

The Shakespeare Globe Trust

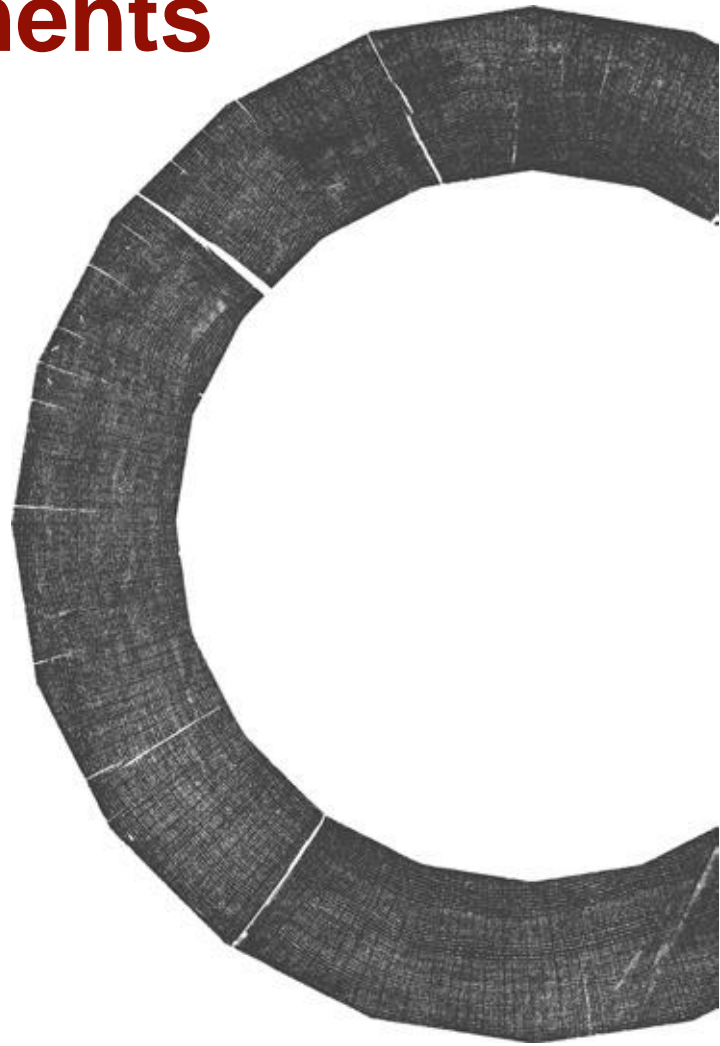
Annual Report and Financial Statements 2022

**Annual Report and Financial Statements for
the year ended 31 October 2022**

Registered company number: 1152238

Registered charity number: 266916

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



Trustees, Executives and Advisers

HONORARY PRESIDENT

Zoe Wanamaker CBE

TRUSTEES

Chair

Margaret Casely-Hayford CBE

Deputy Chairs

Nell Leyshon

David Butter

Alex Beard (retired May 2022)

Honorary Treasurer

Patrick Figgis (resigned May 2022)

John Baker (appointed March 2022)

Dipo Baruwa-Etti (appointed September 2022)

Neil Constable (Chief Executive)

Erica Crump

Sandeep Dwesar (appointed September 2022)

Ramia El Agamy (appointed September 2022)

Rick Gildea (appointed September 2022)

Reinhard Gorenflos (appointed September 2022)

Lady Cynthia Hall (retired March 2022)

Matthew Jones OBE

Robert Laurence

Simon MacKinnon OBE (resigned September 2022)

Dame Anne Pringle (retired March 2022)

Daniel Rabinowitz (resigned September 2022)

Ruth Rowan (appointed September 2022)

Indy Saha (appointed September 2022)

Professor Julie Sanders

Jenny Topper OBE (resigned March 2022)

Despina Tsatsas (appointed July 2022)

DIRECTORATE - EXECUTIVES

Chief Executive

Neil Constable FGSM, CCMl

Chief Finance and Operating Officer

Niki Cornwell FCMA

Co-Directors of Development

Amy Cody and Charlotte Wren

Finance Director

Joel Moseley ACA

Co-Directors of Education

Lucy Cuthbertson

and Professor Farah Karim-Cooper

Director of Communications, Marketing and Audiences

Rebecca Wootton

Artistic Director

Michelle Terry

Executive Director (Theatre)

STATUTORY AUDITORS

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PRINCIPAL BANKERS

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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	4
Trustees' Report	7
Strategic Report	8
Plans for 2022/2023	13
Financial Review	16
The Environment	20
Public Benefit	21
Structure and Governance	24
Trustee Duties	27
Statement of Trustees' Responsibilities	30
Independent Auditors' Report to the members of The Shakespeare Globe Trust	32
Consolidated Statement of Financial Activities	35
Balance Sheets	36
Consolidated Cash Flow Statement	37
Notes to the Financial Statements	38

Message from the Chair and Chief Executive

In this special 25th anniversary year Shakespeare's Globe continues to meet the challenges that began in March 2020 with COVID-19 but have continued with the subsequent cost of living crisis and the impact of the war in Ukraine. The organisation has faced significant changes with audience booking patterns, cancellations of performances due to widespread cases of Omicron across our acting companies, record inflationary costs in delivering activities and utility costs, and was still experiencing far lower levels of international tourism returning to the UK. The ongoing 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.

In support of our Cause and mission.

During this period of unprecedented change, Shakespeare's Globe created work that continued to make Shakespeare accessible to all without any regular public or Arts Council Funding. Over 500 public performances were given in 2022, with the work continuing to be a great success despite the major challenges faced by the sector.

As well as welcoming 310,000 theatre-goers into our two theatres, we received 56,800 new bookers to the Globe, with international visitors comprising 30% of our Summer season audience, and we continued as a top visitor destination, with our Guided Tours delivered on 320 days across the year. In 2022 for the scale and the quality of activities, we were recognised as "London Theatre of the Year" by Time Out in their "Best of the City" Awards.

The total number of visitors welcomed to Bankside in 2022 reached 552,276. During this financial year, we opened 12 new theatre productions (Shakespeare and new-writing), which enjoyed critical success with many 5 star ratings from national newspapers, including *Measure for Measure*, *Hamlet*, *The Merchant of Venice*, *The Fir Tree*, *Macbeth* (the 16th year of Playing Shakespeare productions being kindly supported by Deutsche Bank), *Much Ado About Nothing*, *Henry VIII*, *Julius Caesar*, *King Lear*, *The Tempest*, *Midsummer Mechanicals* and a world premiere of a new critically acclaimed play with *I, Joan*.

We still offered our £5 groundling tickets, described by an audience member as "a brilliant commitment to making the best cultural experiences available to everyone, more important than ever". For those unable to visit Bankside, we re-launched Globe Player (our video-on-demand service), and our annual Playing Shakespeare production was streamed by 634 schools for free. James Corden even transformed five ex-England players into actors on the Globe stage in a 'Late, Late Show' comedy sketch.

We welcomed 23,000 school children in March to *Macbeth* for free, and 23,529 people watched our *Anti-Racist Shakespeare* webinars. In October, we launched the Shakespeare Centre, London in partnership with King's College and co-curated a packed-out Shakespeare and Race Festival. Our incredible Education department ran 1,300 workshops for students.

A range of wonderful projects found a home at the Globe this year, including a live performance and recording of CBeebies version of Shakespeare's *As You Like It*, the 50th anniversary of the *Alternative Miss World*, a *Julius Caesar* project supporting those in the prison system, and work with Compass Collective on a 6-month programme with young refugees. We opened our doors 24 hours a day to those on a pilgrimage to pay respects to

the Late HM Queen Elizabeth II, and over 40,000 people used our facilities. As the arrival of the new year, 2022 was celebrated by the nation, the Globe was featured as part of BBC One's New Year's Eve official countdown broadcast to millions of viewers all over the world.

Since the end of the financial year, we have been able to mount a full Winter season of four new productions in the Sam Wanamaker Playhouse, as well as a new production of *The Fir Tree*, our family Christmas show from last year in the Globe Theatre.

