



**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 5 APRIL 2021**

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<b><u>Legal and Administrative:</u></b>	Backstage Trust (Charity Number 1145887) was established under a Trust Deed dated 30 January 2012.
<b><u>Trustees:</u></b>	Lady Sainsbury of Turville CBE, Hon. RAM, Hon. FRIBA , Hon D.Litt Mr David Wood Mr Dominic Flynn
<b><u>Administrator:</u></b>	Ms Helen Cave
<b><u>Advisers:</u></b>	Baroness Genista McIntosh of Hudnall Professor Ian Ritchie CBE RA
<b><u>Office:</u></b>	North House 27 Great Peter Street London SW1P 3LN
<b><u>Charity Number:</u></b>	1145887
<b><u>Bankers:</u></b>	C Hoare & Co 37 Fleet Street London EC4P 4DQ
<b><u>Solicitors:</u></b>	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ
<b><u>Auditors:</u></b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
<b><u>Investment Powers:</u></b>	The Trust Deed empowers the Trustees to appoint investment advisers who have discretion to invest the funds of the Trust within the guidelines established by the Trustees.
<b><u>Objects:</u></b>	The objects of the Trust set out in the Trust Deed are for general charitable purposes.

## TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021

Backstage Trust was established under a Trust Deed dated 30 January 2012 and the Trustees submit their report for the year ended 5 April 2021.

### 1. Objectives and Scope of Grant Making

Since its inception Backstage Trust has focussed on encouraging and enabling the experience of live art – mostly the performing arts and music. We know that participating in and learning from live performance can have a transformative effect on individuals, which contributes in turn to a richer cultural environment. The cultural life of the UK is vital and the performing arts are a critical and central part of this. The economic and public benefits of a vibrant cultural world are indisputable, but the sector has to rely disproportionately on philanthropy as public bodies cannot, or will not, take the necessary risks to make a difference.

Until the start of the pandemic in 2020 Backstage was able to support – often with relatively small grants – a wide range of performing arts venues, projects, freelance individuals, programmes of activity, and make a considerable difference. The pressure on all arts organisations as a result of repeated lockdowns, and an apparent lack of awareness on the part of Government and funding bodies that you can't just "turn on" performances at will, has reduced the industry to crisis. The Cultural Recovery Fund – late, and very complex, but a significant help – has enabled some organisations to keep going adequately, but the fact that so much of the CRF was in loans puts an impossible load on struggling arts companies.

Backstage Trust has continued to provide funds to a wide range of organisations, and has allowed the re-purposing of previously awarded specific grants to enable an organisation to survive. An enhanced section of the budget has been earmarked particularly for Covid-related issues. We have not withdrawn from capital projects where we thought it prudent to proceed – particularly those where dilapidations needed to be remedied to avoid further future costs.

The Trust has also continued to promote schemes to assist the huge community of freelancers who are self-employed and mostly fall outside any government help scheme. There are plans to develop a long-term strategy – hopefully a partnership between trusts and foundations and statutory bodies – which would provide fully funded placements in partner theatres or art centres to help freelancers get established.

The need for a constant and generous element of philanthropic funding to promote the arts will remain acute for some years even when the pandemic and effects of Brexit have begun to recede.

The Trustees of Backstage are delighted by the success of a number of initiatives supported recently, among them "Little Amal" – whose arrival in the UK has raised awareness of the plight of child refugees – which we have supported since the original concept was developed, and the Theatre Artists Fund for freelancers caught by the effects of the pandemic. The continued success of new writing led by Papatango, and the launch of very successful digital programming from a number of theatres supported by Backstage have all marked significant and courageous triumphs in a year of unprecedented difficulty for the arts. Going forward Backstage hopes to continue carefully targeted funding to enable a range of performing arts organisations to survive, and eventually thrive again.

## TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021 (continued)

### APPLYING TO BACKSTAGE

Backstage can only offer assistance to registered charities, Community Interest Companies, or support activities which have clear charitable aims; the Trust cannot fund individuals directly. The majority of grants awarded since the Trust was established come under one of the following headings:

- Providing advice and mentoring to help professional development of small and medium scale arts organisations, helping to encourage diversity and remove barriers
- Providing advice on fundraising, helping devise fundraising strategy and preparing a case for support
- Assisting with feasibility studies for capital projects and advice on project management
- Funding elements (particularly the less appealing items) of capital projects
- Encouraging new writing
- Providing support to the arts' freelance community
- Assisting live arts projects (not all in the UK) which encourage community participation and equal opportunities
- Encouraging the involvement of young people in the performing arts

Applicants need to demonstrate clearly the potential viability of their project, and show that their organisation can demonstrate good management, and supportive governance, to deliver the project. Trustees will want to see evidence of a realistic fundraising strategy and a realisation that while Backstage might award funding, and act as a catalyst to encourage other grant giving bodies, it should not be regarded as sole funder. A critical need for most small arts organisations – in addition to enthusiasm, energy and a determination to make a difference – is professional advice. Backstage can sometimes fund the cost of appropriate consultant advice, allowing an organisation to benefit from help which would be beyond their means. All applications that meet the funding criteria are considered carefully.

