

Registered number: 00593331
Charity number: 219163

Belgrade Theatre Trust (Coventry) Limited

Trustees' report and financial statements

For the year ended 31 March 2021



Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

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Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Reference and administrative details of the Theatre, its Trustees and advisers
For the year ended 31 March 2021

| | |
|-----------------|---|
| Trustees | Mr S Fergusson, Chair Cllr R M J Bailey Mr S A Bates Mr P Carvell Mr N Dodzo Mr W H Glen LLB Ms A Hay Mr D P Hanson (appointed 17 June 2021) Mr C T Huggins (appointed 10 July 2021) Mr A F Pollock Ms K J Reid BA Hons Mr A C Skipper Mrs R L Warwick (resigned 11 February 2021, appointed 20 July 2021) Mr J J Wilby Ms N C Daley (appointed 17 June 2021) |
|-----------------|---|

Funding Body Representatives entitled to attend Board meetings:

| | |
|------------------------------------|---|
| Arts Council England West Midlands | Mr T Wildish (Theatre Officer) |
| Coventry City Council | Mr D Cockcroft (Asst. Director, City Centre & Development Services) |

| | |
|--|---|
| Company registered number | 00593331 |
| Charity registered number | 219163 |
| Registered office | Belgrade Theatre Belgrade Square Corporation Street Coventry West Midlands CV1 1GS |
| Company secretary and Executive Director | Ms K J Reid BA Hons |
| Chief executive officer and Artistic Director | Mr W H Glen LLB |
| Independent auditors | Dains LLP 15 Colmore Row Birmingham B3 2BH |
| Bankers | National Westminster Bank plc 24 Broadgate Coventry CV1 1NE |

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Chairman's statement
For the year ended 31 March 2021

The chairman presents his statement for the year.

As I write this, the Belgrade is at last opening its doors after lockdown. History may not repeat itself, but it sometimes rhymes! In December 1666 Samuel Pepys, an addicted theatre goer (he would often write, guiltily, that he neglected business to see a play) was at last able to return to the King's Playhouse in Drury Lane, closed by London's Great Plague since the previous June, to see Beaumont and Fletcher's *The Mayds Tragedy*. In a prescient comment he wrote in his diary '*...I sat with my cloak about my face...*' and feeling that play going was still a dangerous and unbecoming pastime '*...I was in mighty pain lest I should be seen by anybody to be at a play...*'

As in 1665/6 this has been a tough year for theatres and the Belgrade had to cancel all live shows including the popular and lucrative pantomime. Our business model is based on healthy commercial revenues, primarily box office, to support external grants to fund such strategies as Belgrade's own productions, community projects and talent development. Almost overnight we were thrown into a major financial crisis. We had to reduce our costs and lost 16 permanent posts as well as casuals. And, of course, the independent creative people we support, who are the life-blood of the performing arts, were hit hard.

Three things kept us going, the hard work and loyalty of our staff many of whom had to go on furlough or reduced hours. Culture Recovery Fund grants of nearly £1.5 million. Then there was money to allow us to develop work for Coventry's City of Culture. The centrepiece of this work was the KEYS project. This was inspired by the story of Ira Aldridge, a young African-American actor, who came to Coventry in 1828 to manage a short season of plays at the old Coventry Theatre. Not even 21 years of age, he became the country's first theatre manager of colour at a time when slavery was still widespread throughout the British Empire. To honour this unusual event Hamish Glen wanted to 'hand the keys' of the theatre over to the next generation of young and diverse theatre-makers. Corey Campbell, Balisha Karra and Justine Themen were appointed as Co-Artistic Directors of the Theatre for 2021, bringing with them a unique perspective that celebrates Coventry's diversity and drives positive change. The three Co-Artistic Directors have driven the City of Culture programme of work with their own individual projects, as well as learning from Hamish about the processes and challenges of running a major venue.

There were other silver linings to this dark cloud. The lockdown meant we were able to steam ahead on the final phases of the theatre's redevelopment with a new bar and café facility. Crisis can also stimulate innovation. We moved work online with, for example, a digital version of our pantomime *Jack and the Beanstalk*, we expanded our programme of film screenings and presented some live work whenever regulations allowed. These are approaches that will become a fixed part of our output when the crisis passes.

This is my last report for the Belgrade as I stand down as chairman at the end of September 2021 and hand over the reins to David Hansen. Our Chief Executive and Artistic Director, Hamish Glen and the Executive Director, Joanna Reid will also leave the Theatre in March 2022. They have built a thriving and innovative regional theatre over the last 18 years and it is an enjoyable privilege to have been involved with them and the Theatre for eight of those years.



Stewart Fergusson
Date: 30 September 2021

Belgrade Theatre Trust (Coventry) Limited
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Trustees' report
For the year ended 31 March 2021

The Trustees present their annual report together with the audited financial statements of the Theatre for the 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

"We really appreciated the effort everyone had gone to in making this performance, whilst it wasn't the same as being in your amazing theatre it made our Christmas this year feel a little more normal"

Digi Panto JACK & THE BEANSTALK

"My own son turned 10 today (he was lucky enough to go up on stage when he was 4 and still talks about the experience now) and we continued our tradition, but from our living room instead. I can't get over how amazing it was, we were all shouting and joining in the whole way through, we laughed and sang and clapped"

Digi Panto JACK & THE BEANSTALK

"Just wanted to say the show was fantastic, it was really easy to access online and we loved it from start to finish! Thank you for making panto happen!"

