

HACKNEY EMPIRE LIMITED

England & Wales · Charity number 1062085

Details

Other names	HACKNEY EMPIRE THEATRE
Status	Registered
Legal form	Charitable company
Company number	02060996
Registered	1997-04-24
Register	View on the Charity Commission register

Contact

Address	Hackney Empire Limited 291 Mare Street London E8 1EJ
Phone	02085104500
Email	info@hackneyempire.co.uk
Website	www.hackneyempire.co.uk

Activities

Objects: TO ADVANCE PUBLIC EDUCATION AND APPRECIATION OF THE ARTS AND TO PROVIDE THE THEATRE FACILITY FOR RECREATION AND LEISURE TIME OCCUPATION IN THE INTERESTS OF SOCIAL WELFARE WITH THE OBJECTS OF IMPROVING THE CONDITIONS OF LIFE OF THE SAID PERSONS.

Activities: Provision of theatre facilities to advance public education and appreciation of the arts and to provide recreation and leisure time occupation in the interests of social welfare with the object of improving the conditions of life, particularly of the inhabitants of the London borough of Hackney.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** HACKNEY
- Hackney

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,414,740	£4,127,742	£8,003,695	59
2024-03-31	£3,739,534	£4,118,585	£8,529,096	58
2023-03-31	£3,352,502	£3,662,932	£8,693,783	92
2022-03-31	£2,918,999	£3,303,779	£8,817,943	43
2021-03-31	£1,901,694	£1,663,533	£9,135,917	38

Trustees

Name	Role	Appointed
SIR WILLIAM ATKINSON	Chair	2022-03-22
David Alexander Robertson Adams		2021-03-23
Ian Woolfe		2019-09-17
Jasmyn Fisher-Ryner		2023-03-07
Josette Vinella Xamina Bushell-Mingo OBE		2022-09-13
Karin Gartzke		2019-12-03
Matthew Roeser		2021-03-23
Rebecca Jane Preston		2023-09-12
Richard Etienne		2021-03-23
Soheb Panja		2022-09-13

HACKNEY EMPIRE LIMITED

England & Wales - Charity number 1062085

Accounts

HACKNEY EMPIRE



HACKNEY EMPIRE LIMITED

**Trustees' report and financial statements
for the year ended 31 March 2025**

**Company Registration No. 02060996 (England and Wales)
Registered Charity No. 1062085**

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The Trustees present their report and financial statements for the year ended 31st March 2025. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice incorporating the Financial Reporting Standard 102-SORP (FRS 102).

Our Role

OUR ROLE

Hackney Empire is one of the UK's most iconic and cherished theatres at the heart of East London's communities. A stunning masterpiece by legendary architect Frank Matcham, this Grade II* listed Edwardian music hall has been reimagined as a bold, modern variety theatre.

Hackney Empire serves as a cultural beacon and a launch pad for young people. We believe access changes lives, so we build bridges for everyone to be able to experience and create art and culture.

For almost 125 years, Hackney Empire has been a much-loved home for the people of Hackney, East London and beyond to come together in our theatre. Generations have enjoyed their first experience of live arts and culture in our unique auditorium. Variety is the vehicle that allows Hackney Empire to explore storytelling in all its forms and from all creators. Today, we proudly present and champion the best in local, national, and international arts and culture.

Our inspirational and transformative artistic programming entertains, educates and inspires hundreds of thousands each year. Our rich legacy as a cultural hub features legendary performances from Charlie Chaplin, Houdini, Julie Andrews, Louis Armstrong and the Rolling Stones. For decades Hackney Empire has been regarded as a vital and exceptional platform for Black, Asian and global majority creatives, artists and audiences, and has a proud record of supporting marginalised and isolated voices.

Hackney Empire's pioneering work with young people and its communities is at the heart of our mission. Our leading Creative Futures programme provides free projects that use arts and culture to break down barriers, build confidence and provide creative, professional and personal development for young people regardless of their background, education, income or experience. Each year we engage thousands of young people, who may not otherwise enjoy the benefits of participation in the arts. Over the past 20 years, Hackney Empire has lifted the lives of over 25,000 young people through our Creative Futures programme. We are a role model for how arts organisations can achieve access and inclusion.

A considerable proportion of our local Hackney community continues to face persistent inequalities. As local services for young people have diminished, Hackney Empire has stepped up to bridge the gap, expanding our support to focus on young people's wellbeing.

We are committed to using art and creativity to drive social progress throughout everything we do. Each ticket you buy, every drink you enjoy, and all the support we receive from our incredible partners directly powers the meaningful, life-changing work we do with young people.

TERRI WALKER MY LOVE STO

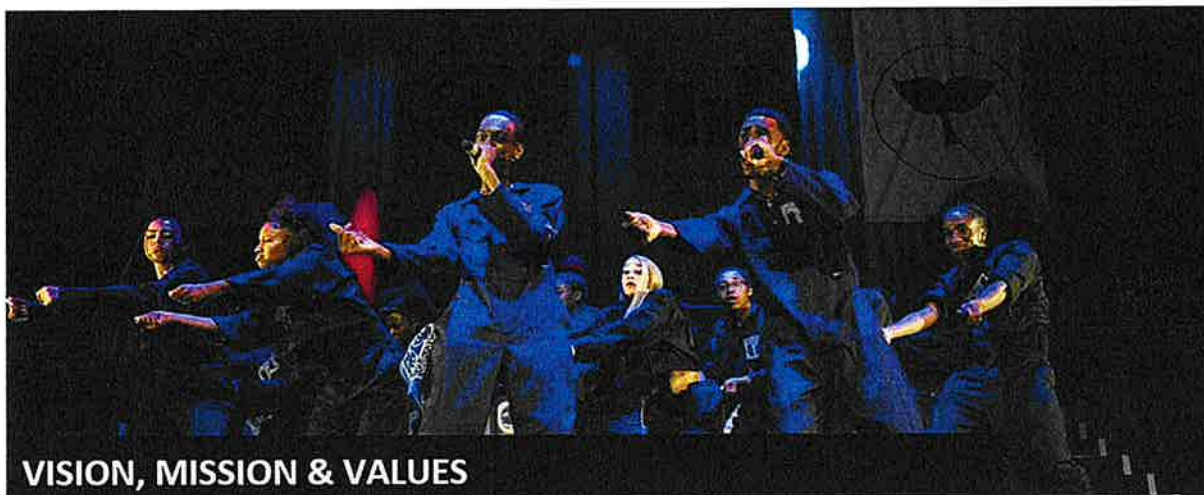


Hackney Empire was the most exciting audience I have ever played. People hanging over the balconies. It crossed every age and gender and race barrier." Jonathan Kent CBE, Theatre and opera Director



"The impact that Hackney Empire has had on my life is exponential. I've achieved things that I never thought I could achieve, musically and in my career path, because of the support and mentorship from Hackney Empire. Hackney Empire still feels like home to me: it is not just a theatre; it is a place of opportunity." Creative Futures participant





| VISION

We're here to ignite change, champion community and empower young people.

| MISSION

We will run a transformative creative programme for young people, from primary school to job placement.

We will lead the way in variety entertainment, offering high quality shows and events that are popular and relevant to our communities.

We will be a theatre where everyone feels welcome and leaves knowing that there is something for them at Hackney Empire.

| VALUES

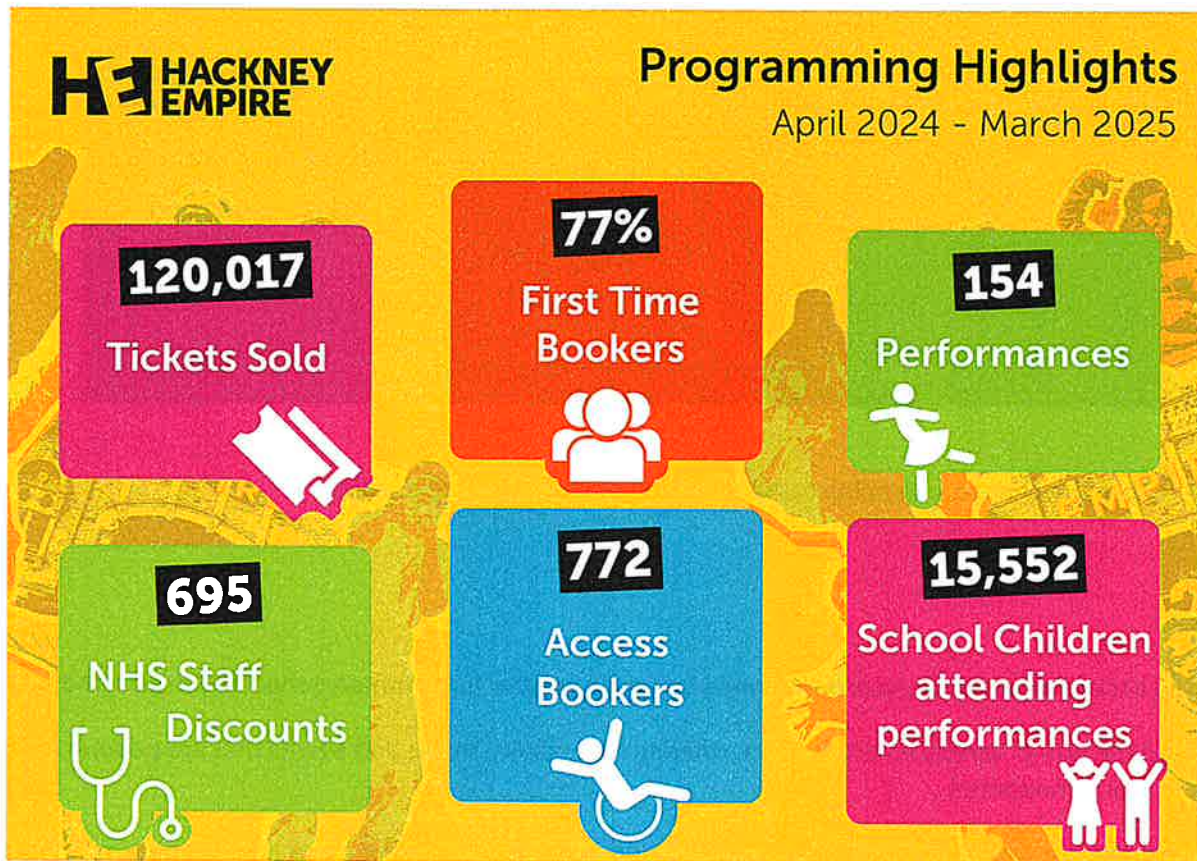
BRAVERY: We believe that great stories come from anywhere and anyone, and we will always be brave and give a platform to variety.

OPPORTUNITY: Young people from our communities deserve opportunity and we will always make space for them to find theirs.

RESPECT: We respect that everyone who walks through our doors is on their own journey and we're grateful to be a part of that.

TRUSTEE'S REPORT

Review of Activities and Programming



In 2024 we welcomed over 132,000 people through our doors to enjoy everything art and culture has to offer. This year we have welcomed international touring companies and artists including English Touring Opera, Ballet Black, James Acaster, Maggie Rogers, Mac DeMarco, and The Pogues. We were delighted that Clive Rowe once again directed and starred in the Empire's legendary, sold-out Pantomime, *Dick Whittington and his Cat*, bringing our largest family intergenerational audience into the building.

In 2024 we achieved the highest number of overall bookers in our history (34,024 bookers) and the highest number of first-time bookers (26,527). Our digital engagement continues to rise, with our Instagram content alone achieving over 110,000 views and doubling to 12,000 followers. Our relationship with Accessible by Design ensures that our digital content and experiences are accessible to everyone.

Hackney Empire is a vital and exceptional platform for lesser represented creatives and artists, with a proud legacy of supporting marginalised voices. This continues to be core to the organisation's manifesto: extraordinary art and culture can be created by all people, anywhere. Our community programming aims to safeguard the venue's legacy as a cultural beacon and safe space which welcomes an audience that fully reflects London's incredible diversity and vibrancy.

During 2024/25 we hosted numerous shows for specific community groups, including Women's Orthodox Jewish performances, Hindi comedy, Jamaican plays, a Qawwali event, and Gujarati improvisation comedy with *The Lavari Show*. Hackney Empire also gave away over 1,000 free tickets last year to local community groups via Tickets for Good.

Trustee's Report

We were also delighted to host some of the UK's rising star comedians to our stage, including Tatty Macleod and Morgan Rees, alongside internationally acclaimed names such as Jimmy Carr, Nish Kumar and James Acaster. Live Podcasts, a relatively new area of development for us, has furthermore become a key part of our programming, and continues to bring in new and varied audiences with each show. During 2024/25 we were pleased to welcome Lily Allen and Miquita Oliver's podcast *Miss Me? Live*, as well as Tolly T and Just Call Me Audrey's *The Receipts Podcast Live* and Gary Stevenson's *The Trading Game*.

A highlight of the 2024/25 season was the development of Hackney Empire's co-production of *Romeo and Juliet* with the Belgrade Theatre Coventry and Bristol Old Vic. In collaboration with It's a Rap, this production blended Shakespeare's poetry and perfect pentameters with rap rhythms, soul and R&B. In a demonstration of Hackney Empire's commitment to developing young creatives' professional careers, three of our Creative Futures musicians were chosen to join the professional band for the national tour. After taking part in the Artist Development Programme and wider Creative Futures projects, these young artists gained their first paid and supported professional opportunity. They speak about their experiences here <https://f.io/GMuG2syF>.

"This co-production is a really special collaboration for us at Hackney Empire as it brings together so many important elements of our work. From training and career pathways for young musicians to professional mentoring, school engagement, free performances, and community choir performances - we are proud to be celebrating so many local creatives and young people through this production" Lorna McGinty, Head of Learning and Participation.

Creative Futures

Creative Futures is one of the largest and most transformative programmes in the Capital. For over 20 years, Hackney Empire's Creative Futures has created a safe, inclusive space for young people from across East London. Our ambitious programme has multiple entry points, and we pride ourselves on being able to journey with participants from initial engagement projects in school, through to professional performance opportunities and leadership roles.

Through Creative Futures young people experience:

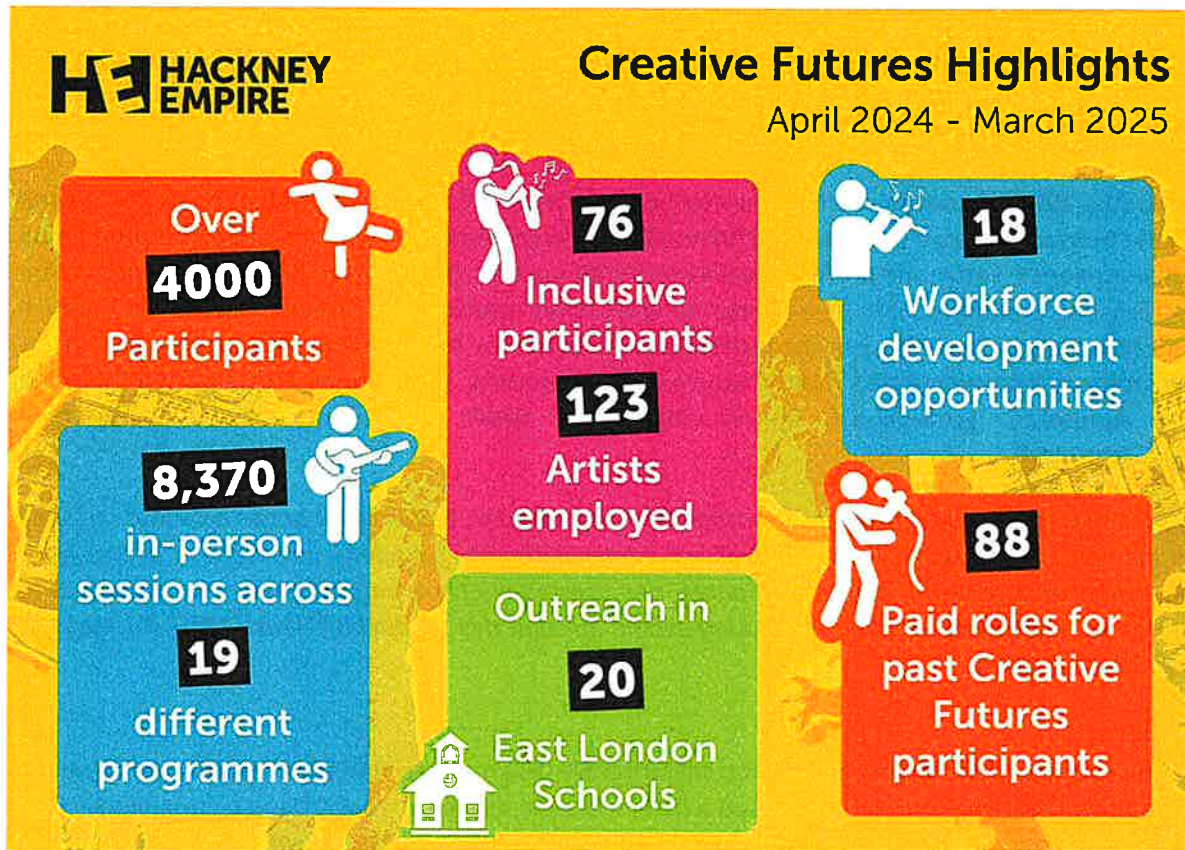
- Increased mental health and wellbeing
- Transferrable creative skills
- Increased employability
- Career pathways into the arts and wider creative industries.

"Coming to Hackney Empire changed my life. I came here dreaming of doing this kind of work because I didn't have access to it growing up. Through Take the Lead and Compulsory Subjects I not only gained the confidence and tools to be able to start holding spaces and devising projects - but also the belief in myself to stand on my own two feet. Now that I'm working in the Learning & Participation department, I'm learning everyday what it means to foster community and getting to be a part of impact that I didn't even know was possible."

Nadia Musah, Learning and Participation Assistant.

This year we ran 19 pioneering programmes engaging over 4,000 young people with the arts to break down barriers, build confidence and provide creative, professional personal pathways for young people. Participants worked with 15 external organisations and artists, including the BBC, Rich Mix, Rising Tide and Free Books Festival.

Artist Development Programme



Our flagship summer activity the Artist Development Programme (ADP) has developed a whole generation of young artists. Over 1,000 young people have gone through this life-changing programme. Young people work with professional directors, choreographers, musicians and facilitators from the international arts scene to shape their ideas into a performance Hackney Empire's main-stage.

Young people, regardless of ability and experience, participate in workshops before auditioning. ADP works towards empowering a young, diverse community of creatives and artists with the tools, knowledge and information to create their own projects in the future. The programme provides employment for young and emerging freelance artists and creatives as well as providing vital industry experience for young trainee mentors and facilitators.

A Long Goodbye was performed in August 2024 under which, 48 artists aged 14-19 joined ADP to create, stage and perform their original musical theatre piece on Hackney Empire's main stage. Once again, we were able to offer paid Assistant roles for 19 young artists, over half of whom gained their first professional experience, having previously been Creative Futures' participants.

Our inclusive programme, **Limitless**, followed in August 2024, which, this year, was delivered in partnership with Hackney Shed. We brought a creative team, led by artists with disabilities, together with 35 disabled, neurodiverse and neurotypical young people to create a piece around the theme '*When we were young*'.

Schools Outreach

Hackney Empire offers music, dance, drama and media to every secondary school and college in Hackney for free. We provide focused support for the curriculum itself and young people's needs beyond it. Our

schools outreach programme builds trust with young people by going to them, creating new outcomes for those who have no prior experience or knowledge of the performing arts. This year we worked with primary, secondary, FE and HE settings through our Outreach strand of work and welcomed 15,552 schoolchildren to performances.

Young Producers mentored 25 young people aged 14-19 to create, manage and curate their own events programme using Hackney Empire's infrastructure, performances space and technical support. Over 40 weekly after school sessions, young people worked with specialist facilitators and leading figures from across the creative industries. The programme exposes young people to career opportunities across the creative sector, building their confidence and skills as well providing professional performance platforms to local young artists.

Alter Ego

Founded in 2012 Alter Ego was specifically designed to bring together 1,500 young people with high levels of disengagement under one roof at Hackney Empire. With over 1,300 young people in the audience and 50 young people working behind the scenes in event planning, production management and marketing. Alter Ego featured over 90 young performers on stage, providing a massive social media presence and celebrating the aspirations and creative talents of young people in Hackney.

Over 150 young artists audition each year in order to make it to the Alter Ego finals; any participants that do not make it past the audition phase of the process are then signposted towards any opportunities that might further assist them in their development. Finalists are supported by the creative team and special-guest mentors working intensively with directors, choreographers and musicians in the lead-up to the performance. Headline artists are chosen by our Young Producers, in order to ensure that young people from the borough have the opportunity to see the most current and exciting artists at an affordable price, in a safe and accessible environment.

The Writers' Room

This year **The Writers' Room** was extended to 9 weeks to accommodate additional activities designed to develop writers and provide practical, tangible routes into the profession. The aim was to support aspiring writers who are seeking to learn how to pitch and be taken seriously by the industry. From October 2024 to January 2025, participants worked with professional writers to adapt their ideas and writing into different forms. These included theatre, TV, film and audio dramas. They received step by step breakdowns of how to make contacts and pitch their work to agents and producers.

"I loved being part of the Writers Room, it truly demystified what a career as a writer/creative would look like for me. If I could do it again, I would just make it longer. It was great to hear from the industry guest and their insights were extremely valuable." Participant

Young Board

Young People's voices are integrated into project design and delivery through our Young Producers, Associate Artists and Trainee programmes. Being deeply connected to our local community and creating space for participants to tell us what they need from Hackney Empire is central to how we work. In a further development this year, we have welcomed young people to explore creating a Young Board, empowering participants to understand the responsibilities and rigour required in running an organisation. Training has so far been delivered by an external governance expert Chloe Osbourne, and Chief Executive Jo Hemmant.

Our Landmark Building

The preservation of our unique heritage continues to be a priority. Investment in the building is vital to protect its legacy whilst adapting to provide customers with the best experience of a modern theatre. We must secure essential funding to ensure our historic theatre remains commercially competitive and continues to inspire audiences and attract promoters.

Trustee's Report

The freehold of Hackney Empire is owned by the Hackney Empire Preservation Trust, who have leased the venue to Hackney Empire Limited for 99 years, on a peppercorn basis. As custodians of the heritage, Hackney Empire Limited has demonstrated a long-standing commitment to maintaining and safeguarding the building. Regular condition surveys inform our robust Planned Preventative Maintenance (PPM) schedule. Annual maintenance budgets of £150,000 and a Capital reserve of £300,000 have been carefully managed to keep the building wind and watertight, accessible, and safe for the public.

In early 2025 we have worked with heritage experts, Tim Ronalds Architects, who led the restoration and refurbishment in the early 2000s, to produce a comprehensive and fully costed Condition Report to ensure our ongoing stewardship of the heritage alongside identifying environmental and technical upgrades to be fit for the future.

We have identified three areas of work which prioritise the heritage beyond routine maintenance:

- Specialist restoration of significant heritage features
- Replacement of elements reaching the end of their natural life
- Environmental upgrades to ensure the heritage building can continue to operate more sustainably.

Hackney Empire is a rare example of a heritage site that remains in daily use, empowering people of all backgrounds to engage with the arts, develop skills, and feel pride in where they live. With support, we can ensure the theatre continues to serve future generations by stewarding a welcoming modern and sustainable venue well beyond our 125th Anniversary.

"With so much regeneration in London and construction of glass buildings with no character it's so important to recognise the history and ongoing connection to the past of buildings like Hackney Empire. I love to think that I'm sitting in the same spot as a woman 100 years ago on a fun night out with friends and family." Audience member.

Fundraising

Charitable contributions continue to be a vital source of support for Hackney Empire. Every donation supports the essential work we do with young people and our community, whilst caring for our landmark building. We are deeply grateful to all our generous supporters whose belief in our mission keeps our stage alive and our impact growing.

As we look ahead to Hackney Empire's 125th Anniversary in 2026, we are fundraising to support our *Creative Futures* programme, deepen our work within the community, and carry out vital conservation and upgrades to our iconic building. We are aiming to research and celebrate the contribution our trailblazing artists and participants have made to the creative sector over the past 125 years. Alongside this, we will restore original listed features that define Frank Matcham's unique architectural vision, and install environmental and technical upgrades to outmoded infrastructure. We continue to be an Arts Council National Portfolio Organization, aligning and delivering against their key Investment Principles. The current agreement has been extended for an additional year until 31st March 2028 with a 1.61% increase for 2025/26.

We are proud of our dynamic relationship with the London Borough of Hackney, working closely with their Culture, Education, Regeneration and Children's Services teams. The Council's Culture Team remains a key partner supporting our delivery of Alter Ego through Discover Young Hackney.

Trustee's Report

We are now in the second year of a transformative three-year grant from the Esmée Fairbairn Foundation, which supports our mission to help build a cultural workforce that truly reflects the diversity of UK society. With their backing, we empower young people to shape their own creative journeys and to use the arts to impact the world around them.

We are also sincerely thankful for funding from a number of charitable partners: the Atkin Charitable Foundation, Roy Bard Charitable Trust, Rix Thompson Rothenberg Foundation, Baily Thomas Charitable Fund, Garrick Charitable Trust, Hackney Green Energy Fund (supported by the Mayor of London and the UK Shared Prosperity Fund), and the Theatres' Trust Small Grants Programme, supported by The Linbury Trust.

We were thrilled to receive funding via the Windrush Day Grant Scheme, administered by Near Neighbours and supported by the Ministry of Housing, Communities and Local Government, for our 2025 production of *The Blessing*, a powerful tribute to community and heritage.

We are indebted to all the individuals who have supported the Hackney Empire through their donations this year. We express our heartfelt thanks to all those who have given regularly, dedicated seats and left lasting legacy gifts to support Hackney Empire's mission on stage, with young artists and with local communities.

The Trustees' are aware of their responsibilities under the Charities (Protection and Social Investment) Act 2016 and have considered the implications for their fundraising activities. Hackney Empire Limited remains a member of the Fundraising Regulator and operates within its the code of fundraising practice set out by the independent regulator of charitable fundraising in England, and no complaints were received in relation to fundraising activities to date. We are committed to being fully compliant with the laws and guidance underpinning charitable fundraising. Donations and sponsorship are accepted in line with our Donations and Sponsorship Acceptance Policy. Our Vulnerable Adults and Safeguarding policies form the framework for protection of these groups.

Leadership

Jo Hemmant has successfully led the team for the past 12 years. She leaves Hackney Empire in December 2025 in a much-improved sustainable and resilient position financially and artistically. AEM International have worked with us to complete an Executive Search as we look towards Hackney Empire's 125th Anniversary in 2026. We have successfully appointed Christopher Sudworth, as the new CEO from January 2025, allowing for an extensive handover before Jo leaves at the end of the year. Creative Director Keith Khan joined Hackney Empire in September 2024 and has stepped down due to a change in personal circumstances. We are grateful for his contributions and wish him the very best. With the CEO stepping down at the end of the year, we will take time to review and assess the organisational structure alongside the appointment of the new CEO.

Equality, Diversity, Justice, and Inclusion

Hackney Empire has long been one of the cultural sector's leading organisations in terms of diversity and representation at all levels. Across 24/25 we have redoubled our commitment to increasing representation within all areas of our organisation and the sector at large.

We have developed practices to combat systemic racism creating clear, actionable inclusion and anti-racism, anti-disablist and anti-discriminatory policies whilst identifying and breaking down barriers to access for artists and audiences.

Trustee's Report

We are one of the sector's leading organisations in terms of diversity and representation at all levels. 47% of our permanent team, 50% of executive management, 54% of the board, and over 76% of the contractual and freelance team identify as coming from the Global Majority.

Over 49% of Hackney Empire's artistic programme is created by, and with, Black, Asian, and ethnically diverse practitioners. Our award-winning self-produced Pantomime famously has strong representation from global majority communities in leading roles to technical crew. Hackney Empire is also now a Dementia Friendly venue.

Sustainability

Hackney Empire remains a committed signatory to the London Borough of Hackney's Responsible Business Charter, pledging to continue to work towards being a model of good environmental practice as a grade II* listed arts venue that serves and represents its communities. Since installing 76 photovoltaic solar panels in 2023, we have been able to monitor our self-generated energy and CO2 reductions. In that time, we have generated over 57,000 kWh of electricity through PV, and we are continuing to monitor the system's output to evaluate whether it is being used to its full potential and to identify any opportunities for more effective utilisation of the energy generated.

Solar Panel Usage 24-25

Across the financial year 24-25 our solar panels produced **28,704.05 kWh** of energy, equating to **34.63%** of our energy consumption

This translates to:

336 equivalent
trees planted

11,251.99 kg
of CO2 emission
saved

We are now seeking additional investment to complete key environmental works, including modernising our Building Management System, which currently relies on outdated and inefficient infrastructure. Targeted upgrades would significantly lower our carbon footprint, reduce utility costs and increase sustainability.

CHAIR'S STATEMENT

The Trustees' report tells a very positive story about the significant work undertaken over the last twelve months.

I would like to take this opportunity to acknowledge and thank our staff at all levels of the Organisation for their outstanding contribution across a wide range of activities. Their contribution goes far beyond mere hard work, which is taken as a given, and is to be seen in the pride, passion and care which characterises so much of the day-to-day pursuits.

The considerable achievements evidenced in this Report are made possible by the careful and judicious utilisation of the resources at our disposal. To this end great credit is due to Jo Hemmant who has creatively and expertly ensured that we are not only able to deliver on our mission but also remain a 'Going Concern' during a period of heightened challenges to the sector.

Whilst our work with young people is rightly celebrated in the Report for its level of engagement, inclusion, quality and range, we are constantly seeking ways of increasing its relevance and impact.

Looking forward, we are very keen to maintain and strengthen our distinctive programme model whilst increasing, where possible, collaborations and partnerships.

As previously announced our CEO Jo Hemmant will be stepping down in January 2026 following twelve years of outstanding service.

Jo's contribution to Hackney Empire has been immense and without parallel in the modern era. Her energy, commitment, passion and above all intelligent leadership has been a key factor in securing our current position of strength. We are also aware of the significant and inspirational leadership of our previous joint CEO, Yamin Choudury who, together with Jo formed a formidable and most effective team.

We will forever be indebted to Jo and wish her great success in her future endeavours.

Finally, I would like to thank the Trustee body for their sterling work during the course of the year. Their strategic oversight, diligence, hard work and willingness to take on additional responsibility has been a marked feature of the year.

At this moment of significant change, we are looking forward with optimism and excitement to the next phase in our history.

Sir William Atkinson

Chair

FINANCIAL REVIEW

Financial Operating Model

Hackney Empire's financial operating model focuses on hosting and producing strong programming and thoughtfully serving our audiences. We generate income from the following sources:

- Running the Theatre — Hire of our theatre for third party events, shows, music gigs and film shoots, as well as producing our own shows, including our award-winning Pantomime
- Trading Activities — Concession income with both a third-party supplier to run the theatre cafe and catering operation, and a Service Agreement for managing the theatre bars, a Production company producing commissioned pieces of theatre and Exploitation of commercial opportunities
- Arts Council England Grant — Statutory grant as a National Portfolio Organisation
- Donations from individuals, grants from trust, income from membership schemes and corporate sponsorship.
- Investment Income

We constantly aim to be among the most self-reliant charities among our peers. Our model continues to emphasize that the costs of our charitable activities are predominantly covered by commercial income.

Like other essential charities with iconic buildings, our future operational results will not cover the large non-operational costs to maintain our listed building and its contents over the next 10 years. Funding for core projects will need to be fundraised from donors.

We are in the early stages of reviewing our longer-term financial strategy, which may include establishing a campaign to develop a substantial endowment fund or refurbishment campaign to help safeguard the future of our building and our other charitable activities.

Financial Results

Key financial highlights for the last three years are shown in the table below:

	2023	2024	2025
Total Performances	179	151	151
Total Visitors across activities	254,278	300,626	264,037
Total income	£3,352,502	£3,739,534	£3,414,740
Net income after tax and before Depreciation	£554,522	£ 539,571	£ 189,118

Balance Sheet and Reserves Policy

Our total cash and money held on short term deposits is £3,426,588.

We have increased our building maintenance reserve to our current target level of £300,000. This building reserve can be used for emergency repairs to the building and will be reviewed annually as part of the AGM of the board of Trustees.

Our level of free reserves is £2,323,028, which represents approximately 26 weeks of turnover. These funds are a prudent measure to accommodate planned cash flows, commercial risks, and to allow the charity to

Trustee's Report

take advantage of new opportunities that align with our aims. This reserve will be reviewed annually as part of the AGM of the board of Trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Statement of Trustees' responsibilities

The Trustees (who are also directors of Hackney Empire Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and 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 Charities SORP, (FRS 102),
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as each Trustee is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees confirm that in planning the activities of the Charity they have had due regard to the Charity Commission's guidance on public benefit, health and safety, due diligence in relation to holding, receiving, and moving funds safely, and in particular, the guidance for fee charging charities.

Trustee induction

The Board and its Nominations Committee meet throughout the year as required. They proactively review the skill set of the board as well as keeping an overview of representation.

The nominator of any prospective trustee provides the sub-committee with a biography or CV of the nominee and the reason for the nomination, for consideration. The prospective member then meets members of the committee, the chair and other trustees and attends a board meeting as an observer. If appropriate, formal invitation is made as part of board meeting proceedings and recorded in the minutes.

