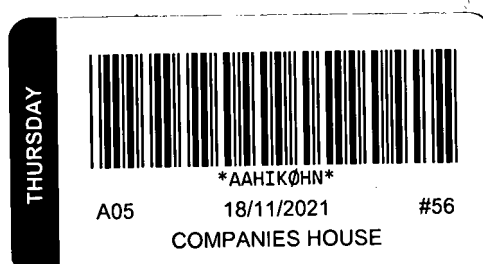


Company Registration No. 02060996 (England and Wales)
Registered Charity No. 1062085

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

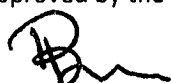
The key risks as identified, and their mitigating factors were:

Risk	Mitigation
External forces (recession/public spending etc) impact on business plan	<ul style="list-style-type: none">- 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	<ul style="list-style-type: none">- Succession planning.- Documentation of systems plans and projects.- Training programmes.- Notice periods and handovers.- Recruitment process.
Inadequate reserves	<ul style="list-style-type: none">- Reserves policy to be linked to Business Plan, activities and identified financial and operating risk.- Regular review of policy.
Building related difficulties	<ul style="list-style-type: none">- 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.

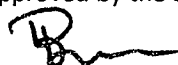
Hackney Empire Limited

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 £
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Core funding

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

Project Funding

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

648,350	960,330	1,608,680
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As at 31 March 2020

Unrestricted Funds £	Restricted Funds £	Total 2020 £
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Core funding

Arts Council England	368,514	-	368,514
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Project Funding

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

368,514	399,570	768,084
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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

	2021 No.	2020 No.
The number of staff receiving a salary over £60,000 was:		
£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)
	<hr/>	<hr/>
(Loss) / Profit on ordinary activities before taxation	(8,472)	123,111
Corporation tax	5,905	85,337
	<hr/>	<hr/>
(Loss) / Profit on ordinary activities after taxation	(2,567)	208,448
Amount gifted to Hackney Empire Limited	-	(208,448)
	<hr/>	<hr/>
Retained (loss) / profit	(2,567)	-
	<hr/>	<hr/>
Turnover comprised:		
Catering operations	-	96,566
Pantomime production	57,614	1,096,527
Other own productions	-	-
Location and filming fees	63,455	296,412
	<hr/>	<hr/>
	121,069	1,489,505
	<hr/>	<hr/>

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)
	<hr/>	<hr/>
Net assets	(2,566)	1
	<hr/>	<hr/>
Shareholder's funds	(2,566)	1
	<hr/>	<hr/>

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