Digi Panto JACK & THE BEANSTALK

"I watched the Belgrade production of 'Jabala and the Jinn' and thought it was absolutely delightful - well done to all of you."

Jabala and the Jinn

Objectives and activities

a. The Belgrade Theatre's Vision

Together, with the diverse communities across Coventry and the region, we aim to enrich and fundamentally change people's lives for the better through theatre.

b. Mission

In our landmark building, across the region, the UK and online, we will use theatre to entertain, inspire, share the city's stories, uncover hidden histories and unleash the creativity in our communities.

Ordinarily, this mission is expressed by presenting a vibrant programme of produced, visiting and community work in our two auditoria and other spaces. It is informed by a distinctive artistic policy designed to attract local and national attention, cater to and develop the different audiences in and around Coventry, lift the profile of the Theatre as a producing theatre, bear witness to our community's experiences, find a unique voice for the Belgrade in the context of the region and attract leading theatre artists. In short to build on the vision, radicalism and internationalism that marked the opening of the Belgrade in 1958. The Theatre's solo produced work, co-produced work and work developed and produced with our 'in association' artists and companies, together with our Springboard companies, is presented in both auditoria and is where the Theatre can best articulate its artistic policy. Each year the Theatre seeks to achieve a good balance between the different types of work we produce, support and present in order to serve and develop a wide range of audiences.

During this year we did our best to deliver on our Mission while managing the restrictions and challenges of lock down.

c. Achievements and performance

The year was extraordinarily challenging for everyone in the theatre sector with immediate massive impact on operations combined with challenges to our planning for UK City of Culture 2021 and beyond. With 2021 in mind,

Belgrade Theatre Trust (Coventry) Limited
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Trustees' report (continued)
For the year ended 31 March 2021

Objectives and activities (continued)

our strategy to remain as engaged as we could with the City, whether digitally or in person, and we took every opportunity to open the doors, host meetings and groups and present live events as well as offer a range of digital offerings of our own work as well as partner companies' work.

The Belgrade was closed to the public from March to July 2020, but we opened a new TakeAway Café in June, and then our Café in the Foyer in July, and hosted groups and presented some performances and had planned a replacement Autumn Season which was then cancelled by the second lock down in October 20. From then we remained closed until 17 May 2021.

The focus afforded by Coventry being UK City of Culture in 2021 gave us purpose, driving both creative content and our 2020 Redevelopment, and thus although a tough time, it was also a fruitful period. Led by our three culturally and ethnically diverse 2021 Co-Artistic Directors and 2021 Senior Producer, we began to shape, finalise and deliver our ambitious City of Culture programme HANDING OVER THE KEYS. After a period of absorbing, thinking and reflecting on the impact of the pandemic with our partners, we transformed our approach and began to identify new ways of creating work and engaging with our communities.

The Theatre's early realisation that Panto 2020 was not going to be possible meant that we were able to give creative time to Iain Lauchlan and Sugarswell Studios to develop and deliver a quality digital offering JACK & THE BEANSTALK which was viewed around the world, playing to 14000. This piece was created alongside advance work on our 2021 project SEAVIEW which had always been conceived as a digital project and both resulted in an acceleration of the development of our Digital Plan and our need to develop our skills of how to make, promote and create work digitally. A multi-faceted challenge to which staff rose admirably. We created a new wholly owned trading subsidiary BELGRADE FILM & DIGITAL and used Cultural Recovery Funding to upgrade our digital infrastructure and equipment.

We'd planned to use B2 as a cinema for a showing of our Coventry Blitz play ONE NIGHT NOVEMBER to commemorate the anniversary, but this had to move on line

For New Year's Eve we presented an originally conceived live event called SO LONG 2020 which moved on line - an evening of music from local musicians and artists

In March we produced JABALA & THE JINN for B2, in co-production with Turtle Key Arts for young audiences, originally conceived as live and due to tour but in the event had to be delivered digitally both live streamed and On Demand. This was the first production that we delivered for our 2021 Keys programme.

We used Emergency Funding to open when we could and presented DESI CENTRAL. We invested in our own work and to support the theatre ecology, commissioning writers, supporting artists to use our spaces to make and present their work digitally including our springboard ASCENSION DANCE and regular "in association with" company OPERAUPCLOSE.

The co-artistic directors worked together to issue a solidarity statement for BLACK LIVES MATTER, leading on the ERADICATION OF THE TERM OF BAME and reminding the city of its rich history from as long ago as 1828 when Ira Aldridge, an African-American actor, made such an impression on the community that he was made manager of the Coventry Theatre. Not yet 21 he became the country's first theatre manager of colour. Belgrade signed the MORE THAN A MOMENT pledge that has seen our senior management actively learn about and adopt the principles into our working. We have reviewed our GOVERNANCE structure and further diversified committees and Board.

We completed our 2020 Redevelopment Project that had been phased over several years and has resulted in a refurbishment and upgrading of our 1958 Main Stage auditorium, initiatives to reduce our carbon footprint and an expanded catering facility consisting of beautifully café and first floor Nineteen 58 bar with additional rooms for conferencing/workshop use. We were ready to open 17 May 2021.