Trustee's Report

The new trustee is then sent an induction pack including recent Board papers, financial information, current strategic planning documents and a history of the theatre and introductory meetings are set as appropriate with staff as well as attending events.

Remuneration of key management personnel

The pay of all staff is reviewed no less than annually by the Executive team with reference to UK industry norms. This is reviewed by the Finance Committee as part of annual budgeting and presented to the Board of trustees. The remuneration of the Chief Executive is reviewed by the trustees.

Risk management

The Directors have examined the major strategic, business, and operational risks that the company faces and confirm that systems have been established so that the necessary steps can be taken to mitigate these risks. The Board conducts at least annually a review of the risk register which details the risks the Charity may face. The Board reviews the systems and procedures in place to mitigate those risks, advises on improvements and provides monitoring on a regular basis. The Board then ensures there is proper implementation of the procedures with the objective of minimising any potential impact on the Charity should any of those risks materialise.

The key risks as identified, and their mitigating factors were:

Risk	Mitigation
Loss of key staff	• Succession planning • Documentation of systems plans and projects • Training programmes • Notice periods and handovers • Recruitment process
Building related difficulties	• Ensure maintenance and operations manuals are sufficient and up to date • Implement appropriate maintenance strategy • Make suitable financial provisions where possible to ensure effective maintenance and upgrading
Lack of capacity & inadequate use of resources	• Regular HODS meetings to consider operational requirements • Staff Appraisals • Review training requirements
External forces (recession/public spending etc) impact on business plan	• Forward planning to ensure best possible programme • Plan marketing cycle to optimise income • Ensure secondary spend offer competitive • Monitor cash flow

Sir William Atkinson
Chair



Date

Legal and Administrative Information

Constitution Hackney Empire Limited is a company limited by guarantee, not having a share capital. The company is a registered Charity governed by its Memorandum and Articles of Association.

Objects The company's main objects, as set out in the Articles, are to advance public education and appreciation of the arts and to provide the theatre facility for recreation and leisure time occupation in the interests of social welfare with the object of improving the conditions of life, particularly of the inhabitants of the London Borough of Hackney.

Organisation The board of directors of the company and the sub-committees have overall responsibility for the running of the company. Through regular board meetings and sub-committee meetings the directors, who are the Trustees for the Charity, advise the management of the company, in particular on strategy. The Board appoints a Chief Executive who is responsible for policy and day to day management of the Charity.

Hackney Empire Limited has a wholly own subsidiary company, Hackney Empire Trading Limited. This company was formed to generate commercial income at Hackney Empire for the benefit of the parent company to which it gifts aids any profits made.

Board of directors

William Atkinson	Chair
Roger Woolfe	
Karin Gartzke	
Sean Gascoine (Resigned 7 th July 2025)	
Matthew Roeser	
David Adams	
Richard Etienne	
Josette Bushell-Mingo	
Soheb Panja	
Jasmyn Fisher Ryner	
Rebecca Preston	

All directors are appointed in accordance with the Articles of Association. Except where indicated, the directors listed served throughout the year and up to the date of this report.

Finance Committee

David Adams	Chair
Roger Woolfe	
Matthew Roeser	
William Atkinson	

Hackney Empire Limited

Trustee's Report

Executive Director/Company Secretary Jo Hemmant

Creative Director Keith Khan (until May 2025)

Other principal officers

Technical Manager	Othman Reid
Head of Programme	Jane Walsh / Becca Thomason
Head of Development	Kathy Everett

Company number 02060996

Charity number 1062085

Registered office Hackney Empire
291 Mare Street
London
E8 1EJ

Auditors Saffery LLP
71 Queen Victoria Street
London EC4V 4BE

Bankers Barclays Bank PLC
27 Soho Square
London
W1D 3QR

Accountants EPIC Administration Ltd
Audrey House
16-20 Ely Place
London
EC1N 6SN

Connected charities

Hackney Empire Limited is connected to the Hackney Empire Preservation Trust, which owns the theatre building. Hackney Empire Limited benefits from the continued occupation of this property at a peppercorn rental.

Hackney Empire Trading Limited (HETL)

A wholly owned trading subsidiary, Hackney Empire Trading Limited (HETL) is in operation to generate commercial income for the benefit of the parent Charity (HEL). The company has four distinct areas of activity:

- Exploitation of commercial opportunities such as photo shoots and film work,
- Service Agreement for managing the theatre bars,
- Service contracts with third party suppliers to run the theatre cafe and catering operation,
- Production company producing commissioned pieces of theatre.

In 2024/25 HETL was commissioned to produce the pantomime *Dick Whittington and His Cat* and will be claiming Theatre Tax Relief in respect of this production. All of HETL's profits are gift-aided back to the parent Charity under a deed of covenant.

Opinion

We have audited the financial statements of Hackney Empire Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the 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 affairs of the group and the parent charitable company as at 31 March 2025 and of the group's incoming resources and application of resources, including its 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 group and parent charitable company 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 Trustees' 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 group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. 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.

Independent Auditor's Report to the Members for the year ended 31 March 2025 (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report, and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate

the group or the parent charitable company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with

Independent Auditor's Report to the Members for the year ended 31 March 2025 (continued)

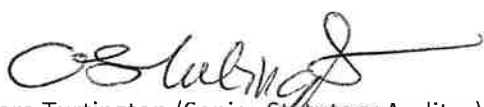
appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 11 November 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Hackney Empire Limited

Consolidated statement of financial activities (Including income and expenditure account) For the year ended 31 March 2025

	Notes	Unrestricted Funds £	Restricted funds £	2025 Total £	2024 Total £
Income from:					
<i>Income from charitable activities</i>					
Income from running theatre	4	1,970,036	-	1,970,036	2,152,013
Income from trading activities	5	848,589	-	848,589	872,081
<i>Income from grants</i>					
Arts council England	6	375,295	-	375,295	375,295
Other grants	6	29,000	100,833	129,833	183,708
Donations, gifts, and legacies		38,486	-	38,486	117,898
Investment income		52,501	-	52,501	38,539
Total income		3,313,907	100,833	3,414,740	3,739,534
Expenditure on:					
<i>Charitable activity</i>					
Cost of operation of the theatre	7	2,912,909	754,802	3,667,711	3,650,604
Cost of trading activities	8	388,871	-	388,871	439,442
<i>Cost of raising funds</i>					
Fundraising costs	9	71,160	-	71,160	28,539
Total expenditure	10	3,372,940	754,802	4,127,742	4,118,585
Net income/(expenditure) for the year		(59,033)	(653,969)	(713,002)	(379,050)
Transfer between funds	20	8,500	(8,500)	-	-
Corporation tax	12	187,601	-	187,601	214,363
Net movement in funds		137,067	(662,469)	(525,402)	(164,687)
Opening fund balances	21	2,849,572	5,679,525	8,529,097	8,693,783
Closing fund balances	22	2,986,639	5,017,056	8,003,695	8,529,096

There were no recognised gains and losses other than the movements in funds shown above. All operations are continuing.

The notes on pages 24 to 42 form part of the financial statements.

Hackney Empire Limited

Consolidated and Charity Balance Sheet For the year ended 31 March 2025

	Notes	Group		Charity	
		2025	2024	2025	2024
		£	£	£	£
Fixed assets					
Tangible assets	13	5,519,350	6,190,000	5,519,350	6,190,000
Investments	14	-	-	1	1
Social Investments	15	-	25,000	-	25,000
		<u>5,519,350</u>	<u>6,215,000</u>	<u>5,519,351</u>	<u>6,215,001</u>
Current assets					
Debtors	16	717,855	334,811	907,130	901,425
Inventory		15,447	11,362	-	-
Cash at bank and in hand		2,526,588	2,547,111	2,252,902	1,954,806
Current Investment	17	<u>900,000</u>	<u>600,000</u>	<u>900,000</u>	<u>600,000</u>
		4,159,890	3,493,284	4,060,032	3,456,231
Creditors: Amounts falling due within one year	18	<u>(1,675,545)</u>	<u>(1,179,188)</u>	<u>(1,575,688)</u>	<u>(1,142,135)</u>
Net current assets		<u>2,484,345</u>	<u>2,314,096</u>	<u>2,484,344</u>	<u>2,314,096</u>
Net Assets		<u>8,003,695</u>	<u>8,529,096</u>	<u>8,003,695</u>	<u>8,529,096</u>
Represented by:					
Restricted funds	20	5,017,055	5,679,524	5,017,055	5,679,524
Unrestricted funds:					
Designated Funds	21	360,317	60,317	360,317	60,317
General funds	21	<u>2,626,323</u>	<u>2,789,255</u>	<u>2,626,323</u>	<u>2,789,255</u>
Total	22	<u>8,003,695</u>	<u>8,529,096</u>	<u>8,003,695</u>	<u>8,529,096</u>

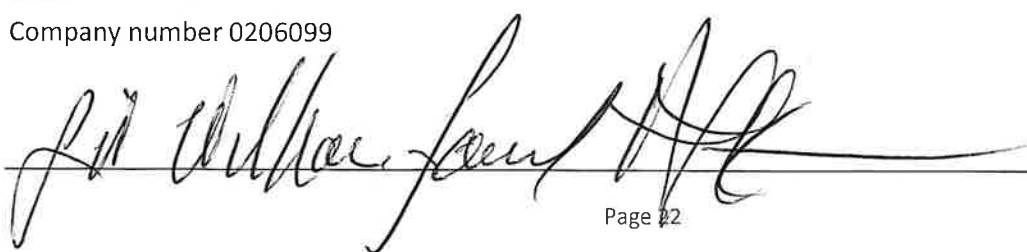
The total income of the Charity as an individual entity for the year was £3,201,810 (2024 - £3,530,319) and its net loss was £525,402 (2024 – net loss of £164,687) after depreciation of £714,520 (2024 - £704,256). A statement of financial activities for the Charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

Approved by the Board of directors and signed on its behalf.

Sir William Atkinson

Chair

Company number 0206099



Hackney Empire Limited

Consolidated cash flow statement For the year ended 31 March 2025

	2025		2024	
	£	£	£	£
Reconciliation of net income to cash inflow from operating activities				
Net (expenditure)	(525,402)		(164,687)	
Depreciation	714,520		704,258	
Interest received	(49,501)		(38,539)	
(Increase) / decrease in Inventory	(4,085)		(3,669)	
Decrease / (increase) in debtors	(383,044)		24,902	
Increase / (decrease) in creditors	496,359		371,168	
Net cash inflow from operating activities		248,846		893,433
Cash flows from investing activities				
Bank Interest received	49,501		29,687	
Return on Investment at cost	25,000		50,000	
Interest received on Investment	-		8,852	
Purchase of Investments	-		(25,000)	
Deposit into a fixed treasury account	(300,000)		(600,000)	
Payments to acquire tangible fixed assets	(43,870)		(129,930)	
		(269,369)		(666,391)
Change in cash and cash equivalents		(20,523)		227,042
Cash at 1 April 2024		2,547,111		2,320,069
Cash at 31 March 2025		2,526,588		2,547,111

Analysis of changes in net debt

	At start of year (2024)	Cash-flows	At end of year (2025)
	£	£	£
Cash	2,547,111	(20,523)	2,526,588
Total	2,547,111	(20,523)	2,526,588

The notes on pages 24 to 42 form part of the financial statements.

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) second edition issued in 2019 and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

1.2 Going concern

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

1.3 Income

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases, amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Production Income is included in incoming resources in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

All incoming resources are recorded net of VAT.

1.4 Expenditure

Expenditure is included in the Statement of Financial Activities on an accrual basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.

- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as educational programmes. Cost of charitable activities includes both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Where performances of a production straddle the balance sheet date, production costs are apportioned in relation to the number of performances falling within each period and the amount relating to performances after the balance sheet date are treated as debtors.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

Freehold land	Nil
Freehold buildings	2% straight line
Theatre improvements	over 30 to 10 years straight line
Fixtures, fittings and equipment	from 10% to 33% straight line

Individual fixed assets consisting of more than £1,000 are capitalised at cost.

1.6 Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the least term. The corresponding leasing commitments are shown as obligations to the lessor.

Finance lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases re operating leases and the annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

1.7 Investments

The Statement of Recommended Practice requires investments to be stated at market value. The investments of Hackney Empire Limited consist of one wholly owned subsidiary, Hackney Empire Trading Limited. The company is not quoted, and the directors consider it appropriate to include the investment at cost.

The charity invests in theatrical productions that they consider having social value that contributes to the charity's own objects and these are classed as mixed motive investments. They are accounted for at fair value based on the charity's share of underlying net assets when information is available. When information is not available, they will be accounted for at cost less a provision for impairment. Any movement in fair value is accounted for as an unrealised investment gain or loss in the statement of financial activities.

The Charity has recently placed funds in Treasury Deposits. The placement of these funds is assessed against cash flow by the Finance Committee at each meeting. Fund placement is reviewed when reaching term for each deposit. Current asset investments represent cash deposits and are held at cost. Any income is recognised as it is earned.

1.8 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equal to net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognized as an impairment loss in the statement of financial activities.

1.9 Pensions

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payables are charged to the Statement of Financial Activities in the year they are payable.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.11 Consolidation

The consolidated financial statements present information about the company and its wholly owned subsidiary Hackney Empire Trading Limited. The consolidation has been performed on a line-by-line basis.

1.12 Fund accounting

Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 20).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report.

1.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Status of company

The company is a registered Charity, limited by guarantee.

As at 31 March 2025, the company has members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

Notes to the accounts (continued)
For the year ended 31 March 2025

4 Income from theatre operation

	2025 £	2024 £
Box office	976,920	1,098,267
Theatre hire	525,119	674,138
Merchandise	6,533	7,272
Booking fees	88,995	102,198
Theatre recharges	361,359	267,321
Other income	11,110	2,817
	<u>1,970,036</u>	<u>2,152,013</u>

5 Income from trading activities

	2025 £	2024 £
Bars and catering income	541,606	514,491
Location and filming income	137,263	246,570
Other income	169,720	111,020
	<u>848,589</u>	<u>872,081</u>

6 Grants receivable

For the year ended 31 March 2025	Unrestricted Funds £	Restricted Funds £	Total 2025 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
<u>Project Funding</u>			
Atkin Charitable Trust	25,000	-	25,000
Esmée Fairbairn Foundation	-	40,000	40,000
London Borough of Hackney	-	23,333	23,333
The Garrick Charitable Trust	-	3,000	3,000
The Hackney Green Energy Fund	-	3,500	3,500
The John Thaw Foundation	-	1,000	1,000
LBH - Discover Young Hackney 2025	-	20,000	20,000
The Rix Thompson Rothenberg Foundation	4,000	-	4,000
Roy Bard Charitable Foundation	-	5,000	5,000
The Theatres Trust Charitable Fund	-	5,000	5,000
	<u>404,295</u>	<u>100,833</u>	<u>505,128</u>

Notes to the accounts (continued)
For the year ended 31 March 2025

4 Grants receivable (continued)

For the year ended 31 March 2024	Unrestricted Funds £	Restricted Funds £	Total 2024 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
Arts Council England-Culture Recovery Fund	-	40,000	40,000
<u>Project Funding</u>			
Alter Ego	-	20,000	20,000
Esmée Fairbairn Foundation	-	40,000	40,000
London Borough of Hackney	-	40,000	40,000
Hackney Community Fund for Panto 2023 – Aladdin	-	2,410	2,410
The Steel Charitable Trust	-	10,000	10,000
The Portal Trust	-	16,298	16,298
Roy Bard Charitable Foundation	-	5,000	5,000
BBC Children in Need	-	10,000	10,000
	<u>375,295</u>	<u>183,708</u>	<u>559,003</u>

Included in Note 4 above are government grants of £23,333 (2024 - £40,000) from London Borough of Hackney.

7 Costs of operation of the theatre

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Staff and staff-related costs	1,026,737	101,333	1,128,070
Depreciation	61,051	653,469	714,520
Promoters/production costs	711,473	-	711,473
Education	1,575	-	1,575
Publicity	152,790	-	152,790
Premises and general running costs	826,000	-	826,000
Overhead/administrative costs	34,960	-	34,960
Governance costs	98,324	-	98,324
	<u>2,912,909</u>	<u>754,802</u>	<u>3,667,711</u>

Notes to the accounts (continued)
For the year ended 31 March 2025

7 Costs of operation of the theatre (continued)

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Staff and staff-related costs	951,173	120,298	1,071,471
Depreciation	51,674	652,584	704,258
Promoters/production costs	834,228	67,410	901,638
Education	-	-	-
Publicity	154,871	-	154,871
Premises and general running costs	698,964	13,000	711,964
Overhead/administrative costs	8,836	-	8,836
Governance costs	97,567	-	97,567
	<u>2,797,313</u>	<u>853,292</u>	<u>3,650,604</u>

8 Cost of trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2025
	£	£	£
Staff and staff-related costs	210,903	-	210,903
Marketing	140,288	-	140,288
Legal and Professional	5,720	-	5,720
Premises and general running costs	15,354	-	15,354
Overhead/administration costs	3,456	-	3,456
Governance costs	13,150	-	13,150
	<u>388,871</u>	<u>-</u>	<u>388,871</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Staff and staff-related costs	247,686	-	247,686
Marketing	129,099	-	129,099
Legal and Professional	5,252	-	5,252
Premises and general running costs	11,018	-	11,018
Overhead/administration costs	38,360	-	38,360
Governance costs	8,027	-	8,027
	<u>439,442</u>	<u>-</u>	<u>439,442</u>

Notes to the accounts (continued)
For the year ended 31 March 2025

9 Fundraising costs

	2025 £	2024 £
Staff costs	67,643	18,609
Fundraising expenses	3,517	9,930
	<u>71,160</u>	<u>28,539</u>

10 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2025 £	2024 £
Amounts payable to auditors for audit services- current year	22,250	21,600
Amounts payable to auditors - other service	3,500	2,550
Depreciation	714,520	704,258
Operating lease payments	91,240	91,888
	<u></u>	<u></u>

11 People cost

	2025 £	2024 £
Aggregate staff costs are made up as follows:		
Salaries and wages	1,087,122	1,086,827
Social security costs	94,526	89,052
Pension costs	21,754	20,535
Other staff costs	9,828	8,312
Subtotal	<u>1,213,230</u>	<u>1,204,726</u>
Professional Fees*	193,387	133,040
Total	<u>1,406,617</u>	<u>1,337,766</u>

	2025 £	2024 £
Fundraising staff costs (note 9)	67,643	18,609
Staff and staff-related costs of operation of the theatre (note 7 & 8)	1,338,974	1,319,157
	<u>1,406,617</u>	<u>1,337,766</u>

Notes to the accounts (continued)
For the year ended 31 March 2025

11 People cost (continued)

The number of staff in receipt of total remuneration over £60,000 was:

	2025	2024
	No.	No.
£60,000 - £69,999	-	-
£70,000 - £79,999	-	1
£80,000 - £89,000	1	-

The average number of employees in the year were 15 permanent staff and 44 casuals, compared to 17 permanent and 41 casuals in 2024.

Key management personnel are considered to be the Executive Director, the Artistic Director and the Creative Director. The total amount paid to key management personnel in the year was £159,091 (2024: £130,288), which reflects a shift from part-time Artistic Director to a full-time role for the Creative Director

*Professional Fees includes the freelancer and contractor cost for the outsourcing of the finance, marketing and development function, which substitutes the staff costs in these areas for the Charity.

Transactions with Trustees

No payments are made to Trustees for their services as Trustees, nor were any expenses reimbursed to them during the current or preceding period.

No donations were received from the Trustees during the period (2024: Nil).

12 Taxation

No charge to corporation tax is expected to arise due to the company's charitable status.
The trading subsidiary benefits from a theatrical tax credit received on its production activities.

13 Tangible fixed assets

Group and Charity	Restricted Freehold land and buildings £	Unrestricted Theatre improve- ments £	Restricted Theatre improve- ments £	Unrestricted Fixtures fittings and equipment £	Total £
Cost					
At 1 April 2024	222,758	235,836	18,644,141	750,696	19,853,431
Additions	-	35,370	8,500	-	43,870
At 31 March 2025	222,758	271,206	18,652,641	750,696	19,897,301
Depreciation					
At 1 April 2024	121,427	26,787	12,875,948	639,269	13,663,431
Charge for the year	4,455	26,192	649,014	34,859	714,520
At 31 March 2025	125,882	52,979	13,524,962	674,128	14,377,951
Net book value					
At 31 March 2025	96,876	226,727	5,119,179	76,568	5,519,350
At 31 March 2024	101,331	209,050	5,768,193	111,427	6,190,000

All assets are in use for charitable purposes. Legal charges exist over the freehold properties to secure the interests of the public bodies, bankers and other lenders funding their purchase and the cost of theatre improvements.

14 Investment in subsidiary

	2025 £	2024 £
Investment in subsidiary undertaking	1	1

The Charity holds 100% of the issued ordinary share capital of the following company:

Subsidiary	Country of registration	Class	Shares held
Hackney Empire Trading Limited	England	Ordinary	100%

The principal activities of the subsidiary are to generate commercial income for Hackney Empire Limited and to produce theatrical work on commission. The subsidiary started trading in February 2011. A summary of the results of the subsidiary is set out below.

Notes to the accounts (continued)
For the year ended 31 March 2025

14 Investment in subsidiary (continued)

	2025 £	2024 £
Income	1,775,819	1,907,251
Cost of sales	(1,196,690)	(1,326,663)
Administrative expenses	(422,955)	(440,149)
Profit / (Loss) on ordinary activities before taxation	156,174	140,439
Corporation tax	187,601	214,363
Profit / (Loss) on ordinary activities after taxation	343,775	354,802
Amount gifted to Hackney Empire Limited	(343,775)	(354,802)
Retained profit / (loss)	-	-
Turnover comprised:		
Catering operations	541,606	514,492
Pantomime production	937,793	1,031,026
Location and filming fees	296,420	361,733
	1,775,819	1,907,251

Hackney Empire Limited and the subsidiary have a group VAT registration. Any profit made by the subsidiary is paid under gift aid to Hackney Empire Limited.

Investment in subsidiary (continued)

The assets and liabilities of the subsidiary were:

	2025 £	2024 £
Fixed Asset	-	-
Current assets	862,538	834,767
Inventory	15,447	11,362
Creditors: amounts falling due within one year	(877,984)	(846,128)
Net assets	1	1
Shareholder's funds	1	1

Notes to the accounts (continued)
For the year ended 31 March 2025

15 Social Investments

	2025 £	2024 £
Balance b/f	25,000	50,000
Return of investment at cost	(25,000)	(50,000)
Additions in investment	-	25,000
Balance c/f	-	25,000
Profit share from Royal Theatre Court	3,000	8,852
	3,000	8,852

16 Debtors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	123,539	49,281	27,304	25,564
Prepayments and accrued income	192,072	70,887	101,698	66,788
Amounts owed by subsidiary undertaking	-	-	778,128	809,073
Corporation tax	402,244	214,643	-	-
	717,855	334,811	907,130	901,425

Amounts owed by subsidiary undertaking are unsecured, interest free and repayable on demand.

17 Current Investments

	2025 £	2024 £
Investment in Treasury deposit	900,000	600,000

Notes to the accounts (continued)
For the year ended 31 March 2025

18 Creditors: Amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	324,354	265,288	302,302	232,255
Box office advance seats	843,029	459,668	843,029	459,668
Other taxes and social security	133,646	154,068	131,119	151,940
Other creditors and accruals	374,518	300,164	299,239	298,272
	<u>1,675,547</u>	<u>1,179,188</u>	<u>1,575,689</u>	<u>1,142,135</u>

19 Future financial commitments

The group is committed to the total future lease payments:

	2025	2024
	£	£
Land and buildings:		
Within one year	88,000	88,000
Between two and five years	44,000	132,000
Over 5 years	-	-
	<u>132,000</u>	<u>220,000</u>

This represents a 15-year lease over 117 Wilton Way.

	2025	2024
	£	£
Office equipment:		
Within one year	3,240	3,240
Between two and five years	4,320	7,560
	<u>7,560</u>	<u>10,800</u>

20 Restricted Funds

As at 31 March 2025

Charity and Group	Balance 1 April 2024 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2025 £
Capital					
Freehold property	101,332	-	(4,455)	-	96,877
Capital projects	5,568,193	-	(649,014)	-	4,919,179
ACE Capital Works	-	-	-	-	-
Revenue					
BBC CIN	10,000	-	(10,000)	-	-
Esmée Fairbairn Foundation	-	40,000	(40,000)	-	-
LBH - Discover Young Hackney 2025	-	20,000	(20,000)	-	-
London Borough of Hackney	-	23,333	(23,333)	-	-
The Garrick Charitable Trust	-	3,000	(3,000)	-	-
The Hackney Green Energy Fund	-	3,500	-	(3,500)	-
The John Thaw Foundation	-	1,000	-	-	1,000
The Theatres Trust Charitable Fund	-	5,000	-	(5,000)	-
Roy Bard Charitable Foundation	-	5,000	(5,000)	-	-
Total restricted funds	5,679,525	100,833	(754,802)	(8,500)	5,017,055

20 Restricted Funds (continued)

Freehold property

These funds represent resources held in the form of building.

BBC CIN

Funding towards Limitless 2024.

Esmée Fairbairn Foundation

Funding towards the costs of staffing and artistic development of new models which aim to increase artistic ambition and artist and audience diversity.

LBH - Discover Young Hackney 2025

Funding towards Alter Ego 2025.

London Borough of Hackney

London Borough of Hackney supported our 'Connecting Young Hackney' and other youth involvement programmes.

The Garrick Charitable Trust

Funding towards Artistic Development Programme 2024.

The Hackney Green Energy Fund

Funding towards the windows works at Hackney Empire.

The John Thaw Foundation

Funding towards Artistic Development Programme 2025. To be utilised by September 2025.

The Roy Bard Charitable Trust

Funding towards writer's room 2025.

The Theatres Trust Charitable Fund

Funding towards the roof works at Hackney Empire.

Notes to the accounts (continued)
For the year ended 31 March 2025

20 Restricted Funds (continued)

As at 31 March 2024

Charity and Group	Balance 1 April 2023 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2024 £
Capital					
Freehold property	105,787	-	(4,455)	-	101,332
Capital projects	6,203,321	-	(648,128)	13,000	5,568,193
ACE Capital Works		-	-	-	-
Revenue					
Arts Council England	-	40,000	(40,000)	-	-
Alter Ego	-	20,000	(20,000)	-	-
BBC CIN	-	10,000	-	-	10,000
Children In Need	10,000	-	(10,000)	-	-
Cockayne grant	13,000	-	(13,000)	-	-
Esmée Fairbairn Foundation	-	40,000	(40,000)	-	-
Hackney Community Fund for Panto 2023- Aladdin	-	2,410	(2,410)	-	-
London Borough of Hackney	-	40,000	(40,000)	-	-
The Steel Charitable Trust	-	10,000	(10,000)	-	-
The Dóyly Carte Charitable Trust	4,000	-	(4,000)	-	-
The Portal Trust Grant	-	16,298	(16,298)	-	-
Roy Bard Charitable Trust	-	5,000	(5,000)	-	-
Total restricted funds	6,336,108	183,708	(853,291)	13,000	5,679,525

Notes to the accounts (continued)
For the year ended 31 March 2025

21 Unrestricted funds

As at 31 March 2025

Charity and Group	Balance 1 April 2024 £	Incoming resources and Tax £	Resources used £	Transfers between funds £	Balance 31 March 2025 £
General funds	2,789,255	3,501,507	(3,372,940)	(291,500)	2,626,323
Designated Funds					
Investment in creative project	60,317	-	-	-	60,317
Building Reserve	-	-	-	300,000	300,000
Total unrestricted funds	2,849,572	3,501,507	(3,372,940)	8,500	2,986,640

As at 31 March 2024

Charity and Group	Balance 1 April 2023 £	Incoming resources and Tax £	Resources used £	Transfers between funds £	Balance 31 March 2024 £
General funds	2,357,675	3,770,189	(3,265,293)	(73,317)	2,789,255
Designated Funds					
Investment in creative project	-	-	-	60,317	60,317
Total unrestricted funds	2,357,675	3,770,189	(3,265,293)	(13,000)	2,849,572

Hackney Empire has allocated £60,317 of designated funds for the "Romeo and Juliet" project, set for April 2025.

Additionally, £300,000 of free reserves has been set aside for building maintenance.

Notes to the accounts (continued)
For the year ended 31 March 2025

22 Analysis of net assets between funds

As at 31 March 2025

	Tangible Fixed assets £	Investments £	Net current assets £	Total £
Group and Charity				
Restricted funds	5,216,055	-	(199,000)	5,017,055
Designated funds	-	-	360,317	360,317
Unrestricted funds	303,295	-	2,323,028	2,626,323
	<u>5,519,350</u>	<u>-</u>	<u>2,484,345</u>	<u>8,003,695</u>

As at 31 March 2024

	Tangible Fixed assets £	Investments £	Net current assets £	Total £
Group and Charity				
Restricted funds	5,869,525	-	(190,000)	5,679,524
Designated funds	-	-	60,317	60,317
Unrestricted funds	320,475	25,000	2,443,779	2,789,254
	<u>6,190,000</u>	<u>25,000</u>	<u>2,314,096</u>	<u>8,529,095</u>

23 Related party transactions

The Charity has a wholly owned subsidiary company (Hackney Empire Trading Limited (HETL)) of which more details can be found in note 14. A summary of the transactions between the entities is as follows:

	2025 £	2024 £
Fee charged by HETL for producing pantomime	937,793	1,031,026
Recharge of costs by Charity	549,317	635,541
Profits paid to the charity by gift aid	343,775	354,151

At the year-end HETL owed the Charity £778,128.

There were no other related party transactions not disclosed elsewhere in these accounts.

Notes to the accounts (continued)
For the year ended 31 March 2025

24 Comparative consolidated statement of financial activities

	Unrestricted Funds £	Restricted Funds £	2024 Total £
Income from:			
Donations, gifts and legacies	117,898	-	117,898
Grants receivable	375,295	183,708	559,003
Investment income	38,539	-	38,539
Income from trading activities	872,081	-	872,081
<i>Income from charitable activities</i>			
Income from running theatre	2,152,013	-	2,152,013
Total income	3,555,826	183,708	3,739,534
Expenditure on:			
<i>Cost of raising funds</i>	28,539	-	28,539
Fundraising costs	439,442	-	439,442
Cost of trading activities			
<i>Charitable activity</i>			
Cost of operation of the theatre	2,797,312	853,292	3,650,604
Total expenditure	3,265,293	853,292	4,118,585
Net income / (expenditure) for the year	290,534	(669,584)	(379,050)
Transfers between funds	(13,000)	13,000	-
Corporation tax	214,363	-	214,363
Net movement in funds	491,897	(656,584)	(164,687)
Opening fund balances as at 1 April 2023	2,357,675	6,336,108	8,693,783
Closing fund balances as at 31 March 2024	2,849,572	5,679,524	8,529,096

HACKNEY EMPIRE LIMITED

England & Wales - Charity number 1062085

Accounts

Company Registration No. 02060996 (England and Wales)
Registered Charity No. 1062085

Hackney Empire Limited

**Trustees' report
and financial statements
for the year ended 31 March 2024**

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Legal and administrative information

Constitution Hackney Empire Limited is a company limited by guarantee, not having a share capital. The company is a registered Charity governed by its Memorandum and Articles of Association.

Objects The company's main objects, as set out in the Articles, are to advance public education and appreciation of the arts and to provide the theatre facility for recreation and leisure time occupation in the interests of social welfare with the object of improving the conditions of life, particularly of the inhabitants of the London Borough of Hackney.

Organisation The board of directors of the company and the sub-committees have overall responsibility for the running of the company. Through regular board meetings and sub-committee meetings the directors, who are the Trustees for the Charity, advise the management of the company, in particular on strategy. The Board appoints a Chief Executive who is responsible for policy and day to day management of the Charity.

Hackney Empire Limited has a wholly own subsidiary company, Hackney Empire Trading Limited. This company was formed to generate commercial income at Hackney Empire for the benefit of the parent company to which it gift aids any profits made.

Board of directors	William Atkinson	Chair
	Roger Woolfe	
	Karin Gartzke	
	Sean Gascoine	
	Matthew Roeser	
	David Adams	
	Richard Etienne	
	Josette Bushell-Mingo	
	Soheb Panja	
	Jasmyn Fisher Ryner	
	Rebecca Jane Preston	(appointed on 12 September 2023)

All directors are appointed in accordance with the Articles of Association. Except where indicated, the directors listed served throughout the year and up to the date of this report.

Legal and administrative information (continued)

Finance Committee	David Adams Roger Woolfe Matthew Roeser William Atkinson
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Executive Director / Company Secretary Creative Director	Jo Hemmant Keith Khan
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Other principal officers	
Technical Manager	Othman Reid
Head of Programme	Jane Walsh /Becca Thomason

Company number	02060996
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Charity number	1062085
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Registered office	Hackney Empire 291 Mare Street London E8 1EJ
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Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
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Bankers	Barclays Bank PLC 27 Soho Square London W1D 3QR
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Accountants	EPIC Investment Partners Audrey House 16-20 Ely Place London EC1N 6SN
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Connected charities	Hackney Empire Limited is connected with the Hackney Empire Preservation Trust, which owns the theatre building. Hackney Empire Limited benefits from the continued occupation of this property at a peppercorn rental
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VISION, MISSION & VALUES

VISION

We believe access changes lives, so we will build bridges for everybody to be able to experience and create art & culture.