### Organisation

Backstage Trust is a small charity of which Lady Sainsbury of Turville is the Settlor and a Trustee. She and her fellow Trustees work closely with the administrator to assess all grant proposals to ensure they meet the Trust's criteria and that there are no conflicts of interest. Grant approvals are often made between meetings but all grants are ratified at the regular formal Trustee meetings and all are made subject to specific conditions which are monitored throughout. The Trustees meet periodically with the advisers to discuss strategy as well as approved and potential grants, however the advisers have no decision making powers. Trustees are appointed by existing Trustees and are provided with relevant information relating to their responsibilities as Trustees.

### Policies

#### Reserves Policy

It is the Trustees' intention to continue to approve grants annually that exceed the available income. Consequently, some grants will be met from the Trust's expendable endowment for the foreseeable future and a transfer of £4,040,229 has been made from the expendable endowment to enable the Trust's commitments to be met. The Trustees regularly review cash flow projections for income and expenditure, to ensure that the level of disposable net assets is adequate and that the Trust is in a position to meet all its commitments.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the basis that the Trust is sustainable as a going concern.

The Covid-19 pandemic has not had a significant impact on the Trust's finances. The Trust's principal source of income is from the endowment fund. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objectives.

## TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021 (continued)

### Investment Policy

The Trustees have held significant funds on deposit to enable the Trust to draw on capital when required and the Trustees meet regularly to discuss strategy and review performance.

### Remuneration Policy

Backstage Trust has no employees and therefore no policy is in place.

### Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the charity may be exposed. Adequate systems are in place to manage such potential risks as the Trustees have identified. They continue to keep processes under review.

The Trustees identified the potential misuse of funds by a grantee charity as a significant risk. To mitigate this risk, the Trustees normally restrict grants to charities registered with the UK Charity Commission or equivalent bodies. The awards are made following a thorough assessment and grants are routinely monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

The Trustees also identified liquidity as constituting a significant risk and this is mitigated by holding sufficient funds in cash or near cash to meet expected liabilities as and when they fall. The Trustees regularly review the investment strategy and cash hold policy.

### Charity and Public Benefit

The Trustees are aware of the Charity Commission guidance on public benefit, and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. This report aims to set out information covering the Trust's aims, activities and achievements. The report describes the areas of specific interest to the Trust. The benefits provided by these grants can be seen in the professional development of the recipients, and through them to the public. The charity does not raise funds from the public.

## **2. Review of the Year**

During the year, Backstage Trust's primary source of income were donations from Lady Sainsbury of Turville and the Gatsby Charitable Foundation totalling £4,375,000. The level of income reflected the continuing need to provide additional support through emergency Covid-19 grants. During the year, the trustees approved 67 grants for a total of £4,065,770; 21 grants totalling £1,865,500 were awarded for Covid-19 emergency support with a further 46 grants totalling £2,200,270 awarded for general ongoing support. Additionally, recipients of two grants totalling £235,000 were unable to meet the conditions of the award and the grants were cancelled during the year.

The activities for the year resulted in a net surplus of £334,771 and total reserves at the year-end amounted to £2,423,092, which are all part of the expendable endowment.

### Grant Making

The Trustees met twice virtually during the year to make grants and to review investments. At the year-end, outstanding commitments which were entered into during the year and not included in the accounts amounted to £465,000 (2020 £639,500) (note 10). As mentioned above, during the year, the Trustees approved 67 grants totalling £4,065,770, all of which were made to Arts Organisations, a summary of the main grants is set out below.

## TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021 (continued)

### Main Grants Approved

#### Arts:

<i>Fuel Productions</i>	£67,200
Funding the employment of the Fundraising Manager	
<i>53two</i>	£75,000
Capital project to redevelop the arches under the Manchester Convention Centre into a theatre and bar area	
<i>Kiln Theatre</i>	£81,000
Support for two new roles: Associate Designer and Trainee Designer for 20 months	
<i>Riverside Studios</i>	£100,000
Funding towards the installation of a permanent seating rake	
<i>The Old Vic Theatre</i>	£150,000
The replacement of obsolete lighting infrastructure	
<i>Donmar Warehouse</i>	£200,000
Funding towards urgent capital works (replacing systems that are at the end of their economic life)	
<i>Leeds Playhouse</i>	£400,000
Support for the replacement roof project	
<i>The Old Vic Theatre</i>	£500,000
Continued support of capital works to the building plus £200k challenge grant	

#### Emergency Covid-19 Grants:

<i>EGO Performance Company</i>	£70,000
Support of core costs	
<i>Headlong</i>	£75,000
Support for core costs	
<i>Royal Exchange Theatre, Manchester</i>	£125,000
Support to enable the theatre to retain their Community Engagement Team for one year during the Coronavirus crisis plus a challenge award if match funding for the initial £75k can be achieved	
<i>Kiln Theatre</i>	£150,000
Support for the Reopening Programme plus an additional challenge grant of £50k	
<i>Unicorn Theatre</i>	£393,000
Support for Unicorn's Digital Strategy project plus crisis funding due to lockdown	
<i>The Old Vic Theatre</i>	£400,000
Support for cost of exiting lockdown and support for staff costs as Government furlough support unwinds	
<i>Theatre Development Trust</i>	£500,000
Grant to Theatre Artists Fund for emergency support for theatre workers not covered by the furlough scheme	

**TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021 (continued)**

Future plans

The Trust will continue to support the activities set out on pages 4 to 5 by award of grants.

Approved by the Trustees on 24<sup>th</sup> November 2021 signed on their behalf by:

A handwritten signature in blue ink, appearing to be 'D. J. O'.

TRUSTEE

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2021**

	<i>Notes</i>	Unrestricted Funds	Endowment Funds	Total Funds 2021	Total Funds 2020 *
		£	£	£	£
<b>Income and Endowments from:</b>					
Donations and gifts		92,552	4,375,000	4,467,552	4,195,873
Investments		4,205	-	4,205	8,445
Total Income		96,757	4,375,000	4,471,757	4,204,318
<b>Expenditure:</b>					
Charitable activities					
Grant-making	2	4,010,527	-	4,010,527	3,655,395
Grant related support costs	3	126,459	-	126,459	94,227
Total Expenditure		4,136,986	-	4,136,986	3,749,622
<b>Net (Expenditure)/Income</b>		(4,040,229)	4,375,000	334,771	454,696
Transfers between funds	8	4,040,229	(4,040,229)	-	-
<b>Net movement in funds</b>		-	334,771	334,771	454,696
Total funds brought forward		-	2,088,321	2,088,321	1,633,625
<b>Total funds carried forward</b>		-	2,423,092	2,423,092	2,088,321

\* See note 4.

The notes on pages 10 to 15 form part of these accounts.



5 April 2021

**BALANCE SHEET  
AS AT 5 APRIL 2021**

	<i>Notes</i>	<b>2021</b> £	<b>2021</b> £	<b>2020</b> £
<b>CURRENT ASSETS</b>				
Short term investments	<b>5</b>	497,497		1,793,412
Debtors	<b>6</b>	475,000		225,000
Cash at bank and in hand		<u>2,105,944</u>		<u>1,445,696</u>
		3,078,441		3,464,108
<b>LIABILITIES</b>				
Creditors - amounts falling due within 1 year	<b>7</b>	<u>655,349</u>		<u>1,375,787</u>
<b>NET CURRENT ASSETS</b>			2,423,092	2,088,321
<b>NET ASSETS</b>			<u>2,423,092</u>	<u>2,088,321</u>
<b>THE FUNDS OF THE CHARITY:</b>				
Endowment funds	<b>8</b>		2,423,092	2,088,321
			<u>2,423,092</u>	<u>2,088,321</u>

Approved by the Trustees on 24th November 2021 and signed on their behalf by:



TRUSTEE

The notes on pages 10 to 15 form part of these accounts.

5 April 2021

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 5 APRIL 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net Movement in Funds per Statement of Financial Activities	334,771	454,695
(Increase) in debtors	(250,000)	-
(Decrease)/Increase in creditors	(720,438)	666,991
Income from Investments	(4,205)	(8,445)
<b>Net cash used in operating activities</b>	<b>(639,872)</b>	<b>1,113,241</b>
<b>Cash flows from Investing Activities</b>		
Income from Investments	4,205	8,445
<b>Net cash received in Investing Activities</b>	<b>4,205</b>	<b>8,445</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(635,667)</b>	<b>1,121,686</b>

**Analysis of the balance of cash as shown in the balance sheet**

	<b>2021</b>	<b>2020</b>	<b>Change in</b>
	<b>£</b>	<b>£</b>	<b>year</b>
			<b>£</b>
Cash at bank and in hand	2,105,944	1,445,696	<b>660,248</b>
Short term investments	497,497	1,793,412	<b>(1,295,915)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,603,441</b>	<b>3,239,108</b>	<b>(635,667)</b>

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the basis that the charity is sustainable as a going concern.