Objectives and activities (continued)

Audiences

The Belgrade seeks to grow and to serve a wide range of audiences and is proud to have an audience profile that is atypical for an arts venue, appealing to a broad spectrum of socio-economic groupings. During the pandemic we have done our best to remain engaged with audiences, offering a range of different work both inside the building and digitally. Our Recovery Strategy includes working hard to encourage the diverse range of audiences back into the building.

Between lockdowns we delivered 11 performances of 5 different productions for in person audiences (in both auditoria and outside); we welcomed another 550 visits in to the building to hosted group meetings; we sold 4,829 tickets for online participation which we estimate played to on line audiences of 19,537; we provided 3,260 participation opportunities.

Digital

The Belgrade's strength in digital technologies has proved to be an invaluable asset in 2020/21. Across the organisation our goal to Think Digital has enabled us to continue to offer some of our programme – performances and engagement work – on-line. We remained active and innovative on our social media channels providing a range of different ways for the public to continue to engage with us such as podcasts, activities and streamed shows – both pre-recorded and specially created. Our participation and education programmes continued on-line and we participated in several surveys measuring public responses to the pandemic and returning to live theatre. Our social media followers have continued to grow as a result and engagement with our newly launched season show positive responses.

Throughout 2020 we launched a brand new website, created a hugely popular digital pantomime, started a Media Academy for young at risk, schools and emerging artists to address the gap in digital skills, progressed with developing the former Jag pub into a ground-breaking digital space, experimented with different paid for and free channels of offering streamed productions and invested in new technologies such as ticket scanners, full FTTP and equipment offering capacity to stream taking advantage of Coventry's fast 5G broadband.

d. Training and development

The Theatre remains committed to providing training and development opportunities for entry-level posts as well as for existing staff. Ordinarily we offer a broad range of experiences throughout various departments of the Theatre, as well as specialist industry-based training. This year saw a necessary upskilling in making, presenting and promoting digital work; e-attending meetings; and various staff e-attended training courses.

Everyone who is employed receives a full induction and those engaging with the Community, Education and Participation programme, whether a full-time employee, casual, freelancer, volunteer or work placement, receive safeguarding training because they will be working with children, young people and vulnerable adults.

This year saw progress against our Digital Strategy accelerate as we responded to the challenges posed by lockdown. We learnt much through trial and error as well as working with more experienced digital technicians and consultants.

Ordinarily we can count on Volunteers for support in our front of house and communications activities; we host work experience from school age and University students; 98 Artist development and mentoring opportunities were provided; a total of 3,260 participation opportunities for young people and the community were taken up.

Our apprenticeship and graduate internship programmes were paused.

Belgrade Theatre Trust (Coventry) Limited
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Trustees' report (continued)
For the year ended 31 March 2021

Objectives and activities (continued)

e. Capital development

We reopened in September 2007 having completed the major capital project that resulted in the creation of B2, provision of on-site rehearsal space and new improved entrances and front of house. The company works hard to maintain the fabric of the building so that it continues to hold on to its new shine.

The feasibility study for the development of an underused area of its existing footprint in order to create a rehearsal / workshop space for the community and education work was delivered but remained on hold due to the economic climate although the 2020 Redevelopment Project may now allow an element of this to be delivered.

A 30 year lease is in place for the Theatre's workshops, with the Theatre being granted the option to purchase the site, should the Council look to sell it. During Summer 2013 the Board made a major investment in the fabric to make it fit for purpose, secure its use for 50 years and reduce its carbon footprint, as a result of which the Council agreed to an increased lease of 50 years.

In 2016, the Board approved plans to deliver some essential electrical works associated with the existing building and main auditorium which were carried out Summer 2017 and formed the first part of a larger capital project (2020 Redevelopment Programme) that centres on the refurbishment of the Main Stage auditorium to ensure the Theatre is City of Culture 2021 ready and expanding the Theatre's footprint with a view to increasing its future earned income opportunities. These works were completed during the year.

f. Public benefit

The Trustees have each received copies of the Charity Commission "Guidelines on Public Benefit" and this forms part of the Induction pack for new trustees.

The Public Benefit provided by the Theatre includes

- promoting artistic appreciation
- providing facilities for recreation

The beneficiaries are all members of the public and access is enabled as follows:

- through concessionary ticket schemes for paid activity
- free access for community activity
- all public areas of the building are wheelchair accessible
- Relaxed performances, and regular Access performances are provided for those with hearing or sight impairment

g. Approach to fund raising

The Belgrade is voluntarily registered with the Fundraising Regulator and follows the Code of Fundraising Practice. The Fundraising Promise and details of the Belgrade's commitment to open, honest and transparent fundraising is outlined on <http://www.belgrade.co.uk/support-us/why-we-are-a-charity/>.