MISSION

Hackney Empire is not just a theatre; it is a home, a safe space, and a centre for sharing and storytelling of all kinds. We know that identity, privilege, and background should not affect anyone's opportunity to engage, because great stories exist everywhere and in everyone.

VALUES

We believe that extraordinary art & culture can be created by all people, anywhere.

We want ignored voices to be heard, isolated communities to be engaged, and overlooked ideas to be recognised.

We will face difficult truths, confront prejudice, and share experience.

We must safeguard and nurture young people from all backgrounds, who will always have a home at Hackney Empire.

Together we can deepen our understanding of ourselves, our society, and our environment.

Hackney Empire Limited

Trustees' Report

For the year ended 31 March 2024

The Trustees present their report and financial statements for the year ended 31 March 2024.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice incorporating the Financial Reporting Standard 102 – SORP (FRS 102).

Organisation, objectives, achievements & activities

Hackney Empire

Hackney Empire is a renowned, Grade II* listed, Edwardian music hall, now a modern variety theatre and a dedicated developmental, participatory and education space for thousands of young people each year.

The theatre was fully restored in 2003 and is referred to as “a jewel in the crown of London's historic East End” and “one of the most beautiful theatres in the country”. The auditorium can accommodate upwards of 1,200 seated audience, and over 1,600 standing, making it one of the Capital's largest and most significant theatre venues outside of the West End.

Hackney Empire Limited (HEL)

For over a century we have shared and celebrated variety in all its forms; artistically, culturally, politically, and socially. Hackney Empire has provided the megaphone for the voices of those who are less represented and easily ignored.

Today our programme presents a rich mix of art of all kinds including Opera, Theatre, Music, Pantomime and Comedy offering local communities the chance to experience local, national and international culture on their doorstep.

Hackney Empire Trading Limited (HETL)

A wholly owned trading subsidiary, Hackney Empire Trading Limited (HETL) is in operation to generate commercial income for the benefit of the parent Charity (HEL). The company has four distinct areas of activity:

- Exploitation of commercial opportunities such as photo shoots and film work,
- Service Agreement of the theatre bars for the theatre,
- Service contracts with third party suppliers to run the theatre cafe and catering operation,
- Production company producing commissioned pieces of theatre.

In 2023/24 HETL was commissioned to produce the pantomime *Aladdin* and will be claiming Theatre Tax Relief in respect of this production. All of HETL's profits are gift-aided back to the parent Charity under a deed of covenant.

Need

Hackney is a rapidly changing borough with a growing and youthful population. As an area of increasing economic opportunity resulting from the focus on East London as an area of development, this growth co-exists with significant deprivation. Hackney was the 22nd most deprived local authority overall in England in the 2019 Index of Multiple Deprivation. A significant proportion of local people continue to face persistent inequalities and are disproportionately affected by child poverty, unemployment and welfare dependency.

The geographic location of Hackney Empire and the demographics it is able to serve, must not be neglected. We strive to serve our fundamentally diverse customer base through our wide artistic output to reach, and where possible develop, audiences that are historically - or perceived as disengaged and/or underserved. Variety is the vehicle that allows Hackney Empire to explore storytelling in all its forms and from all creators.

We are committed to using art and creativity to drive social change throughout everything we do, with particular focus on young people from disadvantaged and under-represented backgrounds.

Review of activities for period ending March 2024

Achievements and Highlights

Hackney Empire continued to pursue its long-term artistic ambition to present a variety programme that produces, presents and platforms stories, performances, events and opportunities, sharing excellence, amplifying representation and driving accessibility.

During the year we provided an exciting, welcoming, and much-needed space for audiences and participants from across our communities to experience and enjoy the arts, continuing strategic programming to widen access and inclusion.

The past 12 months have us seen strengthening relationships with promoters, a growing music programme and ever-increasing numbers of first-time bookers. We were especially happy to be nominated for Excellence in Arts Education at the UK Theatre Awards.

Particular highlights included hosting the Launch of legendary Rolling Stones' Hackney Diamonds album in autumn 2023; welcoming Ballet Black back to Hackney Empire after 15 years, to premiere their sold-out show HEROES; and The Levellers Collective recording their live album in the auditorium.

The wider Artistic Programme included a very strong comedy line-up - Judi Love, Jon Richardson, Matteo Lane and Alan Carr and BBC Radio 1Xtra's Comedy Gala's celebrated household names and new voices on the black comedy circuit selling at 92% capacity.

Key music events included Mac Demarco, Andy Shauf and a collaboration with the BBC Symphony Orchestra on the family programme. We were also able to support Rush Theatre Company's: A Joyous Jamaican Journey for the Windrush Anniversary.

"An amazing venue in the heart of London, an amazing performance...musical concept from the BBC symphony Orchestra for KS2 children. Our children absolutely loved the live musical experience. Thank you for making it free and accessible. Would definitely come again!"

English Touring Opera staged Puccini's Manon Lescaut in autumn 2023, followed by The Rake's Progress by Igor Stravinsky as part of their 2024 Spring opera season, averaging 70% attendance.

Trustees' Report

For the year ended 31 March 2024

Vox Holloway community choirs performed *The Sun Does Shine*, a powerful new musical by Harvey Brough, inspired by Anthony Ray Hinton's autobiography, telling of the most shockingly cynical miscarriages of justice in US history and Hinton's long fight to prove his innocence.

After a run of sold out shows up and down the UK, Hollie McNish brought her brand-new book, *Lobster and other things I'm learning to love* to Hackney Empire. A Sunday Times bestselling writer whose live readings are gin-wrapped in gorgeously crafted poetry achieved 94% capacity.

Throughout the year Hackney Empire continued to provide a platform for local communities and schools including performances by Boroughs United, Dance 2 Beat, Hackney Music Service Gala, and the Festival of Voices.

Hackney Empire's partnership with *For Black Boys Who Have Considered Suicide when the Hue Gets too Heavy* enabled ticket prices to remain accessible for the show's continuing groundbreaking West-End run.

The year was brought to a rousing finale with the Empire's legendary Panto directed by and starring Clive Rowe as Widow Twankey in *Aladdin*. Young people from the Creative Futures programme took on roles in the ensemble becoming members of the professional cast.

Called the 'must-see panto of the year' by Theatre Weekly, the reviews speak for themselves:

★★★★★ "Glows with timeless glee" Time Out

★★★★★ "Joyous, big-hearted panto" The Stage

★★★★★ "Precisely what festive family entertainment should be" The i

★★★★★ "Clive Rowe is the doyenne of dames... This is a pantomime with real heart and a winning innocence" WhatsOnStage

★★★★★ "The must-see panto of the year" Theatre Weekly

★★★★★ "Fun, Festive, Frivolity" RatedReviewed

★★★★★ "Another magnificent panto" The Spy In The Stalls

★★★★★ "A building so rich in panto history that all of those years of gags, slosh and transformation scenes seem to have soaked into the fabric" West End Best Friend

Artist Development and Commissioning

Hackney Empire's commitment to nurturing the next generation of artists was demonstrated in the R&D support and Seed funding given to emerging works, such as:

Leville & Chill: Leville is a platform for gifted creatives to gain genuine opportunities in the arts and entertainment industry through their Three C's: Creative Agency, Casting and Community.

Honeyfish Collective – Bold Acts is a developmental, interactive experience between the audience and creatives to receive feedback and develop new ideas to amplify tomorrow's voices today.

Led by *Playwell Productions* and *Brixton House*, we are pleased to have been able to support the development of *Black Power Desk*, a new Black British musical by Urielle Klein Mekongo set against the backdrop of state opposition to the British Black Power movement of the '60s and '70s. The show blends the best of contemporary UK sounds to tell a story of belonging, love, and identity.

Seed Fund Programme

The Cocoa Butter Club is an award-winning performance company, showcasing and celebrating performers of colour, founded in 2016 by cabaret star Sadie Sinner, this is a creative clap back to cultural appropriation, lack of representation and imitation.

Beau Brummel Musical - Bourgeois & Maurice are a cabaret act based in London, described by Time Out as 'neo cabaret'. The duo, formed in 2007, consists of Liv Morris and George Heyworth.

BOXED - SK Shlomo is an international non-binary beatbox star, disability & mental health ambassador, former world looping champion, 3 x TED Speaker and multi-award-winning theatre maker.

Ruth Belville and The Time King - Angela Clerkin explores what happens when we look closer at our history - and how we have been sold a story that doesn't serve many of us.

Oxford Girls - Neetu Singh is a member of the Mercury Theatre's directing programme led by Ryan McBryde and was shortlisted to for a WIP performance leading a team of working-class South Asian women.

Creative Futures Programme

Hackney Empire also serves as a dedicated developmental, participatory and education space for young people. Creative Futures is recognised as one of the most significant, transformative and powerful programmes in the Capital. These activities provide 4,000 young people each year with the tools, skills, and pathways they need to develop as individuals and as leaders.

Young Producers

"As a Young Producer, we had to source new talent and sounds, scouring Instagram and TikTok for the best creatives on the come up. On the Friday, Alter Ego 2023 winners Skadeuces, founded by Khalif-Shakeil Edwards, Hackney Empire Creative Futures Alumni, started the weekend with a bang, wowing our audience with flips galore and the coldest choreography. One audience member said, 'I wish I could flip like that when I was 14.' Same."

"River Stage 2023 was truly one for the books! We all learnt so much about what makes a good festival weekend, how to run events, look after social media & liaise with artists and managers. We hope the National Theatre bring us back to paint Central London with the greatness of the City!"

Our Young Producers were invited to return to the National Theatre's River Stage to programme a whole weekend, giving a platform to some of the most exciting young creatives in London. The last two years have seen the likes of Girls of Grime, Tracks on Tap, Kali Claire, BAC Beatbox Academy, Creative Futures alumni and many more take to the stage on the Southbank, with two weekends packed full of pure energy.

Artist Development Programme (ADP) 2023

UNmuted: A revolution has never sounded so good

"In a world not so different from our own, a new law has been passed making music illegal. By chance, a group of young people find a safe space, a secret space, where music can exist again, and begin plans to fight the power."

In August 2023, we brought together over 50 young creatives to stage a brand-new musical on our main stage in just 10 days! UNmuted explored the power of a group of young people standing up for what they believe in, playing to a packed auditorium.

Limitless

A collaboration between Hackney Empire and Hackney Shed, Limitless brought together an inclusive group of 40 young people aged 14 to 25-years on a five-day intensive creative arts programme during the summer. Limitless focusses on young people with Special Educational Needs and/or neurodiversities but is open to anyone who is passionate about collaborating with others.

The programme creates a safe and supportive atmosphere where participants work with creative practitioners to explore issues that matter to them and turn that into a new piece of performance. The performance often includes singing, movement and BSL and is shared with an invited audience of 100 parents, carers and friends.

Readings From A Resistance:

"Let us show you how we, the resistant, have found hope in a world full of disparity and injustice. When we believe in something better, we pave the way towards it. When we share ideas, the possibilities are endless. When we stand together, we are powerful."

Audiences were invited to join a celebration of the collaboration and centring on young artists from across London, weaving together poetry, music and drama, led by Yamin Choudury and Jemilea Wisdom-Baako.

Yomi Sode

In poems exploring family, survival, generational trauma and the complexities of belonging, *Manorism* is an examination of the lives of Black British men and boys. Join us for the launch of Yomi Sode's paperback edition of *Manorism*. A curated evening of performances, talks, and readings, which celebrated and centred on the voice of the community.

Entry for All: First Five with Yomi Sode, Rapman and Special Guests

Designed to support young people from Hackney and wider London to access live performance and art and culture, tickets to Entry For All shows are completely free for anyone 25 and under.

In Jan 2024, poet **Yomi Sode** spoke to acclaimed filmmaker, rapper and director **Rapman**, delving into what inspired him on his journey to create *Shiro's Story*, *Blue Story* and the upcoming Netflix series *Supacell*. Featuring live performances and special guest act **Prinz**, this Entry for All event was not to be missed!

This collaboration brought us together with **Lit in Colour**, who provided free books and merchandise on the night. The Lit in Colour campaign was launched by Penguin Random House and The Runnymede Trust in October 2020, with the aim to ensure English Literature better reflects contemporary culture.

Alter Ego

In February 2024 East London's biggest talent showcase Alter Ego was back in Hackney. Taking to the stage were over 90 young performers alongside headliners **Suli Breaks**, **Mnelia**, **M24** and **Ivorian Doll**, and we were thrilled to crown, as our winner, **Rain**, poet and spoken word artist, performing a piece about war, politics and genocide. With over 1,300 young people in the audience and 50 young people working behind the scenes in event planning, production management and marketing, and a massive social media presence, Alter Ego 2024 was a huge celebration of the aspirations and creative talents of young people in Hackney.

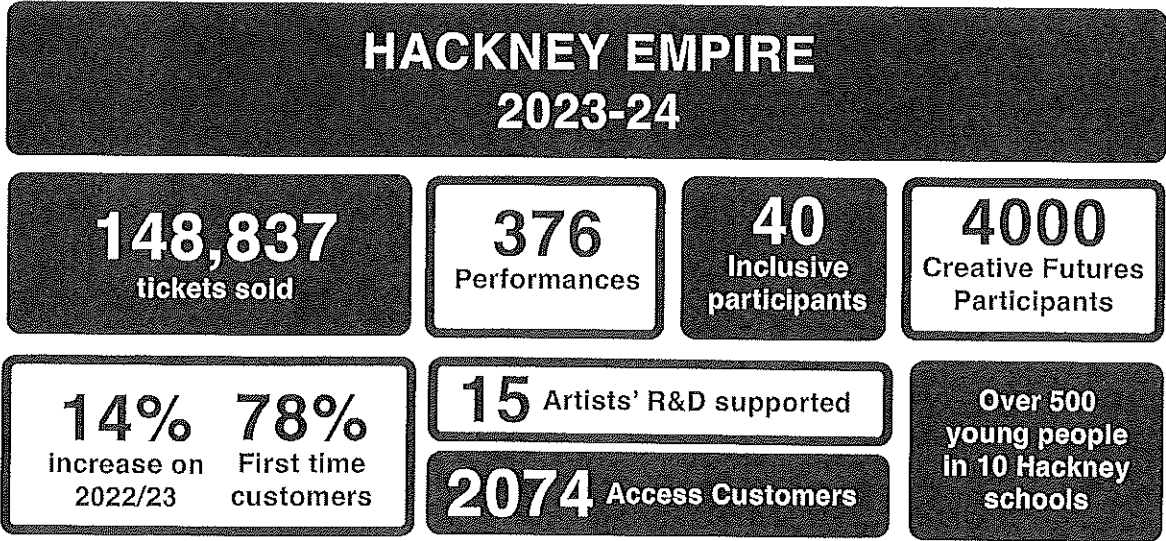
Schools Outreach

Over the past 12 months, Hackney Empire has worked in 10 of our London Borough of Hackney's secondary schools to provide focused support for over 500 students for the curriculum and young people's needs beyond it.

Audiences and Participants

Our audiences continue to grow year on year, with 148,837 tickets sold, an increase of 14% on 2022/23. 78% (51% in 2022/23) of bookers came through our doors for the first time. 889 of these were NHS staff or keyworkers. The most frequent postcodes of bookers were Hackney, Upper Clapton, Lower Clapton, Leyton, Stoke Newington, Homerton, Islington and Walthamstow.

A new website was designed and implemented during the year, realising the aim of engaging more customers and improving their booking journey. Proactive data analysis is enhancing our strategy to encourage customer retention and repeat bookers. This website attracted 695,000 visits achieving 982,000 sessions, 56% of which were engaged session. The top referral was an organic search for Hackney Empire with highest page traffic for *Steve-O Bucket List Tour* and *Aladdin*. 11.9% of bookers added a donation to their ticket purchase, totaling £18,954.



Staffing

We continued to support the career development and progression of our staff, strengthening the Learning and Participation team with the roles of Learning and Participation Producer and Learning and Participation Assistant. The Assistant joins the team as an alumni of Hackney Empire's Compulsory Subjects programme. Previous Creative Futures' participants have progressed to become Assistant Director, Musical Director and Choreographer of the Artist Development Programme.

Equality, Diversity, Justice, and Inclusion

Hackney Empire has long been one of the cultural sector's leading organisations in terms of diversity and representation at all levels. During 23/24 we have continued our commitment to increasing representation within all areas of our organisation and the sector at large. We have established, dynamic practices to combat systemic racism creating clear, actionable inclusion and anti-racism, anti-disablist and anti-discriminatory policies whilst identifying and breaking down barriers to access for artists and audiences.

We are one of the sector's leading organisations in terms of diversity and representation. 52% of our staff team, 50% of senior management, 45% of the board, and more than 78% of the contractual and freelance team identify as coming from the Global Majority.

Over 49% of Hackney Empire's artistic programme is created by, and with, Black, Asian, and ethnically diverse practitioners. Our award-winning self-produced Pantomime famously has strong representation from both the leading roles and the technical crew.

During the new website development, we prioritised updating and expanding Access information and have built up over 2000 customers who signed up to receive targeted access support. Accessible performances during the year including 6 BSL signed, 4 captioned, a Relaxed pantomime and a Dementia Friendly pantomime. Of our two associate artists / companies, one is disabled-led and the other LGBTQI+. Hackney Empire is also now a Dementia Friendly venue.

Leadership

With the departure of Artistic Director Yamin Choudury, we will be welcoming Keith Khan as our new Creative Director in September 2024. Keith has a long and distinguished record across a number of art forms, including designing a range of theatre shows and festivals from Trinidad to Notting Hill. Keith was Head of Culture for the London Olympics and Paralympic Games. In addition to deepening our well established and highly productive links with the local community, Keith's international reach will bring opportunities for new and diverse collaborations and partnerships.

We were delighted to welcome Rebecca Preston, Director of Development and Alumni Relations at the Royal College of Art as a new member of our Board of Trustees.

Sustainability

We continue to make good progress on our commitment to reducing our carbon footprint as a grade 2* listed building. Following on from our heat pump and solar panel installation, we have established a strategy of graded Capital works to achieve our goal. The energy generated by the installation of 76 solar panels on roof will cover approximately a quarter of our annual electrical consumption. Hackney Empire's electrical consumption is equivalent to that of approximately 20 houses. The solar panels will save the equivalent of burning 12 tonnes of fossil fuel a year. Hackney Empire is also now a signatory to the London Borough of Hackney's Responsible Business Charter pledging to continue to work towards being a model of good for environmental practice as a grade II* listed arts venue that serves and represents its communities.

We successfully applied to the VCSE's Energy Efficiency Scheme for an independent Energy Assessment to identify where further carbon efficiency could be maximised. We will continue to seek funding to contribute to our own and Hackney Council's mission to reach carbon net zero by 2030.

Fundraising

Charitable contributions represent a vital source of funding for Hackney Empire. Every donation from generous donors supports the essential work we do with young people and our community, while caring for our landmark building.

While Hackney Empire had a very successful operational year, the sole area of funding that declined was donations. In total, £117,898 was raised from donations, trusts and foundations, gifts, and legacies — a decline of 60% from £292,483 in 2022/23.

Hackney Empire's ambitions to expand our youth programme and modernise our illustrious theatre over the next five years will require greater charitable contributions. The needs of our underprivileged communities continue to grow, and we intend to fulfill our duty to support them.

Accordingly, Hackney Empire has recently transformed its fundraising team, recruited a new Trustee with distinctive fundraising credentials and reconstituted its Development Committee.

Hackney Empire's fundraising focuses on building strong, long-term philanthropic partnerships with trusts, foundations, major donors and Patrons and seeking corporate support. We look forward to sharing our fundraising plans in the coming year.

We remain a key provider of London Borough of Hackney, with the shared aim of giving a voice to all local communities and lifting our young people up. During the year Entry for All was made possible by the Hackney Community Fund, with ongoing support for Alter Ego through Discover Young Hackney.

We are enormously grateful for the continued support from the Forest School, demonstrating their commitment to young people's all-round development and progression.

Trustees' Report

For the year ended 31 March 2024

We were delighted to receive a new grant from the Esmée Fairbairn Foundation, to support our mission to create a cultural workforce that is more reflective of UK society by allowing young people to build their own creative lives and to use arts and creativity to influence the world around them.

In addition, we are grateful for funding from the Atkin Charitable Foundation, the Roy Bard Charitable Trust, Garfield Weston Foundation, BBC Children in Need, the D'Oyly Carte Charitable Trust, the Noel Coward Foundation, the Steel Charitable Trust and the Portal Trust.

We are indebted to all the individuals who have supported the Hackney Empire through their donations this year. We express our heartfelt thanks to all those who have given regularly, dedicated seats and left lasting legacy gifts to support Hackney Empire's mission on stage, with young artists and with local communities.

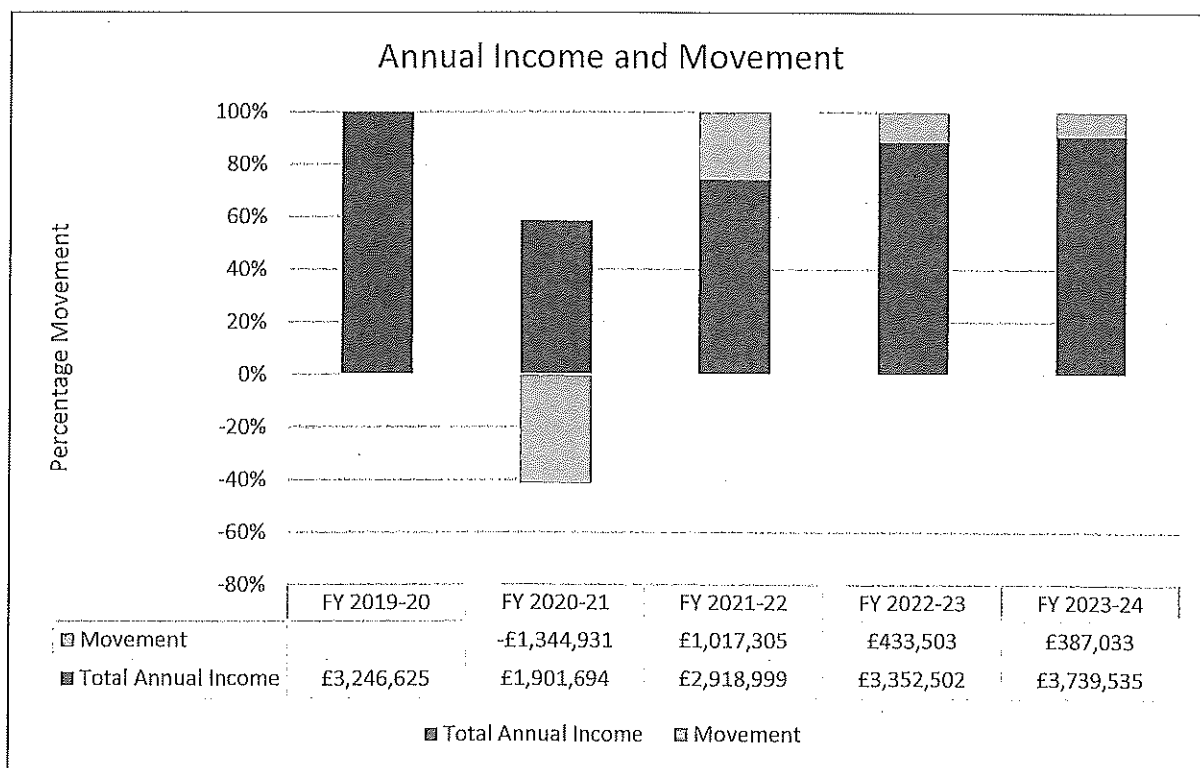
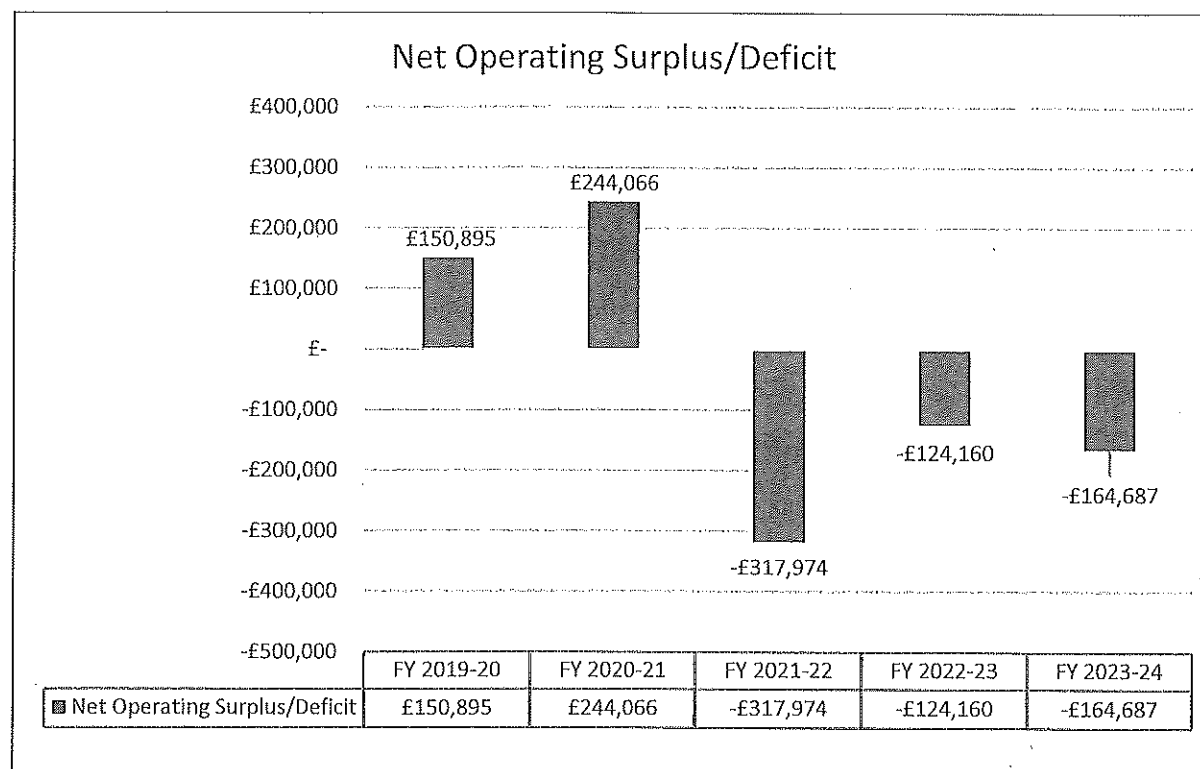
The Trustees are aware of their responsibilities under the Charities (Protection and Social Investment) Act 2016 and have considered the implications for their fundraising activities. HEL remains a member of the Fundraising Regulator and operates within the code of fundraising practice as set out by the independent

regulator of charitable fundraising in England. No complaints have been received in relation to fundraising activities to date. We are committed to being fully compliant with the laws and guidance underpinning charitable fundraising. We will not accept gifts or sponsorship from organisations or individuals whose support of our activities we deem to be inconsistent with our mission, vision, and values. Our Vulnerable Adults and Safeguarding policies form the framework for protection of these groups.

Financial review

The group financial statements to March 2024 show an operating surplus on unrestricted funds of £491,897 taking the accumulated surplus on unrestricted funds to £2,849,572 (out of which there are designated funds of £60,317 for the "Romeo and Juliet" project, set for 2025). We have maintained our rigorous attention to managing cash flow, risk analysis, and continuous assessment of the financial implications of our operational decisions. We continue to receive financial support from the London Borough of Hackney, in recognition of the value of our work and are pleased to report that we have maintained our position in the Arts Council England National Portfolio Funding (2023 – 2027).

A key line in the financial statements for this year is Box Office income, reflecting a large increase in theatregoers returning to see shows after the pandemic.



Reserves policy

Hackney Empire Limited intends to keep money aside as reserves to protect the charity by strengthening resilience against reduced income, and to allow us to take advantage of new opportunities that are aligned to our aims. The level of unrestricted reserves will be approximate to 12 weeks of turnover. This reserve will be reviewed annually as part of the AGM of the board of Trustees.

Hackney Empire Limited will during 2024/25 designate funds from an underspend of £60,317 on Artistic Project Development during the year 2023/24 to the co-production of Romeo and Juliet with Belgrade Theatre Coventry.

The Trustees' previous aim to increase the building maintenance restricted reserve to £150k in 2024, has been achieved. The building reserve can be used for emergency repairs to the building where other operational funds are insufficient to cover the costs. This will be reviewed annually as part of the AGM of the board of Trustees.

£300,000 of free reserves has been set aside for building maintenance, and £900,000 for operational purposes. These free reserves are not designated for specific expenditure but are intended to protect the charity's financial health, ensuring resilience against unforeseen challenges and supporting long-term sustainability.

Plans for Future Periods

We will continue to build a robust, commercial programme for 2024-25, prioritising performances for all of our communities. The live music programme made a strong start with contemporary Irish folk group Lankum, whose latest album was named as The Guardian's top album for 2023, closely followed by The Pogues 40th anniversary show for their debut album, Red Roses For Me. With the aim of growing our family audience, composer Emily Presto will invite children to write a brand-new piece of music for the BBC Symphony Orchestra and then join her for the performance.

Governance

Statement of Trustees' responsibilities

The Trustees (who are also directors of Hackney Empire Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and 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 Charities SORP, (FRS 102),
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as each Trustee is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees confirm that in planning the activities of the Charity they have had due regard to the Charity Commission's guidance on public benefit, health and safety, due diligence in relation to holding, receiving, and moving funds safely, and in particular, the guidance for fee charging charities.

Trustee induction

The Board and its Nominations Committee meet throughout the year as required. They proactively review the skill set of the membership as well as keeping an overview of representation.

The nominator of any prospective trustee provides the sub-committee with a biography or CV of the nominee and the reason for the nomination, for consideration. The prospective member then meets members of the committee and other trustees and attends a board meeting as an observer. If appropriate, formal invitation is made as part of board meeting proceedings and recorded in the minutes. The new trustee is then sent an induction pack including recent Board papers, financial information, current strategic planning documents and a history of the theatre and introductory meetings are set as appropriate with staff as well as attending events.

Remuneration of key management personnel

The pay of all staff is reviewed no less than annually by the Executive team with reference to UK industry norms. This is reviewed by the Finance Committee as part of annual budgeting and presented to the board of trustees. The remuneration of the Chief Executive is reviewed by the trustees.

Risk management

The Directors have examined the major strategic, business, and operational risks that the company faces and confirm that systems have been established so that the necessary steps can be taken to mitigate these risks. The Board conducts at least annually a review of the risk register which details the risks the Charity may face. The Board reviews the systems and procedures in place to mitigate those risks, advises on improvements and provides monitoring on a regular basis. The Board then ensures there is proper implementation of the procedures with the objective of minimising any potential impact on the Charity should those risks materialise.

The key risks as identified, and their mitigating factors were:

Risk	Mitigation
External forces (recession/public spending etc) impact on business plan	• Forward planning to ensure best possible programme. • Plan marketing cycle to optimise income. • Ensure secondary spend offer competitive. • Monitor cash flow.
Loss of key staff	• Succession planning. • Documentation of systems plans and projects. • Training programmes. • Notice periods and handovers. Recruitment process.
Building related difficulties	• Ensure maintenance and operations manuals are sufficient and up to date. • Implement appropriate maintenance strategy. • Make suitable financial provisions where possible to ensure effective maintenance.
Lack of capacity & inadequate use of resources	• Inadequate supervision of projects • Staff over-stretched & low morale

Auditors

A resolution proposing the re-appointment of Saffery LLP as auditors will be put to the Annual General Meeting.

Statement by the Chair of the Board; Sir William Atkinson

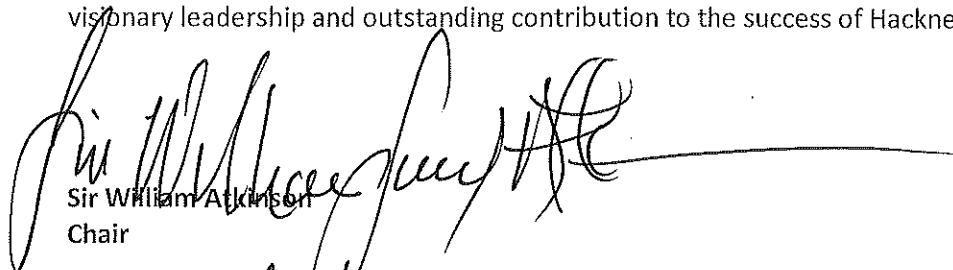
Chair's Statement

Hackney Empire, despite facing strong head winds, has enjoyed a successful year, due in no small measure to the dynamic and intelligent leadership of our joint CEOs Jo Hemmant and Yamin Choudury. Jo and Yamin have led a highly efficient team of dedicated colleagues who have worked tirelessly towards achieving the positive outcomes that drive and motivate everyone associated with Hackney Empire. Our success is evident in our extensive work with young people, the quality and range of our inclusive programming, expertly curated by Yamin, the size and make up of our audiences across the year and the quality of the relationships within and between our teams.

Throughout the year the Trustee Board has continued to work closely with the Executive Team to ensure that Hackney Empire not only remains a 'going concern', but also a dynamic and relevant centre of opportunity, enjoyment and learning for our rich and diverse community. To this end the generosity of our supporters and funders continues to play an invaluable part. Without their support our impact and reach would be significantly reduced.