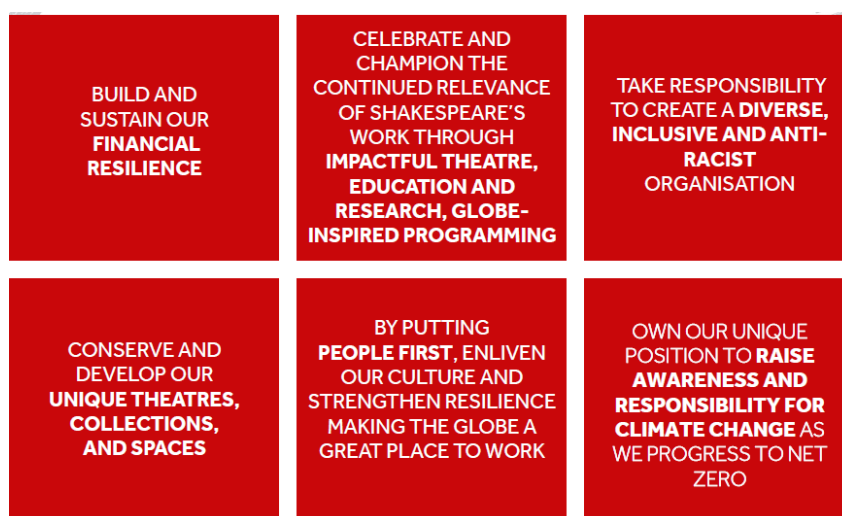
We remain an independent charity, with a smaller workforce and turnover than pre-pandemic, committed to our industry by hiring nearly 400 creative freelancers in 2022. As with the rest of the performing arts sector, we face ongoing financial challenges, yet continue to deliver creatively for our diverse audiences, and with major impact for our communities. We worked with the Society of London Theatre (SOLT) on some aspects of pay and support. We have also worked with a number of artist wellbeing practitioners to provide support in different ways through rehearsals and show running to our performance companies, including drama therapists, facilitators and training providers.

As this set of accounts attests, the challenges faced this year have meant that we ended the year with a small deficit as a result of suppressed income compared to pre-pandemic (£19.4m, 2021; £13.6m). However, the hard work of management and colleagues resulted in a deficit excluding depreciation of £0.5m, less than 3% of income. This has meant further use of our already reduced reserves. We anticipate returning to a surplus position in 2022/23 and beyond in order to support the maintenance and capital development of our unique theatre and spaces as well as our charitable aims.

We recently completed the development of our 2022 - 2025 Strategic Rebuilding Plan, with a focus on rebuilding our reserves and building and sustaining our financial resilience, as we move to a more sustainable position to enable us to weather the challenges ahead.

Our six strategic goals for the 3-year period focus upon conserving and developing our unique theatres, collections and spaces, ensuring everyone takes responsibility for creating a diverse, inclusive and anti-racist organisation, investing in our people to strengthen our resilience and celebrating and championing the continued relevance of Shakespeare's work through our inspired programming.

STRATEGIC AIMS



This year saw a number of Trustees retire and the departure of a number of Trustees who had kindly stayed on to help the organisation through the period of the pandemic or for various personal reasons stepped down from the board. Alex Beard, Lady Cynthia Hall, Dame Anne Pringle and Jenny Topper OBE all retired after two or three terms of three years, and Treasurer Patrick Figgis, Simon MacKinnon and Daniel Rabinowitz resigned. John Baker was appointed as a new Trustee in March 2022 and took over as Treasurer later in the year. After a major wide-spread campaign that attracted over 240 diverse applications for new Trustees, we were delighted that eight new Trustees were appointed in the Summer and the campaign provides us with an ongoing strong pipeline of future Trustees.

We also recognise this year the 40th anniversary of the founding of Shakespeare's Globe USA as it welcomed a new Chair with Alan Jones' appointment. This independent fundraising charity was originally inaugurated in 1982 and has always played a significant part in the Globe's long standing fundraising 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 our audiences and visitors' loyalty, support and commitment we would not have survived, and we are so grateful to each and every one.

2022 continued to be a very difficult year for all those working in the performing arts. As an organisation, we are proud of the effort and sacrifices our colleagues, freelancers including actors and production staff, and volunteers have made to ensure the Globe's continued survival. 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.

In January 2023, we announced that, following almost 14 years leading Shakespeare's Globe, Chief Executive and Trustee Neil Constable will be stepping down from the role by the end of the year. Over the course of Neil's leadership, he has headed the team that has transformed the Globe into the world-class destination we are known for today. Further recognition of Neil's tenure, as well as an update on the appointment of his successor will be reported in the 2022/23 annual report.

And finally, we remain very thankful to our dedicated Board of Trustees, past and current, our generous supporters, and our ever-loyal audiences (in person and on-line) as we look to rebuild to a more sustainable financial future and hopefully a much brighter but continually challenging and uncertain 12-months ahead for the Globe and the performing arts sector.

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 2022.

The information contained within the Trustees, Executives and Advisers section on page 1, Message from the Chair and Chief Executive on pages 4 to 6 and the Statement of Trustees' Responsibilities on page 31 form part of this Trustees' report.

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

During the financial year we delivered an exciting range of activities as we welcomed audiences back to bankside. Our objective was to re-engage with audiences whilst managing our financial situation developing a strategic plan for the future which would enable us to consider how to achieve our charitable objectives in a new external landscape.

Performance

On stage

Shakespeare's Globe remains committed to exploring Elizabethan and Jacobean theatre in the playing conditions under which Shakespeare and the Early Modern writers and players would have worked.

All programming and development work is designed to include and reach the widest societal range as would have been the case originally. This includes unheard voices, and marginalised communities, with the aim of achieving our overall objective of providing Shakespeare and Theatre for all, inspired and informed by the unique playing conditions of our two theatres.

Winter 2021/22

The 2021/22 Winter season included 4 productions; *Measure for Measure*, *Hamlet*; an anti-racist production *Merchant of Venice* and the climate conscious Christmas production of new play *The Fir Tree*, by writer in residence Hannah Khalil. Through the first full season without the requirement of social distancing, some performances were interrupted by the Omicron variant of COVID-19 which resulted in a 2- week closure.

Despite this we welcomed 50,000 people through our doors for these productions and generated £1,650k in box office revenues.

Summer 2022

For Artistic Director Michelle Terry's fifth season for the Summer of 2022, our Globe ensembles performed in both a critically acclaimed production of *Much Ado About Nothing* and *The Tempest*. Playing alongside this a new ensemble company performed a revised version of *Henry VIII*.

This same company also premiered *I, Joan*, a new play about Joan of Arc directed by a first-time director in the Globe, Illinca Radulian, and written by first-time Globe writer Charlie Josephine.

I, Joan told the story of Joan from a non-binary perspective. All artists and Globe staff were supported with Trans Awareness Training facilitated and supported by Gendered Intelligence. We also hosted two Post-Show Discussions and Q&As for our *I, Joan* audiences in the Sam Wanamaker Playhouse; one of these was called Straight to the Point: Making Queer Theatre for Everyone.

The season also saw a hit production of *King Lear* with Kathryn Hunter as the eponymous hero and Artistic Director Michelle Terry playing the double of Cordelia and the Fool.

We also welcomed the BBC's CBeebies team to the Globe for a first-time collaboration to create a bespoke adaptation of *As You Like It* for a filmed-for-television production aimed at pre-school children (to be broadcast Spring 2023).

Over the summer season we welcomed over 300,000 theatregoers through our doors to see a production and generated almost £9m in box office sales, short of our anticipated targets but reasonable given the continued challenges that COVID cancellations continued to play.

Beyond Bankside

During the Summer we also toured *Julius Caesar*, visiting 23 venues around the UK, reaching over 12,500 people from a diverse range of communities.

We also held a screening of *Julius Caesar* at HMP Whitemoor, a maximum-security prison in Cambridgeshire. The screening was attended by 23 long term residents, who went on to participate in six sessions where they rehearsed the funeral scene from *Julius Caesar* together. At the end of the rehearsal period, the men performed the scene to a group of invited guests, including trustees from the Globe Board, prison staff and the Chair of HM Prison and Probation Services.

Publishers Bloomsbury released 10 filmed Globe productions on their educational platform, Drama Online, from our Globe 2 Globe series with new subtitles to mark the 10th anniversary of the Globe to Globe festival.

We released some of our historic titles on DVD in the US for the first time and our film of *The Duchess of Malfi* that opened the Playhouse in 2014 was broadcast on BBC4 as part of their new Arts and Performance programming slot on Sundays.

Finally, our new writing hit from 2019, *Emilia*, opened in Melbourne, Australia.

Visiting Artists

In February 2022 we welcomed Johnny Flynn and Robert McFarlane to the Playhouse for two sell out live performances of their album: *Lost in The Cedar Wood*.

In October 2022 we welcomed Daniel Kitson to The Globe for two sell out performances of *Maybe a Ghost Story* and we also hosted the 50th anniversary celebration of *Alternative Miss World*, another sell-out success.

Every Friday evening (October 2021 until April 2022) we hosted Compass Collective for their Next Steps workshop: a 6-month arts-based development programme that assists young refugees and asylum seekers with the transition from basic crisis intervention support into work placements, volunteer opportunities and further education. Together we won the London Youth Partnership Award for our collaboration on this programme.

Artist Engagement & Development

We continue to develop our response to the ever-changing landscape of our industry.

Our meet & greet days and first weeks of rehearsals address issues in the plays and the rehearsal rooms around oppressive practices, anti-racism, health and safety, safeguarding, and revised concern reporting procedures. Our pre-contractual 'checklist' aims to ensure everyone is aware of our working culture, expectations and the terms of agreement before starting work.

A series of Open Meets were launched in January 2022 and have been an incredible success. Our Head of Casting has met around 150 actors over the last 7 months, and we are committed to further Open Meetings every month at least until the end of this year. We have recalled 9

actors met through the Open Meetings with 2 actors being cast; one in CBeebies production of *As You Like It* and the second in *Titus Andronicus*.

