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**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021  
FOR  
GROUNDINGS THEATRE TRUST**

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**GROUNDLINGS THEATRE TRUST**

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FOR THE YEAR ENDED 31 MARCH 2021**

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**GROUNDLINGS THEATRE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Public benefit**

The objectives of the charity as laid down in the constitution are:-

The advancement of the performing arts, particularly the art of drama, in the City of Portsmouth and neighbouring districts for the public benefit by:

- a. Educating the public and growing public understanding and appreciation of the performing arts through the delivery of arts events and performances
- b. Providing opportunities for participation in the performing arts including in the production of arts events and performances, particularly but not exclusively by young people.

**Public benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

**GROUNDLINGS THEATRE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**ACHIEVEMENT AND PERFORMANCE**

**Change of Reporting Period**

Groundlings Theatre Trust was given charitable status in November 2019 but did not take over the running of the theatre until the end of the financial year on 9 April 2020. To bring the Charities reporting into line with this, a request was made to the Charity Commission to change our reporting year end to the end of March instead of October. This request was granted.

**Effect of Covid-19**

In this first year of operation, Groundlings Theatre has been devastated by the effects of the Covid-19. We have complied with all government rules and instructions including signing in procedures, provision of hand sanitising, temperature checks, antibacterial spraying, deep cleaning. We also changed to the use of paper handtowels instead of cloth towels to ensure bacterial control.

**Drama Classes**

Drama classes for children were moved to Zoom and have continued without term breaks to make up for classes missed early in the first lockdown. All classes were resumed for a short period in 2020 but ceased again for further lockdown in December. This has curtailed drama school activities and income.

**Theatre in Education**

TIE visits to schools took place for a short period between September and December, but are suspended again pending restrictions being lifted.

**Venue Hire**

We have been unable to support any visiting shows during this period as each lockdown has resulted in bookings being cancelled or delayed. We have however been able to allow ghost hunting and paranormal organisations to access the building at times, following social distancing rules and other government guide lines.

**Publicity and Promotion**

Groundlings Theatre Trust did not employ any staff until 1 September 2020. Once a second phase of furlough was announced theatre staff were placed on various degrees of furlough ending the year with just 16 out of the normal 144 work hours per week being worked. A large amount of this time being spent on drama school teaching. This has resulted in priority work only taking place, and with publicity and promotion work taking a back seat. Work was done with Portsmouth University Students on a Business Consultancy Project looking at customer analysis, social media, sustainable development and marketing.

**Costume Hire**

Costume hire has not been possible.

**Productions**

It was felt that financially a Christmas production was important. Following the clash of pantomimes with the Kings Theatre, Groundlings Theatre staged an adaptation of Christmas Carol. Social distancing meant a smaller cast and smaller audience with maximum seating for 46 at each of the scheduled shows. Booking for shows were strong with some shows sold out. Unfortunately, after just 5 shows we had to close due to a third lockdown. This resulted in an overall loss.

**Building Repairs and Improvements**

In order to open to the public, statutory certificates for Asbestos, Legionella, Fire Risk Assessment, Fire Fighting Equipment, Emergency Lighting and Electrical Infrastructure had to be obtained. This resulted in some remedial works to improve electrical and fire safety. The window behind the bar was replaced by a wall to provide fire compartmentalisation. The electrical circuit covering the stairs had to be rewired to enable the emergency lighting to be separated. Addition lighting was added in the stairs area to meet statutory lux levels. Flammable items were removed. Out of date and condemned fire extinguishers were replaced. Faulty smoke detector heads were replaced. The outside areas have been tidied and rubbish removed. An infestation of rats in the wood pile was dealt with. Unfortunately, the car park area is subject to frequent fly tipping and the trust are responsible for removing these items.

**Fundraising**

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Because of Covid 19 restrictions very few fundraising opportunities have been possible. Often our volunteers organise fundraising activities but the majority of our volunteers are older and were shielding or concerned about coming in to the theatres however, a crowd funding appeal was run by the Trust and some children from the drama school ran a separate crowd funding appeal. Two table top sales were held in the car park during summer 2020.