At Hackney Empire our mindset is to use current success as a foundation for future achievement and, consequently we look forward to the many complex challenges facing the sector with determination and optimism.

The Trustees wish to place on record our thanks to Yamin Choudury, outgoing Artistic Director, for his visionary leadership and outstanding contribution to the success of Hackney Empire.



Sir William Atkinson
Chair

Date 12/11/2024

Opinion

We have audited the financial statements of Hackney Empire Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the 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 affairs of the group and the parent charitable company as at 31 March 2024 and of the group's incoming resources and application of resources, including its 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 group and parent charitable company 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 Trustees' 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 group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report, and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate

the group or the parent charitable company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with

Independent Auditor's Report to the Members for the year ended 31 March 2024 (continued)

appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 12 November 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Hackney Empire Limited

Consolidated statement of financial activities (Including income and expenditure account) For the year ended 31 March 2024

	Notes	Unrestricted Funds £	Restricted funds £	2024 Total £	2023 Total £
Income from:					
Donations, gifts, and legacies		117,898	-	117,898	292,483
Grants receivable	4	375,295	183,708	559,003	555,037
Investment income		38,539	-	38,539	911
Income from trading activities	5	872,081	-	872,081	707,485
<i>Income from charitable activities</i>					
Income from running theatre	6	2,152,013	-	2,152,013	1,796,586
Total income		3,555,826	183,708	3,739,534	3,352,502
Expenditure on:					
<i>Cost of raising funds</i>					
Fundraising costs	7	28,539	-	28,539	45,320
<i>Cost of trading activities</i>					
<i>Charitable activity</i>					
Cost of operation of the theatre	9	2,797,312	853,292	3,650,604	3,215,847
Total expenditure		3,265,293	853,292	4,118,585	3,662,932
Net income/(expenditure) for the year		290,534	(669,584)	(379,050)	(310,430)
Transfer between funds	20	(13,000)	13,000	-	-
Corporation tax	12	214,363	-	214,363	186,270
Net movement in funds		491,897	(656,584)	(164,687)	(124,160)
Opening fund balances	21	2,357,675	6,336,108	8,693,783	8,817,943
Closing fund balances	22	2,849,572	5,679,524	8,529,096	8,693,783

There were no recognised gains and losses other than the movements in funds shown above. All operations are continuing.

The notes on pages 25 to 43 form part of the financial statements.

Hackney Empire Limited

Balance sheets

As at 31 March 2024

	Notes	Group 2024 £	2023 £	Charity 2024 £	2023 £
Fixed assets					
Tangible assets	13	6,190,000	6,764,328	6,190,000	6,764,328
Investments	14	-	-	1	1
Social Investments	15	25,000	50,000	25,000	50,000
		<u>6,215,000</u>	<u>6,814,328</u>	<u>6,215,001</u>	<u>6,814,329</u>
Current assets					
Debtors	17	334,811	359,713	901,425	710,743
Inventory		11,362	7,693	-	-
Cash at bank and in hand		2,547,111	2,320,069	1,954,806	1,922,289
Current Investment	16	600,000	-	600,000	-
		<u>3,493,284</u>	<u>2,687,475</u>	<u>3,456,231</u>	<u>2,633,032</u>
Creditors: Amounts falling due within one year	18	(1,179,188)	(808,020)	(1,142,135)	(753,578)
Net current assets		<u>2,314,096</u>	<u>1,879,455</u>	<u>2,314,096</u>	<u>1,879,454</u>
Net Assets		<u>8,529,096</u>	<u>8,693,783</u>	<u>8,529,096</u>	<u>8,693,783</u>
Represented by:					
Restricted funds	20	5,679,524	6,336,108	5,679,524	6,336,108
Unrestricted funds:					
Designated Funds		60,317	-	60,317	-
General funds	21	2,789,255	2,357,675	2,789,255	2,357,675
Total		<u>8,529,096</u>	<u>8,693,783</u>	<u>8,529,096</u>	<u>8,693,783</u>

The total income of the Charity as an individual entity for the year was £3,530,319 (2023 - £3,202,441) and its net loss was £164,687 (2023 – net loss of £124,159) after depreciation of £704,258 (2023 - £678,686). A statement of financial activities for the Charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

Approved by the Board of directors on 12 November 2024 and signed on its behalf.

Sir William Atkinson

Chair

Company number 02060996

The notes on pages 25 to 43 form part of the financial statements.

Hackney Empire Limited

Consolidated cash flow statement For the year ended 31 March 2024

	2024		2023	
	£	£	£	£
Reconciliation of net income to cash inflow from operating activities				
Net (expenditure)	(164,687)		(124,160)	
Depreciation	704,258		678,683	
Interest received	(38,539)		(911)	
(Increase) / decrease in Inventory	(3,669)		382	
Decrease / (increase) in debtors	24,902		(193,516)	
Increase / (decrease) in creditors				
excluding cash loans and overdrafts	371,168		(133,282)	
Net cash inflow from operating activities		893,433		227,196
Cash flows from investing activities				
Bank Interest received	29,687		911	
Return on Investment at cost	50,000		-	
Interest received on Investment	8,852		-	
Purchase of Investments	(25,000)		(50,000)	
Deposit into a fixed treasury account	(600,000)		-	
Payments to acquire tangible fixed assets	(129,930)		(215,552)	
		(666,391)		(264,641)
Change in cash and cash equivalents		227,042		(37,445)
Cash at 1 April 2023		2,320,069		2,357,514
Cash at 31 March 2024		2,547,111		2,320,069

Analysis of changes in net debt

	At start of year (2023)	Cash-flows	At end of year (2024)
	£	£	£
Cash	2,320,069	227,042	2,547,111
Total	2,320,069	227,042	2,547,111

The notes on pages 25 to 43 form part of the financial statements.

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

1.2 Going concern.

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

1.3 Income

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases, amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Production Income is included in incoming resources in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.

All other income is recognised on an accruals basis once the charity is legally entitled to receipt.

All incoming resources are recorded net of VAT.

1.4 Expenditure

Expenditure is included in the Statement of Financial Activities on an accrual basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.

- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as educational programmes. Cost of charitable activities includes both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Where performances of a production straddle the balance sheet date, production costs are apportioned in relation to the number of performances falling within each period and the amount relating to performances after the balance sheet date are treated as debtors.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

Freehold land	Nil
Freehold buildings	2% straight line
Theatre improvements	over 30 to 10 years straight line
Fixtures, fittings and equipment	from 10% to 33% straight line

Individual fixed assets consisting of more than £1,000 are capitalised at cost.

1.6 Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the least term. The corresponding leasing commitments are shown as obligations to the lessor.

Finance lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases re operating leases and the annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

1.7 Investments

The Statement of Recommended Practice requires investments to be stated at market value. The investments of Hackney Empire Limited consist of one wholly owned subsidiary, Hackney Empire Trading Limited. The company is not quoted, and the directors consider it appropriate to include the investment at cost.

The charity invests in theatrical productions that they consider having social value that contributes to the charity's own objects and these are classed as mixed motive investments. They are accounted for at fair value based on the charity's share of underlying net assets when information is available. When information is not available, they will be accounted for at cost less a provision for impairment. Any movement in fair value is accounted for as an unrealised investment gain or loss in the statement of financial activities.

The Charity has recently placed funds in Treasury Deposits. The placement of these funds is assessed against cash flow by the Finance Committee at each meeting. Fund placement is reviewed when reaching term for each deposit. Current asset investments represent cash deposits and are held at cost. Any income is recognised as it is earned.

1.8 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equal to net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognized as an impairment loss in the statement of financial activities.

1.9 Pensions

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payables are charged to the Statement of Financial Activities in the year they are payable.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.11 Consolidation

The consolidated financial statements present information about the company and its wholly owned subsidiary Hackney Empire Trading Limited. The consolidation has been performed on a line-by-line basis.

1.12 Fund accounting

Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 19).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report.

1.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Status of company

The company is a registered Charity, limited by guarantee.

As at 31 March 2024, the company has members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

Notes to the accounts (continued)
For the year ended 31 March 2024

4 Grants receivable

For the year ended 31 March 2024	Unrestricted Funds £	Restricted Funds £	Total 2024 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
Arts Council England-Culture Recovery Fund	-	40,000	40,000
<u>Project Funding</u>			
Alter Ego	-	20,000	20,000
Esmée Fairbairn Foundation	-	40,000	40,000
London Borough of Hackney	-	40,000	40,000
Hackney Community Fund for Panto 2023 – Aladdin	-	2,410	2,410
The Steel Charitable Trust	-	10,000	10,000
The Portal Trust	-	16,298	16,298
Roy Bard Charitable Foundation	-	5,000	5,000
BBC Children in Need	-	10,000	10,000
	<u>375,295</u>	<u>183,708</u>	<u>559,003</u>

For the year ended 31 March 2023	Unrestricted Funds £	Restricted Funds £	Total 2023 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
<u>Project Funding</u>			
Arts Council England – Capital Works	-	1,992	1,992
Alter Ego	-	2,750	2,750
Backstage Trust	-	35,000	35,000
Children in Need	-	10,000	10,000
Esmée Fairbairn Foundation	-	23,000	23,000
Goldsmiths Company Charity	-	3,000	3,000
Austin & Hope	-	5,000	5,000
Theatre Trust	-	5,000	5,000
London Borough of Hackney	-	40,000	40,000
Foyle Foundation	-	50,000	50,000
The D'Oyly Carte Charitable Trust	-	4,000	4,000
	<u>375,295</u>	<u>179,742</u>	<u>555,037</u>

Included in Note 4 above are government grants of £40,000 (2023 - £40,000) from London Borough of Hackney.

Notes to the accounts (continued)
For the year ended 31 March 2024

5 Income from trading activities

	2024	2023
	£	£
Bars and catering income	514,491	314,406
Location and filming income	246,570	306,294
Other income	111,020	86,785
	<u>872,081</u>	<u>707,485</u>

6 Income from theatre operation

	2024	2023
	£	£
Box office	1,098,267	966,739
Theatre hire	674,138	442,787
Merchandise	7,272	55,322
Booking fees	102,198	75,114
Theatre recharges	267,321	250,311
Other income	2,817	6,313
	<u>2,152,013</u>	<u>1,796,586</u>

7 Fundraising costs

	2024	2023
	£	£
Staff costs	18,609	40,077
Fundraising expenses	9,930	5,243
	<u>28,539</u>	<u>45,320</u>

8 Cost of trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Staff and staff-related costs	247,686	-	247,686
Marketing	129,099	-	129,099
Legal and Professional	5,252	-	5,252
Premises and general running costs	11,018	-	11,018
Overhead/administration costs	38,360	-	38,360
Governance costs	8,027	-	8,027
	<u>439,442</u>	<u>-</u>	<u>439,442</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Staff and staff-related costs	199,536	-	199,536
Marketing	132,196	-	132,196
Legal and Professional	7,875	-	7,875
Premises and general running costs	8,791	-	8,791
Overhead/administration costs	46,409	-	46,409
Governance costs	6,958	-	6,958
	<u>401,765</u>	<u>-</u>	<u>401,765</u>

9 Costs of operation of the theatre

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Staff and staff-related costs	951,173	120,298	1,071,471
Depreciation	51,674	652,584	704,258
Promoters/production costs	834,228	67,410	901,638
Education	-	-	-
Publicity	154,871	-	154,871
Premises and general running costs	698,964	13,000	711,964
Overhead/administrative costs	8,836	-	8,836
Governance costs	97,567	-	97,567
	<u>2,797,312</u>	<u>853,292</u>	<u>3,650,604</u>

Notes to the accounts (continued)
For the year ended 31 March 2024

9 Costs of operation of the theatre (continued)

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Staff and staff-related costs	1,012,594	51,000	1,063,594
Depreciation	26,856	651,830	678,686
Promoters/production costs	612,909	34,702	647,611
Education	4,918	5,000	9,918
Publicity	164,663	-	164,663
Premises and general running costs	540,771	13,640	554,411
Overhead/administrative costs	6,006	10,000	16,006
Governance costs	80,958	-	80,958
	<u>2,449,675</u>	<u>766,172</u>	<u>3,215,847</u>

10 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2024 £	2024 £
Amounts payable to auditors for audit services- current year	21,600	13,090
Amounts payable to auditors - other service	2,550	-
Depreciation	704,258	678,682
Operating lease payments	<u>91,888</u>	<u>101,264</u>

11 People cost

	2024 £	2023 £
Aggregate staff costs are made up as follows:		
Salaries and wages	1,086,827	1,065,457
Social security costs	89,052	85,862
Pension costs	20,535	19,345
Other staff costs	8,312	8,553
Subtotal	<u>1,204,726</u>	<u>1,179,217</u>
Professional Fees*	133,040	123,990
Total	<u>1,337,766</u>	<u>1,303,207</u>

11 People cost (continued)

	2024	2023
	£	£
Fundraising staff costs (note 7)	18,609	40,077
Staff and staff-related costs of operation of the theatre (note 9)	1,319,157	1,063,594
	<u>1,337,766</u>	<u>1,103,671</u>

The number of staff in receipt of total remuneration over £60,000 was:

	2024	2023
	No.	No.
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-

The average number of employees in the year were 17 permanent staff and 41 casuals, compared to 15 permanent and 77 casuals in 2023.

Key management personnel are considered to be the Executive Director and the Artistic Director. The total amount paid to key management personnel in the year was £130,288 (2023: £128,006).

*Professional Fees includes the freelancer and contractor cost for the outsourcing of the finance, marketing and development function, which substitutes the staff costs in these areas for the Charity.

Transactions with Trustees

No payments are made to Trustees for their services as Trustees, nor were any expenses reimbursed to them during the current or preceding period.

No donations were received from the Trustees during the period (2023: £800).

12 Taxation

No charge to corporation tax is expected to arise due to the company's charitable status. The trading subsidiary benefits from a theatrical tax credit received on its production activities.

Notes to the accounts (continued)
For the year ended 31 March 2024

13 Tangible fixed assets

Group and Charity	Restricted Freehold land and buildings £	Unrestricted Theatre improve- ments £	Restricted Theatre improve- ments £	Unrestricted Fixtures fittings and equipment £	Total £
Cost					
At 1 April 2023	222,758	162,543	18,631,141	707,058	19,723,500
Additions	-	73,293	13,000	43,637	129,930
At 31 March 2024	222,758	235,836	18,644,141	750,696	19,853,431
Depreciation					
At 1 April 2023	116,971	6,196	12,227,820	608,186	12,959,172
Charge for the year	4,455	20,591	648,128	31,083	704,257
At 31 March 2024	121,427	26,787	12,875,948	639,269	13,663,430
Net book value					
At 31 March 2024	101,331	209,050	5,768,193	111,427	6,190,000
At 31 March 2023	105,787	156,347	6,403,321	98,873	6,764,328

All assets are in use for charitable purposes. Legal charges exist over the freehold properties to secure the interests of the public bodies, bankers and other lenders funding their purchase and the cost of theatre improvements.

Notes to the accounts (continued)
For the year ended 31 March 2024

14 Investment in subsidiary

	2024 £	2023 £
Investment in subsidiary undertaking	1	1

The Charity holds 100% of the issued ordinary share capital of the following company:

Subsidiary	Country of registration	Class	Shares held
Hackney Empire Trading Limited	England	Ordinary	100%

The principal activities of the subsidiary are to generate commercial income for Hackney Empire Limited and to produce theatrical work on commission. The subsidiary started trading in February 2011. A summary of the results of the subsidiary is set out below.

	2024 £	2023 £
Income	1,907,251	1,672,674
Cost of sales	(1,326,663)	(1,139,758)
Administrative expenses	(440,149)	(401,089)
Profit / (Loss) on ordinary activities before taxation	140,439	131,827
Corporation tax	214,363	186,270
Profit / (Loss) on ordinary activities after taxation	354,802	318,097
Amount gifted to Hackney Empire Limited	(354,802)	(318,097)
Retained profit / (loss)	-	-
Turnover comprised:		
Catering operations	514,492	348,693
Pantomime production	1,031,026	918,464
Location and filming fees	361,733	405,517
	1,907,251	1,672,674

Hackney Empire Limited and the subsidiary have a group VAT registration. Any profit made by the subsidiary is paid under gift aid to Hackney Empire Limited.

Notes to the accounts (continued)
For the year ended 31 March 2024

15 Investment in subsidiary (continued)

The assets and liabilities of the subsidiary were:

	2024 £	2023 £
Fixed Asset	-	-
Current assets	834,767	660,631
Inventory	11,362	7,693
Creditors: amounts falling due within one year	(846,128)	(668,323)
Net assets	1	1
Shareholder's funds	1	1

15 Social Investments:

	2024 £	2023 £
Balance b/f	50,000	-
Return of investment at cost	(50,000)	-
Additions in investment	25,000	50,000
Balance c/f	25,000	50,000
Profit share from Royal Theatre Court	8,852	-
	8,852	-

16 Current Investments:

	2024 £	2023 £
Investment in Treasury deposit maturing after 6 months	600,000	-

Notes to the accounts (continued)
For the year ended 31 March 2024

17 Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	49,281	51,591	25,564	45,066
Prepayments and accrued income	70,887	55,047	66,788	51,793
Amounts owed by subsidiary undertaking	-	-	809,073	613,884
Corporation tax	214,643	253,075	-	-
	<u>334,811</u>	<u>359,713</u>	<u>901,425</u>	<u>710,743</u>

Amounts owed by subsidiary undertaking are unsecured, interest free and repayable on demand.

18 Creditors: Amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	265,288	84,811	232,255	79,031
Box office advance seats	459,668	370,547	459,668	370,547
Other taxes and social security	154,068	89,713	151,940	89,038
Other creditors and accruals	300,164	262,949	298,272	214,962
	<u>1,179,188</u>	<u>808,020</u>	<u>1,142,135</u>	<u>753,578</u>

19 Future financial commitments

The group is committed to the total future lease payments:

	2024	2023
	£	£
Land and buildings:		
Within one year	88,000	88,000
Between two and five years	132,000	220,000
Over 5 years	-	-
	<u>220,000</u>	<u>308,000</u>

This represents a 15-year lease over 117 Wilton Way

19 Future financial commitments (continued)

	2024 £	2023 £
Office equipment:		
Within one year	3,240	13,706
Between two and five years	7,560	-
	<u>10,800</u>	<u>13,706</u>

20 Restricted Funds

As at 31 March 2024

Charity and Group	Balance 1 April 2023 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2024 £
Capital					
Freehold property	105,787	-	(4,455)	-	101,332
Capital projects	6,203,321	-	(648,128)	13,000	5,568,193
ACE Capital Works	-	-	-	-	-
Revenue					
Arts Council England- Culture Recovery Fund	-	40,000	(40,000)	-	-
Alter Ego	-	20,000	(20,000)	-	-
BBC CIN	-	10,000	-	-	10,000
Children In Need	10,000	-	(10,000)	-	-
Cockayne grant	13,000	-	(13,000)	-	-
Esmée Fairbairn Foundation	-	40,000	(40,000)	-	-
Hackney Community Fund for Panto 2023 - Aladdin	-	2,410	(2,410)	-	-
London Borough of Hackney	-	40,000	(40,000)	-	-
The Steel Charitable Trust	-	10,000	(10,000)	-	-
The Dóyly Carte Charitable Trust	4,000	-	(4,000)	-	-
The Portal Trust Grant	-	16,298	(16,298)	-	-
Roy Bard Charitable Foundation	-	5,000	(5,000)	-	-
Total restricted funds	<u>6,336,108</u>	<u>183,708</u>	<u>(853,291)</u>	<u>13,000</u>	<u>5,679,525</u>

20 Restricted Funds (continued)

Freehold property

These funds represent resources held in the form of building.

Arts Council England-Culture Recovery Fund

Funding towards the costs outlined in the application submitted to culture recovery fund- grants programme.

Alter Ego

Funding for creative work featuring young artists that have performed over the ten years.

BBC CIN

Funding towards Limitless 2024. To be utilized in July – September 2024.

Children in Need

£10,000 - This is for Limitless for August 2023 – expenditure from June – Sept 2023. £4,000 - Online workshops with Young People during COVID.

Cockayne grant

Hackney Empire Post Covid-19 Capital Improvement Programme.

Esmée Fairbairn Foundation

Funding towards the costs of staffing and artistic development of new models which aim to increase artistic ambition and artist and audience diversity.

Hackney Community Fund for Panto 2023 – Aladdin

Funding towards Panto 2023.

LBH – Service agreement

London Borough of Hackney supported our 'Connecting Young Hackney' and other youth involvement programmes.

Steel Charitable Trust

Funding towards the costs of staffing and artistic development of new models which aim to increase artistic ambition and artist and audience diversity.

The Dóily Carte Charitable Trust

Support towards Young Producers at Hackney Empire.

The Portal Trust Grant

Support towards Young Producers at Hackney Empire.

Roy Bard Charitable Foundation

Funding towards Writer's Room – project culminated 7th February.

20 Restricted Funds (continued)

As at 31 March 2023

Charity and Group	Balance 1 April 2022 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2023 £
Capital					
Freehold property	110,242	-	(4,455)	-	105,787
Capital projects	6,835,040	-	(647,375)	15,656	6,203,321
ACE Capital Works		1,992	-	(1,992)	-
Revenue					
Alter Ego	-	2,750	(2,750)	-	-
Austin & Hope	-	5,000	(5,000)	-	-
Backstage Trust	-	35,000	-	(35,000)	-
Children In Need	4,000	10,000	(4,000)	-	10,000
Cockayne grant	23,000		(8,640)	(1,360)	13,000
Esmée Fairbairn Foundation	-	23,000	(23,000)	-	-
Foyle Foundation	-	50,000	-	(50,000)	-
Goldsmiths Company Charity	-	3,000	(3,000)	-	-
Hackney Empire YOF Grant	5,000	-	(5,000)	-	-
Hello Again	8,750	-	(8,750)	-	-
Impact Funds	38,640		-	(38,640)	-
London Borough of Hackney		40,000	(40,000)	-	-
Theatre Trust	-	5,000	-	-	-
The Churchill Fellowship	9,202	-	(9,202)	-	-
The Dóyly Carte Charitable Trust	-	4,000	-	-	4,000
Total restricted funds	7,033,874	179,742	(766,172)	(111,336)	6,336,108

Notes to the accounts (continued)
For the year ended 31 March 2024

21 Unrestricted funds

As at 31 March 2024

Charity and Group	Balance 1 April 2023 £	Incoming resources and Tax £	Resources used £	Transfers between funds £	Balance 31 March 2024 £
General funds	2,357,675	3,770,189	(3,265,293)	(73,317)	2,789,255
Designated Funds					
Investment in creative project	-	-	-	60,317	60,317
Total unrestricted funds	2,357,675	3,770,189	(3,265,293)	(13,000)	2,849,572

As at 31 March 2023

Charity and Group	Balance 1 April 2022 £	Incoming resources and Tax £	Resources used £	Transfers between funds £	Balance 31 March 2023 £
General funds	1,784,069	3,359,030	(2,896,760)	111,336	2,357,675
Total unrestricted funds	1,784,069	3,359,030	(2,896,760)	111,336	2,357,675

Hackney Empire has allocated £60,317 of designated funds for the "Romeo and Juliet" project, set for 2025.

Notes to the accounts (continued)
For the year ended 31 March 2024

22 Analysis of net assets between funds

As at 31 March 2024

	Tangible Fixed assets £	Investments £	Net current assets £	Total £
Group and Charity				
Restricted funds	5,869,525	-	(190,000)	5,679,525
Designated funds	-	-	60,317	60,317
Unrestricted funds	320,475	25,000	2,443,779	2,789,254
	<u>6,190,000</u>	<u>25,000</u>	<u>2,314,096</u>	<u>8,529,096</u>

As at 31 March 2023

	Tangible Fixed assets £	Investments £	Net current assets £	Total £
Group and Charity				
Restricted funds	6,509,108	-	(173,000)	6,336,108
Designated funds	-	-	-	-
Unrestricted funds	255,220	50,000	2,052,455	2,357,675
	<u>6,764,328</u>	<u>50,000</u>	<u>1,879,455</u>	<u>8,693,783</u>

23 Related party transactions

The Charity has a wholly owned subsidiary company (Hackney Empire Trading Limited (HETL)) of which more details can be found in note 14. A summary of the transactions between the entities is as follows:

	2024 £	2023 £
Fee charged by HETL for producing pantomime	1,031,026	918,464
Recharge of costs by Charity	635,541	544,246
Profits paid to the charity by gift aid	354,151	318,097

At the year-end HETL owed the Charity £809,073.

There were no other related party transactions not disclosed elsewhere in these accounts.

Notes to the accounts (continued)
For the year ended 31 March 2024

24 Comparative consolidated statement of financial activities

	Unrestricted Funds £	Restricted Funds £	2023 Total £
Income from:			
Donations, gifts and legacies	292,483	-	292,483
Grants receivable	375,295	179,742	555,037
Investment income	911	-	911
Income from trading activities	707,485	-	707,485
<i>Income from charitable activities</i>			
Income from running theatre	1,796,586	-	1,796,586
Total income	3,172,760	179,742	3,352,502
Expenditure on:			
<i>Cost of raising funds</i>	45,320	-	45,320
Fundraising costs	401,765	-	401,765
Cost of trading activities			
<i>Charitable activity</i>			
Cost of operation of the theatre	2,449,675	766,172	3,215,847
Total expenditure	2,896,760	766,172	3,662,932
Net income / (expenditure) for the year	276,000	(586,430)	(310,430)
Transfers between funds	111,336	(111,336)	-
Corporation tax	186,270	-	186,270
Net movement in funds	573,606	(697,766)	(124,160)
Opening fund balances as at 1 April 2022	1,784,069	7,033,874	8,817,943
Closing fund balances as at 31 March 2023	2,357,675	6,336,108	8,693,783

HACKNEY EMPIRE LIMITED

England & Wales - Charity number 1062085

Accounts

Company Registration No. 02060996 (England and Wales)
Registered Charity No. 1062085

Hackney Empire Limited

**Trustees' report
and financial statements
for the year ended 31 March 2023**

Hackney Empire Limited

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Hackney Empire Limited

Legal and administrative information

Constitution

Hackney Empire Limited is a company limited by guarantee, not having a share capital. The company is a registered Charity governed by its Memorandum and Articles of Association.

Objects

The company's main objects, as set out in the Articles, are to advance public education and appreciation of the arts and to provide the theatre facility for recreation and leisure time occupation in the interests of social welfare with the object of improving the conditions of life, particularly of the inhabitants of the London Borough of Hackney.

Organisation

The board of directors of the company and the sub-committees have overall responsibility for the running of the company. Through regular board meetings and sub-committee meetings the directors, who are the Trustees for the Charity, advise the management of the company, in particular on strategy. The Board appoints a Chief Executive who is responsible for policy and day to day management of the Charity.

Hackney Empire Limited has a wholly own subsidiary company, Hackney Empire Trading Limited. This company was formed to generate commercial income at Hackney Empire for the benefit of the parent company to which it gift aids any profits made.

Board of directors

William Atkinson	Chair
Roger Woolfe	
Karin Gartzke	
Sean Gascoine	
Jay Sheth	(resigned 27.05.2022)
Matthew Roeser	
David Adams	
Richard Etienne	
Josette Bushell-Mingo	(appointed 13.09.2022)
Soheb Panja	(appointed 13.09.2022)
Jasmyn Fisher Ryner	(appointed 07.03.2023)

All directors are appointed in accordance with the Articles of Association. Except where indicated, the directors listed served throughout the year and up to the date of this report.

Hackney Empire Limited

Legal and administrative information (continued)

Finance Committee	David Adams Roger Woolfe Matthew Roeser William Atkinson
Executive Director / Company Secretary Artistic Director	Jo Hemmant Yamin Choudury
Other principal officers Technical Manager Head of Programme	Othman Reid Jane Walsh /Becca Thomason
Company number	02060996
Charity number	1062085
Registered office	Hackney Empire 291 Mare Street London E8 1EJ
Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Barclays Bank PLC 27 Soho Square London W1D 3QR
Accountants	EPIC Investment Partners Audrey House 16-20 Ely Place London EC1N 6SN
Connected charities	Hackney Empire Limited is connected with the Hackney Empire Preservation Trust, which owns the theatre building. Hackney Empire Limited benefits from the continued occupation of this property at a peppercorn rental

VISION, MISSION & VALUES

VISION

We believe access changes lives, so we will build bridges for everybody to be able to experience and create art & culture.

MISSION

Hackney Empire is not just a theatre; it is a home, a safe space, and a centre for sharing and storytelling of all kinds. We know that identity, privilege, and background should not affect anyone's opportunity to engage, because great stories exist everywhere and in everyone.

VALUES

We believe that extraordinary art & culture can be created by all people, anywhere.

We want ignored voices to be heard, isolated communities to be engaged, and overlooked ideas to be recognised.

We will face difficult truths, confront prejudice, and share experience.

We must safeguard and nurture young people from all backgrounds, who will always have a home at Hackney Empire.

Together we can deepen our understanding of ourselves, our society, and our environment.

Hackney Empire Limited

Trustees' Report For the year ended 31 March 2023

The Trustees present their report and financial statements for the year ended 31 March 2023.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice incorporating the Financial Reporting Standard 102 – SORP (FRS 102).

Organisation, objectives, achievements & activities

Hackney Empire

Hackney Empire is a renowned, Grade II* listed, Edwardian music hall, now a modern variety theatre and a dedicated developmental, participatory and education space for thousands of young people each year.

The theatre was fully restored in 2003 and is referred to as “a jewel in the crown of London's historic East End” and “one of the most beautiful theatres in the country”. The auditorium can accommodate upwards of 1,200 seated audience, and over 1,600 standing, making it one of the Capital's largest and most significant theatre venues outside of the West End.

Hackney Empire Limited (HEL)

For over a century we have shared and celebrated variety in all its forms; artistically, culturally, politically, and socially. Hackney Empire has provided the megaphone for the voices of those who are less represented and easily ignored.

Today our programme presents a rich mix of art of all kinds including Opera, Theatre, Music, Pantomime and Comedy offering local communities the chance to experience local, national and international culture on their doorstep.

Our audiences are drawn from some of the most socially and economically deprived postcodes in the country (including 23% of households in Lower Clapton, 24% in South Hackney and 23% in Dalston). We also are home to some of the most representative audiences in the country, with 43% of the 130,000 audience members who come through our doors annually from Global Majority backgrounds.

We are committed to using art and creativity to drive social change throughout everything we do, with particular focus on young people from disadvantaged and under-represented backgrounds. In 2022/2023, we welcomed over 130,000 audience members through our doors for 167 performances. Over 66,664 tickets were booked by 20,371 first time bookers.

Hackney Empire Limited

Trustees' Report

For the year ended 31 March 2023

Hackney Empire Trading Limited (HETL)

A wholly owned trading subsidiary, Hackney Empire Trading Limited (HETL) is in operation to generate commercial income for the benefit of the parent Charity (HEL). The company has four distinct areas of activity:

- Exploitation of commercial opportunities such as photo shoots and film work,
- Service Agreement of the theatre bars for the theatre,
- Service contracts with third party suppliers to run the theatre cafe and catering operation,
- Production company producing commissioned pieces of theatre.

In 2022/23 HETL was commissioned to produce the pantomime Mother Goose and will be claiming Theatre Tax Relief in respect of this production. All of HETL's profits are gift-aided back to the parent Charity under a deed of covenant.

Achievements and Highlights

A year of building bridges for everybody to experience, and create art & culture:

Summer

Emerging Artist Practitioner Programme – designed to fill the gaps that can stop early career artists from under-represented backgrounds progressing in the arts.

Glorious Grand Union Orchestra returned to celebrate their 40th anniversary 'An extraordinary collective of musicians from around the world, playing wondrous music' **The Guardian**

Launch of 20 Years of Creative Futures Report on stage at Hackney Empire featuring young people and artists who have worked with us over the last two decades.

Hackney Empire's Young Producers take over the National Theatre's River Stage, featuring over 150 young and emerging artists performing to an audience of thousands.

ADP, Hackney Empire's flagship youth programme brought together professional directors, choreographers, musicians and facilitators to work with over 50 (aged 13 – 19) young people and in just 10 days created a brand-new piece of musical theatre 'A Direct Message' which was performed to a packed audience of friends, families and peers in our legendary auditorium.

Autumn

Only Joy Aloud featured 100 young dancers, musicians, in collaboration with celebrated choreographers Boy Blue platforming the young voices of East London through movement and storytelling.

Hackney Empire Limited

Trustees' Report For the year ended 31 March 2023

Improbable the Musical - masters of improvisation Improbable performed six radically different, brilliant pieces.

Mother Goose – acclaimed annual pantomime, opened with two free performances for a targeted invite only audience of for local partners including Housing Associations, Community Groups, local refuges, and young carers.

Hackney Empire's 120th anniversary celebrations culminated with the launch of our film On the Shoulders of Giants – a documentary commissioned to look back at the history of our iconic building, its transformation back into a theatre in the 1980s and the people that made that possible.

Winter

Over 250 local young people took to our stage in January as part of Dance 2 Beat and the annual Hackney Music Schools Gala, we also welcomed back the Americana Awards – the centrepiece of a weeklong celebration of music in Hackney.

Alter Ego! East London's biggest showcase of young talent returned for the first-time post-pandemic. Featuring over 30 young artists on-stage over 50 young people working behind the scenes and performed to a sell-out audience of their peers.