The Belgrade's Trustees also follow the Charity Commission's (CC20) guidance regarding fundraising compliance, and this is monitored by the Development Committee which is chaired by a Trustee. The Belgrade's Fundraising Policy states the process for asking for support – in line with the Code of Fundraising Practice and GDPR regulations that came into force on 25 May 2018. The Belgrade has a Fundraising Policy which is approved by the Board of Trustees/Directors and monitored by the Development Committee. The Belgrade's fundraising activity is led by the Head of Development, with support from a Development Officer and Development Assistant. Whilst all staff are encouraged (and where appropriate provided training) to signpost potential donors/supporters, it is the Development team who are suitably qualified professional fundraisers with the responsibility of raising funds. Occasionally, for specific projects, external fundraising consultants' advice is

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Trustees' report (continued)

For the year ended 31 March 2021

Objectives and activities (continued)

sought (i.e. 2020 Redevelopment Project). All fundraising activities are carried out by the Development team and where suitable (e.g. for bucket collections) other Belgrade staff members – who have also been taken through fundraising training.

No fundraising complaints were received by the Belgrade in 2020-21.

Achievements and performance

a. Review of activities

The Theatre met all its obligations under its third National Portfolio Organisations (NPO) Agreement with Arts Council England (ACE), which ordinarily runs until March 2022 but was extended to March 2022 due to the pandemic and a further year's extension is expected. The Belgrade is supporting ACE's previous mission GREAT ART & MUSEUMS FOR EVERYONE and making specific contributions to its strategies in talent development, the creative case for diversity and quality professional theatre for young people. The Theatre has continued its partnership project with Coventry City of Culture called HANDING OVER THE KEYS designed as a major intervention in what a 21C Regional Theatre should look like. The Theatre is currently considering its contribution to ACE's new mission LET'S CREATE.

The business plan continues to rely on earned income from all its sources which, given the ongoing pandemic, it sees as risky. The Theatre manages this substantial risk by reducing overhead costs through restructuring, securing a Coronavirus Business Interruption Loan (CBILs) and using Government Support to rebuild reserves. It underpins this activity with its reserves. The theatre tax relief scheme also makes a significant contribution and thus enables more artistic work.

Financial review

a. Year result

Pre-pandemic the Belgrade had driven turnover to £6.5m, 75% of which was earned from a broad range of activities all of which, none the less, relied on mass gatherings. The year saw a collapse in this income. However, the Theatre is riding the storm due to its underlying resilience created by ongoing strong financial control and performance, its maximization of government support through the furlough scheme and local authority grants, Kickstart funding, successful applications to Cultural Recovery Emergency Funding administered by Arts Council England and taking tough operational decisions to reduce overhead costs.

Cultural Recovery Funding amounted to just under £1m and was used to invest in improved digital facilities throughout the building, anti-COVID measures, secure core staffing and activity (including our workshop facility), cover restructuring costs and to rebuild our depleted general reserves to £584,284. Recognising the ongoing financial risks facing the Theatre, the Board notes a target 3 months of normal trading would mean £1.6m

The Theatre also secured a £1m Corona Business Interruption Loan (CBILs) in January 2021 to support its general cashflow, earmarking £0.5m to underpin its 2020 Redevelopment and £0.5m general revenue activity but with the intention of repaying the loan before it begins costing the Theatre to retain the cash. The Theatre has fully funded the 2020 Redevelopment due to winning a Kickstart Loan and setting £25k of its reserves against the project.

The Board has decided that, in order to recover, the Theatre must continue operating and look to trade as normally as possible. To be able to operate the Board has approved Budget parameters for the next two years that carry income targets that could carry a possible trading deficit risk of £0.5m. The intention is to cover these losses through a combination of reserves and bank loans.

The principal income for the Charity was public funding from Arts Council England, Coventry City Council (core

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Trustees' report (continued)
For the year ended 31 March 2021

grants totalling £1,554,604); with significant funding from Coventry City of Culture Trust in support of the KEYS project (£141k) and project funding from various sources mainly to support specific community, participation and talent development projects and other restricted purpose grants totalling £2,837,444.

b. Going concern

The ongoing impact of the COVID-19 pandemic has made it necessary for the Theatre to apply for further funding from the Arts Council Cultural Recovery Fund, which it was successful in securing. Attention in the short to medium term has been on managing cashflow and working capital in general with the Trustees of the opinion that the Theatre can continue to operate within its current and future financial parameters and so continue to meet its debts as they fall due. The Theatre's longer term strategy for beyond 2021 is to maintain its market share and profitability and ultimately, to achieve some growth, maximising the unique opportunity of Coventry being 2021 UK City of Culture. The Trustees have continued to put measures in place to try and expand the ancillary markets in which the Theatre operates in order to achieve this. The Trustees have also prepared cash flow forecasts, which demonstrate that the the group continues to be able to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. As such, the Trustees believe the Theatre to be a going concern and have adopted this assumption in preparing the financial statements.

c. Reserves policy

The Trustees have established a level of reserves (that is, those funds that are freely available) that the Charity ought to have. Reserves are needed to bridge the funding gaps between spending on productions and events and receiving resources through admission charges and grants that provide funding. Unexpected variations in box office sales, which form a substantial part of the Theatre's income, represents the largest risks to its financial security during any one year. While every effort is made to minimise risk by setting realistic targets, the Board considers it appropriate to hold a level of reserves on the balance sheet to protect the Theatre against this eventuality. The pandemic severely impacted these reserves, however, the Theatre worked to rebuild them during the year; and the ending of the substantial capital project has removed an additional major financial risk.