Open Hire remains a usefully egalitarian method and recruitment resource for a number of freelance positions.

Online

In December 2021, we relaunched our video-on-demand streaming service, Globe Player. We have released a series of previously recorded productions from Summer 2021 and other popular filmed productions. We have also released 10 international language titles from the Globe to Globe Festival which have been subtitled in collaboration with Drama Online where they have been released for schools and education institutions.

Over the year, Globe Player saw over 1,400 subscribers use the service with 33,500 unique video views.

Education & Research

Higher Education activities

This year higher education courses were back to pre-pandemic levels with the successful return of most of our American university and drama school partners. Last Summer and Fall we were able to run two cohorts from Rutgers University and had successful showcases for both. We welcomed new programmes and short courses and initiated a new faculty recruitment scheme as part of our strategy to diversify our faculty and implement a more inclusive and anti-racist higher education experience.

The Research and Collections unit began providing internal tours focusing on individual productions which showcase the materials (promptbooks, designs, etc.) that reflect the creativity behind each show and are developing our curatorial work through displays and exhibitions in the Globe foyer and through projects and partnerships.

The end of October, saw the launch of The Shakespeare Centre, London - our major research partnership with King's College London - with a jointly-organised Shakespeare and Race Festival that hosted award-winning poets, such as Terrance Hawkes and Antony Joseph as well as theatre artists and academics. We also launched the *Early Modern Scholars of Colour Network* as part of the Centre's objective to widen access to the advanced study of Shakespeare. Our Globe academics continue to publish widely, speak at conferences and provide research support for productions and Guided tours.

Learning and family activities

This year was dominated by the return to in-person learning activities with students, teachers, families, and audiences, both on and off the Globe site, led by our freelance practitioners.

The take up of our educational tour & workshop Lively Action programme for schools visiting the Globe slowly recovered during 2021. School trips were significantly impacted after the year of pandemic disruption with schools often prioritising in-school lessons and routines. The disruption caused by COVID continued into 2022 with schools operating under a variety of bubbles and safety measures but by November 2022 activity had reached closer to pre-pandemic levels. Our teacher CPD courses were very popular, both in-person & online, including our new session, *Shakespeare & Sexuality*.

Playing Shakespeare with Deutsche Bank returned to its early Spring position in the programme with a production of *Macbeth*, which attracted a record number of schools and families. Thanks to the Deutsche Bank funding, almost 90,000 students and families saw the production either via the online stream or in person, including 23,000 students from state schools in London & Birmingham who were able to access free tickets. The Learning department used an increasingly forensic approach to using school data to allocate free tickets to those with the highest percentage of students eligible for Free School Meals.

The Learning department produced the Globe's full-scale family production in the summer. *Midsummer Mechanicals*, a new play, by Kerry Frampton & Ben Hales, directed by Co-Director of Education Lucy Cuthbertson in a co-production with Splendid Productions, played in the Sam Wanamaker Playhouse for 4 weeks of the summer holidays to an audience of over 6,000. It was a huge success with audience and critics alike and was recently nominated for an Olivier Award in the Best Family Show category. It gained several five, and 4-star reviews and will be revived in 2023. Our family work activity across all school holidays grew, with a constant offer of storytelling performances, family drama workshops and short courses for young actors.

The Learning team also ran several large courses, some returning for the first-time post-pandemic, and we hosted both the Poetry by Heart & English-Speaking Union student finals.

Guided Tour

We continued to provide a Guided Tour allowing over 100,000 visitors to Bankside to experience our iconic open-air theatre. In addition to access to our unique spaces, we also offered play-specific tours, additional walking tours and introduced a very popular Pride Tour exploring Queer Shakespeare which has proved so popular it has become a core product.

Fundraising

Not being usual recipients of government or Arts Council funding, we raise a critically important percentage of our funds from the public and we are committed to ensuring that our fundraising activities are conducted with integrity, openness, respect and accountability. The fundraising focus is on developing relationships with Individuals, Trusts and Foundations and Corporates who are interested in our work. 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. We are also fully compliant with GDPR legislation. The Fundraising Policy was approved by the Board of Trustees in September 2021 and continues to be reviewed annually. 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, via our website there is the option to donate on the homepage and at the point of purchase, and occasionally we also hold targeted bucket collections. We are committed to promptly dealing with all complaints constructively. The Fundraising Policy addresses complaints relating specifically to fundraising methods and activities. There have been no complaints about our fundraising activity this year.

Commercial

We have continued to support the delivery of the Trust's charitable objects through the commercial activities undertaken by SGT Trading Limited, a subsidiary of the Trust. These activities included our on-site and online shop, catering partnership with the Swan, corporate relationships, and venue hires. In total we generated £2.7m in income through these activities, which is 14% of our total income, despite the challenges of the cost of living crisis.

People

As highlighted above, our Strategic Rebuilding Plan includes the aim: "By putting people first, enliven our culture and strengthen resilience making the Globe a great place to work", reflecting the Globe's recognition of the essential role that our people play in achieving our objectives. During the last year, with a new People team in place, there has been a focus on evaluating our employee offer, specifically in the areas of training and development, contracts, pay and benefits, diversity and inclusion, values, and employee voice. A new People plan to go alongside the new strategy will be launched in 2023 to ensure that we are supporting our valued employees, have a clear feedback and continuous improvement culture, and become an employer of choice.

The strategic plan also establishes the aim that "All at Shakespeare's Globe take responsibility to create a diverse inclusive and anti-racist organisation". In addition to our commitment to continue to embed this in our on-stage activities, this is also a key element of our current and future people plans. We remain committed to creating an environment and infrastructure that better promotes equality, diversity and inclusion with the aim of recruiting, supporting and retaining a more diverse workforce.

Plans for 2022/2023

Artistically, Michelle Terry's plan for the year ahead once more celebrates world-class female directors. All productions and collaborations focus on diversifying our artists and audiences, as we continue to provide Shakespeare for all, and put him to work, for now. However, the context for the next year still remains challenging, with acknowledgement of the longer-term impacts of geo-political and macro-economic issues, record costs and salary inflation, remain to be seen in our financial model. Despite this, we feel confident that the new three-year strategic rebuilding plan responds to this challenge whilst also identifying opportunities and wider ambitions that are core to the Globe's charitable objectives as well as supporting us in delivering the work planned in 2023. As above, this plan establishes six strategic aims:

- Build and sustain our financial resilience.
- Celebrate and champion the continued relevance of Shakespeare's work through impactful theatre, education and outreach programming.
- All at Shakespeare's Globe take responsibility to create a diverse, inclusive and anti-racist organisation.
- Conserve and develop our unique theatres, collections and spaces.
- By putting people first, enliven our culture and strengthen resilience making the Globe a great place to work.
- Play our part in achieving climate justice.

These aims build upon previous work the Globe has undertaken and have been interwoven into our plans for 2022/23. This includes reconsideration of our capital plans and requirements over the coming years. Before COVID-19 we held restricted and designated funds. However, these designated funds were released in order to save the organisation. As such, it has been necessary to reconsider our immediate capital priorities which now comprise the re-thatching of the Globe theatre, the development of our education studios and the creation of new library and archive spaces on site. We will use these aims to monitor our success alongside internal key performance indicators.

Looking to the immediate economic picture, we recognise it will be many months before we see a return to previous heights of audiences and visitor levels. With changes in booking patterns, the cost of living crisis and significant reductions in international tourism with London still not returning yet as a priority location for domestic tourists. These factors place significant strain on our ability to generate income across all areas, while at the same time, our ability to reduce our fixed cost base is limited as we continue to operate in a complex regulatory and operational environment.

We opened the winter season in the Sam Wanamaker Playhouse with *Henry V*, a collaboration between Shakespeare's Globe and Headlong with Leeds Playhouse and Royal & Derngate, Northampton and directed by Headlong's Artistic Director Holly Race-Roughan. This was followed by another co-production, with Tamasha, of *Hakawatis: Women of the Arabian Nights* – a re-imagining of the 1001 Arabian Night's written by resident writer Hannah Khalil, with contributions from Hanan al-Shaykh, Suhayla El-Bushra and Sara Shaarawi and directed by Tamasha's Artistic Director Pooja Ghai who returned to the Playhouse having previously directed *Lions and Tigers* in 2017.

We returned to the Globe Theatre for *The Fir Tree* a climate conscious Christmas. The new year brought with it *Titus Andronicus* directed by Jude Christian, followed by *The Winter's Tale* directed by Associate Artistic director Sean Holmes, in a production that sees our audience travel between both the Globe Theatre and Sam Wanamaker Playhouse during one show.