Hackney Empire's second Entry for All! Event supported by Hackney Council, where young people are given tickets free of charge to four performances of the Theatre Centre's critically acclaimed Birds and Bees.

Hackney Empire's partnership with For Black Boys Who Have Considered Suicide when the Hue Gets to Heavy enabled ticket prices to remain accessible for this groundbreaking West-End transfer.

Further Programme Highlights

Hackney Empire remains one of the capital's key venues to see touring opera. In April we presented Scottish Opera's "exuberant" The Gondoliers **** The Telegraph. In July 2022 we premiered Violet by Music Theatre Wales, Britten Pears Arts and the Royal Opera House described as "The best new opera in years" The Telegraph *****.

In August the Arcola Theatre returned to Hackney Empire with a double bill of Siegfried and Götterdämmerung bringing their stripped back Ring Cycle to a "resonant conclusion" ***** The Stage.

Hackney Empire Limited

Trustees' Report

For the year ended 31 March 2023

We hosted Hackney Empire regulars English Touring Opera's Autumn season of Ottone, Agrippina and Tamerlano **** The Guardian, and again in March 2023 with their triumphant Spring season featuring Il Viaggio A Reims **** Financial Times, Lucrezia Borgia **** The Stage and Giulio Casare ***** The Guardian.

In November, Mother Goose opened as Hackney Empire's legendary Panto for 2022. For the first time since 2019, all 59 performances were able to go ahead and we received brilliant audience responses, ground-breaking ticket sales and great reviews **** The Guardian, **** Evening Standard, **** The Telegraph

2022/23's programme also included hugely popular comedy nights including the Live at the Empire series, and stand-alone gigs by Gina Yashere, Nish Kumar, Paul Chowdhry, David O'Doherty, Hasan Minhaj as well as fundraisers including Stand up for Pakistan and Stand Up for Windrush.

We were delighted to programme more work for children including the hugely loved live version of The Gruffalo, Andy and the Odd Socks, Jurassic Live, Milkshake Monkey's Musical and the BBC Symphony Orchestra for a special school's performance.

We also saw an increase in live music including soul legends The Drifters, rock royalty Robert Plant with his band Saving Grace, Alter Ego, and the return of the Americana Awards.

Throughout the year Hackney Empire continued to provide a platform for local communities and schools including performances by Boroughs United, Dance 2 Beat, Hackney Music Service Gala, and the Festival of Voices.

2022 – Celebrating 20 Years of Creative Futures

In June we published a report 20 Years of Creative Futures our pioneering young people's programmes which to date have worked with over 20,000 young people from across East London and forms the corner stone of our mission.

Creative Futures was founded through belief that culture and creativity can be a powerful force for making change. For two decades Hackney Empire has harnessed this power to engage young people, to help them make new, positive connections and to influence the world around them. We are committed to working with young people from under-represented communities and providing them with the tools, skills, and pathways they need to develop as individuals, as artists and as leaders.

We work at the heart of one of the most diverse boroughs in the Capital; characterised by a wealth of ethnic backgrounds, migration histories, religious, educational, and economic backgrounds, both amongst long-term residents and newcomers. Although Hackney is a borough that has changed a great deal in the past few decades, there remains high levels of poverty and inequality. Of the 18 indicators in The London Poverty

Hackney Empire Limited

Trustees' Report For the year ended 31 March 2023

Profile, Hackney scores poorly for 8 of them. The London Borough of Hackney is currently ranked as the 10th highest in the country and 3rd highest in London in terms of child poverty. 49.5% of children in Hackney were in poverty in 2020/21 compared with 27% across the UK. Youth unemployment is 30% higher in Hackney than in England as a whole:

Reflecting the diversity of our local communities, 90% of our Creative Futures participants are part of the Global Majority, and many are more likely to face a range of disadvantages including greater risk of marginalisation, social exclusion, and financial disadvantage, as well as additional barriers to achieving positive outcomes, such as discrimination. Furthermore, we recognise that young artists and creatives from under-represented backgrounds can face a specific range of additional barriers to entering the creative workforce including discrimination, unequal access to opportunities, and a lack of representative role models.

In this context, Hackney Empire Creative Futures' unique model of professional and personal development harnesses the values and interests of young people as a means for their personal, professional, and creative growth.

Equality, Diversity, Justice, and Inclusion

Hackney Empire has long been one of the cultural sector's leading organisations in terms of diversity and representation at all levels. Across 22/23 we have redoubled our commitment to increasing representation within all areas of our organisation and the sector at large.

We have developed practices to combat systemic racism creating clear, actionable inclusion and anti-racism, anti-disablist and anti-discriminatory policies whilst identifying and breaking down barriers to access for artists and audiences.

We are one of the sector's leading organisations in terms of diversity and representation at all levels 40% of our permanent team, 50% of senior management, 50% of the board, and over 73% of the contractual and freelance team identify as coming from the Global Majority.

Over 49% of Hackney Empire's artistic programme is created by, and with, Black, Asian, and ethnically diverse practitioners. Our award-winning self-produced Pantomime famously has strong representation from leading roles to technical crew. Of our two associate artists / companies, one is disabled-led and the other LGBTQI+. Hackney Empire is also now a Dementia Friendly venue.

Leadership

We were delighted to welcome three new members to our Board of Trustees. Hackney Empire Creative Futures alumnus, and now West End producer, Jasmyn Fisher-Ryner, Josette Bushell-Mingo OBE, award-winning actor and director and Principal of the Royal Central School of Speech and Drama, and Soheb Panja, the founder and editor of Field7, a new media business aimed at people working on climate solutions.

Sustainability

We are proud to have made significant strides to cement our commitment to reducing our carbon footprint as a grade 2* listed building with two key initiatives:

Stage lighting is a significant contributing factor to our electricity consumption. However, by replacing 70% of the lanterns with LEDs, we estimate a proportionate decrease in our total electric consumption of approximately 35%, equating to reduced energy consumption of 8,375 KWH, saving 1.75 tonnes of carbon per month. This work was generously supported by Hackney Council, the Foyle Foundation, and individual donations.

Solar panels have been installed, supported by a grant from Hackney Community Energy Fund and in partnership with Stokey Energy. We expect to generate circa 33,000 KWH of energy per year.

Together these programmes enable Hackney Empire to provide a model of how heritage buildings can become more sustainable – reduce their carbon footprint whilst generating our own clean energy, and as such contribute to Hackney Council's mission to reach carbon net zero by 2030.

Fundraising

We were pleased that our application to continue in the Arts Council England National Portfolio Organisation 2023 – 2026 was successful and that we remain a key service provider for our Local Authority through Discover Young Hackney and Connecting Young Hackney. We are also delighted that Forest School have continued their valued support as our Creative Futures lead partner, with long standing support from Esmée Fairbairn Foundation and Children in Need. In addition, we secured new funding from a range of funds and organisations including the Hackney Together Fund, the Hackney Community Energy Fund, the Backstage Trust, the Garfield Weston Foundation, the Roy Bard Charitable Foundation, the August and Hope Pilkington Trust.

Hackney Empire Limited

Trustees' Report

For the year ended 31 March 2023

In total, £292,483 was raised from donations, trusts and foundations, gifts, and legacies in 2022/23 (£120,955 in 2021/22). The Trustees are aware of their responsibilities under the Charities (Protection and Social Investment) Act 2016 and have considered the implications for their fundraising activities. HEL remains a member of the Fundraising Regulator and operates within its the code of fundraising practice. set out by the independent regulator of charitable fundraising in England and no complaints were received in relation to fundraising activities to date. We are committed to being fully compliant with the laws and guidance underpinning charitable fundraising. We will not accept gifts or sponsorship from organisations or individuals whose support of our activities we deem to be inconsistent with our mission, vision, and values. Our Vulnerable Adults and Safeguarding policies form the framework for protection of these groups.

Financial review

The group financial statements to March 2023 show an operating surplus on unrestricted funds of £573,606 taking the accumulated surplus on unrestricted funds to £2,357,675. We have maintained our rigorous attention to managing cash flow, risk analysis, and continuous assessment of the financial implications of our operational decisions. We continue to receive financial support from the London Borough of Hackney, in recognition of the value of our work and are pleased to report that we have maintained our position in the Arts Council England National Portfolio Funding (2023 – 2026).

A key line in the financial statements for this year is Box Office income, reflecting a large increase in theatregoers returning to see shows after the pandemic. This increase from £558,263 to £966,739, together with careful cost control and cash flow, has enabled us to deliver a strong set of financial results.

Reserves policy

Hackney Empire Ltd intends to keep money aside as reserves to protect the charity by strengthening resilience against reduced income or allow to us to take advantage of new opportunities that are aligned to our aims. The level of unrestricted reserves will be approximate to 8 weeks of turnover rising to 12 weeks as funds allow. This will be reviewed annually as part of the AGM of the board of Trustees.

Hackney Empire Ltd will maintain the designated funds for Artistic risk (£25k) and Building maintenance (£75k) in the new financial year. The Trustees intend to increase these funds to £150k as soon as funds allow. The Artistic reserve can be used for one-off projects that are aligned with the organisations aims and the building reserve can be used for emergency repairs to the building where other operational funds are insufficient to cover the costs. These will be reviewed annually as part of the AGM of the board of Trustees.

Plans for Future Periods

Looking ahead we will continue to “dream big” and provide an exciting, welcoming, and much-needed space for audiences and participants from across our communities to experience and enjoy the arts, continuing strategic programming to widen access and inclusion. Artistic programme for 23/24 includes a very strong comedy line-up - Judi Love, Jon Richardson, Matteo Lane and Alan Carr as well as key music events including The Levellers, Mac Demarco, Andy Shauf, and the return of the Americana Awards. We are delighted to be collaborating with the BBC Symphony Orchestra on the family programme as well as supporting Rush: A Joyous Jamaican Journey – Windrush anniversary. Most recently we were thrilled to host The Rolling Stones for the album launch of “Hackney Diamonds”.

Governance

Statement of Trustees' responsibilities

The Trustees (who are also directors of Hackney Empire Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and 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 Charities SORP, (FRS 102),
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

Hackney Empire Limited

Trustees' Report

For the year ended 31 March 2023

In so far as each Trustee is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees confirm that in planning the activities of the Charity they have had due regard to the Charity Commission's guidance on public benefit, health and safety, due diligence in relation to holding, receiving, and moving funds safely, and in particular, the guidance for fee charging charities.

Trustee induction

The Board and its Nominations Committee meet throughout the year as required. They proactively review the skill set of the membership as well as keeping an overview of representation.

The nominator of any prospective trustee provides the sub-committee with a biography or CV of the nominee and the reason for the nomination, for consideration. The prospective member then meets members of the committee and other trustees and attends a board meeting as an observer. If appropriate, formal invitation is made as part of board meeting proceedings and recorded in the minutes. The new trustee is then sent an induction pack including recent Board papers, financial information, current strategic planning documents and a history of the theatre and introductory meetings are set as appropriate with staff as well as attending events.

Remuneration of key management personnel

The pay of all staff is reviewed no less than annually by the Executive team with reference to UK industry norms. This is reviewed by the Finance Committee as part of annual budgeting and presented to the board of trustees. The remuneration of the Chief Executives is reviewed by the trustees.

Risk management

The Directors have examined the major strategic, business, and operational risks that the company faces and confirm that systems have been established so that the necessary steps can be taken to mitigate these risks. The Board conducts at least annually a review of the risk register which details the risks the Charity may face. The Board reviews the systems and procedures in place to mitigate those risks, advises on improvements and provides monitoring on a regular basis. The Board then ensures there is proper implementation of the procedures with the objective of minimising any potential impact on the Charity should those risks materialise.

The key risks as identified, and their mitigating factors were:

Risk	Mitigation
External forces (recession/public spending etc) impact on business plan	• Forward planning to ensure best possible programme. • Plan marketing cycle to optimise income. • Ensure secondary spend offer competitive. • Monitor cash flow.
Loss of key staff	• Succession planning. • Documentation of systems plans and projects. • Training programmes. • Notice periods and handovers. Recruitment process.
Building related difficulties	• Ensure maintenance and operations manuals are sufficient and up to date. • Implement appropriate maintenance strategy. • Make suitable financial provisions where possible to ensure effective maintenance.
Lack of capacity & inadequate use of resources	• Inadequate supervision of projects • Staff over-stretched & low morale

Hackney Empire Limited

**Trustees' Report
For the year ended 31 March 2023**

Auditors

A resolution proposing the re-appointment of Saffery LLP as auditors will be put to the Annual General Meeting.

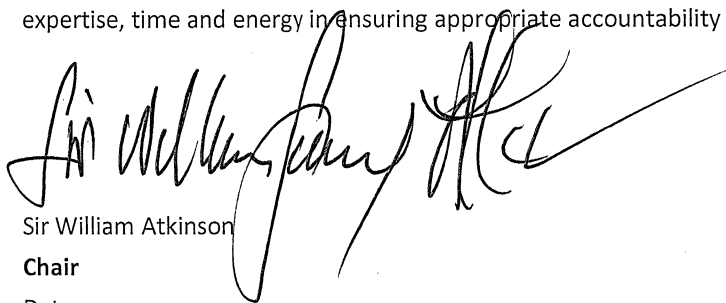
Statement by the Chair of the Board; Sir William Atkinson

This Trustee Report is a testament to the vision, passion, and energy of the Hackney Empire community. Our community is made up of our audiences, young people, local supporters, partners, staff, outstanding management team and a committed and motivated body of trustees whose sole purpose is to make a significant and positive impact on the lives of everyone who comes into contact with our much-loved Theatre in this diverse and dynamic borough of Hackney.

This report contains extensive reference to the range and quality of the work undertaken over the last twelve months, and yes there is much scope for congratulations, however our sights are firmly set on improving on our previous best. To this end the trustees and senior management team are committed to looking in detail at ways of becoming even more relevant to our community.

I want to draw attention to the invaluable support from our friends and supporters and above all I would like to thank the leadership team superbly lead by Jo Hemmant and Yamin Choudury for their continued excellence in discharging their many responsibilities.

Finally, I would like to acknowledge crucial contribution of our trustee group who willingly dedicate so much expertise, time and energy in ensuring appropriate accountability as well as strategic oversight.



Sir William Atkinson
Chair
Date

Opinion

We have audited the financial statements of Hackney Empire Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the 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 affairs of the group and the parent charitable company as at 31 March 2023 and of the group's incoming resources and application of resources, including its 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 group and parent charitable company 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 Trustees' 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 group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. 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.

Independent Auditor's Report to the Members for the year ended 31 March 2023 (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report, and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate

the group or the parent charitable company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with

appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 14 November 2023

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Hackney Empire Limited

Consolidated statement of financial activities (Including income and expenditure account) For the year ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted funds £	2023 Total £	2022 Total £
Income from:					
Donations, gifts, and legacies		292,483	-	292,483	120,955
Grants receivable	4	375,295	179,742	555,037	949,025
Investment income		911	-	911	135
Income from trading activities	5	707,485	-	707,485	366,934
<i>Income from charitable activities</i>					
Income from running theatre	6	1,796,586	-	1,796,586	1,481,950
Total income		3,172,760	179,742	3,352,502	2,918,999
Expenditure on:					
<i>Cost of raising funds</i>					
Fundraising costs	7	45,320	-	45,320	49,924
Cost of trading activities	8	401,765	-	401,765	-
<i>Charitable activity</i>					
Cost of operation of the theatre	9	2,449,675	766,172	3,215,847	3,253,855
Total expenditure		2,896,760	766,172	3,662,932	3,303,779
Net income/(expenditure) for the year		276,000	(586,430)	(310,430)	(384,780)
Transfer between funds	20	111,336	(111,336)	-	-
Corporation tax	12	186,270	-	186,270	66,806
Net movement in funds		573,606	(697,766)	(124,160)	(317,974)
Opening fund balances	19,20	1,784,069	7,033,874	8,817,943	9,135,917
Closing fund balances	21	2,357,675	6,336,108	8,693,783	8,817,943

There were no recognised gains and losses other than the movements in funds shown above. All operations are continuing.

The notes on pages 22 to 39 form part of the financial statements.

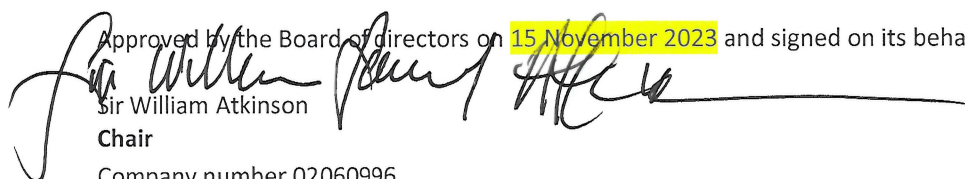
Hackney Empire Limited

Balance sheets As at 31 March 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible assets	13	6,764,328	7,227,459	6,764,328	7,227,459
Investments	14	-	-	1	1
Social Investments	15	50,000	-	50,000	-
		<u>6,814,328</u>	<u>7,227,459</u>	<u>6,814,329</u>	<u>7,227,460</u>
Current assets					
Debtors	16	359,713	166,197	710,743	314,803
Stock		7,693	8,075	-	-
Cash at bank and in hand		2,320,069	2,357,514	1,922,289	2,157,060
		<u>2,687,475</u>	<u>2,531,786</u>	<u>2,633,032</u>	<u>2,471,863</u>
Creditors: Amounts falling due within one year	17	(808,020)	(941,302)	(753,578)	(881,380)
Net current assets		<u>1,879,455</u>	<u>1,590,484</u>	<u>1,879,454</u>	<u>1,590,483</u>
Total assets less current liabilities		<u>8,693,783</u>	<u>8,817,943</u>	<u>8,693,783</u>	<u>8,817,943</u>
Creditors: Amounts falling due after one year		-	-	-	-
		<u>8,693,783</u>	<u>8,817,943</u>	<u>8,693,783</u>	<u>8,817,943</u>
Represented by:					
Restricted funds	19	6,336,108	7,033,874	6,336,108	7,033,874
Unrestricted funds:					
Designated Funds		-	-	-	-
General funds	20	2,357,675	1,784,069	2,357,675	1,784,069
Total		<u>8,693,783</u>	<u>8,817,943</u>	<u>8,693,783</u>	<u>8,817,943</u>

The total income of the Charity as an individual entity for the year was £3,202,441 (2022 - £2,486,075) and its net loss was £124,159 (2022 – net loss of £378,155). A statement of financial activities for the Charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006

Approved by the Board of directors on 15 November 2023 and signed on its behalf.


Sir William Atkinson
Chair

Company number 02060996

The notes on pages 22 to 39 form part of the financial statements.

Hackney Empire Limited

Consolidated cash flow statement
For the year ended 31 March 2023

	2023		2022	
	£	£	£	£
Reconciliation of net income/(expenditure) to cash inflow from operating activities				
Net income/(expenditure)	(124,160)		(317,974)	
Depreciation	678,683		667,256	
Interest received	(911)		(135)	
Inventory	382		(8,075)	
Decrease/(increase) in debtors	(193,516)		85,480	
(Decrease)/increase in creditors (excluding loans and finance leases)	(133,282)		511,330	
Net cash inflow from operating activities		227,196		937,882
Cash flows from investing activities				
Interest received	911		135	
Purchase of Investments	(50,000)		-	
Payments to acquire tangible fixed assets	(215,552)		(94,318)	
		(264,641)		(94,183)
Change in cash and cash equivalents		(37,445)		843,699
Cash at 1 April 2022		2,357,514		1,513,815
Cash at 31 March 2023		2,320,069		2,357,514

Analysis of changes in net debt

	At start of year (2022)	Cash-flows	At end of year (2023)
	£	£	£
Cash	2,357,514	(37,445)	2,320,069
Total	2,357,514	(37,445)	2,320,069

The notes on pages 22 to 39 form part of the financial statements.

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity constitutes a public benefit entity as defined by FRS102.

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

1.2 Going concern.

In 2020, the operations of the theatre and the Charity's income was significantly impacted after regulations and restrictions were imposed due to Covid-19. However, in 2022-23 with more relaxed regulations the theatre has managed to operate at full capacity. The Charity has benefitted from the rescheduled performances that got cancelled during covid and has put in place cost savings to manage the cashflow for the operations at the theatre.

As of 31 March 2023, the Charity has net current assets of £1,879,456 and for the year ended 31 March 2023 a surplus of £445,771 was made on unrestricted funds leaving a surplus on unrestricted funds of £1,957,356.

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

1.3 Income

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases, amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Production Income is included in incoming resources in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income. All other income is recognised on an accruals basis once the Charity is legally entitled to receipt. All incoming resources are recorded net of VAT.

1.4 Expenditure

Expenditure is included in the Statement of Financial Activities on an accrual basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.
- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as educational programmes. Cost of charitable activities includes both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Where performances of a production straddle the balance sheet date, production costs are apportioned in relation to the number of performances falling within each period and the amount relating to performances after the balance sheet date are treated as debtors.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

Freehold land	Nil
Freehold buildings	2% straight line
Theatre improvements	over 30 to 10 years straight line
Fixtures, fittings and equipment	from 10% to 33% straight line

Individual fixed assets consisting of more than £1,000 are capitalised at cost.

1.6 Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the least term. The corresponding leasing commitments are shown as obligations to the lessor.

Finance lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases re operating leases and the annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

1.7 Investments

The Statement of Recommended Practice requires investments to be stated at market value. The investments of Hackney Empire Limited consist of one wholly owned subsidiary, Hackney Empire Trading Limited. The company is not quoted, and the directors consider it appropriate to include the investment at cost.

The charity invests in theatrical productions that they consider having social value that contributes to the charity's own objects and these are classed as mixed motive investments. They are accounted for at fair value based on the charity's share of underlying net assets when information is available. When information is not available, they will be accounted for at cost less a provision for impairment. Any movement in fair value is accounted for as an unrealised investment gain or loss in the statement of financial activities.

1.8 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equal to net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognized as an impairment loss in the statement of financial activities.

1.9 Pensions

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payables are charged to the Statement of Financial Activities in the year they are payable.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.11 Consolidation

The consolidated financial statements present information about the company and its wholly owned subsidiary Hackney Empire Trading Limited. The consolidation has been performed on a line-by-line basis.

1.12 Fund accounting

Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 19). All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report.

1.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Financial instruments (continued)

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Status of company

The company is a registered Charity, limited by guarantee.

As at 31 March 2023, the company has members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2023

4 Grants receivable

As at 31 March 2023

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
<u>Project Funding</u>			
ACE capital Work	-	1,992	1,992
Alter Ego	-	2,750	2,750
Backstage Trust	-	35,000	35,000
Children in Need	-	10,000	10,000
Esmée Fairbairn Foundation	-	23,000	23,000
Goldsmiths Company Charity	-	3,000	3,000
Austin & Hope	-	5,000	5,000
Theatre Trust	-	5,000	5,000
London Borough of Hackney	-	40,000	40,000
Foyle Foundation	-	50,000	50,000
The Dóly Carte Charitable Trust	-	4,000	4,000
	<u>375,295</u>	<u>179,742</u>	<u>555,037</u>

As at 31 March 2022

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
Arts Council England - Culture Recovery Fund	-	299,465	299,465
Clarion Futures	-	5,000	5,000
HMRC JRS Grant	-	38,520	38,520
<u>Project Funding</u>			
Arts Council England – Capital Works	-	23,903	23,903
Alter Ego	-	20,000	20,000
Children in Need	-	10,000	10,000
Cockayne grant	-	23,000	23,000
Esmée Fairbairn Foundation	-	35,000	35,000
Hackney Empire YOF Grant	-	5,000	5,000
Hello Again	-	15,000	15,000
Impact Funds	-	38,640	38,640
London Borough of Hackney	-	40,000	40,000
Steel Charitable Trust	-	11,000	11,000
The Churchill Fellowship	-	9,202	9,202
	<u>375,295</u>	<u>573,730</u>	<u>949,025</u>

Included in Note 4 above are government grants of (2023 & 2022 - £40,000) from London Borough of Hackney.

Notes to the accounts (continued)
For the year ended 31 March 2023

5 Income from trading activities

	2023	2022
	£	£
Bars and catering income	314,406	187,620
Location and filming income	306,294	146,895
Other income	86,785	32,419
	<u>707,485</u>	<u>366,934</u>

6 Income from theatre operation

	2023	2022
	£	£
Box office	966,739	558,263
Theatre hire	442,787	701,814
Merchandise	55,322	28,204
Booking fees	75,114	48,665
Theatre recharges	250,311	143,572
Other income	6,313	1,432
	<u>1,796,586</u>	<u>1,481,950</u>

7 Fundraising costs

	2023	2022
	£	£
Staff costs	40,077	41,515
Fundraising expenses	5,243	8,409
	<u>45,320</u>	<u>49,924</u>

Hackney Empire Limited

Notes to the accounts (continued)
For the year ended 31 March 2023

8 Cost of trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Staff and staff-related costs	199,536	-	199,536
Marketing	132,196	-	132,196
Legal and Professional	7,875	-	7,875
Premises and general running costs	8,791	-	8,791
Overhead/administration costs	46,409	-	46,409
Governance costs	6,958	-	6,958
	<u>401,765</u>	<u>-</u>	<u>401,765</u>

9 Costs of operation of the theatre

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Staff and staff-related costs	1,012,594	51,000	1,063,594
Depreciation	26,856	651,830	678,686
Promoters/production costs	612,909	34,702	647,611
Education	4,918	5,000	9,918
Publicity	164,663	-	164,663
Premises and general running costs	540,771	13,640	554,411
Overhead/administrative costs	6,006	10,000	16,006
Governance costs	80,958	-	80,958
	<u>2,449,675</u>	<u>766,172</u>	<u>3,215,847</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Staff and staff-related costs	802,884	200,678	1,003,562
Depreciation	15,786	651,470	667,256
Promoters/production costs	851,748	59,717	911,465
Education	5,320	-	5,320
Publicity	183,570	7,869	191,439
Premises and general running costs	340,453	70,557	411,010
Overhead/administrative costs	18,419	31,989	50,408
Governance costs	12,148	1,287	13,435
	<u>2,230,328</u>	<u>1,023,567</u>	<u>3,253,855</u>

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2023

10 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2023	2022
	£	£
Amounts payable to auditors for audit services- current year	13,090	12,780
Amounts payable to auditors - other service	-	-
Depreciation	678,682	667,256
Operating lease payments	101,264	95,089

11 People cost

	2023	2022
	£	£
Aggregate staff costs are made up as follows:		
Salaries and wages	1,065,457	860,565
Social security costs	85,862	64,892
Pension costs	19,345	14,910
Other staff costs	8,553	11,350
Subtotal	1,179,217	951,717
Professional Fees*	123,990	93,320
Total	1,303,207	1,045,037
Fundraising staff costs (note 7)	40,077	41,515
Staff and staff-related costs of trading activities (note 8)	199,536	-
Staff and staff-related costs of operation of the theatre (note 9)	1,063,594	1,003,522
	1,303,207	1,045,037

The number of staff receiving a salary over was:	2023	2022
	No.	No.
£60,000 - £69,999	1	1

The total number of employees during the year was 92 (2022: 43) of which 15 were permanent staff and 77 were involved in performances.

Key management personnel are considered to be the Executive Director and the Artistic Director. The total amount paid to key management personnel in the year was £128,006 (2022: £124,304).

Hackney Empire Limited

Notes to the accounts (continued)
For the year ended 31 March 2023

*Professional Fees includes the freelancer and contractor cost for the outsourcing of the finance, marketing and development function, which substitutes the staff costs in these areas for the Charity.

Notes to the accounts (continued)
For the year ended 31 March 2023

11.1 Transactions with Trustees

No payments are made to Trustees for their services as Trustees, nor were any expenses reimbursed to them during the current or preceding period.

Donations totalling £800 were received from the Trustees during the period (2022: £5,019).

12. Taxation

No charge to corporation tax is expected to arise due to the company's charitable status.
The trading subsidiary benefits from a theatrical tax credit received on its production activities.

13. Tangible fixed assets

Group and Charity	Restricted Freehold land and buildings £	Unrestricted Theatre improve- ments £	Restricted Theatre improve- ments £	Unrestricted Fixtures fittings and equipment £	Total £
Cost					
At 1 April 2022	222,758	-	18,615,482	669,704	19,507,944
Additions	-	162,543	15,659	37,350	215,552
At 31 March 2023	222,758	162,543	18,631,141	707,054	19,723,496
Depreciation					
At 1 April 2022	112,516	-	11,580,445	587,524	12,280,485
Charge for the year	4,455	6,196	647,375	20,657	678,683
At 31 March 2023	116,971	6,196	12,227,820	608,181	12,959,168
Net book value					
At 31 March 2023	105,787	156,347	6,403,321	98,873	6,764,328
At 31 March 2022	110,242	-	7,035,037	82,180	7,227,459

All assets are in use for charitable purposes. Legal charges exist over the freehold properties to secure the interests of the public bodies, bankers and other lenders funding their purchase and the cost of theatre improvements.

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2023

14. Investment in subsidiary

	2023 £	2022 £
Investment in subsidiary undertaking	1	1

The Charity holds 100% of the issued ordinary share capital of the following company:

Subsidiary	Country of registration	Class	Shares held
Hackney Empire Trading Limited	England	Ordinary	100%

The principal activities of the subsidiary are to generate commercial income for Hackney Empire Limited and to produce theatrical work on commission. The subsidiary started trading in February 2011. A summary of the results of the subsidiary is set out below.

	2023 £	2022 £
Income	1,672,674	1,219,981
Cost of sales	(1,139,758)	(874,262)
Administrative expenses	(401,089)	(277,412)
Profit / (Loss) on ordinary activities before taxation	131,827	68,307
Corporation tax	186,270	66,807
Profit / (Loss) on ordinary activities after taxation	318,097	135,114
Amount gifted to Hackney Empire Limited	(318,097)	(132,547)
Retained profit / (loss)	-	2,567
Turnover comprised:		
Bar/Catering	348,693	204,560
Pantomime production	918,464	829,080
Location and filming fees	405,517	186,341
	1,672,674	1,219,981

Hackney Empire Limited and the subsidiary have a group VAT registration. Any profit made by the subsidiary is paid under gift aid to Hackney Empire Limited.

14. Investment in subsidiary (continued)

The assets and liabilities of the subsidiary were:

	2023 £	2022 £
Fixed Asset	-	-
Current assets	660,631	295,557
Inventory	7,693	-
Creditors: amounts falling due within one year	(668,323)	(295,556)
Net assets	1	1
Shareholder's funds	1	1

15 Other Investments

	2023 £	2022 £
Purchase of Investments	50,000	-

16 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	51,591	28,805	45,066	21,630
Other taxes	-	-	-	-
Prepayments and accrued income	55,047	63,290	51,793	57,540
Amounts owed by subsidiary undertaking	-	-	613,884	235,633
Corporation tax	253,075	74,102	-	-
	359,713	166,197	710,743	314,803

Hackney Empire Limited

Notes to the accounts (continued)
For the year ended 31 March 2023

17 Creditors: Amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	84,811	196,793	79,031	174,817
Box office advance seats	370,547	432,561	370,547	432,561
Other taxes and social security	89,713	71,620	89,038	97,829
Other creditors and accruals	262,949	240,328	214,962	176,173
	<u>808,020</u>	<u>941,302</u>	<u>753,578</u>	<u>881,380</u>

18 Future financial commitments

The group is committed to the total future lease payments:

	2023	2022
	£	£
Land and buildings:		
Within one year	88,000	88,000
Between two and five years	220,000	308,000
Over 5 years	-	-
	<u>308,000</u>	<u>396,000</u>

This represents a 15-year lease over 117 Wilton Way

	2023	2022
	£	£
Office equipment:		
Within one year	13,706	7,089
Between two and five years	-	-
	<u>13,706</u>	<u>7,089</u>

Notes to the accounts (continued)
For the year ended 31 March 2023

19. Restricted Funds

As at 31 March 2023

Charity and Group	Balance 1 April 2022 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2023 £
Capital					
Freehold property	110,242	-	(4,455)	-	105,787
Capital projects	6,835,040		(647,375)	15,656	6,203,321
ACE Capital Works	-	1,992	-	(1,992)	-
Revenue					
Alter Ego	-	2,750	(2,750)	-	-
Austin & Hope	-	5,000	(5,000)	-	-
Backstage Trust	-	35,000	-	(35,000)	-
Children In Need	4,000	10,000	(4,000)	-	10,000
Cockayne grant	23,000		(8,640)	(1,360)	13,000
Esmée Fairbairn Foundation	-	23,000	(23,000)	-	-
Foyle Foundation	-	50,000	-	(50,000)	-
Goldsmiths Company Charity	-	3,000	(3,000)	-	-
Hackney Empire YOF Grant	5,000	-	(5,000)	-	-
Hello Again	8,750	-	(8,750)	-	-
Impact Funds	38,640		-	(38,640)	-
London Borough of Hackney		40,000	(40,000)	-	-
Theatre Trust	-	5,000	-	-	-
The Churchill Fellowship	9,202	-	(9,202)	-	-
The Dóyly Carte Charitable Trust	-	4,000	-	-	4,000
Total restricted funds	7,033,874	179,742	(766,172)	(111,336)	6,336,108

19. Restricted Funds (continued)

Freehold property

These funds represent resources held in the form of building.

ACE Capital Work

Funding towards acquisition or improvement of long-term assets such as equipment or building programme.

Alter Ego

Funding for creative work featuring young artists that have performed over the ten years.

Backstage Trust

Funding towards the Fire Alarm works at Hackney Empire.