The Theatre's level of unrestricted reserves has risen to £584k (2020: £24k). There is also a designated fund of £178k towards revenue projects, which will act as a contingency or "venture fund", and a designated fund of £161k to cover future staff restructuring costs. It is the Trustees' view that it is prudent to use the funds it has available in order to give it the ability to increase its self-generated income while at the same time ensuring that there are sufficient reserves to provide financial flexibility over the course of the forthcoming challenges. The Trustees have decided that as long as the level of free reserves remains sufficient, the policy shall be to invest a proportion of future trading surpluses in revenue activity, allowing more home produced shows, particularly those with a commercial potential, B2 to be open for the year, the Theatre's community, participation and talent development programme to deliver more work and capital projects that will provide the Theatre with new income streams.

d. Investments policy and performance

Cash flow is carefully managed to ensure that surplus cash is put on short or long term deposit with financial institutions having appropriate credit ratings. The Charity does not deal in equities and derivative instruments.

Belgrade Theatre Trust (Coventry) Limited
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Trustees' report (continued)
For the year ended 31 March 2021

Structure, governance and management

a. Constitution

The Theatre is incorporated under the Companies Act 1948 being a Company Limited by Guarantee and not having a share capital with the company number 00593331.

The Theatre is constituted dated 21 October 1957 and is a registered charity number 219163.

b. Organisational structure and decision-making policies

The Memorandum and Articles specify that the Board shall consist of not less than 11 and no more than 15 persons, two being nominated by Coventry City Council and not less than nine and no more than 13 from outside the city council, who shall be nominated by the Board. These nominations are selected to meet a balance of skills and representation in the make up of the Board. A series of committees oversee specific elements of operation and make reports, with recommendations, to the Board. The Board makes the final strategic decisions, delegating decisions regarding day to day operations to the Chief Executive and Executive Management.

During the year no Extraordinary General Meetings were held

The company is limited by guarantee so the Directors have no interest in any shares. The company is a registered charity. The Directors are Trustees of the charity and, except for the Chairman there is no power for them to receive remuneration for their service as Directors. The senior officers remain employees of the company while also acting as Directors. Approval was granted by the Charity Commission on 11 August 2005 to pay the Chairman a limited sum under specific circumstances and to pay the Artistic Director/Chief Executive and Executive Director, and on 3 August 2006 to make payment to a Director's company in return for professional services.

Stewart Fergusson was appointed as Chairman September 2012. The Theatre is very fortunate to have a very able and committed Board. The composition includes a good cross section of experience and representation.

Detailed work is delegated to committees in the following areas:

Arts Policy, Audit, Development, Capital Development, Click Spring, Communications and Nominations & Governance.

Each committee is made up of at least one or two Board members and a number of additional members with appropriate expertise. The Chairman of the Board, the Artistic Director/Chief Executive and the Executive Director are ex-officio members of all committees to provide communication and overall cohesion.

c. Policies adopted for the induction and training of Trustees

New trustees undergo a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity. The new Trustees also meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

d. Setting the Pay and Remuneration of the Charity's Key Management Personnel

The Board approves the specific pay levels of senior staff, and the level of the general pay award to all staff.

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Trustees' report (continued)
For the year ended 31 March 2021

Structure, governance and management (continued)

e. Related party relationships

The Charity has a wholly-owned trading subsidiary, Belgrade Theatre Enterprises Limited, a company incorporated in England. Its nature of business is to carry out the trading activities of the company and it "gift aids" all profits to the Charity.

The Charity also has created two other wholly-owned trading subsidiaries Belgrade Theatre Productions Ltd and Belgrade Film & Digital Ltd (formerly Belgrade Theatre Commercial Ltd), companies incorporated in England. Their nature of business is to carry out production activities as agreed with the Charity, to claim Theatre Tax Relief and to gift aid any income to the Charity.

The Charity had an interest in the ordinary shares of a joint venture company, Belgrade Ventures Limited. These shares had a nominal value of £1 each. This company was wound down in 2010.

The Charity co-operates with other charities (including theatres) and non-charities (including commercial theatre companies, governmental and non governmental organisations, businesses) in the pursuit of its charitable objectives.

f. Risk management

The Trustees have assessed the major risks to which the Group and the Theatre are exposed, in particular those related to the operations and finances of the Group and the Theatre, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

This year saw the Theatre working through our HANDING OVER THE KEYS project, to reach fruition during Coventry UK City of Culture 2021. The Belgrade was a key player in Coventry winning the title and it afforded the Theatre with the opportunity of changing up another gear on its journey to represent and articulate the experiences and concerns of the many diverse communities within which it operates. The Theatre designed HANDING OVER THE KEYS, with funding by Coventry City of Culture, and kicked it off during 2019/20 with the appointment of three 2021 Co-Artistic Directors Corey Campbell, Balisha Karra and Justine Themen. The project moved into full planning during 2020/21. The Pandemic inevitably caused disruption to the planned programme, with projects shifting their slots, co-producers having to manage their own pandemic impacts, core Belgrade staff laid off and freelance artists and technicians fleeing the industry. However, being City of Culture gave the Theatre much needed focus and drive and plans are in place to deliver our programme largely from Summer 2021, and the Belgrade is cautiously rebuilding core staffing levels.