2023 is also the 400th anniversary of the printing of Shakespeare’s First Folio in 1623 and we celebrate many of those 18 plays by Shakespeare that would have been lost without this important publication. The celebrations started with a jointly curated exhibition at the Deutsche Literary Archive in Marbach celebrating the announcement of the First Folio at the Frankfurt Book Fair in 1622. Our 2023 Folio Season will include *The Winter’s Tale*, *The Tempest*, *Comedy of Errors*, *Macbeth*, *As You Like* and *Twelfth Night* – all plays that would have been lost without that publication. *A Midsummer Night’s Dream* will open the 2023 Globe Theatre Summer Season with Artistic Director, Michelle Terry playing the role of Puck. As we put Shakespeare to work for now, the 2023 season will re-imagine the above plays which all speak directly to climate and the natural world as we contribute to the most pressing conversation of our time - both in the work that we make and the ways that we make it.

2023 marks the 17th year of Playing Shakespeare with Deutsche Bank, with a production of *The Tempest* created especially for young people. It is anticipated that his years project with Deutsche Bank will enable the Globe to provide around 20,000 free tickets to state secondary school children from London and Birmingham.

We will host a new write night called *Burnt at the Stake*: an anonymised night of new writing in which writers reclaim their place at the centre of the ‘town square’, and free from the fear of Twitter and social media judgement, aim to tell the whole of the truth. Our Westminster Abbey event returns for the first time since 2019.

Alongside the 2022/23 Winter season of Shakespeare plays in the indoor candlelit Sam Wanamaker Playhouse we will host Mentoring Artists for Women’s Art, MAWA, the Fourth Choir, Cabaret Artists Bourgeois and Maurice, Candlelit Comedy in partnership with Avalon, live music from Shabaka, poetry from Inua Ellams, a Panel Discussion supported by MENA arts and a Panel Discussion between Globe and Tamasha and Moving Stories will play in the Sam Wanamaker Playhouse to mark refugee day 2023. CBeebies will also return to perform and film their production of *Twelfth Night* in the Globe Theatre alongside a host of family workshops inviting children to engage in Shakespeare.

Early bookings for Lively Action workshops are already above forecast for 2023 so we look forward to a busy year working with schools and teachers.

Our Olivier nominated family show, *Midsummer Mechanicals* will perform for a short run at the newly opened Shakespeare North theatre in Liverpool before returning to the Sam Wanamaker Playhouse for 5 weeks. This marks the start of a mutually supportive relationship with our colleagues in the north-west.

The Higher Education department will welcome back both new and long-standing institutions, including the 20th anniversary of our flagship acting and design programmes with Rutgers University in February which will include a visit from the President of the university. Students will then be returning in September for their 21st year with us. Alongside our exciting roster of long and short courses, we will be introducing our new model of day workshops, streamlining our offerings to institutions. We are in the process of launching our new Studios programme, aimed at professional actors and creatives who wish to gain the special experience of our unique spaces and learn with our talented faculty. Also in development are some new relationships and courses, with one looking at Anti-Racist Shakespeare theatre-making, and another being a semester-length programme with a new institution.

Globe Research continues to lead investigations into early modern performance practice, with our ongoing series of Research in Action workshops, which includes a collaboration with Play On Shakespeare. Our major partnerships with King’s College London through the

Shakespeare Centre London, and the University of Oxford through Professor Farah Karim-Cooper's TORCH Fellowship will provide a strong foundation for our bid for research funding to support a new research project on diverse lives in early modern England.

We resume our summer Study Days for adult learners allowing Shakespeare enthusiasts the chance to engage with some of the most outstanding scholarship on the plays. Our close relationship with leading learned societies has deepened: Professor Farah Karim-Cooper continues her service as immediate Past President of the Shakespeare Society of America, for which Dr Will Tosh serves on the prestigious programme committee. In spring 2023 we welcome Professor Emma Smith as our Sam Wanamaker Fellow as we usher in celebrations of the 400th anniversary of Shakespeare's First Folio and in May we will celebrate the publication of Professor Karim-Cooper's new book *The Great White Bard* (OneWorld/Penguin).

Globe Research remains the first port of call for researchers, artists, filmmakers, and the media looking for expertise and guidance on Shakespeare in his own time and today.

Financial Review

INTRODUCTION

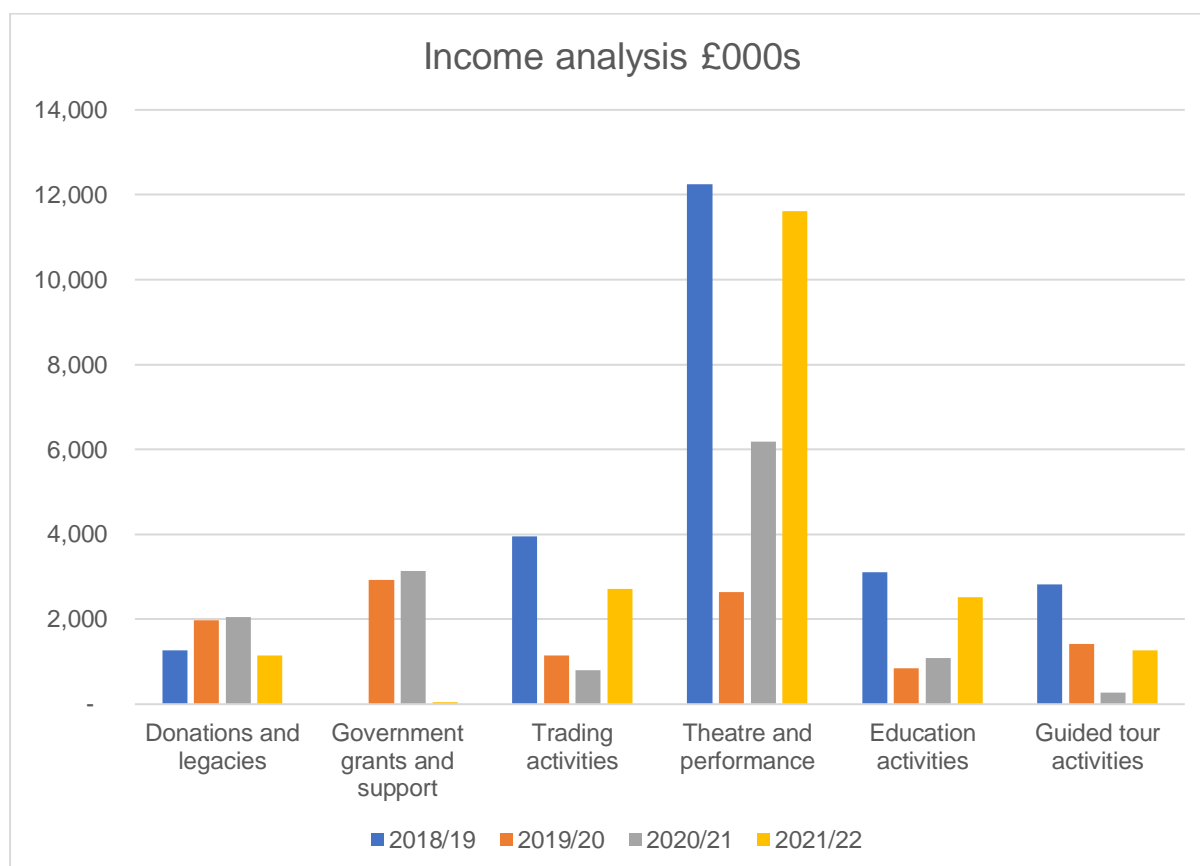
Although we were able to operate during the year without imposed restrictions on audiences, the financial environment has remained challenging for the Globe. We have continued to see the impact of lower domestic and international tourism within London which has contributed to a reduction in income associated with our charitable and commercial activities compared with the levels seen before the pandemic.

We have also continued to see the impact of business disruption and have needed to make the disappointing but responsible decisions to cancel activities as a result of external factors. During the year our operations have been impacted by multiple external events including the continued impact of COVID-19, the national period of mourning, extreme weather and industrial action.

As anticipated, as a consequence of these challenges, we report a deficit for the financial year meaning a further draw on our financial reserves and a continued emphasis on our need to rebuild our financial resilience. The overall deficit for the year was £1,953k (2021: £1,603k) with further information on income and expenditure provided below.

INCOME

Income for the financial year was £19,138k (2021: £13,562k) of which £589k was restricted (£2021: £3,248k). Although this represents a significant increase in overall income this remains below the levels we would have seen before the pandemic.



This graph shows the income breakdown in each of the last four financial years. As presented, our income from Theatre and Performance, Education, Guided Tour and Trading activities has increased compared to 2019/20 and 2020/21 but has not returned to the levels seen pre-COVID (2018/19). Income from Government grants has dropped significantly compared to 2019/20 and 2020/21 due to the end of the Coronavirus Job Retention Scheme and no further grants awarded under the Culture Recovery Fund as well as the fact the Globe does not receive regular Government funding.

