutsche Bank project £279k (2020: £260k) funded by Deutsche Bank whereby performances are created for young people and designed to support teaching of English in the UK National Curriculum at Key Stages 3, 4, and 5 as well as being suitable for those teaching international curricula.

The Performance and Theatre fund £12k (2020: £3k) is restricted for use in specific Theatre projects. Significant fundraising (£194k) was used to underwrite the costs of the Globe Theatre's 2021 summer season productions as a consequence of the impact of Covid-19.

The Access and Apprenticeship fund £95k (2020: £110k) is restricted to the improvement of access and diversity to the Globe. The fund includes a significant donation from ICAP of £203k received in 2017. The fund has been used to cover the cost of apprentices and has now been fully utilised. It also includes £33k (2020: £45k) to augment and improve the digital offering to promote accessibility to the Globe's theatres and performances via a digital platform in response to the impact of Covid-19.

The Culture Recovery Fund grant was awarded to the Globe by the Department for Digital, Culture, Media & Sport in response to the impact of Covid-19 to subsidise the restructuring programme, necessary improvements for Covid-19 compliance and ongoing overhead expenditure between October 2020 and March 2021 and has been fully utilised.

The Garfield Weston Foundation awarded a grant of £750k to enable the summer 2021 Globe productions to be professionally filmed and to carry out adjustments to the Globe's infrastructure and systems. The fund was to be fully utilised by January 2022 with the remaining balance of £121k to be spent on digital infrastructure for the Globe's education studios and contactless donation machines.

DESIGNATED FUNDS

The Trustees agreed, at their meeting on 27 March 2020, to reclassify unrestricted fund designations (£7.5m) into general reserves in order to ensure the long-term viability of the Group. The allocation of expenditure across the categories for the period 1 November 2019 to end-March 2020 was not made, as this would have no impact on total unrestricted income funds and would only be a reclassification between general reserves and designated funds.

18 Analysis of net assets between funds

Group	Restricted	Unrestricted	2021	Restricted	Unrestricted	2020
	£000	£000	£000	£000	£000	£000
Fixed Assets	4,556	20,099	24,655	4,912	20,863	25,775
Net Current Assets	3,920	8,339	12,259	3,850	5,854	9,704
Non-Current Liabilities	-	(3,038)	(3,038)	-	-	-
Net Assets at 31 October	8,476	25,400	33,876	8,762	26,717	35,479

Charity	Restricted	Unrestricted	2021	Restricted	Unrestricted	2020
	£000	£000	£000	£000	£000	£000
Fixed Assets	4,556	20,769	25,325	4,912	21,533	26,445
Net Current Assets	3,920	7,669	11,589	3,850	4,738	8,588
Non-Current Liabilities	-	(3,038)	(3,038)	-	-	-
Net Assets at 31 October	8,476	25,400	33,876	8,762	26,271	35,033

NOTES TO THE FINANCIAL STATEMENTS

19 Operating leases (Group and Charity)

Minimum payments due under non-cancellable operating leases:

	2021	2020
	£000	£000
Payment due:		
Land and buildings: Payable within one year	244	478
Payable in two to five years	1,121	1,151
Over five years	655	593
Plant and equipment: Payable within one year	13	111
Payable in two to five years	35	202
	2,068	2,535

Operating leases on land and buildings include properties leased to provide additional space for workshops and rehearsals as well as office accommodation and storage.

20 Reconciliation of net expenditure to net cash generated from / (utilised by) operating activities

	2021	2020
	£000	£000
Net expenditure	(1,603)	(6,336)
Interest receivable	(26)	(28)
Unrealised foreign exchange loss	-	2
Depreciation	1,587	1,539
Impairment	-	717
Loss on disposal of tangible fixed assets	5	4
Increase in stocks	(30)	(19)
Decrease (increase) in debtors	1,179	(69)
Increase (decrease) in creditors	1,132	(94)
Net cash generated from (utilised by) operating activities	2,244	(4,284)

21 Related party transactions

Related party comprise subsidiaries and those charged with governance, being Trustees and Executives.

	2021		2020	
	Amounts due from £000	Amounts due to £000	Amounts due from £000	Amounts due to £000
The Shakespeare Globe Trust: subsidiary undertakings:				
Shakespeare Globe Productions Ltd	556	-	963	-
SGT Trading Limited	2,384	-	2,034	-
Total	2,940	-	2,997	-

Amounts due from SGT Trading Limited include the £670k loan referred to in Note 14(b).

Unless specified otherwise, amounts due from and to subsidiary undertakings are unsecured, non-interest bearing and repayable on demand. Transactions with subsidiary undertakings are primarily for intra-group services and cross company recharges.

Shakespeare Globe Trading Limited – during the year, the accumulated balance on the income and expenditure account brought forward at 1 November 2020 (£446k) was transferred to the Charity by means of a payment under Gift Aid.

The Shakespeare Globe Centre (USA) Inc. ("SGC USA") is a not-for-profit registered charity in the USA. It has objects related to those of the Globe and makes grants to the Globe from time-to-time. SGC USA has 8 trustees, two of whom are also Trustees of the Globe. The purpose of SGC USA is to support theatre, educational, and research projects at Shakespeare's Globe in the United Kingdom and to expand the reach of Shakespeare's Globe through educational, outreach and developmental projects in the United States and around the world. During the year, the Globe received donations of £124k (2020: £211k) from SGC USA.

NOTES TO THE FINANCIAL STATEMENTS

Trustees

The total amount donated by 9 Trustees and Executives (2020: 8) amounted to £78k (2020: £19k).

In addition, the following Trustees have relationships with organisations that have engaged with the Group:

Neil Constable is Chief Executive and a Trustee of the Globe as well as a Trustee of the Guildhall School of Music and Drama. During the financial year, the Group received £1k (2020: £1k) from the Guildhall School of Music and Drama. Neil Constable is also a Trustee of SGC USA.

Erica Crump is a Trustee of the Globe and a partner with Bates Wells & Braithwaite London LLP, one of the Group's legal advisers. During the year Erica Crump provided pro bono legal services to the Globe of value £20k (2020: nil). The Globe also incurred unrelated expenditure with Bates Wells & Braithwaite London LLP of value £9k (2020: nil) which was paid prior to year-end. The appointment of Bates Wells & Braithwaite London LLP for limited paid services (of which Erica Crump did not provide any part) was made in accordance with the Charity's conflicts of interest policy.

22 Events after the reporting period

After the end of the financial year, the Board of Trustees approved the designation of funds as follows:

- The Remedial Works fund £750k (2020: £nil) to fund essential maintenance and repair works to the West Block buildings of the Globe site.
- Preservation of the Theatres fund £250k (2020: £nil) for the estimated quinquennial building and theatres maintenance requirements as well as an emergency facility for any uninsured and unforeseen circumstances.

These designated reserves were made by a transfer of funds from the general reserve of £1,000k.