Children in Need

£10,000 - This is for Limitless for August 2023 – expenditure from June – Sept 2023. £4,000 - Online workshops with Young People during COVID.

Cockayne grant

Hackney Empire Post Covid-19 Capital Improvement Programme.

Esmée Fairbairn Foundation

Funding towards the costs of staffing and artistic development of new models which aim to increase artistic ambition and artist and audience diversity.

Foyle Foundation

Funding towards the LED lighting programme works at Hackney Empire.

Hackney Empire YOF Grant

Support towards creative learning programme.

Hello Again

Discounted tickets for Hackney residents for Panto 2021 and other programmes.

Impact Funds

Funding towards acquisition or improvement of long-term assets such as equipment or buildings. (Stage lighting equipment)

LBH – Service agreement

London Borough of Hackney supported the Charity's 'Connecting Young Hackney' and other youth involvement programmes.

Theatre Trust

Funding towards improvements to the water pumps in the theatre.

The Churchill Fellowship

Support towards specific needs of young people/artists.

The Dóyly Carte Charitable Trust

Support towards Young Producers at Hackney Empire.

Notes to the accounts (continued)

For the year ended 31 March 2023

19. Restricted Funds (continued)

As at 31 March 2022

Charity and Group	Balance 1 April 2021 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2022 £
Capital					
Freehold property	145,883	-	(4,455)	(31,186)	110,242
Capital projects	7,094,215	-	(607,701)	348,526	6,835,040
ACE Capital Works	304,899	23,903	(37,930)	(290,872)	-
Revenue					
Arts Council England- Culture Recovery Fund	258,231	299,465	(147,411)	(410,285)	-
Alter Ego	-	20,000	(20,000)	-	-
Backstage Trust	40,000	-	(40,000)	-	-
Children In Need	4,000	10,000	(10,000)	-	4,000
Cockayne grant	-	23,000	-	-	23,000
Clarion Futures	-	5,000	(5,000)	-	-
Esmée Fairbairn Foundation	-	35,000	(35,000)	-	-
Greater London Authority	10,000	-	(10,000)	-	-
Hackney Empire YOF Grant	-	5,000	-	-	5,000
Hello Again	-	15,000	(6,250)	-	8,750
HMRC JRS Grant	-	38,520	(38,520)	-	-
Impact Funds	-	38,640	-	-	38,640
Jean Hodgkinson	5,300	-	(5,300)	-	-
LBH – Service agreement	-	40,000	(40,000)	-	-
Steel Charitable Trust	-	11,000	(11,000)	-	-
Theatre Trust	5,000	-	(5,000)	-	-
The Churchill Fellowship	-	9,202	-	-	9,202
Total restricted funds	7,867,528	573,730	(1,023,567)	(383,817)	7,033,874

Notes to the accounts (continued)
For the year ended 31 March 2023

20. Unrestricted funds

As at 31 March 2023

Charity and Group	Balance 1 April 2022 £	Incoming resources and Tax £	Resources used £	Transfers between funds £	Balance 31 March 2023 £
General funds	1,784,069	3,359,030	(2,896,760)	111,336	2,357,675
Total unrestricted funds	1,784,069	3,359,030	(2,896,760)	111,336	2,357,675

As at 31 March 2022

Charity and Group	Balance 1 April 2021 £	Incoming resources and Tax £	Resources used £	Transfers between funds £	Balance 31 March 2022 £
General funds	1,268,389	2,412,075	(2,280,212)	383,817	1,784,069
Total unrestricted funds	1,268,389	2,412,075	(2,280,212)	383,817	1,784,069

21. Analysis of net assets between funds

As at 31 March 2023

	Tangible Fixed assets £	Investments £	Net current assets £	Total £
Group and Charity				
Restricted funds	6,509,108	-	(173,000)	6,336,108
Designated funds	-	-	-	-
Unrestricted funds	255,220	50,000	2,052,455	2,357,675
	6,764,328	50,000	1,879,455	8,693,783

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2023

21. Analysis of net assets between funds (continued)

As at 31 March 2022

	Tangible Fixed assets £	Net current liabilities £	Total £
Group and Charity			
Restricted funds	7,145,282	(111,408)	7,033,874
Unrestricted funds	82,177	1,701,892	1,784,069
	<u>7,227,459</u>	<u>1,590,484</u>	<u>8,817,943</u>

22. Related party transactions

The Charity has a wholly owned subsidiary company (Hackney Empire Trading Limited (HETL)) of which more details can be found in note 14. A summary of the transactions between the entities is as follows:

	2023 £	2022 £
Fee charged by HETL for producing pantomime	918,464	829,080
Recharge of costs by Charity	544,246	395,874
Profits donated to the Charity by gift aid	318,097	132,547

At the year-end HETL owed the Charity £620,823. There were no other related party transactions not disclosed elsewhere in these accounts.

Hackney Empire Limited

Notes to the accounts (continued)
For the year ended 31 March 2023

23. Comparative consolidated statement of financial activities

	Unrestricted Funds £	Restricted Funds £	2022 Total £
Income from:			
Donations, gifts and legacies	120,955	-	120,955
Grants receivable	375,295	573,730	949,025
Investment income	135	-	135
Income from trading activities	366,934	-	366,934
<i>Income from charitable activities</i>	-	-	-
Income from running theatre	1,481,950	-	1,481,950
Total income	2,345,269	573,730	2,918,999
Expenditure on:			
<i>Cost of raising funds</i>	-	-	-
Fundraising costs	49,924	-	49,924
<i>Charitable activity</i>	-	-	-
Cost of operation of the theatre	2,230,288	1,023,567	3,253,855
Total expenditure	2,280,212	1,023,567	3,303,779
Net income / (expenditure) for the year	65,057	(449,837)	(384,780)
Transfers between funds	383,817	(383,817)	-
Corporation tax	66,806	-	66,806
Net movement in funds	515,680	(833,654)	(317,974)
Opening fund balances as at 1 April 2021	1,268,389	7,867,528	9,135,917
Closing fund balances as at 31 March 2022	1,784,069	7,033,874	8,817,943

HACKNEY EMPIRE LIMITED

England & Wales - Charity number 1062085

Accounts

Company Registration No. 02060996 (England and Wales)
Registered Charity No. 1062085

Hackney Empire Limited

**Trustees' report
and financial statements
for the year ended 31 March 2022**

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Legal and administrative information

Constitution Hackney Empire Limited is a company limited by guarantee, not having a share capital. The company is a registered Charity governed by its Memorandum and Articles of Association.

Objects The company's main objects, as set out in the Articles, are to advance public education and appreciation of the arts and to provide the theatre facility for recreation and leisure time occupation in the interests of social welfare with the object of improving the conditions of life, particularly of the inhabitants of the London Borough of Hackney.

Organisation The board of directors of the company and the sub-committees have overall responsibility for the running of the company. Through regular board meetings and sub-committee meetings the directors, who are the Trustees for the Charity, advise the management of the company, in particular on strategy. The Board appoints a Chief Executive who is responsible for policy and day to day management of the Charity.

Hackney Empire Limited has a wholly own subsidiary company, Hackney Empire Trading Limited. This company was formed to generate commercial income at Hackney Empire for the benefit of the parent company to which it gift aids any profits made.

Board of directors	William Atkinson	Chair	(appointed 22.03.2022)
	Delphine Brand		(resigned 22.03.2022)
	Roger Woolfe		
	Karin Gartzke		
	Sean Gascoine		
	Jay Sheth		(resigned 27.05.2022)
	Mark Harwood		(resigned 08.02.2022)
	Matthew Roeser		
	David Adams		
	Richard Etienne		
	Josette Bushell-Mingo		(appointed 13.09.2022)
	Soheb Panja		(appointed 13.09.2022)

All directors are appointed in accordance with the Articles of Association. Except where indicated, the directors listed served throughout the year and up to the date of this report.

Hackney Empire Limited

Legal and administrative information (continued)

Finance Committee	David Adams Delphine Brand Roger Woolfe Mark Harwood Matthew Roeser William Atkinson	(resigned 22.03.2022) (resigned 08.022022) (appointed 22.03.2022)
Executive Director / Company Secretary Artistic Director	Jo Hemmant Yamin Choudury	
Other principal officers		
Technical Manager	Othman Reid	
Head of Programme	Jane Walsh	
Head of Development	Elly Rothnie	
Company number	02060996	
Charity number	1062085	
Registered office	Hackney Empire 291 Mare Street London E8 1EJ	
Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE	
Bankers	Barclays Bank PLC 27 Soho Square London W1D 3QR	
Accountants	EPIC Investment Partners Audrey House 16-20 Ely Place London EC1N 6SN	
Connected charities	Hackney Empire Limited is connected with the Hackney Empire Preservation Trust, which owns the theatre building. Hackney Empire Limited benefits from the continued occupation of this property at a peppercorn rental	

Transformative – Representative – Accessible – Radical – Inspiring

Vision

We believe that everybody should have the opportunity to experience the singularly transformative power of great Arts & Culture, and we will do everything we can to create vital access for all.

Mission

Hackney Empire will present a programme that is extraordinary, challenging and profound, celebrating the richness of local, national and international Arts & Culture. We will nurture and platform the unheard and the unknown, to encourage and share excellence in all its forms.

Values

- Extraordinary Arts & Culture can be created by **all people, anywhere**.
- The **transformative** impact of **Arts & Culture**, in all its forms, **should be accessible by all**. We have the opportunity to affect how we view others, our environment, our society and ourselves.
- We want ignored and overlooked voices to be heard, isolated communities to be engaged and **ideas to be recognised and responded to**.
- **Young people** from all backgrounds **will always have a home at Hackney Empire** and our **community** will always be at the heart of how we think and how we work.
- **We want to entertain and provoke**. We want to face difficult truths, confront prejudice, embrace new ideas, and share stories.
- **We want to work with others** to create high-quality, innovative and powerful programme.

Hackney Empire Limited

Trustees' Report

For the year ended 31 March 2022

The Trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice incorporating the Financial Reporting Standard 102 – SORP (FRS 102).

Organisation, objectives, achievements & activities

Hackney Empire

Hackney Empire is a renowned, Grade II* listed, Edwardian music hall; now a modern variety theatre and community centre. We present an artistic programme that is extraordinary, challenging and profound. For over a century we have shared and celebrated variety in all its forms; artistically, culturally, and socially. Providing a platform for the boundless depth of local, national and international Arts & Culture in all its forms, we collaborate with partners from across the UK to create a high-quality, innovative and distinct Arts & Culture offer.

The theatre was fully restored in 2003 and is referred to as *"a jewel in the crown of London's historic East End"* and *"one of the most beautiful theatres in the country"*. The auditorium can accommodate upwards of 1,200 seated audience, and over 1,600 standing, making it one of the Capital's largest and most significant venues. And never before has it been as resilient, as sustainable, as outward facing and as dynamic as it is now.

Hackney Empire Limited (HEL)

Here at Hackney Empire, we believe that everybody should have the opportunity to experience the singularly transformative power of Arts & Culture, and we do everything we can to create fundamental access for all. We want isolated communities to be engaged and their ideas to be recognised and responded to.

Hackney Empire has a reputation as a cultural beacon and safe space for communities that, in many cases, do not engage with a wider Arts & Culture sector. We annually welcome over 200,000 audiences that entirely reflect the incredible complexity, diversity and vibrancy of London.

For decades Hackney Empire has been regarded as a vital and exceptional platform for lesser represented creatives and artists and has a proud legacy of supporting marginalised voices. This continues to be core to the organisation's manifesto: extraordinary Arts & Culture can be created by all people, anywhere.

Hackney Empire Limited

Trustees' Report (continued) For the year ended 31 March 2022

We are a dedicated developmental, participatory and education space for thousands of young people every year and our young people's work is recognised as one of the most significant, transformative and powerful programmes in the Capital.

Hackney Empire Trading Limited (HETL)

A wholly-owned trading subsidiary, Hackney Empire Trading Limited (HETL) is in operation to generate commercial income for the benefit of the parent Charity (HEL). The company has four distinct areas of activity:

- Exploitation of commercial opportunities such as photo shoots and film work,
- Service Agreement of the theatre bars for the theatre,
- Service contracts with third party suppliers to run the theatre cafe and catering operation,
- Production company producing commissioned pieces of theatre.

In 2021/22 HETL was commissioned to produce the pantomime *Jack and the Beanstalk* and will be claiming Theatre Tax Relief in respect of this production. All of HETL's profits are gift-aided back to the parent Charity under a deed of covenant.

Achievements

Celebrating its 120th anniversary on December 9th 2021, and situated at the heart of one of London's most dynamic, and yet economically challenged boroughs, Hackney Empire supports some of the most diverse communities of artists and audiences in the country.

For generations it has been a cultural beacon at the heart of East London, and for decades it has provided a critical platform for Black and under-represented voices, and been a welcoming, safe space where people of all backgrounds can participate.

This has been an extraordinary year for Hackney Empire as we have continued to navigate our path through the Coronavirus pandemic and post National lockdowns. Our wider fundraising, including the incredible #SaveHackneyEmpire Crowdfunder, alongside stakeholder support from ACE Culture Recovery Funding, Hackney Council, the Mayor of London and many more Trusts and Foundations, allowed Hackney Empire to survive nearly two years where we were unable to earn any income (normally comprising approximately 85% of our turnover).

Throughout, Hackney Empire maintained its commitment to young people, many of whom had been made more isolated and vulnerable by the lockdowns. Despite being closed to the public we continued and extended our Hackney Empire: Creative Futures work (within the parameters of Coronavirus restrictions)

and created a series of programmes that enabled thousands of young people, to continue to develop skills, engage and connect.

80% of the young people we worked with during the lockdowns said that Hackney Empire helped them get through.

We are now fully (re)open to the public, with a packed programme that gives the people of Hackney, East London and across the Capital the chance to experience excellent arts and culture on their doorstep and providing vital employment for local people.

Since reopening in September 2021, this year Hackney Empire:

- Hosted **104** performances, of 39 different productions and events, and welcomed **63,000** people through our doors,
- Worked with over **2800** young people aged **14-25**,
- Kept average ticket price under **£20**,
- Provided work for over 200 freelance artists and creatives,
- Continued to attract audiences from across our local communities with our top booking postcodes including: **E8, E5, E9, E17, E2, E3, E11, E1, N1, N16**.

As custodians to one of the country's most diverse and important stages, we remain committed to excellence, access and representation – with the development of artists, audiences and young people at the very centre of everything we do.

Over 49% of Hackney Empire's artistic programme is created by Global Majority artists/companies.

Our long-standing commitment to increasing representation goes beyond our programme and across all areas of our organisation. Hackney Empire is one of the sector's leading organisations in terms of workforce diversity and representation. 40% of our team identify as coming from Global Majority backgrounds, as do 75% of our Senior Leadership, and more than 60% of our freelancers.

We continue to develop practices to combat systemic racism creating clear, actionable inclusion and anti-racism, anti-disablist and anti-discriminatory policies whilst identifying and breaking down barriers to access for artists and audiences.

And in continued economic, social and political uncertainty the safe space Hackney Empire provides to communicate, share, learn, confront and challenge, is now more important than perhaps ever before.

Artistic programme

Since re-opening we continue to be the place to see world-class comedy, opera, music and, of course, an award-winning Pantomime.

Hackney Empire reopened to the public in August 2021 with a socially distanced performance of Arcola's critically acclaimed production of *Die Walkure*. ★★★★★ "Exhilarating." – *Evening Standard*

This was followed by our 2021 Artist Development Programme *Nightshade* - a reimagining of *Romeo and Juliet* written by professional young playwright Sumāh Ebelé – returning to Hackney Empire where she first discovered her passion for writing. *Nightshade* was performed by an ensemble of 35 young people (aged 14 – 19) who came together to create a new, original piece of musical theatre in just 10 days.

In October we presented ETO's production of one of Handel's rarely performed but finest works *Amadigi*, followed by a stunning production of *La Boheme* in March 2022. ★★★★★ – *inews* Later that month we welcomed Scottish Opera's ebullient production of *The Gondoliers*. ★★★★★ – *The Scotsman*

Mid-October featured *Vanara*; a revolutionary show set in a futuristic prehistory. *Vanara* combined a lush, original score with fluid, cinematic storytelling, weaving together musical theatre, contemporary dance.

And November we opened *Jack in the Beanstalk* – marking the return of Hackney Empire's legendary Panto which despite uncertainty caused by the Omicron variant ran during November and December. ★★★★★ "A lovely, joyful night out" – *Time Out*.

Pre-pandemic we had been working to further diversify our main-stage audiences. We believe Hackney Empire has a responsibility to ensure that as broad an audience as possible crosses our threshold. As we rebuild post-pandemic, we are committed to continuing strategic programming to widen access and inclusion. In March 2022 we hosted our first 'Entry for All' event a performance of *Battersea Arts Centre's Frankenstein – How to Make a Monster*. ★★★★★ – *The Guardian*

Every ticket in our 1,272 seat auditorium was provided **free of charge** to local young people aged 12 to 24. The feedback from young people, schools and youth services was incredible. We estimate that 77% of these young audience members had never been to a theatre before. 100% of those surveyed said they would like to return. We plan to roll out the 'Entry for All' scheme in the coming year.

Hackney Empire Limited

Trustees' Report (continued)

For the year ended 31 March 2022

We also launched *Riot Act* - a digital re-imagining of Alexis Gregory's critically acclaimed production to celebrate LGBT History month; our first digital commission, blending the worlds of theatre, screen and storytelling.

2021/22 programme highlights also included comedy by *Clinton Baptiste, Sindhu Vee, Chris Ramsey, Josh Widdicombe & Rob Beckett, Ed Gamble, Henning Wehn* and *Al Murray*; music by *The Levellers* and *Cate Le Bon*; filming for *Amazon Prime, HBO* and *BBC*; collaborations with *Gal-Dem, Hofesh Shecter* and *BEAM Musical Showcase*; book launches by authors including *Bimini Bon Boulash* and various podcasts.

We commissioned a report on audience engagement and organisational positioning; the scope of this piece of work conducted by Sarah Chambers and Jo Marsh, was to provide us with a framework and set of recommendations around audiences and positioning that would support us in realising our business plan, future ambition, and fill current gaps in information and awareness. The report incited a wider study and set of work into understanding our audiences and community, and the creation of a new and in-depth comprehension of our current and future potential participant and consumer base. This new set of studies was delivered to the board and Arts Council England representatives, and commended for its innovative approach and comprehensive detail, all of which now informs our strategy.

Hackney Empire: Creative Futures

26% of the children and young people living in Hackney Empire's locale are living in poverty compared with 17% across England. Youth unemployment is 30% higher in Hackney than in England as a whole.

In 2021/22 Hackney Empire's award-winning Creative Futures programme engaged over **2,800** young people (aged 14-25) from across East London's communities, providing over **800** hours of activity over **45** weeks of the year.

Reflecting the diversity of our locale, **90%** of our Creative Futures participants come from Black, Asian or ethnically diverse communities and around **15%** have special educational needs or a disability. Our young people are more likely to face a range of disadvantages including greater risk of marginalisation, social exclusion and financial disadvantage, as well as additional barriers to achieving positive outcomes, such as discrimination and cultural prejudice.

By consistently providing free and open programming throughout the pandemic and its aftermath, Creative Futures continued to break down barriers to access and participation by engaging young people of all financial, cultural and socio-economic backgrounds, including those who may not normally engage with

offers from arts organisations. Our programmes use arts and creativity to provide access and engagement, improve mental health and wellbeing, develop creative and transferrable skills and increase employability.

Our programmes in 2021/22 have included workshops and masterclasses alongside professionally produced training and performance programmes which are provided free of charge to all participants. Creative Futures creates a safe, inclusive space that helps cultivate a sense of belonging for young people regardless of their education level, family income bracket, ability or experience.

- 95% of participants surveyed said they felt empowered and able to shape the activities at Hackney Empire
- 93% said Creative Futures made them feel like an artist
- 67% said that Creative Futures led them to take part in other cultural or creative activities as artists or producers.

During 2021/22 we saw the continued need for safe spaces for our young people and their communities. Unable to access their usual support networks some became isolated and withdrawn or at-risk of being drawn into anti-social or dangerous behaviour. Despite being closed to the public and facing an uncertain future, Hackney Empire maintained its commitment to young people throughout. Highlights included:

- Hackney Empire Patron and Hackney born singer-songwriter *Leona Lewis*, ran an artist development programme via Zoom and offered a cohort of 30 young people mentoring, training and masterclasses with world-renowned vocal coaches and producers.
- *Limitless*, our annual intensive summer programme for disabled and neurodiverse young people, was reimagined as an outdoor festival.
- Regular programmes, including the *Writers' Room* and *Progression Sessions* (a programme for young musicians and producers), were adapted to meet the needs and safety of young people in a pandemic context using filming and digital as well as in person activity.
- We launched a Facilitator training course, a bespoke personal and professional development scheme for young people whose education, employment or training had stalled because of the pandemic.

We remain committed to using arts and creativity to support the mental health and wellbeing of young people. With one in six children aged five to 16 identified as having a probable mental health problem in July 2021¹, (a significant increase from one in nine in 2017), and 83% of young people with mental health needs agreeing that the Covid-19 pandemic had made their mental health worse, organisations like Hackney Empire have had a vital role to play.

¹ <https://digital.nhs.uk/news/2021/rate-of-mental-disorders-among-children-remained-stable-in-2021-after-previous-rise-report-shows#:~:text=Mental%20Health%20of%20Children%20and,2%20in%202020%20and%202021>

A recent participant survey indicated that 90% of Creative Futures participants felt it was a safe space where they could talk about personal issues with friends on the programme and 88% with staff.

- 92% of participants surveyed said they experienced greater emotional wellbeing
- 95% said they are more resilient
- 95% said they are more independent

"Joy, appreciation, relief. Hackney Empire has given me a new outlook on life. It has meant so much to me. I feel alive again." – Alex

Leadership

In March 2022 we appointed new Chair, Sir William Atkinson who replaced Delphine Brand after eleven years of service. He brings extensive experience of theatre through his nine years as a Trustee of the Royal Shakespeare Company and as Chair of the Board of the Lyric Theatre, Hammersmith. Sir William spent 40 years as a teacher and headteacher in several inner-city secondary schools across London and was knighted in November 2008 for service to education and community relations.

We were delighted to welcome Leona Lewis as a Patron of Hackney Empire. The award-winning singer, who grew up in Hackney, has had a long-standing relationship with Hackney Empire having launched her second studio album Echo there in 2009. Leona will focus her support on our work with young people.

Finally, our cohort of circa 40 Young Producers, aged 14- 19, continue to be the voice of our organisation. Meeting weekly across 45 weeks of the year, all our youth activity from the strategic planning of our annual programme to individual projects is driven by their ideas and feedback.

Fundraising

Despite their own very challenging circumstances, our Local Authority Hackney Council have continued to support us, and our Arts Council England NPO funding continues through 2022/23. This year we secured new funding from a range of Trust and Foundations including from the Cockayne Foundation, the Theatres' Trust and the Steel Charitable Trust. Our Christmas Big Give campaign raised over £20,000 – three times the amount of the previous year.

We also secured ongoing support from a range of funders including Esmée Fairbairn Foundation, Children in Need and our Creative Futures' partner Forest School. We have a robust fundraising strategy to enable growth whilst re-building financial resilience by growing and diversifying income streams. This has included

harnessing the potential of individual giving highlighted by the public support received during Covid-19 and using our Development Group to help us broker mutually beneficial Corporate Partnerships.

We are also entering into our first major corporate partnership post-pandemic with clothing brand Hush.

In total, £1,069,980 was raised from donations, trusts and foundations, gifts and legacies in 2021/22 (£1,828,509 in 2020/21). The Trustees are aware of their responsibilities under the Charities (Protection and Social Investment) Act 2016 and have considered the implications for their fundraising activities. HEL operates within the code of fundraising practice set out by the independent regulator of charitable fundraising in England and no complaints were received in relation to fundraising activities to date. We are committed to being fully compliant with the laws and guidance underpinning charitable fundraising. We will not accept gifts or sponsorship from organisations or individuals whose support of our activities we deem to be inconsistent with our mission, vision and values. Our Vulnerable Adults and Safe Guarding policies form the framework for protection of these groups.

Sustainability

Hackney Empire is committed to improving its sustainability – we upgraded our boilers to energy efficient models while we were closed during the pandemic and in March 2022 secured funding to upgrade on-stage lighting, enabling us to address the single largest remaining contributor to our carbon footprint and reduce its energy consumption by 80%. In Feb 2022 we also secured funding for a pilot scheme with Stokey Energy which would see the installation of up to 103 solar panels installed on Hackney Empire's roof generating up to 40% of our energy requirements. Once rolled out this programme will reduce our energy usage whilst generating our own clean energy – creating a model for how culture and heritage buildings and venues across the sector can become greener.

Financial review

The group financial statements to March 2022 show an operating surplus on unrestricted funds of £515,680 taking the accumulated surplus on unrestricted funds to £1,784,069. As we came out of lock down and the theatre was able to reopen, we moved quickly to establish a flexible business model and programme, which has stood us in good stead. As a team we have been able to respond to what has become an unpredictable and fast-changing environment by employing rigorous attention to managing cash flow, risk analysis, and continuous assessment of financial implications of our operational decisions. We continue to receive financial support from the London Borough of Hackney, in recognition of the value of our work and are pleased to report that our application to Arts Council England for continued National Portfolio Funding (2023 – 2026) has been successful.

Reserves policy

Hackney Empire Ltd will keep money aside as reserves to protect the charity by strengthening resilience against reduced income or allow to us to take advantage of new opportunities that are aligned to our aims. The level of unrestricted reserves will be approximate to 8 weeks of turnover rising to 12 weeks as funds allow. This will be reviewed annually as part of the AGM of the board of Trustees.

Given the reserves position as at 31 March 2022, Hackney Empire Ltd intend to create designated funds for Artistic risk (£25k) and Building maintenance (£75k) in the new financial year. The Trustees intend to increase these funds to £150k as soon as funds allow. The Artistic reserve can be used for one-off projects that are aligned with the organisations aims and the building reserve can be used for emergency repairs to the building where other operational funds are insufficient to cover the costs. This will be reviewed annually as part of the AGM of the board of Trustees

We have been grateful for the support of Culture Recovery Funding and encouraged that our post-pandemic business model is proving to be a sustainable platform from which we continue to build.

Plans for Future Periods

Looking ahead we will continue to provide an exciting, welcoming and much-needed space for audiences and participants from across our communities to experience and enjoy the arts, continuing strategic programming to widen access and inclusion. Artistic programme for 22/23 includes the premier of Violet, a brand new British opera; new musical theatre from Improbable; the return of The British Soap Awards; a series of events celebrating the Windrush generation; comedy by Paul Chowdry, Gina Yashere and Hasan Minhaj amongst many others; arts & culture for all the family from Peppa Pig to The Gruffalo; music from The Drifters, Robert Plant, The Reggae Choir; podcasts, fashion shows, emerging talent, original young people's work and much, much more. Further, we remain committed to reducing our energy consumption and improving environmental suitability across the organisation. We are in the process of addressing a large contributor to our carbon footprint and will soon replace 80% of our tungsten stage lighting with much more efficient LED lanterns.

Governance

Statement of Trustees' responsibilities

The Trustees (who are also directors of Hackney Empire Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and 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 Charities SORP, (FRS 102),
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

In so far as each Trustee is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees confirm that in planning the activities of the Charity they have had due regard to the Charity Commission's guidance on public benefit, health and safety, due diligence in relation to holding, receiving and moving funds safely, and in particular, the guidance for fee charging charities.

Trustee induction

The Board and its Nominations Committee meet throughout the year as required. They proactively review the skill set of the membership as well as keeping an overview of representation.

The nominator provides the sub-committee with a biography or CV of the nominee and the reason for the nomination, for consideration. The prospective member then meets members of the committee and other trustees and attends a board meeting as an observer. If appropriate, formal invitation is made as part of board meeting proceedings and recorded in the minutes. The new trustee is then sent an induction pack including recent Board papers, financial information, current strategic planning documents and a history of the theatre and introductory meetings are set as appropriate with staff as well as attending events.

Remuneration of key management personnel

The pay of all staff is reviewed no less than annually by the Executive team with reference to UK industry norms. The remuneration of key management personnel is then reviewed by the Finance Committee and presented to the board of trustees.

Risk management

The Directors have examined the major strategic, business and operational risks that the company faces and confirm that systems have been established so that the necessary steps can be taken to mitigate these risks. The Board conducts a no less than annual review of the risk register which details the risks the Charity may face. The Board reviews the systems and procedures in place to mitigate those risks, advises on improvements and provides monitoring on a regular basis. The Board then ensures there is proper implementation of the procedures with the objective of minimising any potential impact on the Charity should those risks materialise.

The key risks as identified, and their mitigating factors were:

Risk	Mitigation
External forces (recession/public spending etc) impact on business plan	• Forward planning to ensure best possible programme. • Plan marketing cycle to optimise income. • Ensure secondary spend offer competitive. • Monitor cash flow.
Building related difficulties	• Ensure maintenance and operations manuals are sufficient and up to date. • Implement appropriate maintenance strategy. • Make suitable financial provisions where possible to ensure effective maintenance.
Loss of key staff	• Succession planning. • Documentation of systems plans and projects. • Training programmes. • Notice periods and handovers. • Recruitment process.
Inadequate reserves	• Reserves policy linked to Business Plan, activities and identified financial and operating risk. • Regular review of policy • Free reserves established

Auditors

A resolution proposing the re-appointment of Saffery Champness LLP as auditors will be put to the Annual General Meeting.

Statement by the Chair of the Board; Sir William Atkinson

As the newly appointed Chair of Hackney Empire, I feel proud and privileged to have joined such a powerhouse organisation. The staff without exception are highly skilled and dedicated to providing the best service to the local and broader community.

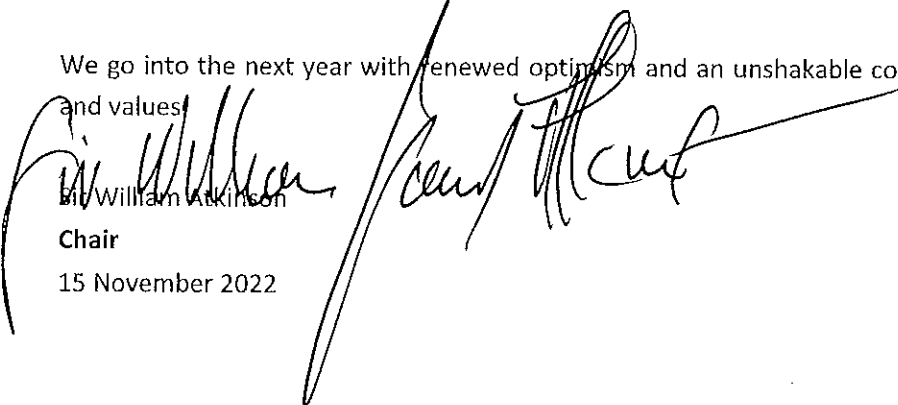
Hackney Empire Limited

Trustees' Report (continued) For the year ended 31 March 2022

The diverse programme seeks to cater to a wide range of preferences from comedy to opera to panto. I have found the work with young people to be truly impressive and potentially life changing. The fact that Hackney Empire has emerged so strongly from the travails of the past is due in no small measure to the outstanding and inspired leadership of Jo Hemmant and Yamin Choudury who together have skilfully piloted the organisation over the last four years. I would also like to pay tribute to the work and leadership of my immediate predecessor Delphine Brand and the Board of Trustees, who did so much to support and challenge the Organisation to improve on its previous best.

The entire Hackney Empire community would like to acknowledge the important contribution to our work made possible by our supporters who have given generously in a variety of ways.

We go into the next year with renewed optimism and an unshakable commitment to our vision, mission and values.



Sir William Atkinson

Chair

15 November 2022

Opinion

We have audited the financial statements of Hackney Empire Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the 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 affairs of the group and the parent charitable company as at 31 March 2022 and of the group's incoming resources and application of resources, including its 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 group and parent charitable company 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 Trustees' 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 group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The Trustees are responsible for the other information. 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.

Independent Auditor's Report to the Members for the year ended 31 March 2022 (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report, and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate

the group or the parent charitable company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with

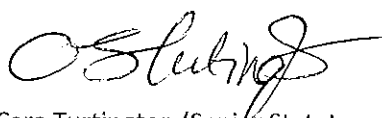
appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 15 November 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Hackney Empire Limited

Consolidated statement of financial activities (Including income and expenditure account) For the year ended 31 March 2022

	Notes	Unrestricted Funds £	Restricted funds £	2022 Total £	2021 Total £
Income from:					
Donations, gifts, and legacies		120,955	-	120,955	219,829
Grants receivable	4	375,295	573,730	949,025	1,608,680
Investment income		135	-	135	718
Income from trading activities	5	366,934	-	366,934	64,575
<i>Income from charitable activities</i>					
Income from running theatre	6	1,481,950	-	1,481,950	7,892
Total income		2,345,269	573,730	2,918,999	1,901,694
Expenditure on:					
<i>Cost of raising funds</i>					
Fundraising costs	7	49,924	-	49,924	35,021
<i>Charitable activity</i>					
Cost of operation of the theatre	8	2,230,288	1,023,567	3,253,855	1,628,512
Total expenditure	9	2,280,212	1,023,567	3,303,779	1,663,533
Net income/(expenditure) for the year		65,057	(449,837)	(384,780)	238,161
Transfer between funds	17	383,817	(383,817)	-	-
Corporation tax	11	66,806	-	66,806	5,905
Net movement in funds		515,680	(833,654)	(317,974)	244,066
Opening fund balances		1,268,389	7,867,528	9,135,917	8,891,851
Closing fund balances	17,18	1,784,069	7,033,874	8,817,943	9,135,917

There were no recognised gains and losses other than the movements in funds shown above. All operations are continuing.