The main increases in 2021/22 are seen in our charitable activities (£15,488k compared to £7,724k in 2021) and Trading activities (£2,686k compared to £800k in 2021). Both movements are consistent with the removal of Government imposed restrictions which were in place during the previous financial year. These restrictions had meant that either we were unable to operate or operating at reduced capacity leading to lower levels of income. Offsetting this was the £3,145k of income in the previous year from Government support mostly relating to the one off, Culture Recovery Fund Grant (£1,956k) and the Coronavirus Job Retention Scheme Grants (£1,145k). As the Globe does not receive regular Government funding, this income ceased once these Government support schemes ended. The only remaining Government funding was £32k from the Department for Digital, Culture, Media and Sport to cover the costs associated with the queue for the lying in state of her late Majesty Queen Elizabeth II, £6k local authority grant from Southwark Council and £6k under the Access to Work scheme.

Income from our charitable activities included (a) income from Theatre and performance (£11,584k, 2021; £6,180k), (b) income from our Guided Tour activities (£1,272k; 2021: £269k), and (c) income from our Education activities (£2,522k; 2021: £1,082k).

We also received funding, restricted and unrestricted, through our membership programme and other fundraising activities (£956k; 2021: £2,058k). The 2021/22 figure is inclusive of £0.2m received from the Foyle Foundation to support the Globe's filming infrastructure.

EXPENDITURE

Total expenditure for the year was £21,226k (2021: £15,165k). This increase is consistent with the higher level of activity taking place in 2021/22 with direct costs relating to Theatre, Education, Guided Tour, Fundraising and Trading activities increasing by over 70%.

Almost 46% of total expenditures relate to staff costs (2021: 50%), with the balance principally comprising building operations (including depreciation) at 22% (2021: 26%) and operational costs at 18% (11%), with the remaining balance comprising administration and other costs.

The external environment places additional challenges in managing our cost base and this is seen across all areas including materials, freelancers, professional services, stock purchases and other overheads.

BALANCE SHEET

The recorded overall deficit has led to a reduction in the Group's net assets to £32,279k (2021: £34,231k). The debtors balance at the end of the year increased to £2,602k (2021: £1,680k) largely due to the increased claim made under the Theatre Tax Relief scheme. The increased claim is due to higher production costs with more activities taking place as well as a temporary change in Government policy.

The total creditors balance has remained relatively similar at £7,031k compared with £7,093k at the prior year end. This is inclusive of a balance of £3.1m relating to a Government loan

under the Culture Recovery Fund. Cash has reduced by £2,036k as consistent with the loss in year as well as the increase in debtors (£12,253k; 2021: £14,289k).

The net asset position at 31 October 2022 mostly comprise restricted income funds and the fixed asset reserve, in aggregate £27,873k. In addition, the Globe holds a balance of £3,406k being unrestricted funds available for use by the Globe and £1m of designated funds. These funds were designated by Trustees during the year 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.

RISK AND RESERVES

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.

At 31st October the Globe held a total of £32,279k in reserves (2021: £34,231k). This included £7,948k in restricted funds (2021: £8,476k) and £19,925k in a fixed asset reserve (2021: £20,455k).

The Globe aspires to having unrestricted reserves that would cover at least three months of normal expenditure and has also established an objective to rebuild designated funds to £3m. The reserves cover at 31 October 2022 was sufficient to cover over two months of in-year expenditure. The value of free general reserves at 31 October 2022 was £3.4m (2021: £5.3m) with a further £1m in designated funds to be held 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.

The Trustees are satisfied that sufficient reserves were held as at 31 October 2022 as we have in place a strategic rebuilding plan that includes re-establishing and maintaining our financial resilience as a key principle. This is supported by framework budgets and cash flow forecasts.

GOING CONCERN

The Board of Trustees and Directorate recognise the significant impact that COVID-19 has had on the Globe's financial position as well as the on-going risks that it, along with other external factors, presents from both an operational and financial perspective. In response we continue to work to ensure our success and that plans are flexible enough so we can respond to new developments and manage risks outside of our control.

In developing our strategic rebuilding plan we have also produced financial frameworks which stretch beyond 2022/23 and look to the longer term. The plans and models have been prepared for the period to October 2025, which is a period of at least 12-months from the date of approval of the financial statements. The strategic plan is a key element in ensuring our financial sustainability alongside our ambitions to deliver impactful work and programmes of activity.

In assessing going concern, the Board of Trustees have considered these plans as well as other external factors which could affect the Globe's success. This included factors which reduce income levels or increase costs as well as the aggregated impact.

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.

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 reviews 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 constantly reviews the principal risks and challenges posed by the environment in which we operate and considers how to put appropriate mitigations in place to manage this risk. Key risks include:

- The impact of external factors on our financial sustainability and, in particular, the economic environment as well as the continued impact of the pandemic on public health and behaviours. Budgets have been set with this in mind and we have operational procedures which seek to maintain operations and opportunities for income generation.
- The challenges posed by being a public venue with a diverse range of audience groups. We have plans in place to protect groups on site, including children, including in the event of a disruptive incident.
- As we emerge from the pandemic, we recognise the challenges associated with setting a strong strategic direction as supported by effective management and a skilled Board of Trustees. We have completed an extensive Trustee recruitment exercise in year and created a new strategic rebuilding plan taking us to 2025.

The Environment

At Shakespeare's Globe we are committed to improving our environmental response and to progressing towards net zero greenhouse gas emissions by 2050. We are also dedicated to making a positive impact through outstanding environmentally sustainable performance and recognise this is a level of ambition that presents a huge challenge that will take time and resources to fulfil. Having an open-air venue, we are particularly aware of the impact of changes in weather patterns and of erratic temperatures and conditions, and have established "Play Our Part in Achieving Climate Justice" as a strategic aim accordingly, placing it as a key element of our Strategic Re-building Plan. It will mean that the way we deliver some activities will need to be different, many behaviours changed, and projects redefined. Both our theatres are innately carbon light; however, in developing our plans we can build upon the work that is already being undertaken to improve our carbon footprint and further advocate Shakespeare's Globe's environmental responsibility

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: 2022: 333 (Energy consumption: Gas 1,823,494 Kwh) 2021: 300 (Energy consumption: Gas 1,625,822 Kwh)</p>
<p>Methodology: tCO₂e calculated from the product of the invoiced gas consumption in kWh during the reporting period and the 2022 UK Government GHG Conversion Factors for Company Reporting for 'Natural Gas'</p>
<p>Scope 2: Emissions from purchased electricity tCO₂e: 2022: 320 (Energy consumption: Electricity 1,652,932 Kwh) 2021: 309 (Energy consumption: Electricity 1,455,036 Kwh)</p>
<p>Methodology: tCO₂e calculated from the product of the above stated electricity consumption in kWh during the reporting period and the 2022 UK Government GHG Conversion Factors for Company Reporting 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: 2022: 0.63 2021: 0.01</p>
<p>Methodology: tCO₂e calculated from the total mileage expenses claimed during the reporting period (2,181 miles) multiplied by the 2022 UK Government GHG Conversion Factors for Company Reporting.</p>
<p>Intensity ratio: tCO₂e gross figure based from mandatory fields (tCO₂e/m²): 0.075 (2021: 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>

The increase in energy usage and carbon emissions from 2021 was due to the re-opening of the venue after the pandemic had closed its venues for much of 2020/21.

Public Benefit

In shaping the Trust's object, the Trustees have taken into consideration the Charity Commission's guidance on Public Benefit. Our Strategic Rebuilding Plan and planned activities over the next three years are focussed on our charitable objects.

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. We continue to offer accessible ticket prices to our performances including the continuation of hundreds of £5 standing tickets for all performances in the Globe Theatre.

People

PAY POLICY FOR SENIOR STAFF

The Directorate comprises 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. At the end of the year salaries were reviewed in line with this procedure.

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. They provided approx. 35,000 hours of support for the Globe this financial year.

We've worked with an active team of around 600 volunteers this year and continue to maintain an excellent volunteer retention rate of around 75% each year. Since taking on our first team of volunteers in 1996, they continue to give an amazing average of over 6.5 years of service,

with over 300 volunteers receiving badges and medals this year in recognition of 5, 10, 15 and 20 years of service. This year we recruited 200 new volunteers and completed in depth training on Health and Safety, customer care, safeguarding and Diversity & Inclusion, with our team of 10 trained volunteer Access Ambassadors providing an additional level of support on our access performances throughout the year.

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.

EMPLOYMENT OF DISABLED PERSONS AND DISABILITY AWARENESS

The Globe will consider all applications for employment from disabled persons, bearing in mind the capabilities 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. We are continuing to work to make our public and office spaces more accessible and welcoming to all.

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 nominated by the Globe's Board, usually the Chief Executive and a Trustee of the Globe. One US Board member is a Trustee. 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 fundraising and supporting educational, outreach and developmental projects in the United States.

Shakespeare Globe Centre New Zealand

The Shakespeare Globe Centre New Zealand ("SGCNZ") was founded in 1991 and is a not-for-profit registered charity in New Zealand focusing on mentoring and enhancing life skills through Shakespeare. It works with primary, secondary and tertiary students, actors, directors, teachers, the corporate sector and devotees of Shakespeare. SGCNZ work closely with the Globe to provide a range of educational programmes

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.