**Governance**

We were very lucky to be awarded a grant by the Theatres Trust. Part of this grant was to pay for a condition survey and conservation statement. The remainder was to provide consultancy support in developing governance and providing training to trustees. As a result, new policy documents and operating procedures have been put in place to strengthen and improve a wide variety of areas including staff management, volunteering, trustee roles and responsibilities, and trustee recruitment. This work is ongoing and will complete in June 2021.

**Condition Survey and Conservation Statement**

We are extremely grateful to Theatres Trust for funding this work and to Historic England for their help and advice in this work. A condition survey and structural engineers report of the grade II star building was completed and presented to the Trust in January 2021. This report gives a costed and prioritised list of the works needed to bring the building into a good state of repair. It will come as no surprise to those who know the building that generally the state of repair is considered poor both inside and out. A conservation statement of the building identified it as of great importance. Both these documents will greatly enhance the Trust's ability to apply for grants to repair and maintain this building of important historic significance.

**Ambassadors Committee**

We have identified the need to create and develop relationships with the local community and with other support groups in the area to create partnerships and support relationships that will develop Groundlings Theatre as a community hub. As a first step, a subcommittee of ambassadors has been established with TORs and recruitment process in place.

**FINANCIAL REVIEW**

The trustees keep expenditure to a minimum while seeking opportunities to maximise our resources. Day to day recording of income, invoicing and payment of bills is carried out by staff overseen by trustees. Trustees have oversight of the bank account, and finance is a standing agenda item at the monthly Board meetings. The Trust employs a Finance Coordinator who prepares the books for the year end examination and production of accounts in the form required by the Charity Commission. The charity has an agreed Reserves Policy and following the Charity Commission recommendations is working toward reserves equalling three months operational costs.

Staff were TUPE transferred from The Groundlings Ltd to Groundlings Theatre Trust on 1 September 2020. Up to that point and because the theatre was closed due to covid-19 restrictions, the theatre was being operated by the Trustees and a small number of volunteers working mostly from home. The trust has taken full advantage of the government furlough scheme with staff working limited hours to keep costs as low as possible. Again, trustees and volunteers have been helping to maintain the safety of the building during these periods. The number of staff has reduced from 2 Full time and 3 part time staff to 2 full time and 2 part time members of staff.

**GROUNDINGS THEATRE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**FUTURE PLANS**

The government 'road map' suggests that covid-19 restrictions will be lifted in June although it is likely that social distancing, face masks and sanitisation will remain in place for some time. Furlough is set to continue, although at decreasing levels until September 2021 so it is unlikely that Groundlings Theatre will be fully staff until that time. This means that work will need to continue to be prioritised and that the theatre will not get back to 'normal' operation for some time.

**Front Facade**

We have been very fortunate to have been awarded an emergency covid 19 grant from Historic England to restore the front façade of the building. This work will commence in the next reporting period commencing in April and lasting 8 weeks.

**Business Consultancy Project**

The trust intends to look closely at the results of this project with a view to implementing some of the proposals, particularly to improve our website and our social media presence.

**Business Planning and Financial Management Accounting Systems.**

Portsmouth City Council have funded some time with a management consultant commencing 1 April 2021 to assist in writing an effective business plan linked with meaningful accounting procedures which will help us demonstrate to potential funders that we are a viable and professional organisation with a clear vision for the future.

**Theatre Productions**

The theatre must remain as flexible as possible to allow for any changes to the current government 'road map' plan. We are however looking to start a program of in-house productions from June/July 2020.

**Community Liaison**

To improve and further develop our relationship with the local community and with Charles Dickens Ward. By developing our Ambassadors Committee who will identify potential partners and discuss ways of working together to improve and enhance services and support and that will promote Groundling Theatre as a community hub.

**Change of Constitution and Trustee Recruitment**

It has become clear over the past 12 months that the amount of work required is more than can be comfortably accommodated by 5 trustees. It has therefore been agreed that the constitution should be changed to allow for up to 9 Trustees. Once agreed by the Charity Commission a recruitment campaign will be undertaken to recruit new trustees with the skills required to give the board the expertise and balance it needs.