The notes on pages 24 to 41 form part of the financial statements.

Hackney Empire Limited

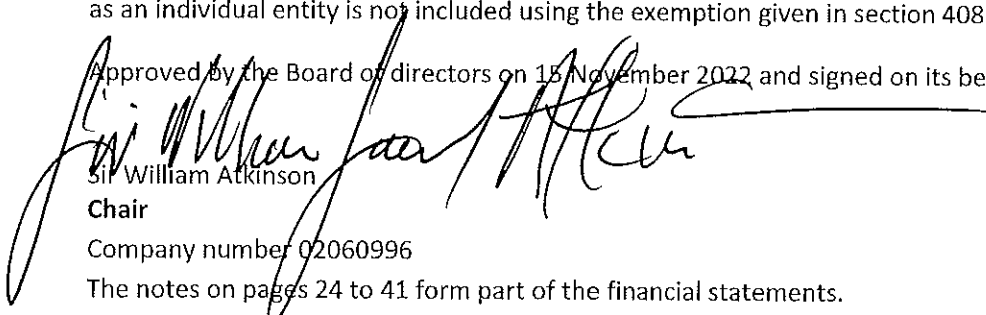
Balance sheets

As at 31 March 2022

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible assets	12	7,227,459	7,800,397	7,227,459	7,800,397
Investments	13	-	-	1	1
		<u>7,227,459</u>	<u>7,800,397</u>	<u>7,227,460</u>	<u>7,800,398</u>
Current assets					
Debtors	14	166,197	251,678	314,803	288,391
Stock		8,075	-	-	-
Cash at bank and in hand		<u>2,357,514</u>	<u>1,513,815</u>	<u>2,157,060</u>	<u>1,499,727</u>
		2,531,786	1,765,493	2,471,863	1,788,118
Creditors: Amounts falling due within one year	15	<u>(941,302)</u>	<u>(429,973)</u>	<u>(881,380)</u>	<u>(392,418)</u>
Net current assets		<u>1,590,484</u>	<u>1,335,520</u>	<u>1,590,483</u>	<u>1,395,700</u>
Total assets less current liabilities		<u>8,817,943</u>	<u>9,135,917</u>	<u>8,817,943</u>	<u>9,196,098</u>
Net assets		<u>8,817,943</u>	<u>9,135,917</u>	<u>8,817,943</u>	<u>9,196,098</u>
Represented by:					
Restricted funds	17	7,033,874	7,867,528	7,417,691	7,867,528
Unrestricted funds:					
General funds	18	<u>1,784,069</u>	<u>1,268,389</u>	<u>1,400,252</u>	<u>1,328,570</u>
Total	19	<u>8,817,943</u>	<u>9,135,917</u>	<u>8,817,943</u>	<u>9,196,098</u>

The total income of the Charity as an individual entity for the year was £ 2,486,075 (2021 - £1,869,974) and its net loss was £378,155 (2021 - £304,247 (net income)). A statement of financial activities for the Charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

Approved by the Board of directors on 15 November 2022 and signed on its behalf.


Sir William Atkinson

Chair

Company number 02060996

The notes on pages 24 to 41 form part of the financial statements.

Hackney Empire Limited

Consolidated cash flow statement For the year ended 31 March 2022

	2022		2021	
	£	£	£	£
Reconciliation of net income/(expenditure) to cash inflow from operating activities				
Net income/(expenditure)	(317,974)		244,066	
Depreciation	667,256		649,760	
Interest received	(135)		(718)	
Inventory	(8,075)		-	
Decrease/(increase) in debtors	85,480		122,196	
(Decrease)/increase in creditors (excluding loans and finance leases)	511,330		(221,339)	
Net cash inflow from operating activities		937,882		793,965
Cash flows from investing activities				
Interest received	135		718	
Payments to acquire tangible fixed assets	(94,318)		(170,974)	
		(94,183)		(170,256)
Change in cash and cash equivalents		843,699		623,709
Cash at 1 April 2021		1,513,815		890,106
Cash at 31 March 2022		2,357,514		1,513,815

Analysis of changes in net debt

	At start of year (2021)	Cash-flows	At end of year (2022)
	£	£	£
Cash	1,513,815	843,699	2,357,514
Total	1,513,815	843,699	2,357,514

The notes on pages 24 to 41 form part of the financial statements.

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity constitutes a public benefit entity as defined by FRS102.

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

1.2 Going concern

In 2020, the operations of the theatre and the Charity's income was significantly impacted after regulations and restrictions were imposed due to Covid-19. However, in 2021-22 with more relaxed regulations the theatre has managed to start operations with moderate capacity. The Charity has benefitted from the Coronavirus Job Retention Scheme to support the staff costs till September 2021, and has put in place cost savings to manage the cashflow during the opening of the theatre.

As of 31 March 2022, the Charity has net current assets of £1,590,493 and for the year ended 31 March 2022 a surplus of £71,682 was made on unrestricted funds leaving a surplus on unrestricted funds of £1,400,252.

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

1.3 Income

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases, amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Production Income is included in incoming resources in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income. All other income is recognised on an accruals basis once the Charity is legally entitled to receipt. All incoming resources are recorded net of VAT.

1.4 Expenditure

Expenditure is included in the Statement of Financial Activities on an accrual basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.
- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as educational programmes. Cost of charitable activities includes both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Where performances of a production straddle the balance sheet date, production costs are apportioned in relation to the number of performances falling within each period and the amount relating to performances after the balance sheet date are treated as debtors.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

Freehold land	Nil
Freehold buildings	2% straight line
Theatre improvements	over 30 to 10 years straight line
Fixtures, fittings and equipment	from 10% to 33% straight line

Individual fixed assets consisting of more than £1,000 are capitalised at cost.

1.6 Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the least term. The corresponding leasing commitments are shown as obligations to the lessor.

Finance lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases re operating leases and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

Hackney Empire Limited

Notes to the accounts (continued)

For the year ended 31 March 2022

1.7 Investments

The Statement of Recommended Practice requires investments to be stated at market value. The investments of Hackney Empire Limited consist of one wholly owned subsidiary, Hackney Empire Trading Limited. The company is not quoted and the directors consider it appropriate to include the investment at cost.

1.8 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equal to net realisable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognized as an impairment loss in the statement of financial activities.

1.9 Pensions

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.11 Consolidation

The consolidated financial statements present information about the company and its wholly owned subsidiary Hackney Empire Trading Limited. The consolidation has been performed on a line by line basis.

1.12 Fund accounting

Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 17).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report.

1.13 Financial instruments

The Charitable only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Financial instruments (continued)

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Status of company

The company is a registered Charity, limited by guarantee.

As at 31 March 2022, the company has 8 members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

Hackney Empire Limited

Notes to the accounts (continued)

For the year ended 31 March 2022

4 Grants receivable

As at 31 March 2022

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
Arts Council England - Culture Recovery Fund	-	299,465	299,465
Clarion Futures	-	5,000	5,000
HMRC JRS Grant	-	38,520	38,520
<u>Project Funding</u>			
Arts Council England – Capital Works	-	23,903	23,903
Alter Ego	-	20,000	20,000
Children in Need	-	10,000	10,000
Cockayne grant	-	23,000	23,000
Esmée Fairbairn Foundation	-	35,000	35,000
Hackney Empire YOF Grant	-	5,000	5,000
Hello Again	-	15,000	15,000
Impact Funds	-	38,640	38,640
London Borough of Hackney	-	40,000	40,000
Steel Charitable Trust	-	11,000	11,000
The Churchill Fellowship	-	9,202	9,202
	<u>375,295</u>	<u>573,730</u>	<u>949,025</u>

As at 31 March 2021

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
Arts Council England - Culture Recovery Fund	-	534,226	534,226
Arts Council England - Emergency Funding	244,555	-	244,555
Clarion Futures	5,000	-	5,000
Esmée Fairbairn Foundation – Unrestricted grants	23,500	-	23,500
HMRC JRS Grant	-	166,732	166,732
Jean Hodgkinson	-	5,300	5,300
London Community Response Fund	-	22,237	22,237
<u>Project Funding</u>			
Arts Council England – Capital Works	-	120,535	120,535
Arts Council England - supplementary grant	-	1,000	1,000
Children in Need	-	4,000	4,000
Ernest Hecht Charity	-	2,500	2,500
Esmée Fairbairn Foundation	-	47,000	47,000
FTO Yamana Peabody	-	2,000	2,000
Goldsmiths Company Charity	-	3,000	3,000
Greater London Authority	-	10,000	10,000

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2022

4 Grants receivable (continued)

Hackney Council	-	300	300
London Borough of Hackney	-	40,000	40,000
Youth Opportunity Fund	-	1,500	1,500
	<u>648,350</u>	<u>960,330</u>	<u>1,608,680</u>

Included in Note 4 above are government grants of £40,000 (2021 - £40,000) from London Borough of Hackney and £38,520 (2021 - £166,732) from the Coronavirus Job Retention Scheme.

5 Income from trading activities

	2022 £	2021 £
Bars and catering income	187,620	-
Location and filming income	146,895	64,075
Other income	32,419	500
	<u>366,934</u>	<u>64,575</u>

6 Income from theatre operation

	2022 £	2021 £
Box office	558,263	-
Theatre hire	701,814	1,217
Merchandise	28,204	346
Booking fees	48,665	1,961
Theatre recharges	143,572	1,668
Other income	1,432	2,700
	<u>1,481,950</u>	<u>7,892</u>

7 Fundraising costs

	2022 £	2021 £
Staff costs	41,515	34,713
Fundraising expenses	8,409	308
	<u>49,924</u>	<u>35,021</u>

Hackney Empire Limited

Notes to the accounts (continued)

For the year ended 31 March 2022

8 Costs of operation of the theatre

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Staff and staff-related costs	802,884	200,678	1,003,522
Depreciation	15,786	651,470	667,256
Promoters/production costs	851,748	59,717	911,465
Education	5,320	-	5,320
Publicity	183,570	7,869	191,439
Premises and general running costs	340,453	70,557	411,010
Overhead/administrative costs	18,419	31,989	50,408
Governance costs	12,148	1,287	13,435
	<u>2,230,288</u>	<u>1,023,567</u>	<u>3,253,855</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Staff and staff-related costs	145,186	445,579	590,765
Depreciation	8,682	641,077	649,759
Promoters/production costs	24,265	25,072	49,337
Education	127	173	300
Publicity	22,750	9,470	32,220
Premises and general running costs	160,145	81,857	242,002
Overhead/administrative costs	25,534	29,489	55,023
Governance costs	5,868	3,238	9,106
	<u>392,557</u>	<u>1,235,955</u>	<u>1,628,512</u>

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2022

9 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2022	2021
	£	£
Amounts payable to auditors for audit services- current year	12,780	11,025
Amounts payable to auditors - other service	-	1,300
Depreciation	667,256	649,760
Operating lease payments	95,089	36,936

10 People cost

	2022	2021
	£	£
Aggregate staff costs are made up as follows:		
Salaries and wages	860,565	483,385
Social security costs	64,892	39,634
Pension costs	14,910	8,963
Other staff costs	11,350	2,266
Subtotal	951,717	534,248
Professional Fees*	93,320	91,230
Total	1,045,037	625,478
Fundraising staff costs (note 7)	41,515	34,713
Staff and staff-related costs of operation of the theatre (note 8)	1,003,522	590,765
	1,045,037	625,478

	2022	2021
	No.	No.
The number of staff receiving a salary over £60,000 was:		
£60,000 - £69,999	1	-

The total number of employees during the year was 43 (2021: 38) of which 10 were permanent staff and 33 were involved in performances.

Key management personnel are considered to be the Executive Director and the Artistic Director. The total amount paid to key management personnel in the year was £124,304 (2021: £106,918).

*Professional Fees includes the freelancer and contractor cost for the outsourcing of the finance, marketing and development function, which substitutes the staff costs in these areas for the Charity.

10.1 Transactions with Trustees

No payments are made to Trustees for their services as Trustees, nor were any expenses reimbursed to them during the current or preceding period. Donations totalling £5,019 were received from the Trustees during the period (2021: £5,510).

11 Taxation

No charge to corporation tax is expected to arise due to the company's charitable status.
The trading subsidiary benefits from a theatrical tax credit received on its production activities

12 Tangible fixed assets

Group and Charity	Freehold land and buildings £	Theatre improve- ments £	Fixtures fittings and equipment £	Total £
Cost				
At 1 April 2021	222,758	18,581,122	609,746	19,413,626
Additions	-	34,360	59,958	94,318
At 31 March 2022	222,758	18,615,482	669,704	19,507,944
Depreciation				
At 1 April 2021	108,061	10,934,813	570,355	11,613,229
Charge for the year	4,455	645,629	17,172	667,256
At 31 March 2022	112,516	11,580,442	587,527	12,280,485
Net book value				
At 31 March 2022	110,242	7,035,040	82,177	7,227,459
At 31 March 2021	114,697	7,646,309	39,391	7,800,397

All assets are in use for charitable purposes. Legal charges exist over the freehold properties to secure the interests of the public bodies, bankers and other lenders funding their purchase and the cost of theatre improvements.

13 Investment in subsidiary

	2022 £	2021 £
Investment in subsidiary undertaking	1	1

The Charity holds 100% of the issued ordinary share capital of the following company:

Subsidiary	Country of registration	Class	Shares held
Hackney Empire Trading Limited	England	Ordinary	100%

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2022

13 Investment in subsidiary (continued)

The principal activities of the subsidiary are to generate commercial income for Hackney Empire Limited and to produce theatrical work on commission. The subsidiary started trading in February 2011. A summary of the results of the subsidiary is set out below.

	2022 £	2021 £
Income	1,219,981	121,069
Cost of sales	(874,262)	(93,371)
Administrative expenses	(277,412)	(36,170)
Profit / (Loss) on ordinary activities before taxation	68,307	(8,472)
Corporation tax	66,807	5,905
Profit / (Loss) on ordinary activities after taxation	135,114	(2,567)
Amount gifted to Hackney Empire Limited	(132,547)	-
Retained profit / (loss)	2,567	(2,567)
Turnover comprised:		
Bar/Catering	204,560	-
Pantomime production	829,080	57,614
Location and filming fees	186,341	63,455
	1,219,981	121,069

Hackney Empire Limited and the subsidiary have a group VAT registration. Any profit made by the subsidiary is paid under gift aid to Hackney Empire Limited.

The assets and liabilities of the subsidiary were:

	2022 £	2021 £
Current assets	295,557	119,631
Creditors: amounts falling due within one year	(295,556)	(122,197)
Net assets	1	(2,566)
Shareholder's funds	1	(2,566)

Notes to the accounts (continued)
For the year ended 31 March 2022

14 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	28,805	25,731	21,630	11,350
Other taxes	-	42,173	-	42,173
Prepayments and accrued income	63,290	92,613	57,540	150,228
Amounts owed by subsidiary undertaking	-	-	235,633	84,640
Corporation tax	74,102	91,161	-	-
	<u>166,197</u>	<u>251,678</u>	<u>314,804</u>	<u>288,391</u>

15 Creditors: Amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	196,793	107,670	174,817	96,840
Box office advance seats	432,561	152,561	432,561	152,561
Other taxes and social security	71,620	8,569	97,829	13,748
Other creditors and accruals	240,328	161,173	176,173	129,269
	<u>941,302</u>	<u>429,973</u>	<u>881,380</u>	<u>392,418</u>

16 Future financial commitments

The group is committed to the total future lease payments:

	2022	2021
	£	£
Land and buildings:		
Within one year	88,000	65,000
Between two and five years	308,000	260,000
Over 5 years	-	32,500
	<u>396,000</u>	<u>357,500</u>

This represents a 15-year lease over 117 Wilton Way

	2022	2021
	£	£
Office equipment:		
Within one year	7,089	4,436
Between two and five years	-	-
	<u>7,089</u>	<u>4,436</u>

Hackney Empire Limited

Notes to the accounts (continued)

For the year ended 31 March 2022

17 Restricted Funds

As at 31 March 2022

Charity and Group	Balance 1 April 2021 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2022 £
Capital					
Freehold property	145,883	-	(4,455)	(31,186)	110,242
Capital projects	7,094,215	-	(607,701)	348,526	6,835,040
ACE Capital Works	304,899	23,903	(37,930)	(290,872)	-
Revenue					
Arts Council England- Culture Recovery Fund	258,231	299,465	(147,411)	(410,285)	-
Alter Ego	-	20,000	(20,000)	-	-
Backstage Trust	40,000	-	(40,000)	-	-
Children In Need	4,000	10,000	(10,000)	-	4,000
Cockayne grant	-	23,000	-	-	23,000
Clarion Futures	-	5,000	(5,000)	-	-
Esmée Fairbairn Foundation	-	35,000	(35,000)	-	-
Greater London Authority	10,000	-	(10,000)	-	-
Hackney Empire YOF Grant	-	5,000	-	-	5,000
Hello Again	-	15,000	(6,250)	-	8,750
HMRC JRS Grant	-	38,520	(38,520)	-	-
Impact Funds	-	38,640	-	-	38,640
Jean Hodgkinson	5,300	-	(5,300)	-	-
LBH – Service agreement	-	40,000	(40,000)	-	-
Steel Charitable Trust	-	11,000	(11,000)	-	-
Theatre Trust	5,000	-	(5,000)	-	-
The Churchill Fellowship	-	9,202	-	-	9,202
Total restricted funds	7,867,528	573,730	(1,023,567)	(383,817)	7,033,874

Transfers between funds represent the release of CRF funding to general reserves in line with the reserve's reflation part of the CRF claim.

Transfers from capital restricted funds represent a net transfer in of £26,468 relating to cumulative spend borne by restricted funds that should have been funded from unrestricted funds and simplification of the funds overall.

17 Restricted Funds (continued)

Freehold property

These funds represent resources held in the form of building.

ACE Capital Work

Funding towards acquisition or improvement of long-term assets such as equipment or building.

Arts Council England-Culture Recovery Fund

Funding towards the costs outlined in the application submitted to culture recovery fund- grants programme.

Alter Ego

Funding for creative work featuring young artists that have performed over the ten years

Backstage Trust

Funding towards the refurbishment of toilets at Hackney Empire

Children in Need

Funds towards LIMITLESS (Hackney Village), working with children and young people with learning and sensory disabilities.

Cockayne grant

Hackney Empire Post Covid-19 Capital Improvement Programme.

Clarion Futures

Funding to support core costs and Covid-19 measures.

Esmée Fairbairn Foundation

Funding towards the costs of staffing and artistic development of new models which aim to increase artistic ambition and artist and audience diversity

Greater London Authority

Funding towards Empire 2 rent as a space for Creative futures programme.

Hackney Empire YOF Grant

Support towards creative learning programme.

Hello Again

Discounted tickets for Hackney residents for Panto 2021 and other programmes.

HMRC JRS Grant

Funding to cover a proportion of the salaries of furloughed staff during the COVID-19 pandemic.

Impact Funds

Funding towards acquisition or improvement of long-term assets such as equipments or buildings. (Stage lighting equipment)

Jean Hodgkinson

Funding to support implementation of Covid-19 measures.

LBH – Service agreement

London Borough of Hackney supported the Charity's 'Connecting Young Hackney' and other youth involvement programmes.

Steel Charitable Trust

Support towards creative learning programme.

Theatre Trust

Funding towards improvements to the water pumps in the theatre.

The Churchill Fellowship

Support towards specific needs of young people/artists.

Hackney Empire Limited

Notes to the accounts (continued)
For the year ended 31 March 2022

17 Restricted Funds (continued)

As at 31 March 2021

Charity and Group	Balance 1 April 2020 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2021 £
Capital					
Freehold property	145,883	-	-	-	145,883
Capital projects	7,706,371	-	(612,156)	-	7,094,215
ACE Capital Works	210,463	120,535	(26,099)	-	304,899
Revenue					
Arts Council England- Culture Recovery Fund	-	534,226	(275,995)	-	258,231
Arts Council England- supplementary grant	3,436	1,000	(4,436)	-	-
Backstage Trust	40,000	-	-	-	40,000
Children In Need	10,000	4,000	(10,000)	-	4,000
Esmée Fairbairn Foundation	21,000	47,000	(68,000)	-	-
ERNEST HECHT CHARITY	-	2,500	(2,500)	-	-
FTO Yamana Peabody	-	2,000	(2,000)	-	-
Goldsmiths Company Charity	-	3,000	(3,000)	-	-
Greater London Authority	-	10,000	-	-	10,000
Hackney Council	-	300	(300)	-	-
HMRC JRS Grant	-	166,732	(166,732)	-	-
Jean Hodgkinson	-	5,300	-	-	5,300
London Community Response Fund	-	22,237	(22,237)	-	-
LBH – Service agreement	-	40,000	(40,000)	-	-
Theatre Trust	5,000	-	-	-	5,000
Young Leaders on track festival	1,000	-	(1,000)	-	-
Youth Opportunity Fund	-	1,500	(1,500)	-	-
Total restricted funds	8,143,153	960,330	(1,235,955)	-	7,867,528

Notes to the accounts (continued)
For the year ended 31 March 2022

18 Unrestricted funds

As at 31 March 2022

Charity and Group	Balance 1 April 2021 £	Incoming resources £	Resources used £	Transfers between funds £	Balance 31 March 2022 £
General funds	1,268,389	2,412,075	(2,280,212)	383,817	1,784,069
Total unrestricted funds	1,268,389	2,412,075	(2,280,212)	383,817	1,784,069

As at 31 March 2021

Charity and Group	Balance 1 April 2020 £	Incoming resources £	Resources used £	Transfers between funds £	Balance 31 March 2021 £
General funds	748,698	947,269	(427,578)	-	1,268,389
Total unrestricted funds	748,698	947,267	(427,578)	-	1,268,389

19 Analysis of net assets between funds

As at 31 March 2022

	Tangible Fixed assets £	Net current assets £	Total £
Group and Charity			
Restricted funds	7,145,282	(111,408)	7,033,874
Unrestricted funds	82,177	1,701,892	1,784,069
	7,227,459	1,590,484	8,817,943

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2022

19 Analysis of net assets between funds (continued)

As at 31 March 2021

	Tangible Fixed assets £	Net current liabilities £	Total £
Group and Charity			
Restricted funds	7,761,006	106,522	7,867,528
Unrestricted funds	39,391	1,228,998	1,268,389
	<u>7,800,397</u>	<u>1,335,520</u>	<u>9,135,917</u>

20 Related party transactions

The Charity has a wholly owned subsidiary company (Hackney Empire Trading Limited (HETL)) of which more details can be found in note 13. A summary of the transactions between the entities is as follows:

	2021 £	2020 £
Fee charged by HETL for producing pantomime	829,080	57,614
Recharge of costs by Charity	395,874	49,005
Profits donated to the Charity by gift aid	132,547	-

At the year-end HETL owed the Charity £235,633. There were no other related party transactions not disclosed elsewhere in these accounts.

21 Comparative consolidated statement of financial activities

	Unrestricted Funds £	Restricted Funds £	2021 Total £
Income from:			
Donations, gifts and legacies	219,829	-	219,829
Grants receivable	648,350	960,330	1,608,680
Investment income	718	-	718
Income from trading activities	64,575	-	64,575
<i>Income from charitable activities</i>			
Income from running theatre	7,892	-	7,892
Total income	941,364	960,330	1,901,694
Expenditure on:			
<i>Cost of raising funds</i>			
Fundraising costs	35,021	-	35,021
<i>Charitable activity</i>			
Cost of operation of the theatre	392,557	1,235,955	1,628,512
Total expenditure	427,578	1,235,955	1,663,533
Net income / (expenditure) for the year	513,786	(275,625)	238,161
Transfers between funds	-	-	-
Corporation tax	5,905	-	5,905
Net movement in funds	519,691	(275,625)	244,066
Opening fund balances as at 1 April 2020	748,698	8,143,153	8,891,851
Closing fund balances as at 31 March 2021	1,268,389	7,867,528	9,135,917

HACKNEY EMPIRE LIMITED

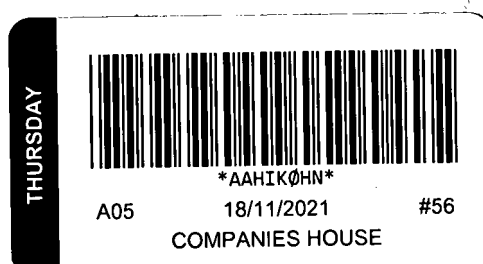
England & Wales - Charity number 1062085

Accounts

Company Registration No. 02060996 (England and Wales)
Registered Charity No. 1062085

Hackney Empire Limited

**Trustees' report
and financial statements
for the year ended 31 March 2021**



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Hackney Empire Limited

Legal and administrative information

Constitution Hackney Empire Limited is a company limited by guarantee, not having a share capital. The company is a registered Charity governed by its Memorandum and Articles of Association.

Objects The company's main objects, as set out in the Articles, are to advance public education and appreciation of the arts and to provide the theatre facility for recreation and leisure time occupation in the interests of social welfare with the object of improving the conditions of life, particularly of the inhabitants of the London Borough of Hackney.

Organisation The board of directors of the company and the sub-committees have overall responsibility for the running of the company. Through regular board meetings and sub-committee meetings the directors, who are the Trustees for the Charity, advise the management of the company, in particular on strategy. The Board appoints a Chief Executive who is responsible for policy and day to day management of the Charity.

Hackney Empire Limited has a wholly own subsidiary company, Hackney Empire Trading Limited. This company was formed to generate commercial income at Hackney Empire for the benefit of the parent company to which it gift aids any profits made.

Board of directors

Delphine Brand	(Chair)
Roger Woolfe	
Karin Gartzke	
Sean Gascoine	
Jay Sheth	
Mark Harwood	(appointed 23 March 2021)
Matthew Roeser	(appointed 23 March 2021)
David Adams	(appointed 23 March 2021)
Richard Etienne	(appointed 23 March 2021)

All directors are appointed in accordance with the Articles of Association. Except where indicated, the directors listed served throughout the year and up to the date of this report.

Hackney Empire Limited

Legal and administrative information (continued)

Finance Committee	Delphine Brand Roger Woolfe Mark Harwood Matthew Roeser David Adams
Executive Director / Company Secretary Artistic Director	Jo Hemmant Yamin Choudury
Other principal officers	
Technical Manager	Othman Reid
Head of Programme	Jane Walsh
Head of Development	Elly Rothnie
Company number	02060996
Charity number	1062085
Registered office	Hackney Empire 291 Mare Street London E8 1EJ
Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Barclays Bank PLC 27 Soho Square London W1D 3QR
Accountants	EPIC Investment Partners Audrey House 16-20 Ely Place London EC1N 6SN
Connected charities	Hackney Empire Limited is connected with the Hackney Empire Preservation Trust, which owns the theatre building. Hackney Empire Limited benefits from the continued occupation of this property at a peppercorn rental

Transformative – Representative – Accessible – Radical – Inspiring

Vision

We believe that everybody should have the opportunity to experience the singularly transformative power of great Arts & Culture, and we will do everything we can to create vital access for all.

Mission

Hackney Empire will present a programme that is extraordinary, challenging and profound, celebrating the richness of local, national and international Arts & Culture. We will nurture and platform the unheard and the unknown, to encourage and share excellence in all its forms.

Values

- Extraordinary Arts & Culture can be created by **all people, anywhere**.
- The **transformative** impact of **Arts & Culture**, in all its forms, **should be accessible by all**. We have the opportunity to affect how we view others, our environment, our society and ourselves.
- We want ignored and overlooked voices to be heard, isolated communities to be engaged and **ideas to be recognised and responded to**.
- **Young people** from all backgrounds **will always have a home at Hackney Empire** and our **community** will always be at the heart of how we think and how we work.
- **We want to entertain and provoke**. We want to face difficult truths, confront prejudice, embrace new ideas, and share stories.
- **We want to work with others** to create high-quality, innovative and powerful programme.

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

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice incorporating the Financial Reporting Standard 102 – SORP (FRS 102).

Objectives and Activities

Hackney Empire Limited, (henceforth Hackney Empire or HEL) seeks to develop and maintain Hackney Empire Theatre as a leading arts and performance centre in London serving the widest possible range of audiences. Embracing both local and global communities of artists and audiences, it is determined to nurture and present work that is at once extraordinary, inclusive, inspirational and transformative.

Hackney Empire has a legacy as a cultural beacon and safe space, which annually, in normal times, welcomes over 200,000 audience members - an audience that fully reflects the incredible diversity and vibrancy of London's communities. For decades Hackney Empire has been regarded as a vital and exceptional platform for Black creatives, artists and audiences, and has a proud legacy of supporting marginalised and isolated voices. This legacy continues to this day as a central element of the organisation's manifesto. As well as entertaining, educating and inspiring hundreds of thousands of people each year through its artistic programme, Hackney Empire is a dedicated developmental space for thousands of young people every year, a safe and welcoming nexus for a modern society, which is driven by our Creative Futures programme.

Driven by core values of quality, access, representation, participation and engagement, Hackney Empire will once again, following the Coronavirus pandemic, become a creative hub and a principal national and international cultural destination for the widest range of audiences. Key to this aspiration is the exceptional work presented on our main stage or in our workshop spaces, together with the sector leading development and participation work carried out at Hackney Empire and throughout East London.

The safe space we provide to communicate, share, learn, confront and challenge is now more important than perhaps ever before.

Achievements

This has been an extraordinary year for Hackney Empire as we have navigated our path through the Coronavirus global pandemic. Through the support of our existing partnerships and loyal supporters and the development of new relationships, we have been able to continue and extend our activity, where possible within the parameters of Coronavirus restrictions. This is particularly so for our work with young people, where our initial response was to move to an online programme. We continue to be leading the arts and culture sector in terms of our diverse team and our commitment to representation and inclusion.

We are proud to be a leading example of this level of engagement and inclusivity and to reflect the borough in which we sit both on our stages and within our team.

Our Creative Futures team worked with hundreds of young people, not only delivering a full development and participation programme, but also becoming a frontline service to assist young people from across East and North London, their carers and their families to access much needed aid and resources in the uncertainty that prevailed.

During the early stages of lockdown, the incredible success of the Crowdfunder and of the Mayor of London's Pay it Forward scheme saw supporters raise over £130,000, underlining the significance of the organisation to its community. Perhaps, even more significant, were the messages of support received from the individuals that contributed and the generosity of Esmeé Fairbairn Foundation, Garfield Weston Foundation, the London Community Response Fund and Backstage Trust.



**WE ARE
ARTS & CULTURE**

Hackney Empire enters 2021 with a renewed energy and sense of urgency. As custodians to one of the country's most beautiful, diverse and important stages, we remain committed to excellence, access and representation, with development of artists, audiences and young people at the very centre of everything we do. We will lead crucial change wherever possible and will seek to collaborate with others to ensure that the transformative effects of Arts and Culture can be experienced by all.

Community, Creative Learning & Participation

Hackney Empire Creative Futures programme is the leading provider of arts and culture engagement for young people in Hackney, working with over 4,000 young people annually from some of East and North London's most marginalised communities. In 2019, 48% of young people in Hackney were living below the poverty line, up from 41.3% in the previous year. Each year we provide over 800 hours of engagement across more than 50 projects. The programme is designed to remove barriers to access, build confidence, raise aspirations and tackle social exclusion. 90% of participants are from Black, Asian and Ethnically Diverse backgrounds and 15% identify as having a disability or special need.

In 2020, Creative Futures was swift to adapt to lockdown, delivering an online programme of workshops, panel discussions and masterclasses in everything from script writing to social media management. Resources were also diverted wherever possible to support young people, their carers and families who may have become more vulnerable. Many were experiencing increased deprivation or could not access vital services due to lockdown and the overcapacity of social and youth services.

For over ten years we have been working with the vulnerable and at-risk, Hackney Empire and the Creative Futures programme continue to play a vital role in rebuilding the confidence and well-being of the young communities and audiences we serve. Post-pandemic we have reintroduced the idea of collective social wellbeing and safe spaces, using arts and culture as a tool to unlock young people's imaginations and to create vital interventions wherever possible.

Pantomime

The groundwork for our acclaimed pantomime 2020 was in place by March 2020. However, it quickly became clear that it would not be possible to proceed within the constraints of government restrictions and potential social distancing. Therefore, in line with many other theatres, we took the sad decision to postpone the production of Jack and the Beanstalk to 2021. We were heartened by our audience loyalty, and are now looking forward to welcoming audiences through our doors to see Jack and the Beanstalk from November 2021.

Fundraising

The Board gratefully acknowledges the valuable continuing support from all its major stakeholders (Arts Council England, London Borough of Hackney, the Esmée Fairbairn Foundation, Garfield Weston, BackStage Trust and Children in Need) as well as an increasing number of individual donors and friends.