The Trustees are the only members of the company. The guarantee is for an amount not exceeding £10 for each member. There were 16 members as at 31 October 2022 (2021: 15).

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.

During the year, Trustees held seven formal Board 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 Chief Executive and the Governance Administrator oversees the 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 and receives training on the key role and responsibilities of charity Trustees and directors. 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
- Performance and Education Committee

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 four times during 2021/2022.

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.

The Committee met three times during 2021/2022.

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 twice during 2021/2022.

Development Committee

The Committee assists the Trustees in developing strategies for fundraising and aid their implementation, particularly with regard to the Globe's revenue and capital fundraising strategy.

Due to the change in Trustees, the Committee did not meet during 2021/2022. Relevant matters were dealt with by the Board and membership of these committees will be refreshed following the appointment of new Trustees.

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.

As with the Development Committee, due to the change in Trustees, the Committee did not meet during 2021/2022. Relevant matters were dealt with by the Board and membership of these committees will be refreshed following the appointment of new Trustees.

Performance and Education Committee

The Committee works with the Theatre and Education Departments to support them in achieving strategic aims within the principle of 'One Globe'.

As with the Development Committee, due to the change in Trustees, the Committee did not meet during 2021/2022. Relevant matters were dealt with by the Board and membership of these committees will be refreshed following the appointment of new Trustees.

OTHER COMMITTEES

Advisory Committees include the Creative Council and Architectural Research Group.

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 Council met three times during 2021/2022.

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. As well as adopting a Trustee Handbook and associated policies the Board continued to focus on strengthening governance practices, using the Code as a tool to guide this. Work will continue in 2023, including reviewing the Committees and as part of taking forward the new Strategic Aims which complement some of the Principles in the Code e.g., Equality, Diversity and Inclusion.

A Board Effectiveness Review will be carried out towards the end of 2023 to allow an opportunity for the Trustees appointed in 2022 and the refreshed Committees to establish themselves. Trustees are evaluated 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. The Directorate met fortnightly over the course of 2021/22.

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

The Trustees and Directorate continue to recognise the importance in long term planning especially as we seek to rebuild the organisation as we emerge from the pandemic. In response a Strategic Rebuilding Plan has been developed which establishes strategic aims and a set of ambitions covering the period from November 2022 through to October 2025. This plan establishes our creative, artistic and charitable ambitions alongside the importance of financial stewardship and development of our physical estate. It also places environmental consciousness, diversity and inclusion and the wellbeing of our people as aims that are integral to the Globe and of equal importance to us.

b) The interests of the charity's employees

The Trustees consider the needs of our employees as key to inform our strategy and aims. Our strategic plan is consistent with this and includes the aim that "By putting people first, enliven our organisational culture and strengthen workforce resilience, making the Globe a great place to work".

In response to the cost-of-living crisis we ensured that our annual pay award would provide a greater increase for lower paid staff. We also continue to offer a wider package of staff benefits and 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.

We continue to provide support through our Employee Assistance Programme to support our people and have implemented a new hybrid working policy for relevant staff to enable more flexibility in working practices.

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. We are delighted to include in our number, Trustees who live and work in Southwark to enable a close awareness of and relationship with the schools and locality in which our iconic theatres reside.

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. Our strategic rebuilding plan establishes the aim to "Play our part in achieving climate justice" as represented in our on stage creative content as well as in our operational practices and infrastructure.

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 Trustee recruitment process was conducted in a very open way, with widespread advertising. Trustees were welcomed to the Board not just for their skills and expertise but for their fit with our Values.

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

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

Whilst this has limited formal applicability as the Trustees are also the company law members, the Trustees believe that a successful modern performing arts and educational 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.

Our strategic plan is consistent with this and includes the aim that "All at Shakespeare's Globe take responsibility to create a diverse, inclusive an anti-racist organisation".

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. As above, we have made "Putting People First" a key strategic aim as a part of our rebuilding plan, recognising the importance of establishing an organisational culture that makes the Globe a great place to work.

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 a regular basis.

The Directorate provide staff with information on matters of concern to them and encourage feedback through various channels of communication, including regular 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, including the Globe Council, which is chaired by a former Trustee, Iraj Ispahani, that we listen to and 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 48 freelancers attached to the Globe, meet periodically with management and trustees, 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.

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 they ought to have taken as a Trustee to make themselves 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 7 to 31 was approved by the Trustees and signed on their behalf by:

Margaret Casely-Hayford CBE

Chair

Date 18/07/2023

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

Report on the audit of the financial statements

We have audited the financial statements of The Shakespeare Globe Trust ('the charitable company') and its subsidiaries ('the group') for the year ended 31 October 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 October 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

INDEPENDENT AUDITORS' REPORT

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 30, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws

and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were taxation legislation, employment legislation, safeguarding legislation, General Data Protection Regulation (GDPR) and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and donation income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date 20th July 2023

PRIMARY STATEMENTS

The Shakespeare Globe Trust
Consolidated Statement of
Financial Activities
Year ended 31 October 2022

	Note	2022			2021		
		£000	£000	£000	£000	£000	£000
		Unrestricted	Restricted	Total funds	Unrestricted	Restricted	Total funds
Income from:							
Donations and legacies	5	574	272	846	1,050	1,008	2,058
Government grants and support	6	6	38	44	1,189	1,956	3,145
Trading activities	7	2,686	-	2,686	800	-	800
Charitable activities	8	15,209	279	15,488	7,249	284	7,533
Other income	9	57	-	57	-	-	-
Interest receivable		17	-	17	26	-	26
Total income		18,549	589	19,138	10,314	3,248	13,562
Expenditure on:							
Raising funds	10	817	-	817	693	-	693
Trading activities	10	1,751	-	1,751	834	-	834
Charitable activities	10	18,133	525	18,658	10,461	3,177	13,638
Total expenditure		20,701	525	21,226	11,988	3,177	15,165
Net (expenditure)/ income		(2,152)	64	(2,088)	(1,674)	71	(1,603)
Unrealised foreign exchange loss							
		136	-	136	-	-	-
Net (expenditure) / income before transfers		(2,016)	64	(1,952)	(1,674)	71	(1,603)
Transfers between funds	17	592	(592)	-	357	(357)	-
Net movement in funds		(1,424)	(528)	(1,952)	(1,317)	(286)	(1,603)
Accumulated funds brought forward at 1 November	17	25,755	8,476	34,231	27,072	8,762	35,834
Accumulated funds carried forward at 31 October	17	24,331	7,948	32,279	25,755	8,476	34,231

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.

PRIMARY STATEMENTS

The Shakespeare Globe Trust
Balance Sheets as at 31 October
2022
Company Number: 1152238

		2022	Group 2021	2022	Charity 2021
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets	13	24,125	25,010	24,125	25,010
Investment in subsidiary	14	-	-	670	670
Total fixed assets		24,125	25,010	24,795	25,680
Current assets					
Stocks		330	345	-	-
Debtors	15	2,602	1,680	4,790	3,178
Cash at bank and in hand		12,253	14,289	9,477	12,210
Total current assets		15,185	16,314	14,267	15,388
Current liabilities					
Creditors: amounts falling due within one year	16	(3,933)	(4,055)	(3,685)	(3,799)
Net current assets		11,252	12,259	10,582	11,589
Total assets less current liabilities	10	35,377	37,269	35,377	37,269
Creditors: amounts falling due after more than one year	16	(3,098)	(3,038)	(3,098)	(3,038)
Total net assets		32,279	34,231	32,279	34,231
Funds					
Unrestricted funds	17	3,406	5,301	3,406	5,301
Designated funds	17	1,000	-	1,000	-
Fixed asset reserve	17	19,925	20,454	19,925	20,454
Total unrestricted income funds		24,331	25,755	24,331	25,755
Restricted income funds	17	7,948	8,476	7,948	8,476
Total funds		32,279	34,231	32,279	34,231

The Charity's net expenditure was £1,952k (2021: net expenditure £1,157k).

These financial statements on pages 37 to 58 were approved by the Trustees and signed on their behalf by:

John Baker
Honorary Treasurer/Trustee
Date: xx March 2023

PRIMARY STATEMENTS

The Shakespeare Globe Trust
Consolidated Cash Flow Statement
Year ended 31 October 2022

	Note	2022	2021
		£000	£000
Net cash generated from / (utilised by) operating activities	20	(1,561)	2,244
Cash flows from investing activities			
Interest receivable		17	26
Purchase of tangible fixed assets	13	(628)	(472)
Net cash utilised by investing activities		(611)	(446)
Cash flows from financing activities			
Culture recovery fund loan	16	0	3,000
Net cash provided by financing activities		0	3,000
Net increase in cash and cash equivalents		(2,172)	4,798
Cash and cash equivalents at beginning of year		14,289	9,491
Effect of unrealised foreign exchange loss		136	0
Cash and cash equivalents at end of year		12,253	14,289
Cash and cash equivalents comprise:			
Cash at bank and in hand		12,253	14,289

The Group's net debt is a net credit of £9,155k (2021: £11,251k) comprising the Group's cash and cash equivalents of £12,253k (2021: £14,289k) less the Culture recovery fund loan of £3,098k (2021: £3,038k) (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 2025, 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.