The Covid-19 pandemic has not had a significant impact on the Trust's finances. The Trust's principal source of income is from the endowment fund. The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

The principal accounting policies adopted are as follows:

- a) Income
  - (i) Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
  - (ii) Interest is recorded on an accruals basis.
- b) Grants payable

Grants for which there is a legally binding commitment are accounted for within the Statement of Financial Activities. Payments that are due within one year of the year-end date are included within grants payable in the Statement of Financial Activities. Other grants are accounted for in the Statement of Financial Activities when conditions attaching to the grant are fulfilled.
- c) Support costs

Most of these costs support the grant-making activity of the Trust and are so allocated.
- d) Charitable activity

The Trustees consider that grant-making is the Trust's sole charitable activity.
- e) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.
- f) Gift of Staff Time

Individuals employed by Lady Sainsbury provide various services towards the running of the Trust. The cost of their time is recognised as a gift as well as shown as an expense based on an estimate of time incurred by the staff involved.

## NOTES TO THE ACCOUNTS (continued)

### 1. ACCOUNTING POLICIES (continued)

g) Funds

Funds represent cash or cash equivalents held with UK banks

h) Financial Instruments

The Trust 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 amortised costs using the effective interest method. Financial assets held at fair value consist of shares, and financial assets held at amortised costs comprise cash at bank and in hand, accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals.

At the balance sheet date, the charity held no financial assets at fair value (2020: £Nil), financial assets at amortised cost of £2,603,441 (2020: £3,239,108) and financial liabilities at amortised cost of £655,349 (2020: £1,375,787).

i) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Trust's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimated uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

j) Cash and Cash Equivalents

Cash and cash equivalents include cash at bank, cash held for reinvestment and on call deposits.

### 2. GRANT EXPENDITURE

	2021 £	2020 £
<b>Reconciliation of grants payable:</b>		
Commitments at 6 April	1,361,140	701,295
Grants approved in the year	4,065,770	4,114,895
Grants approved in prior year	639,500	180,000
Grants cancelled in the year	(235,000)	-
Adjustment relating to USD grant	5,257	-
Grants not accrued at 5 April	(465,000)	(639,500)
	<u>4,010,527</u>	<u>3,655,395</u>
<b>Grants payable for the year</b>	<b>5,371,667</b>	<b>4,356,690</b>
Grants paid during the year	(4,728,567)	(2,995,550)
<b>Commitments at 5 April due within one year (note 7)</b>	<b>643,100</b>	<b>1,361,140</b>

## NOTES TO THE ACCOUNTS (continued)

### 2. GRANT EXPENDITURE (continued)

	£
English Touring Opera	32,500
Mustardseed Trust	63,697
Cambridge Arts Theatre	45,000
The Davey Consort	45,000
Liverpool Everyman and Playhouse	50,000
Fuel Productions	67,200
British Youth Music Theatre	70,000
EGO Performance Company	70,000
53two	75,000
Cardboard Citizens	100,000
Riverside Studios	100,000
Headlong	125,000
Royal Exchange Theatre, Manchester	125,000
Royal Academy of Music	131,973
Papatango Theatre Company	150,000
Donmar Warehouse	200,000
Roundhouse Charity	250,000
Royal Shakespeare Company	250,000
Kiln Theatre	381,000
Old Vic	400,000
Unicorn Theatre	417,400
Leeds Playhouse	431,708
Theatre Development Trust	500,000
The Old Vic Theatre	550,000
Grants up to £10,000 were also made	741,189
<b>Total Grants Payable per Statement of Financial Activities</b>	<b>5,371,667</b>

### 3. ALLOCATION OF SUPPORT COSTS

	Charitable Activity	Governance	2021 Total	2020 Total
	£	£	£	£
Bank and Custody fees	832	-	832	652
Gift of Staff Time	92,552	-	92,552	70,873
Legal fees	11,413	1,268	12,681	14,025
Taxation Fees	-	600	600	635
Professional fees	-	9,750	9,750	2,340
Office support costs	4,254	-	4,254	-
Auditors' remuneration	-	5,790	5,790	5,702
	<b>109,051</b>	<b>17,408</b>	<b>126,459</b>	<b>94,227</b>

Included above is £11,413 payable for legal services to Portrait Solicitors (2020: £13,357), a firm in which Mr Dominic Flynn is a partner and £92,552 being the estimated cost of services provided by employees of Lady Sainsbury (2020: £70,873). No Trustees received remuneration or were reimbursed expenses during the year (note 9).