The Theatre has also announced a Leadership Restructure that is designed to take effect from 1 April 2022. This is due to the desire to embed the organizational changes that HANDING OVER THE KEYS has been driving, to ready the Theatre for its next Arts Council National Portfolio Organisation (NPO) Application (early 2022) and in response to the ongoing financial pressures caused by the Pandemic which has such a massive impact on an organization that prior to the Pandemic was covering 75% of its £6.5m costs through self-generated income. The Theatre will recover to this level of turnover and earnings, but recognizes that this will take time to do. In the meantime must draw in its horns yet further to protect the organization so that it can continue to play and grow its central part in Coventry's cultural and community life going forward.

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Trustees' report (continued)
For the year ended 31 March 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Theatre 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Theatre and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Theatre's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Theatre 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 Group and the Theatre and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

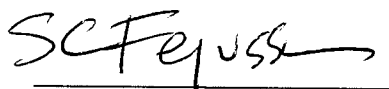
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Dains LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 30 September 2021 and signed on their behalf by:



Mr S Fergusson
Chair

Belgrade Theatre Trust (Coventry) Limited
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Independent auditors' report to the Members of Belgrade Theatre Trust (Coventry) Limited

Opinion

We have audited the financial statements of Belgrade Theatre Trust (Coventry) Limited (the 'parent charity') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated and Theatre balance sheets, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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's 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.

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Belgrade Theatre Trust (Coventry) Limited (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on 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 including the Group Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Group 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Group Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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.

Independent auditors' report to the Members of Belgrade Theatre Trust (Coventry) Limited (continued)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Belgrade Theatre Trust (Coventry) Limited (continued)

Use of our report

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



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

30 September 2021

Belgrade Theatre Trust (Coventry) Limited

(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2021

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Designated funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|------|------------------------------------|----------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 4 | 2,184,740 | 3,966,068 | - | 6,150,808 | 3,204,924 |
| Charitable activities | 5 | 146,482 | - | - | 146,482 | 2,693,922 |
| Other trading activities | 6 | 132,887 | - | - | 132,887 | 1,215,365 |
| Investments | 7 | 383 | - | - | 383 | 5,289 |
| Total income and endowments | | 2,464,492 | 3,966,068 | - | 6,430,560 | 7,119,500 |
| Expenditure on: | | | | | | |
| Raising funds | 8 | 462,503 | - | - | 462,503 | 1,029,745 |
| Charitable activities | 9 | 2,121,430 | 904,687 | 37,899 | 3,064,016 | 5,437,223 |
| Total expenditure | | 2,583,933 | 904,687 | 37,899 | 3,526,519 | 6,466,968 |
| Net (expenditure) /income before transfers | | | | | | |
| | | (119,441) | 3,061,381 | (37,899) | 2,904,041 | 652,532 |
| Transfers between funds | 20 | 680,150 | (711,150) | 31,000 | - | - |
| Net movement in funds before other recognised gains | | 560,709 | 2,350,231 | (6,899) | 2,904,041 | 652,532 |
| Net movement in funds | | 560,709 | 2,350,231 | (6,899) | 2,904,041 | 652,532 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 23,575 | 9,884,490 | 1,987,218 | 11,895,283 | 11,242,751 |
| Net movement in funds | | 560,709 | 2,350,231 | (6,899) | 2,904,041 | 652,532 |
| Total funds carried forward | | 584,284 | 12,234,721 | 1,980,319 | 14,799,324 | 11,895,283 |

Belgrade Theatre Trust (Coventry) Limited

(A company limited by guarantee)

Registered number: 00593331


Consolidated balance sheet

For the year ended 31 March 2021

| | Note | 2021 £ | 2020 £ |
|---|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 14,054,547 | 12,122,357 |
| Current assets | | | |
| Stocks | 16 | 27,770 | 37,967 |
| Debtors | 17 | 770,555 | 793,024 |
| Cash at bank and in hand | | 2,334,416 | 639,289 |
| | | <u>3,132,741</u> | <u>1,470,280</u> |
| Creditors: amounts falling due within one year | 18 | (1,248,098) | (1,507,857) |
| Net current assets / liabilities | | <u>1,884,643</u> | <u>(37,577)</u> |
| Total assets less current liabilities | | <u>15,939,190</u> | <u>12,084,780</u> |
| Creditors: amounts falling due after more than one year | 19 | (1,139,866) | (189,497) |
| Total net assets | | <u><u>14,799,324</u></u> | <u><u>11,895,283</u></u> |
| Charity funds | | | |
| Designated funds | 20 | 1,980,319 | 1,987,218 |
| Restricted funds | 20 | 12,234,721 | 9,884,490 |
| Unrestricted funds | | | |
| General funds | 20 | <u>584,284</u> | <u>23,575</u> |
| Total funds | | <u><u>14,799,324</u></u> | <u><u>11,895,283</u></u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 30 September 2021 and signed on their behalf by:



Mr S Fergusson, Chair
Trustee

The notes on pages 20 to 46 form part of these financial statements.