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 2025. These plans assume a gradual return of audience footfall partly related to lower international tourism into London following COVID-19.

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:

- Income continued to be significantly impacted by external factors. Specifically, Trustees have considered the impact when reviewing income from Theatre ticket sales, the Guided Tour and particular areas of Commercial activity undertaken by SGT Trading Limited.
- Further significant levels of cost inflation affecting the Globe's activity and operational costs.

Through this work, the Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some time as well as the impact it has on the Globe financially.

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 grant makers 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.

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 are depreciated for a full year in the year they are brought into operational use. Except for Assets under Construction, other tangible fixed assets are depreciated on a straight line basis, less residual value, over their estimated useful life. For the majority of assets the estimated useful life is set 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
Fixtures and fittings	– 10 - 25% per annum
Exhibits & Rare Books	– Not Depreciated

Exhibits and Rare Books are not depreciated as these are historic objects that are not considered likely to reduce in value.

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 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

NOTES TO THE FINANCIAL STATEMENTS

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. Basic financial assets include trade and other debtors, cash and bank balances and accrued income. These are recognised at transaction value on acquisition and subsequently measured at cost less impairment where applicable.

Basic financial liabilities include trade and other creditors and accrued expenditure which are measured at transaction price as well as a £3m public benefit entity concessionary loan arrangement. For the loan, 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 has adjusted the carrying amount of the loan in each accounting period to reflect to reflect repayments and accrue for interest payable at 2% per annum.

The Group does not hold any asset which would qualify as a complex financial instrument.

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. No 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) and the valuation of stock for resale (note 4.9).

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 years 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 the key aspects that donations received to date were intended to fund.

NOTES TO THE FINANCIAL STATEMENTS

5 Donations and legacies

	2022			2021		
	£000	£000	£000	£000	£000	£000
	Unrestricted	Restricted	Total funds	Unrestricted	Restricted	Total Funds
Donations and gifts	426	272	698	1,050	1,008	2,058
Legacies	148	-	148	-	-	-
	574	272	846	1,050	1,008	2,058

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 £200k which was awarded by the Foyle Foundation in Oct 2022 to support the Globe's filming infrastructure

Included in the prior 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.

6 Government grants and support

	2022			2021		
	£000	£000	£000	£000	£000	£000
	Unrestricted	Restricted	Total funds	Unrestricted	Restricted	Total funds
Culture recovery fund grant	-	-	-	-	1,956	1,956
Coronavirus job retention scheme grants	-	-	-	1,145	-	1,145
Local authority grant	6	-	6	44	-	44
Access to Work grant	-	6	6	-	-	-
Department for Digital, Culture, Media & Sport grant	-	32	32	-	-	-
	6	38	44	1,189	1,956	3,145

NOTES TO THE FINANCIAL STATEMENTS

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 (2021: £1,956k; 2020: £1,030k) have been incurred. No additional income was recognised in the 2021/22 financial year.

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. No income was recognised in the 2021/22 financial year.

A grant from the Department for Digital, Culture, Media & Sport (DCMS) was awarded to the Globe to cover the costs associated with supporting the Queue for the lying in state of her late Majesty Queen Elizabeth II

7 Trading activities

	2022	2021
	£000	£000
Retail	1,709	392
Catering and hospitality	792	239
Venue hire	18	35
Corporate memberships	60	25
Corporate sponsorships	74	108
Other trading income	33	1
	2,686	800

8 Charitable activities

	2022	2021
	£000	£000
Theatre and performance	11,584	6,180
Education activities	2,522	1,082
Guided tour activities	1,272	269
Other income	110	2
	15,488	7,533

NOTES TO THE FINANCIAL STATEMENTS

Income from charitable activities includes theatre tax credit of £1,300k (2021: £219k) and £284k (2021: £284k) of restricted funds relating to grants to provide education activities. The increase of TTR is as a result of the impact of both a change to the government rate of relief for the scheme and increased production costs.

Income in the prior year 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 receipt of insurance claims received within the financial period.

10 Expenditure

a) Analysis of total expenditure before impairment

2022	Theatre £000	Education £000	Guided Tour £000	Fundraising £000	Trading £000	Support £000	Total £000
Staff Costs	4,443	874	230	302	318	3,687	9,854
Restructuring Costs	-	-	-	-	-	-	-
Operational Costs	2,316	490	12	124	831	-	3,773
Visitor Experience	-	-	-	-	-	126	126
Communications	-	-	-	-	-	1,237	1,237
Building Operations	-	-	-	-	-	3,191	3,191
HR, Finance and Other Administration Costs	-	-	-	-	-	1,472	1,472
Interest payable	-	-	-	-	-	60	60
Depreciation and loss on disposal (Equipment)	-	-	-	-	-	846	846
Depreciation and loss on disposal (Buildings)	-	-	-	-	-	667	667
Indirect Cost Allocation	6,488	2,324	1,481	391	602	(11,286)	-
Total expenditure before impairment	13,247	3,688	1,723	817	1,751	-	21,226

NOTES TO THE FINANCIAL STATEMENTS

2021	Theatre	Education	Guided Tour	Fundraising	Trading	Support	Total	
	£000	£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
Corporation Tax	-	-	-	-	-	78		78
Visitor Experience	-	-	-	-	-	627		627
Communications	-	-	-	-	-	2,374		2,374
Building Operations	-	-	-	-	-	1,323		1,323
HR, Finance and Other Administration Costs	-	-	-	-	-	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

b) Governance Costs

Items included in total expenditure within HR, Finance and Other Administration Costs

	2022	2021
	£000	£000
Group auditors' remuneration:		
Audit fees FY20 (PwC LLP)	-	26
Audit fees FY21 (PwC LLP)	14	75
Audit fees FY22 (Crowe UK LLP)	55	
Other services, principally taxation	15	4
Staff Time	104	73
	188	178

NOTES TO THE FINANCIAL STATEMENTS

11 Staff costs

	2022	2021
	£000	£000
Monthly wages and salaries	5,234	4,475
Weekly theatre production actors, musicians and associated workers	3,658	2,228
Social security costs	641	510
Other pension costs	321	306
	9,854	7,519

As a result of the impact of COVID-19 in the previous financial year, 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 £nil (2021: £131k) redundancy payments were included within Monthly wages and salaries.

	Average number of staff during the year	
	2022	2021
Theatre and performance	104	68
Education activities	26	19
Guided tour	30	18
Visitor experience	37	30
Finance, Human Resources, Information Technology and Administration	27	27
Communications	41	26
Retail	4	6
Development	7	6
	276	200

NOTES TO THE FINANCIAL STATEMENTS

Number of staff whose gross salaries fell within the following bands	2022	2021
£60,001 - £70,000	7	5
£70,001 - £80,000	1	1
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
£100,001 - £110,000	-	-
£110,001 - £120,000	1	-
£120,001 - £130,000	1	-
	12	8

The Group considers its key management personnel to be the Executive Committee. The total employment benefits including employer pension contributions of the key personnel were £973k (2021: £842k).

During the financial year, the Group incurred £nil restructuring costs totalling (2021: £131k) paid to no employees (2021: 10 employees). 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

Pension costs	2022 £000	2021 £000
Defined contributions pension costs outstanding at end of year	49	172

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 4. iv of the Articles of Association. He was paid £152k (2021: £82k), including pension contributions of £11k (2021: £9k). The increase in pay was in response to a temporary voluntary reduction in the prior year in response to the impact of COVID-19. In addition, a further contribution £50k was paid directly into the Chief Executive's pension scheme to compensate for a 36% salary reduction over 19 months due to the impact of COVID-19 on the Group's operations. This amount was reported and confirmed with the Charity Commission and a further payment of £2k will be paid in 2022/2023.

NOTES TO THE FINANCIAL STATEMENTS

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 (2021: the same). No expenses (2021: £nil) were reimbursed to Trustees (2021: nil) 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	Long Leasehold Property	Leasehold Improvements	Plant & Machinery	Fixtures, Fittings & Equipment	Exhibits and rare books	Assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost								
At beginning of the year	4,282	29,663	1,486	13,694	3,004	355	95	52,578
Additions	-	-	-	-	91	-	537	628
Transfers	-	37	-	42	124	-	(203)	-
Disposals	-	-	-	-	(212)	-	-	(212)
At end of the year	4,282	29,700	1,486	13,736	3,007	355	429	52,994
Depreciation								
At beginning of the year	726	12,562	512	11,142	2,627	-	-	27,569
Charge for the year	68	598	138	499	168	-	-	1,471
Disposals	-	-	-	-	(170)	-	-	(170)
At end of the year	794	13,160	650	11,641	2,625	-	-	28,870
Net book values								
At 31 October 2022	3,488	16,540	836	2,095	382	355	429	24,125
At 31 October 2021	3,556	17,101	974	2,552	377	355	95	25,010

NOTES TO THE FINANCIAL STATEMENTS

14 **Investments 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 UK 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.