HEL is a National Portfolio Organisation of the Arts Council and benefits from an annual grant of £375,295. The current four-year National Portfolio grant period has been extended by one year due to the Coronavirus restrictions and is now running until 2021/22. The capital programme of work of over £400,000, funded by Arts Council England, has been completed, supported also by Backstage Trust, Theatre Trust and individual patrons. This work completes the first phase of our plan to, amongst other things, improve our carbon footprint

In total, £1,828,509 was raised from donations, trusts and foundations, gifts and legacies in 2020/21 (£966,225 in 2019/20). HEL operates within the code of fundraising practice set out by the independent regulator of charitable fundraising in England and no complaints were received in relation to fundraising activities to date. We are committed to being fully compliant with the laws and guidance underpinning charitable fundraising. We will not accept gifts or sponsorship from organisations or individuals whose support of our activities we deem to be inconsistent with our mission, vision and values. Our Vulnerable Adults and Safeguarding policies outline our code of practice by which we operate in relation to donations from people who could be deemed as vulnerable. The policies provide a framework for protection to ensure that donations are voluntary and that best practice is adhered to.

Financial Review

2019/20 was the first year that started to realise the promise of the revised Business Plan. Artistically the programme reflected a broader and ever more accessible line-up of incredible shows and events that presented the best of contemporary and classical culture; operationally the organisation grew, a General Manager and Head of Development were appointed - both significant roles for resilience and development; national partnerships grew audiences and furthered the artistic offer for our own communities. At the same time, careful financial management resulted in a £150,895 surplus, setting firm foundations to allow us to look to the future with confidence and ambition. It is this stable platform, coupled with continued strict financial discipline, and support from our stakeholders, that has allowed us to survive the impact of the Coronavirus pandemic since March 2020.

The group financial statements to March 2021 show an operating surplus on unrestricted funds of £519,691 (£525,602 surplus 2019/20), taking the accumulated surplus on unrestricted funds to £1,268,389. This healthy starting balance was essential as we faced a period of closure due to restrictions imposed in response to the Coronavirus pandemic starting in March. We benefitted from support from our funders, securing additional Covid-related funding from the Mayor's London Community Response Fund and further support from Arts Council England, from the DCMS Culture Recovery Funds (administered by Arts Council England). In addition, we have benefitted from generous additional support from trusts and foundations, providing incremental funding as well as relaxing conditions for existing grants in this time of turmoil. We also made full use of the government's Job Retention Scheme and continue to explore all avenues of financial support.

From March 2020, we focussed our efforts on diversifying income streams, programming non-audience based activity in line with government restrictions. Leading into 2021 we invested in artists and the

Hackney Empire Limited

Trustees' Report (continued) For the year ended 31 March 2021

development of their practice and will be launching the Emerging Creative and Project Support Scheme, designed to support and enable sector-wide access points for diverse and under-represented artists, creatives and their narratives.

Hackney Empire Trading Limited

A wholly-owned trading subsidiary, Hackney Empire Trading Limited (HETL) is in operation to generate commercial income for the benefit of the parent Charity (HEL). The company has three distinct areas of activity :

Firstly, it deals with commercial opportunities such as photo shoots and film work,

- Secondly, it manages service contracts with third party suppliers to run the theatre cafe and catering operation,
- Finally, it acts as a production company producing commissioned pieces of theatre.

Whilst we have maximised this area of activity, where possible, it has been hampered by the pandemic in terms of film shoots and commercial bookings and our café and bars activity ceased throughout the entire period. We took the opportunity to run the theatre bars in-house on reopening and are currently recruiting for a suitable suppliers for the café.

In 2020/21 HETL was commissioned to produce the pantomime *Jack and the Beanstalk*, and will be claiming Theatre Tax Relief of £5,905 in respect of this production. All of HETL's profits are gift-aided back to the parent Charity under a deed of covenant. There is no contribution from HETL to HEL in 2020/21 due to HETL incurring a loss of £2,567 (2019/20 - contribution of £208,447).

Reserves Policy

The reserves accumulated after the success of 2019/20 put us in a position to absorb losses of income which occurred as a result of Coronavirus, related restrictions and ultimately temporary closure. Having decided to repurpose the designated building and artistic reserves during the pandemic, Trustees have decided to reinstate the original designations in 2021. As at 31 March 2021, the group has free reserves of £1,193,389. Given the exceptional year that we have been operating in, and the fact that three months operation costs of the group are circa £380,000, the Trustees believe this represents a prudent level of reserves to hold at this point. The Trustees will continue to review the reserves policy going forward.

Going concern

The preparation and completion of the Trustees' Report and Financial Statements has, inevitably, been impacted by the Coronavirus pandemic. Since the closure of theatres in March 2020, the Board of Trustees and senior team have been working on flexible plans, both operational and financial, for the continued viability of the organisation. We have been grateful for the support of Culture Recovery Funding and we currently remain confident about our future. Our business plan and our model of operation allow for flexibility and for us to take advantage of responsive programming. Our cash flows are produced regularly and are aligned to the flexible model. These plans are clearly dependent upon a variety and number of key assumptions.



Plans for Future Periods

We are in discussion with a series of new partners as well as maintaining existing ones, including a co-production of *Unexpected Twist* with Royal & Derngate and the Children's Touring Partnership; Michael Rosen's much loved modern adaptation of *Oliver Twist* as a musical family drama - written by Roy Williams with music by Conrad Murray of BAC Beatbox Academy.

Vanara, premiered as a new musical in October; A revolutionary show set in a futuristic prehistory, combining an original score with fluid, cinematic storytelling, weaving together musical theatre, contemporary dance, circus and multimedia innovation.

The Autumn season also brought the repertoire of the English Touring Opera, who have built their touring schedule around their partnership with Hackney Empire, this season performing Handel's opera *Amadigi*, of his finest, though rarely performed.

Governance

Statement of Trustees' responsibilities

The Trustees (who are also directors of Hackney Empire Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each Trustee is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees confirm that in planning the activities of the Charity they have had due regard to the Charity Commission's guidance on public benefit, health and safety, due diligence in relation to holding, receiving and moving funds safely, and in particular the guidance for fee charging charities.

Trustee induction

The Board Development Sub-Committee meets through the year as required. Board members and senior managers are able to make suggestions for new members when vacancies arise. These are considered against criteria which relate to areas of expertise and experience required. The nominator provides the sub-committee with a biography or CV of the nominee and the reason for the nomination. The sub-committee contacts the nominee to inform them of the procedure. Where the sub-committee decides to proceed the sub-committee meets the nominee with the Executive Director and Artistic Director. If the response to this meeting is positive the sub-committee makes a proposal to the Board and further circulate the appropriate CV(s). If the main Board agrees, the nominee is informed and is sent an introductory pack of recent Board papers, current strategic planning documents and a history of the theatre. The nominee is then invited to the next Board meeting to observe before formal appointment is made. There is a further meeting with the nominee, the Chairman and the Executive team which form a part of the induction process.

Remuneration of key management personnel

The pay of all staff is reviewed annually by the Executive team with reference to UK industry norms. The remuneration of key management personnel is then reviewed by the Finance Committee.

Risk management

The Directors have examined the major strategic, business and operational risks that the company faces and confirm that systems have been established so that the necessary steps can be taken to mitigate these risks. The Board conducts an annual review of the risk register which details the risks the Charity may face. The Board reviews the systems and procedures in place to mitigate those risks, advises on improvements and provides monitoring on a regular basis. The Board then ensures there is proper implementation of the procedures with the objective of minimising any potential impact on the Charity should those risks materialise.

The emergence of the Coronavirus pandemic and the measures implemented in response have exacerbated the previously identified risk of loss of key staff, which moved up to second highest of the identified risks.

Trustees' Report (continued)
For the year ended 31 March 2021

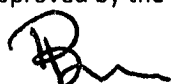
The key risks as identified, and their mitigating factors were:

Risk	Mitigation
External forces (recession/public spending etc) impact on business plan	- Forward planning to ensure best possible programme. - Plan marketing cycle to optimise income. - Ensure secondary spend offer competitive. - Monitor cash flow.
Loss of key staff	- Succession planning. - Documentation of systems plans and projects. - Training programmes. - Notice periods and handovers. - Recruitment process.
Inadequate reserves	- Reserves policy to be linked to Business Plan, activities and identified financial and operating risk. - Regular review of policy.
Building related difficulties	- Ensure maintenance and operations manuals are sufficient and up to date. - Implement appropriate maintenance strategy. - Make suitable financial provisions where possible to ensure effective maintenance.

Auditors

A resolution proposing the re-appointment of Saffery Champness LLP as auditors will be put to the Annual General Meeting.

The Trustees' Report, which includes the strategic report in accordance with the Companies Act 2006, was approved by the board of directors on and signed on its behalf by:



Delphine Brand

Chair

09 November 2021

Opinion

We have audited the financial statements of Hackney Empire Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash flow statement and the 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 affairs of the group and the parent charitable company as at 31 March 2021 and of the group's incoming resources and application of resources, including its 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 group and parent charitable company 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 Trustees' 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 group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. 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.

Independent Auditor's Report to the Members for the year ended 31 March 2021 (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report, and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate

the group or the parent charitable company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with

appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 9 November 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Hackney Empire Limited

Consolidated statement of financial activities (Including income and expenditure account) For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted funds £	2021 Total £	2020 Total £
Income from:					
Donations, gifts, and legacies		219,829	-	219,829	198,141
Grants receivable	4	648,350	960,330	1,608,680	768,084
Investment income		718	-	718	2,362
Income from trading activities	5	64,575	-	64,575	359,630
<i>Income from charitable activities</i>					
Income from running theatre	6	7,892	-	7,892	1,918,408
Total income		941,364	960,330	1,901,694	3,246,625
Expenditure on:					
<i>Cost of raising funds</i>					
Fundraising costs	7	35,021	-	35,021	51,729
<i>Charitable activity</i>					
Cost of operation of the theatre	8	392,557	1,235,955	1,628,512	3,129,338
Total expenditure	9	427,578	1,235,955	1,663,533	3,181,067
Net income/(expenditure) for the year		513,786	(275,625)	238,161	65,558
Corporation tax	11	5,905	-	5,905	85,337
Net movement in funds		519,691	(275,625)	244,066	150,895
Opening fund balances		748,698	8,143,153	8,891,851	8,740,956
Closing fund balances	17,18	1,268,389	7,867,528	9,135,917	8,891,851

There were no recognised gains and losses other than the movements in funds shown above. All operations are continuing.

The notes on pages 20 to 36 form part of the financial statements.

Hackney Empire Limited

Balance sheets As at 31 March 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible assets	12	7,800,397	8,279,183	7,800,397	8,279,183
Investments	13	-	-	1	1
		<u>7,800,397</u>	<u>8,279,183</u>	<u>7,800,398</u>	<u>8,279,184</u>
Current assets					
Debtors	14	251,678	373,874	288,391	378,424
Cash at bank and in hand		1,513,815	890,106	1,499,727	832,454
		<u>1,765,493</u>	<u>1,263,980</u>	<u>1,788,118</u>	<u>1,210,878</u>
Creditors: Amounts falling due within one year	15	(429,973)	(651,312)	(392,418)	(598,211)
Net current assets		<u>1,335,520</u>	<u>612,668</u>	<u>1,395,700</u>	<u>612,667</u>
Total assets less current liabilities		<u>9,135,917</u>	<u>8,891,851</u>	<u>9,196,098</u>	<u>8,891,851</u>
Net assets		<u>9,135,917</u>	<u>8,891,851</u>	<u>9,196,098</u>	<u>8,891,851</u>
Represented by:					
Restricted funds	17	7,867,528	8,143,153	7,867,528	8,143,153
Unrestricted funds:					
General funds	18	1,268,389	748,698	1,328,570	748,698
Total	19	<u>9,135,917</u>	<u>8,891,851</u>	<u>9,196,098</u>	<u>8,891,851</u>

The total income of the Charity as an individual entity for the year was £ 1,869,974 (2020 - £3,307,455) and its net income was £304,247 (2020 - £150,897). A statement of financial activities for the Charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

Approved by the Board of directors on 09 November 2021 and signed on its behalf.



Delphine Brand
Chair

Company number 02060996

The notes on pages 20 to 36 form part of the financial statements.

Hackney Empire Limited

Consolidated cash flow statement For the year ended 31 March 2021

	2021		2020	
	£	£	£	£
Reconciliation of net income/(expenditure) to cash inflow from operating activities				
Net income/(expenditure)	244,066		150,895	
Depreciation	649,760		631,544	
Interest received	(718)		(2,362)	
Decrease/(increase) in debtors	122,196		66,386	
(Decrease)/increase in creditors (excluding loans and finance leases)	(221,339)		(271,229)	
Net cash inflow from operating activities		793,965		575,234
Cash flows from investing activities				
Interest received	718		2,362	
Payments to acquire tangible fixed assets	(170,974)		(217,896)	
		(170,256)		(215,534)
Change in cash and cash equivalents		623,709		359,700
Cash at 1 April 2020		890,106		530,406
Cash at 31 March 2021		1,513,815		890,106

Analysis of changes in net debt

	At start of year (2020)	Cash-flows	At end of year (2021)
	£	£	£
Cash	890,106	623,709	1,513,815
Total	890,106	623,709	1,513,815

The notes on pages 20 to 36 form part of the financial statements.

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention. The accounts (financial statements) have been prepared in accordance with the second edition of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity constitutes a public benefit entity as defined by FRS102.

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

1.2 Going concern

In March 2020 the World Health Organisation declared Covid-19 a pandemic and the UK government put in place regulations to severely restrict the free movement of individuals and to insist on the closure of all theatres and hospitality venues. This has significantly impacted the operations of the theatre and our income from the date of closure. However, the Charity has benefitted from the Coronavirus Job Retention Scheme to mitigate ongoing staff costs, has put in place cost savings, and remains in receipt of revenue grants and fundraising income.

As of 31 March 2021 the Charity has net current assets of £1,395,701 and for the year ended 31 March 2021 a surplus of £579,872 was made on unrestricted funds leaving a surplus on unrestricted funds of £1,328,570.

Therefore, at the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income from donations and grants, including capital grants, is included in incoming resources when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or that certain pre-conditions must be fulfilled before use. In these cases, amounts received are recognised in the relevant period or when the pre-conditions have been met and until then treated as deferred income. Donations and grants for particular purposes are included in incoming resources as restricted funds.

Production Income is included in incoming resources in the period in which the relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income. All other income is recognised on an accruals basis once the Charity is legally entitled to receipt. All incoming resources are recorded net of VAT.

1.4 Expenditure

Expenditure is included in the Statement of Financial Activities on an accrual basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised when a liability is incurred.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in the operation of trading activities which raise funds.
- Charitable activities include expenditure associated with the operation of the theatre and such directly associated activities as educational programmes. Cost of charitable activities includes both the direct cost of activities and related support costs.
- Support costs include central functions and have been allocated to activity costs on a basis consistent with the use of resources. This is frequently on the basis of staff time spent in each area but other bases such as usage are also employed. Support costs also include Governance costs.
- Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Where performances of a production straddle the balance sheet date, production costs are apportioned in relation to the number of performances falling within each period and the amount relating to performances after the balance sheet date are treated as debtors.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, once brought into use, as follows:

Freehold land	Nil
Freehold buildings	2% straight line
Theatre improvements	over 30 to 10 years straight line
Fixtures, fittings and equipment	From 10% to 33% straight line

Individual fixed assets consisting more than £1,000 are capitalised at cost.

1.6 Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the least term. The corresponding leasing commitments are shown as obligations to the lessor.

Finance lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases re operating leases and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

1.7 Investments

The Statement of Recommended Practice requires investments to be stated at market value. The investments of Hackney Empire Limited consist of one wholly owned subsidiary, Hackney Empire Trading Limited. The company is not quoted and the directors consider it appropriate to include the investment at cost.

1.8 Pensions

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.10 Consolidation

The consolidated financial statements present information about the company and its wholly owned subsidiary Hackney Empire Trading Limited. The consolidation has been performed on a line by line basis.

1.11 Fund accounting

Funds received for a purpose specified by the donor are credited to restricted funds. Expenditure incurred on these purposes is then charged to the funds as it is incurred (see note 17).

All other income is treated as unrestricted funds. The Trustees have chosen to designate certain funds for specific future expenditure as explained in the Trustees' Report.

1.12 Financial instruments

The Charitable only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

1.12 Financial instruments (continued)

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Status of company

The company is a registered Charity, limited by guarantee.

As at 31 March 2021, the company has 9 members, who are also directors. The liability of each member on a winding up is limited to a maximum of £1.

Hackney Empire Limited

Notes to the accounts (continued) For the year ended 31 March 2021

4 Grants receivable

As at 31 March 2021

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
<u>Core funding</u>			
Arts Council England	375,295	-	375,295
Arts Council England - Culture Recovery Fund	-	534,226	534,226
Arts Council England - Emergency Funding	244,555	-	244,555
Clarion Futures	5,000	-	5,000
Esmée Fairbairn Foundation – Unrestricted grants	23,500	-	23,500
HMRC JRS Grant	-	166,732	166,732
Jean Hodgkinson	-	5,300	5,300
London Community Response Fund	-	22,237	22,237
<u>Project Funding</u>			
Arts Council England – Capital Works	-	120,535	120,535
Arts Council England - supplementary grant	-	1,000	1,000
Children in Need	-	4,000	4,000
Ernest Hecht Charity	-	2,500	2,500
Esmée Fairbairn Foundation	-	47,000	47,000
FTO Yamana Peabody	-	2,000	2,000
Goldsmiths Company Charity	-	3,000	3,000
Greater London Authority	-	10,000	10,000
Hackney Council	-	300	300
London Borough of Hackney	-	40,000	40,000
Youth Opportunity Fund	-	1,500	1,500
	<u>648,350</u>	<u>960,330</u>	<u>1,608,680</u>

As at 31 March 2020

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
<u>Core funding</u>			
Arts Council England	368,514	-	368,514
<u>Project Funding</u>			
Arts Council England – Capital Works	-	213,570	213,570
Backstage Trust	-	40,000	40,000
Children in Need	-	10,000	10,000
Esmée Fairbairn Foundation	-	47,000	47,000
Hackney Council	-	15,000	15,000
Nike	-	5,000	5,000
London Borough of Hackney	-	40,000	40,000
NESTA	-	13,000	13,000
Theatre Trust	-	5,000	5,000
Young Leaders on track festival	-	1,000	1,000
Youth Opportunity Fund	-	10,000	10,000
	<u>368,514</u>	<u>399,570</u>	<u>768,084</u>

Notes to the accounts (continued)
For the year ended 31 March 2021

4 Grants receivable (continued)

Included in Note 4 above are government grants of £40,000 (2020 - £40,000) from London Borough of Hackney, £300 (2020 - £nil) also from London Borough of Hackney and £166,732 (2020 - £nil) from the Coronavirus Job Retention Scheme.

In addition, this year the charitable company received a donation of £5,000 from the Mayor of London's Back to Business Fund, which has been included in donation on the Statement of Financial Activities.

5 Income from trading activities

	2021 £	2020 £
Bars and catering income	-	96,566
Location and filming income	64,075	259,079
Other income	500	3,985
	<u>64,575</u>	<u>359,630</u>

6 Income from theatre operation

	2021 £	2020 £
Box office	-	1,112,318
Theatre hire	1,217	465,269
Merchandise	346	36,313
Booking fees	1,961	67,674
Theatre recharges	1,668	234,546
Other income	2,700	2,288
	<u>7,892</u>	<u>1,918,408</u>

7 Fundraising costs

	2021 £	2020 £
Staff costs	34,713	43,294
Fundraising expenses	308	8,465
	<u>35,021</u>	<u>51,759</u>

Notes to the accounts (continued)
For the year ended 31 March 2021

8 Costs of operation of the theatre

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Staff and staff-related costs	145,186	445,579	590,765
Depreciation	8,682	641,077	649,759
Promoters/production costs	24,265	25,072	49,337
Education	127	173	300
Publicity	22,750	9,470	32,220
Premises and general running costs	160,145	81,857	242,002
Overhead/administrative costs	25,534	29,489	55,023
Governance costs	5,868	3,238	9,106
	<u>392,557</u>	<u>1,235,955</u>	<u>1,628,512</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Staff and staff-related costs	1,030,998	73,500	1,104,498
Depreciation	16,281	615,263	631,544
Promoters/production costs	643,658	18,750	662,408
Education	2,156	44,036	46,192
Publicity	226,282	-	226,282
Premises and general running costs	383,847	-	383,847
Overhead/administrative costs	38,628	16,200	54,828
Governance costs	19,739	-	19,739
	<u>2,361,589</u>	<u>767,749</u>	<u>3,129,338</u>

9 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2021	2020
	£	£
Amounts payable to auditors for audit services- current year	11,025	11,225
Amounts payable to auditors for audit services- prior year	-	4,000
Amounts payable to auditors - other service	1,300	-
Depreciation	649,760	631,544
Operating lease payments	36,936	70,848

Notes to the accounts (continued)
For the year ended 31 March 2021

10 People cost

	2021 £	2020 £
Aggregate staff costs are made up as follows:		
Salaries and wages	483,385	963,244
Social security costs	39,634	74,220
Pension costs	8,963	17,625
Other staff costs	2,266	3,219
Subtotal	534,248	1,058,308
Professional Fees*	91,230	89,484
Total	625,478	1,147,792
Fundraising staff costs (note 7)	34,713	43,294
Staff and staff-related costs of operation of the theatre (note 8)	590,765	1,104,498
	625,478	1,147,792
The number of staff receiving a salary over £60,000 was:	2021 No.	2020 No.
£60,000 - £69,999	-	2

The total number of employees during the year was 38 (2020: 90) of which 17 were permanent staff and 21 were involved in performances.

Included within staff costs above are redundancy payments made during the year totalling £16,237 in respect of 6 staff members.

Key management personnel are considered to be the Executive Director and the Artistic Director. The total amount paid to key management personnel in the year was £106,918 (2020: £108,924).

*Professional Fees includes the freelancer and contractor cost for the outsourcing of the finance, marketing and development function, which substitutes the staff costs in these areas for the Charity.

10.1 Transactions with Trustees

No payments are made to Trustees for their services as Trustees, nor were any expenses reimbursed to them during the current or preceding period. Donations totalling £5,510 were received from the Trustees during the period (2020: £1,598).

11 Taxation

No charge to corporation tax is expected to arise due to the company's charitable status. The trading subsidiary benefits from a theatrical tax credit received on its production activities

Notes to the accounts (continued)
For the year ended 31 March 2021

12 Tangible fixed assets

Group and Charity	Freehold land and buildings £	Theatre improve- ments £	Fixtures fittings and equipment £	Total £
Cost				
At 1 April 2020	222,758	18,438,480	581,414	19,242,652
Additions	-	142,642	28,332	170,974
At 31 March 2021	222,758	18,581,122	609,746	19,413,626
Depreciation				
At 1 April 2020	103,606	10,301,013	558,850	10,963,469
Charge for the year	4,455	633,800	11,505	649,760
At 31 March 2021	108,061	10,934,813	570,355	11,613,229
Net book value				
At 31 March 2021	114,697	7,646,309	39,391	7,800,397
At 31 March 2020	119,152	8,137,467	22,564	8,279,183

All assets are in use for charitable purposes. Legal charges exist over the freehold properties to secure the interests of the public bodies, bankers and other lenders funding their purchase and the cost of theatre improvements.

13 Investment in subsidiary

	2021 £	2020 £
Investment in subsidiary undertaking	1	1

The Charity holds 100% of the issued ordinary share capital of the following company:

Subsidiary	Country of registration	Class	Shares held
Hackney Empire Trading Limited	England	Ordinary	100%

13 Investment in subsidiary (continued)

The principal activities of the subsidiary are to generate commercial income for Hackney Empire Limited and to produce theatrical work on commission. The subsidiary started trading in February 2011. A summary of the results of the subsidiary is set out below.

	2021 £	2020 £
Income	121,069	1,489,505
Cost of sales	(93,371)	(1,015,954)
Administrative expenses	(36,170)	(350,440)
(Loss) / Profit on ordinary activities before taxation	(8,472)	123,111
Corporation tax	5,905	85,337
(Loss) / Profit on ordinary activities after taxation	(2,567)	208,448
Amount gifted to Hackney Empire Limited	-	(208,448)
Retained (loss) / profit	(2,567)	-
Turnover comprised:		
Catering operations	-	96,566
Pantomime production	57,614	1,096,527
Other own productions	-	-
Location and filming fees	63,455	296,412
	121,069	1,489,505

Hackney Empire Limited and the subsidiary have a group VAT registration. Any profit made by the subsidiary is paid under gift aid to Hackney Empire Limited.

The assets and liabilities of the subsidiary were:

	2021 £	2020 £
Current assets	119,631	266,734
Creditors: amounts falling due within one year	(122,197)	(266,733)
Net assets	(2,566)	1
Shareholder's funds	(2,566)	1

Notes to the accounts (continued)
For the year ended 31 March 2021

14 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	25,731	87,483	11,350	57,888
Other taxes	42,173	-	42,173	-
Prepayments and accrued income	92,613	116,525	150,228	106,904
Amounts owed by subsidiary undertaking	-	-	84,640	213,632
Corporation tax	91,161	169,866	-	-
	<u>251,678</u>	<u>373,874</u>	<u>288,391</u>	<u>378,424</u>

15 Creditors: Amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	107,670	219,965	96,840	208,438
Box office advance seats	152,561	189,521	152,561	189,521
Other taxes and social security	8,569	22,349	13,748	30,573
Other creditors and accruals	161,173	219,477	129,269	169,679
	<u>429,973</u>	<u>651,312</u>	<u>392,418</u>	<u>598,211</u>

16 Future financial commitments

The group is committed to the total future lease payments:

	2021	2020
	£	£
Land and buildings:		
Within one year	65,000	65,000
Between two and five years	260,000	260,000
Over 5 years	32,500	97,500
	<u>357,500</u>	<u>422,500</u>

This represents a 15 year lease over 117 Wilton Way

	2021	2020
	£	£
Office equipment:		
Within one year	4,436	9,598
Between two and five years	-	4,389
	<u>4,436</u>	<u>13,987</u>

Notes to the accounts (continued)
For the year ended 31 March 2021

17 Restricted Funds

As at 31 March 2021

Charity and Group	Balance 1 April 2020 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2021 £
Capital					
Freehold property	145,883	-	-	-	145,883
Capital projects	7,706,371	-	(612,156)	-	7,094,215
ACE Capital Works	210,463	120,535	(26,099)	-	304,899
Revenue					
Arts Council England- Culture Recovery Fund	-	534,226	(275,995)	-	258,231
Arts Council England- supplementary grant	3,436	1,000	(4,436)	-	-
Backstage Trust	40,000	-	-	-	40,000
Children In Need	10,000	4,000	(10,000)	-	4,000
Esmée Fairbairn Foundation	21,000	47,000	(68,000)	-	-
ERNEST HECHT CHARITY	-	2,500	(2,500)	-	-
FTO Yamana Peabody	-	2,000	(2,000)	-	-
Goldsmiths Company Charity	-	3,000	(3,000)	-	-
Greater London Authority	-	10,000	-	-	10,000
Hackney Council	-	300	(300)	-	-
HMRC JRS Grant	-	166,732	(166,732)	-	-
Jean Hodgkinson	-	5,300	-	-	5,300
London Community Response Fund	-	22,237	(22,237)	-	-
LBH – Service agreement	-	40,000	(40,000)	-	-
Theatre Trust	5,000	-	-	-	5,000
Young Leaders on track festival	1,000	-	(1,000)	-	-
Youth Opportunity Fund	-	1,500	(1,500)	-	-
Total restricted funds	8,143,153	960,330	(1,235,955)	-	7,867,528

17 Restricted Funds (continued)

Freehold property

These funds represent resources held in the form of building.

ACE Capital Work

Funding towards acquisition or improvement of long-term assets such as equipment or building.

Arts Council England-Culture Recovery Fund

Funding towards the costs outlined in the application submitted to culture recovery fund- grants programme.

Arts Council England- Supplementary Grant

Supplementary grant towards a bespoke programme of leadership development training and support for the Artistic Director.

Backstage Trust

Funding towards the refurbishment of toilets at Hackney Empire

Children in Need

Funds towards LIMITLESS (Hackney Village), working with children and young people with learning and sensory disabilities

Esmée Fairbairn Foundation

Funding towards the costs of staffing and artistic development of new models which aim to increase artistic ambition and artist and audience diversity

Greater London Authority

Funding towards Empire 2 rent as a space for Creative futures programme.

Jean Hodgkinson

Funding to support implementation of Covid-19 measures.

London Community Response Fund

Funding towards essential activities and critical services of the theatre and to support communities and creative futures work.

Theatre Trust

Funding towards improvements to the water pumps in the theatre.

Goldsmith's Company Charity

Funding towards creative futures programme.

Ernest Hecht Charity

Funding towards the delivery of 12-week programme, offering connection and engagement for 25–50 isolated and at-risk young people aged 14-19, with a series of online arts projects.

FTO Yamana Peabody

Funding towards Digital Projects.

Young Leaders on track festival

To support youth work.

Youth Opportunity Fund

Funds to support Empire Youth takeover – a professional development programme of dance, drama and music that enables young people to gain insight into the creative industries.

LBH – Service agreement

London Borough of Hackney supported our 'Connecting Young Hackney' and other youth involvement programmes.

HMRC JRS Grant

Funding to cover a proportion of the salaries of furloughed staff during the COVID-19 pandemic.

Hackney Council

Support towards creative learning programme.

Notes to the accounts (continued)
For the year ended 31 March 2021

17 Restricted Funds (continued)

As at 31 March 2020

Charity and Group	Balance 1 April 2019 £	Incoming resources £	Resources used £	Transfers Between funds £	Balance 31 March 2020 £
Capital					
Freehold property	145,883	-	-	-	145,883
Capital projects	8,318,527	-	(612,156)	-	7,706,371
ACE Capital Works		213,570	(3,107)	-	210,463
Revenue					
Arts Council England-supplementary grant	6,000	-	(2,564)	-	3,436
Backstage Trust	-	40,000	-	-	40,000
Children In Need	10,000	10,000	(10,000)	-	10,000
Esmée Fairbairn Foundation	26,200	47,000	(52,200)	-	21,000
Hackney Council	-	15,000	(15,000)	-	-
Nike	-	5,000	(5,000)	-	-
LBH – Cultural Department	11,250	-	(11,250)	-	-
LBH – Service agreement	-	40,000	(40,000)	-	-
NESTA	-	13,000	(13,000)	-	-
Theatre Trust	-	5,000	-	-	5,000
Young Leaders on track festival	-	1,000	-	-	1,000
Youth Opportunity Fund	-	10,000	(10,000)	-	-
Total restricted funds	8,517,860	399,570	(774,277)	-	8,143,153

Notes to the accounts (continued)
For the year ended 31 March 2021

18 Unrestricted funds

As at 31 March 2021

Charity and Group	Balance 1 April 2020 £	Incoming resources £	Resources used £	Transfers between funds £	Balance 31 March 2021 £
General funds	748,698	947,269	(427,578)	-	1,268,389
Total unrestricted funds	748,698	947,267	(427,578)	-	1,268,389

As at 31 March 2020

Charity and Group	Balance 1 April 2019 £	Incoming resources £	Resources used £	Transfers between funds £	Balance 31 March 2020 £
General funds	223,096	2,932,392	(2,406,790)	-	748,698
Total unrestricted funds	223,096	2,932,392	(2,406,790)	-	748,698

19 Analysis of net assets between funds

As at 31 March 2021

	Tangible Fixed assets £	Net current liabilities £	Total £
Group and Charity			
Restricted funds	7,761,006	106,522	7,867,528
Unrestricted funds	39,391	1,228,998	1,268,389
	7,800,397	1,335,520	9,135,917

19 Analysis of net assets between funds (continued)

As at 31 March 2020

	Tangible Fixed assets £	Net current liabilities £	Total £
Group and Charity			
Restricted funds	8,256,619	(113,466)	8,143,153
Unrestricted funds	22,564	726,134	748,698
	<u>8,279,183</u>	<u>612,668</u>	<u>8,891,851</u>

20 Related party transactions

The Charity has a wholly owned subsidiary company (Hackney Empire Trading Limited (HETL)) of which more details can be found in note 13. A summary of the transactions between the entities is as follows:

	2021 £	2020 £
Fee charged by HETL for producing pantomime	57,614	1,096,527
Recharge of costs by Charity	49,005	555,204
Profits donated to the Charity by gift aid	-	208,448

At the year-end HETL owed the Charity £84,640. There were no other related party transactions not disclosed elsewhere in these accounts.

21 Comparative consolidated statement of financial activities

	Unrestricted Funds £	Restricted Funds £	2020 Total £
Income from:			
Donations, gifts and legacies	198,141	-	198,141
Grants receivable	368,514	399,570	768,084
Investment income	2,362	-	2,362
Income from trading activities	359,630	-	359,630
<i>Income from charitable activities</i>			
Income from running theatre	1,918,408	-	1,918,408
Total income	2,847,055	399,570	3,246,625
Expenditure on:			
<i>Cost of raising funds</i>			
Fundraising costs	45,231	6,528	51,759
<i>Charitable activity</i>			
Cost of operation of the theatre	2,361,559	767,749	3,129,308
Total expenditure	2,406,790	774,277	3,181,067
Net income / (expenditure) for the year	440,265	(374,707)	65,558
Transfers between funds	-	-	-
Corporation tax	85,337	-	85,337
Net movement in funds	525,602	(374,707)	150,895
Opening fund balances as at 1 April 2019	223,096	8,517,860	8,740,956
Closing fund balances as at 31 March 2020	748,698	8,143,153	8,891,851