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)
Registered number: 00593331

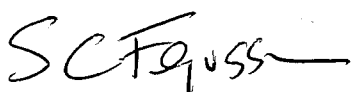
Theatre Statement of financial position
For the year ended 31 March 2021

| | Note | 2021 £ | 2020 £ |
|---|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 14,054,547 | 12,122,357 |
| Investments | 15 | 4 | 4 |
| | | <u>14,054,551</u> | <u>12,122,361</u> |
| Current assets | | | |
| Stocks | 16 | 20,526 | 20,811 |
| Debtors | 17 | 1,016,997 | 828,110 |
| Cash at bank and in hand | | 2,201,521 | 579,100 |
| | | <u>3,239,044</u> | <u>1,428,021</u> |
| Creditors: amounts falling due within one year | 18 | (1,199,144) | (1,465,602) |
| Net current assets / liabilities | | <u>2,039,900</u> | <u>(37,581)</u> |
| Total assets less current liabilities | | <u>16,094,451</u> | <u>12,084,780</u> |
| Creditors: amounts falling due after more than one year | 19 | (1,139,866) | (189,497) |
| Total net assets | | <u><u>14,954,585</u></u> | <u><u>11,895,283</u></u> |
| Charity funds | | | |
| Designated funds | 20 | 1,980,319 | 1,987,218 |
| Restricted funds | 20 | 12,234,721 | 9,884,490 |
| Unrestricted funds | 20 | 739,545 | 23,575 |
| Total funds | | <u><u>14,954,585</u></u> | <u><u>11,895,283</u></u> |

The Theatre's net movement in funds for the year was £3,059,302 (2020 - £652,532).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 30 September 2021 and signed on their behalf by:



Mr S Fergusson, Chair
Trustee

The notes on pages 20 to 46 form part of these financial statements.

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 March 2021

| | Note | 2021 £ | 2020 £ |
|--|-------------|-------------------------|-----------------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 23 | <u>3,196,456</u> | <u>568,772</u> |
| Cash flows from investing activities | | | |
| Interest received | | 383 | 5,289 |
| Purchase of tangible fixed assets | | <u>(2,474,272)</u> | <u>(1,265,891)</u> |
| Net cash used in investing activities | | <u>(2,473,889)</u> | <u>(1,260,602)</u> |
| Cash flows from financing activities | | | |
| Cash inflows from new borrowing | | 1,000,000 | - |
| Repayments of borrowing | | <u>(15,440)</u> | <u>(15,440)</u> |
| Interest paid | | <u>(12,000)</u> | <u>(12,000)</u> |
| Net cash provided by/(used in) financing activities | | <u>972,560</u> | <u>(27,440)</u> |
| Change in cash and cash equivalents in the year | | 1,695,127 | (719,270) |
| Cash and cash equivalents at the beginning of the year | | <u>639,289</u> | <u>1,358,559</u> |
| Cash and cash equivalents at the end of the year | 24 | <u><u>2,334,416</u></u> | <u><u>639,289</u></u> |

The notes on pages 20 to 46 form part of these financial statements

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

1. General information

Belgrade Theatre Trust (Coventry) Limited is a charitable company incorporated under the Companies Act in England and Wales and registered with the Charity Commission for England and Wales. The address of the registered office is given in the reference and administration section. The nature of the charity and group's activities are given in the Trustees' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Belgrade Theatre Trust (Coventry) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Theatre and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Theatre has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The ongoing impact of the COVID-19 pandemic has made it necessary for the Theatre to apply for further funding from the Arts Council Cultural Recovery Fund, which it was successful in securing. Attention in the short to medium term has been on managing cashflow and working capital in general with the Trustees of the opinion that the Theatre can continue to operate within its current and future financial parameters and so continue to meet its debts as they fall due. The Theatre's longer term strategy for beyond 2021 is to maintain its market share and profitability and ultimately, to achieve some growth, maximising the unique opportunity of Coventry being 2021 UK City of Culture. The Trustees have continued to put measures in place to try and expand the ancillary markets in which the Theatre operates in order to achieve this. The Trustees have also prepared cash flow forecasts, which demonstrate that the group continues to be able to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. As such, the Trustees believe the Theatre to be a going concern and have adopted this assumption in preparing the financial statements.

2.3 Company status

The Theatre is a company limited by guarantee incorporated under the Companies Act in England and Wales. The members of the company are the Trustees names on page 1. In the event of the Theatre being wound up, the liability in respect of the guarantee is limited to £1 per member of the Theatre.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Theatre has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Government grants

The Coronavirus Job Retention Scheme income, Retail, Hospitality and Leisure Grant Fund income and Local Restrictions Support Grant income is accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Consolidated statement of financial activities in the same period as the related expenditure.

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Theatre; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 Taxation

The Theatre is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Theatre is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount. Impairment losses are recognised in the Statement of financial activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

| | |
|---------------------------|-----------------|
| Long leasehold property | - 50 years |
| Furniture and fittings | - 3 to 10 years |
| Computer equipment | - 3 to 5 years |
| Event programme equipment | - 10 years |
| Sundry equipment | - 3 to 10 years |
| Motor vehicles | - 5 years |
| Theatre refurbishment | - 2 - 50 years |

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

2.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Theatre anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.15 Financial instruments

The Theatre 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.

2.16 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense in the Consolidated statement of financial activities when the Theatre is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.17 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.18 Pensions

The Theatre operates a defined contribution pension scheme for its employees. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid, the Charity has no further payment obligations.

The pension charge represents the amounts payable by the Theatre to the fund in respect of the year. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Charity in independently administered funds.