This Annual Report gives the Board an opportunity to offer public thanks to the many people and organisations who have supported their work during the year. Special thanks go to the following:

- All the volunteers to have stuck with us.
- The staff who have gone above and beyond
- All the people who have donated to the trust
- All the ticket holders who when given the choice, chose to donate their ticket money
- All the grant funders who have trusted us with their funding in these difficult times including
  - o Portsmouth City Council
  - o The Arts Council
  - o Theatres Trust
  - o Historic England
  - o National Lottery
- Local businesses for their sponsorship in kind and kindness:
  - o Big Yellow Storage
  - o Pritchard Architects
  - o PMG Electrics
  - o Key Systems
  - o Saulet Townsend
  - o VEL

**GROUNDINGS THEATRE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

**Background**

Groundlings Theatre was established as a non-for-profit organisation occupying a Grade II Star listed building in 2010 when the building was purchased by the current owner from Portsmouth City Council. By 2019 the company was in debt and the building was slowly falling into decay. In 2017, a plan was submitted by the owner to develop the attached car park area for student accommodation. This plan was opposed by Historic England and Portsmouth City Council and the local community, and the plans were withdrawn in November 2019.

The Groundlings Theatre Trust was set up to take over operation of the theatre and was given charity status in December 2019 when it became a Charitable Incorporated Organisation. The Trust made an agreement with the Landlord to take over the lease and operation of the theatre from the end of that financial year and the date of 9 April 2020 was agreed with the lease being dated 17 February 2020. Portsmouth City Council agreed to grant the Trust £15,000 to get it established. This lease was for 10 years.

Unfortunately, shortly after this the Covid-19 Pandemic hit the UK and the country went into an initial lockdown on 23 March 2020 just 2 weeks before the Lease became effective and because of the various covid-19 restrictions, the Trust has not been able to trade normally during this period. As a new organisation without any end of year trading accounts and because of the date the Trust took over Groundlings Theatre, no Government help was available until the Trust were successful in getting an emergency grant from the Arts Council.

**Recruitment and appointment of new trustees**

The constitution requires a minimum of 3 and a maximum of 5 Trustees. It has however become clear that the workload requires a larger board membership. The building was fortunate to be placed on the Theatres Trust at Risk Register in 2019/20 and again in 2020/21. As a result, we applied to them for a grant, part of which was used to engage a consultant to do some governance and trustee training work. As part of that work a skills analysis was done which has identified the areas that the board is weak in and can be used to help us recruit new trustees with the skills we need to become fully effective.

Trustee vacancies are advertised and applicants asked to submit a CV. Those passing the initial sift are then interviewed and successful candidates invited to join the board. All new trustees are given an induction and training pack and are asked to sign a declaration stating they are not disqualified by the Charity Commission to serve as a Trustee.

**Risk management**

The trustees have a duty of care to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have in place the necessary policies and procedures for the operation of the theatre and meet monthly to oversee policy and finance matters with the Executive and Creative Director as the professional advisor.

The effect of covid-19, on the theatre's ability to trade, has been a significant challenge over the past 12 months, that has presented numerous risks but the trustees have worked extremely hard to ensure the foundations needed for a secure organisation have been put in place to ensure a robust future. There will be continued risk for the first half of next year and the trustees will continue to make the most of every opportunity presented to them.

The poor state of the building has also been a significant risk and before we were able to open in a limited capacity for our Christmas production, a significant amount of our limited funds had to be spent on bringing the building into a condition where statutory certification could be issued. The poor state of the building continues to be a risk and the trustees are working on renegotiating the 10 year lease to a 25 year lease, which would allow the trust to access heritage grant funding and secure a future for the building.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1186929

**GROUNDINGS THEATRE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Principal address**

42 Kent Street  
Portsea  
Portsmouth  
Hants  
PO1 3BS

**Trustees**

Mrs Christine Mary Allison (appointed 30.7.2020)  
Mr Richard Stephen Sexton (appointed 11.8.2020)  
Mrs Helen Gibbs  
Sophie Ford (appointed 3.12.2020)

**Chief Executive :** Mr. Tobias Robinson

**Independent Examiner**

P Underwood  
FCCA  
Morris Crocker  
Chartered Accountants  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

**Registered Charity Number:** 1186929

**Registered Office:**

Groundlings Theatre  
42 Kent Street  
Portsea  
Portsmouth  
Hampshire  
PO1 3BS

**Banker:**

Lloyds Bank plc

Approved by order of the board of trustees on 20 October 2021 and signed on its behalf by:



Mrs Helen Gibbs - Trustee



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
GROUNDINGS THEATRE TRUST**

**Independent examiner's report to the trustees of Groundlings Theatre Trust**

I report to the charity trustees on my examination of the accounts of Groundlings Theatre Trust (the Trust) for the year ended 31 March 2021.

**Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



P Underwood  
FCCA  
Morris Crocker  
Chartered Accountants  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

Date: 27 October 2021

**GROUNDLINGS THEATRE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	2	3,279	-	3,279
<b>Charitable activities</b>	3			
Operation of theatre		100,678	45,634	146,312
<b>Total</b>		<u>103,957</u>	<u>45,634</u>	<u>149,591</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>	4			
Operation of theatre		66,239	45,633	111,872
<b>NET INCOME</b>		<u>37,718</u>	<u>1</u>	<u>37,719</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>37,718</u></u>	<u><u>1</u></u>	<u><u>37,719</u></u>

The notes form part of these financial statements

**GROUNDINGS THEATRE TRUST**

**BALANCE SHEET  
31 MARCH 2021**

	Notes	£
<b>CURRENT ASSETS</b>		
Debtors	7	763
Cash at bank		<u>38,853</u>
		<b>39,616</b>
 <b>CREDITORS</b>		
Amounts falling due within one year	8	<u>(1,897)</u>
 <b>NET CURRENT ASSETS</b>		<u><b>37,719</b></u>
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>37,719</b>
 <b>NET ASSETS</b>		<u><u><b>37,719</b></u></u>
 <b>FUNDS</b>	10	
Unrestricted funds		<u>37,719</u>
 <b>TOTAL FUNDS</b>		<u><u><b>37,719</b></u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20th Oct 2021 and were signed on its behalf by:



Mrs Helen Gibbs - Trustee

The notes form part of these financial statements

## GROUNDINGS THEATRE TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The trustees consider that there are no material uncertainties regarding the charity's ability to continue as a going concern.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Financial instruments**

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable investments in stocks and shares. The measurement basis used for these instruments is detailed below.

##### **Debtors and cash at bank**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and in hand included cash held on deposit or in a current account.

##### **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# GROUNDINGS THEATRE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 2. DONATIONS AND LEGACIES

Donations	£ 3,279
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### 3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	£
Event Income	Operation of theatre	16,710
Bar & Café Income	Operation of theatre	424
Car Park Income	Operation of theatre	8,188
Grants	Operation of theatre	120,990
		<u>146,312</u>

Grants received, included in the above, are as follows:

	£
Portsmouth City Council	15,000
Arts Council	35,000
National Lottery	10,000
Historic England	22,500
Theatre Trust	14,280
Furlough grant	8,853
PCC Covid Recovery	15,357
	<u>120,990</u>

### 4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Operation of theatre	<u>102,648</u>	<u>9,224</u>	<u>111,872</u>

### 5. SUPPORT COSTS

	Governance costs £
Operation of theatre	<u>9,224</u>

**GROUNDINGS THEATRE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**5. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

**Governance costs**

	Operation of theatre £
Accountancy and legal fees	1,260
Legal and professional fees	7,964
	<u>9,224</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2021.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Trade debtors	763
	<u>763</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Trade creditors	637
Other creditors	1,260
	<u>1,897</u>

**9. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted fund £	Restricted funds £	Total funds £
Current assets	39,616	-	39,616
Current liabilities	(1,897)	-	(1,897)
	<u>37,719</u>	<u>-</u>	<u>37,719</u>

**10. MOVEMENT IN FUNDS**

	Net movement in funds £	At 31.3.21 £
<b>Unrestricted funds</b>		
General fund	37,719	37,719
	<u>37,719</u>	<u>37,719</u>
<b>TOTAL FUNDS</b>	<u>37,719</u>	<u>37,719</u>

**GROUNDLINGS THEATRE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**10. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	103,958	(66,239)	37,719
<b>Restricted funds</b>			
Furlough grant	8,853	(8,853)	-
Theatre Trust	14,280	(14,280)	-
Historic England	22,500	(22,500)	-
	<u>45,633</u>	<u>(45,633)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>149,591</u>	<u>(111,872)</u>	<u>37,719</u>

The Furlough Grant covered specific employees salaries.

The Theatre Trust grant is restricted and covered specific works to the Theatre.

The Historic England grant is restricted and covered restoration works.

**11. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2021.