	Company Number		Total Income	Total Expenditure	(Deficit) / Surplus	Assets	Liabilities
			£000	£000	Before tax £000	£000	£000
Shakespeare Globe Trading Limited	997433	2022	-	-	-	-	-
		2021	-	-	-	-	-
Shakespeare Globe Productions Ltd	9288721	2022	6,974	(5,673)	1,301	1,301	(1,301)
		2021	2,389	(2,608)	(219)	556	(556)
SGT Trading Limited	12107582	2022	2,670	(2,670)	-	3,387	(3,387)
		2021	804	(804)	-	2,639	(2,639)

NOTES TO THE FINANCIAL STATEMENTS

15 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Amounts falling due within one year				
Trade debtors	474	402	347	330
Other debtors	84	141	24	63
Tax credit recoverable	1,301	556	-	-
Amounts owed by subsidiary undertakings	-	-	3,769	2,270
Prepayments and accrued income	743	581	650	515
	2,602	1,680	4,790	3,178

16 Creditors:

Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade creditors	292	805	291	727
Taxes and social security	297	158	265	135
Other creditors	1,027	858	982	828
Amounts owed to subsidiary undertakings	-	-	-	-
Accruals and deferred income	2,317	2,234	2,147	2,109
	3,933	4,055	3,685	3,799

NOTES TO THE FINANCIAL STATEMENTS

	Group		Charity	
	2022	2021	2022	2021
Deferred income	£000	£000	£000	£000
At 1 November	828	128	748	52
Deferred income recognised in the year	(828)	(128)	(748)	(52)
Deferred in year	1,242	828	1,131	748
At 31 October	1,242	828	1,131	748

Creditors: Amounts falling due in more than one year

	Group and Charity 2022	2021
	£000	£000
Culture Recovery Fund Loan		
Payable in two to five years	706	477
Over five years	2,392	2,561
	3,098	3,038

Other creditors includes £904k (2021: £735k) customer ticket credits held on account as a consequence of shows cancelled due to the impact of COVID-19 and other extraordinary events.

Accruals and deferred income includes £nil (2021: £46k) accrued in respect of payments being made to staff members 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 (2022: £60k; 2021: £38k). 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.

NOTES TO THE FINANCIAL STATEMENTS

17 Movement in funds

2022

Restricted Funds - Group and Charity

	As at 01/11/2021	Income	Expenditure	Other gains/ (losses)	Transfers	As at 31/10/2022
	£000	£000	£000	£000	£000	£000
Globe Building Grant	4,556	-	-	-	(356)	4,200
Prospero Capital Campaign	3,301	2	-	-	(236)	3,067
Globe Education China	37	-	-	-	-	37
Education Projects	353	343	(301)	-	-	395
Performance and Theatre	12	206	(18)	-	-	200
Access and Apprenticeship	95	38	(84)	-	-	49
Site Re-opening and Production Filming	122	-	(122)	-	-	-
	8,476	589	(525)	-	(592)	7,948

Unrestricted Funds - Group and Charity

	As at 31/10/2021	Income	Expenditure	Other gains/ (losses)	Transfers	As at 31/10/2022
	£000	£000	£000	£000	£000	£000
Preservation of the Theatres	-	-	-	-	250	250
Remedial Works Fund	-	-	-	-	750	750
Designated Funds	-	-	-	-	1,000	1,000
Fixed Assets Reserve	20,454	-	(885)	-	356	19,925
General Reserve	5,301	18,549	(19,816)	136	(764)	3,406
	25,755	18,549	(20,701)	136	592	24,331

NOTES TO THE FINANCIAL STATEMENTS

2021
Restricted Funds - Group and Charity

	As at 01/11/2020	Income	Expenditure	Other gains/ (losses)	Transfers	As at 31/10/2021
	£000	£000	£000	£000	£000	£000
Globe Building Grant	4,912	-	-	-	(356)	4,556
Prospero Capital Campaign	3,378	44	-	-	(121)	3,301
Globe Education China	43	-	(6)	-	-	37
Education Projects	316	290	(261)	-	8	353
Performance and Theatre	3	194	(303)	-	118	12
Access and Apprenticeship	110	14	(23)	-	(6)	95
Culture Recovery Fund	-	1,956	(1,956)	-	-	-
Site Re-opening and Production Filming	-	750	(628)	-	-	122
	8,762	3,248	(3,177)	-	(357)	8,476

Unrestricted Funds - Group and Charity

	As at 01/11/2020	Income	Expenditure	Other gains/ (losses)	Transfers	As at 31/10/2021
	£000	£000	£000	£000	£000	£000
Designated Funds	-	-	-	-	-	-
Fixed Assets Reserve	21,218	-	(1,120)	-	356	20,454
General Reserve	5,854	10,314	(10,868)	-	1	5,301
	27,072	10,314	(11,988)	-	357	25,755

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 (£4,200k) reflecting a restricted Arts Council England grant received in 1995 that was used to build the Globe, and the Fixed Assets Reserve (£19,925k), 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. Each year £356k is transferred between the funds to offset the cost of depreciation.

RESTRICTED FUNDS

The Project Prospero capital campaign fund £3,067k (2021: £3,301k) is restricted to the development of the Globe's estate including further developing the Globe's Education studios, a new library and archive space as well as replacing the thatch on the Globe theatre. £236k has been transferred from the Prospero Capital Campaign fund to the General Reserve in relation to capital expenditure incurred in the year. Within the total balance of £3,303k held in the restricted fund, £119k was received from Trustees and key management personnel who held their posts during the financial year. In 2021 £16k was held within the fund having been received from Trustees and key management personnel at the time.

The Globe Education China fund £37k (2021: £37k) is a restricted Arts Council England grant to promote Shakespeare in China through workshops and performances planned for 2023 and beyond.

Education Projects funds totalling £398k (2021: £353k) are restricted for use in specific education activities. The most significant of these funds relates to the Playing Shakespeare with Deutsche Bank project £279k (2021: £279k) 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 £202k (2021: £12k) is restricted for use in specific Theatre projects. A significant grant from the Foyle Foundation was received in Oct-22 to support the Globe's filming infrastructure and storage within its theatre spaces.

The Access and Apprenticeship fund £53k (2021: £95k) is restricted to the improvement of access and diversity to the Globe.

DESIGNATED FUNDS

During the year Trustees agreed to designate £1,000k of funds to be held 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.

18 Analysis of net assets between funds

Group	Restricted	Unrestricted	2022	Restricted	Unrestricted	2021
	£000	£000	£000	£000	£000	£000
Fixed Assets	4,200	19,925	24,125	4,556	20,454	25,010
Net Current Assets	3,748	7,504	11,252	3,920	8,339	12,259
Non-Current Liabilities	-	(3,098)	(3,098)	-	(3,038)	(3,038)
Net Assets at 31 October	7,948	24,331	32,279	8,476	25,755	34,231

Charity	Restricted	Unrestricted	2022	Restricted	Unrestricted	2021
	£000	£000	£000	£000	£000	£000
Fixed Assets	4,200	20,595	24,795	4,556	21,124	25,680
Net Current Assets	3,748	6,834	10,582	3,920	7,669	11,589
Non-Current Liabilities	-	(3,098)	(3,098)	-	(3,038)	(3,038)
Net Assets at 31 October	7,948	24,331	32,279	8,476	25,755	34,231

NOTES TO THE FINANCIAL STATEMENTS

19 Operating leases (Group and Charity)

Minimum payments due under non-cancellable operating leases:

	2022 £000	2021 £000
Payment due:		
Land and buildings:		
Payable within one year	259	244
Payable in two to five years	1,037	1,121
Over five years	403	655
Plant and equipment:		
Payable within one year	12	13
Payable in two to five years	25	35
	1,736	2,068

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 (utilised by)/generated from operating activities

	2022 £000	2021 £000
Net expenditure	(2,088)	(1,603)
Interest receivable	(17)	(26)
Depreciation	1,471	1,587
Loss on disposal of tangible fixed assets	42	5
Decrease (increase) in stocks	15	(30)
Decrease (increase) in debtors	(922)	1,179
Increase (decrease) in creditors	(62)	1,132
Net cash generated from (utilised by) operating activities	(1,561)	2,244

The significant increase in Debtors is largely the result of the increase in rate claimable from Theatre Tax relief (2022: £1.3m; 2021: £219k)

21 Related party transactions

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

	2022	2021		
	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	1,301	-	556	-
SGT Trading Limited	3,137	-	2,384	-
Total	4,438	-	2,940	-

NOTES TO THE FINANCIAL STATEMENTS

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.

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, one of whom is also a Trustee 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 £80k (2021: £124k) from SGC USA.

Trustees

The total amount donated by 8 Trustees and Executives (2021: 9) amounted to £24k (2021: £78k). 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 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 £10k (2021: £20k). In the prior year the Globe also incurred unrelated expenditure with Bates Wells & Braithwaite London LLP of value £9k 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. No such services were provided in 2021/22.