NOTES TO THE ACCOUNTS (continued)

4. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2020

	Notes	Unrestricted Funds	Endowment Funds	Total Funds 2020
<b>Income and Endowments from:</b>				
Donations and gifts		70,873	4,125,000	4,195,873
Investments		8,445	-	8,445
Total Income		79,318	4,125,000	4,204,318
<b>Expenditure:</b>				
Charitable activities				
Grant-making	2	3,655,395	-	3,655,395
Grant related support costs	3	94,227	-	94,227
Total Expenditure		3,749,622	-	3,749,622
<b>Net (Expenditure)/Income</b>		<b>(3,670,304)</b>	<b>4,125,000</b>	<b>454,696</b>
Transfers between funds		3,670,304	(3,670,304)	-
Net movement in funds		-	454,696	454,696
Total funds brought forward		-	1,633,625	1,633,625
<b>Total funds carried forward</b>		<b>-</b>	<b>2,088,321</b>	<b>2,088,321</b>

5. SHORT TERM INVESTMENTS

	2021	2020
	£	£
Instant access call accounts with UK banks	497,497	1,793,412
	497,497	1,793,412

6. DEBTORS

	2021	2020
	£	£
Gift aid tax repayment	475,000	225,000
	475,000	225,000

## NOTES TO THE ACCOUNTS (continued)

### 7. CREDITORS

	2021	2020
	£	£
Grants payable (note 2)	643,100	1,361,140
Legal fees	5,749	8,172
Audit fees	5,900	5,840
Taxation fees	600	635
	<u>655,349</u>	<u>1,375,787</u>

### 8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2021
	£	£	£
Fund balances at 5 April 2021 are represented by :			
Current assets	655,349	2,423,092	3,078,441
Current liabilities	(655,349)	-	(655,349)
<b>Total net assets</b>	<b>-</b>	<b>2,423,092</b>	<b>2,423,092</b>

	Unrestricted Funds	Expendable Endowment	Totals 2020
	£	£	£
Fund balances at 5 April 2020 are represented by :			
Current assets	1,375,787	2,088,321	3,464,108
Current liabilities	(1,375,787)	-	(1,375,787)
<b>Total net assets</b>	<b>-</b>	<b>2,088,321</b>	<b>2,088,321</b>

	Unrestricted Funds	Expendable Endowment	Totals 2021
	£	£	£
<b>Movement in the year</b>			
Opening balance as at 6 April 2020	-	2,088,321	2,088,321
Total income and endowments	96,757	4,375,000	4,471,757
Charitable activities	(4,136,986)	-	(4,136,986)
Transfers between funds	4,040,229	(4,040,229)	-
<b>Closing balance as at 5 April 2021</b>	<b>-</b>	<b>2,423,092</b>	<b>2,423,092</b>

	Unrestricted Funds	Expendable Endowment	Totals 2020
	£	£	£
<b>Movement in the year</b>			
Opening balance as at 6 April 2019	-	1,633,625	1,633,625
Total income and endowments	79,318	4,125,000	4,204,318
Charitable activities	(3,749,622)	-	(3,749,622)
Transfers between funds	3,670,304	(3,670,304)	-
<b>Closing balance as at 5 April 2020</b>	<b>-</b>	<b>2,088,321</b>	<b>2,088,321</b>

\*During the year there was a deficit of income over expenditure on the unrestricted funds of £4,040,229 (2020: £3,670,304). This has been funded by a transfer from Expendable Endowment.



## NOTES TO THE ACCOUNTS (continued)

### 9. RELATED PARTY TRANSACTIONS

Donations which are subject to Gift Aid from the Trustees totalling £1,900,000 (2020 £900,000) were received during the year plus as more fully explained in note 3, the other related party transactions were the payment for legal services by Portrait Solicitors, of whom Dominic Flynn is a partner and services provided by employees of Lady Sainsbury.

### 10. CONTINGENT LIABILITIES

At 5 April 2021, grants approved amounting to £465,000 (2020 £639,500) which fall due to be paid more than 12 months after the balance sheet date have not been accounted for as they are subject to conditions that have not been met at the year-end.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Independent Auditor's Report to the Trustees of Backstage Trust

### Opinion

We have audited the financial statements of Backstage Trust ('the charity') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2021 and of 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 Charities Act 2011.

### 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

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

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

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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 auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

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

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

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

## Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe U.K. LLP*

**Crowe U.K. LLP**

Statutory Auditor

**London**

7 December 2021

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.