2. Accounting policies (continued)

2.19 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Theatre and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Theatre for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Theatre makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Management have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

4. Income from donations and legacies

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|---|--|--|---------------------------------------|
| Donations | | | |
| Donations | 22,784 | - | 22,784 |
| Capital development project 2020 | - | 233,243 | 233,243 |
| Grants | | | |
| Coventry City Council | 595,052 | - | 595,052 |
| Arts Council England | 959,552 | 1,128,624 | 2,088,176 |
| Capital development funding 2020 | - | 2,604,201 | 2,604,201 |
| Government grants | | | |
| Coronavirus Job Retention Scheme income | 549,595 | - | 549,595 |
| Local Restrictions Support Grant income | 32,757 | - | 32,757 |
| Retail, Hospitality and Leisure Grant Fund income | 25,000 | - | 25,000 |
| Total 2021 | 2,184,740 | 3,966,068 | 6,150,808 |

The Theatre has been eligible to claim from the government support schemes in response to the COVID-19 pandemic.

The Theatre furloughed certain employees under the government's Coronavirus Job Retention Scheme. The funding received of £549,595 relates to claims made in respect of the year.

The Theatre received £32,757 from the local council in respect of Local Restriction Support grants available to assist businesses that have been mandated to close during the year to manage the spread of COVID-19.

The Theatre received £25,000 from the Retail, Hospitality and Leisure Grant Fund (RHLGF). The RHLGF grant is payable for businesses who are based in England and operate in the retail, hospitality or leisure sector.

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

4. Income from donations and legacies (continued)

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|------------------------------------|--|--|---------------------------------------|
| Donations | | | |
| Donations | 3,982 | - | 3,982 |
| Capital development project 2020 | - | 180,373 | 180,373 |
| Grants | | | |
| Coventry City Council | 595,052 | - | 595,052 |
| Arts Council England | 942,215 | 117,192 | 1,059,407 |
| Esmée Fairbairn Foundation funding | - | 38,160 | 38,160 |
| STRAPP Project (Tamasha) | - | 5,500 | 5,500 |
| Capital development funding 2020 | - | 1,322,450 | 1,322,450 |
| Total 2020 | 1,541,249 | 1,663,675 | 3,204,924 |

5. Income from charitable activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|------------------------|--|---------------------------------------|
| Box office | 72,026 | 72,026 |
| Grant and other income | 74,456 | 74,456 |
| Total 2021 | 146,482 | 146,482 |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|------------------------|--|---------------------------------------|
| Box office | 2,404,883 | 2,404,883 |
| Grant and other income | 289,039 | 289,039 |
| Total 2020 | 2,693,922 | 2,693,922 |

Belgrade Theatre Trust (Coventry) Limited
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2021

6. Income from other trading activities

Income from non charitable trading activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-----------------------------|--|---------------------------------------|
| Conferencing | 6,219 | 6,219 |
| Ice cream and merchandise | 1,677 | 1,677 |
| Production services | 20,773 | 20,773 |
| Drama classes and workshops | 4,643 | 4,643 |
| Catering | 99,575 | 99,575 |
| Total 2021 | 132,887 | 132,887 |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|-----------------------------|--|---------------------------------------|
| Conferencing | 92,268 | 92,268 |
| Ice cream and merchandise | 102,035 | 102,035 |
| Production services | 535,165 | 535,165 |
| Drama classes and workshops | 33,897 | 33,897 |
| Catering | 452,000 | 452,000 |
| | 1,215,365 | 1,215,365 |

Belgrade Theatre Trust (Coventry) Limited**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2021**

7. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|---------------------|--|---------------------------------------|
| Interest receivable | 383 | 383 |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|---------------------|--|---------------------------------------|
| Interest receivable | 5,289 | 5,289 |

8. Expenditure on raising funds**Costs of raising funds**

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--|--|---------------------------------------|
| Fundraising cost of grants and donations | 4,120 | 4,120 |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|--|--|---------------------------------------|
| Fundraising cost of grants and donations | 8,837 | 8,837 |

Belgrade Theatre Trust (Coventry) Limited
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Notes to the financial statements
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8. Expenditure on raising funds (continued)

Fundraising trading expenses

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|---------------------------------|--|---------------------------------------|
| Conference costs | 487 | 487 |
| Ice cream and merchandise costs | 3,582 | 3,582 |
| Production services costs | 34,500 | 34,500 |
| Drama and workshop costs | 1,004 | 1,004 |
| Catering costs | 71,344 | 71,344 |
| Other staff costs | 545 | 545 |
| Premises costs | 31,220 | 31,220 |
| Other costs | 2,191 | 2,191 |
| Wages and salaries | 280,856 | 280,856 |
| Social security costs | 23,109 | 23,109 |
| | 448,838 | 448,838 |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|---------------------------------|--|---------------------------------------|
| Conference costs | 28,786 | 28,786 |
| Ice cream and merchandise costs | 29,521 | 29,521 |
| Production services costs | 176,437 | 176,437 |
| Drama and workshop costs | 9,819 | 9,819 |
| Catering costs | 173,556 | 173,556 |
| Other staff costs | 12,468 | 12,468 |
| Premises costs | 45,211 | 45,211 |
| Other costs | 2,125 | 2,125 |
| Wages and salaries | 503,286 | 503,286 |
| Social security costs | 39,699 | 39,699 |
| | 1,020,908 | 1,020,908 |

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8. Expenditure on raising funds (continued)

Other trading expenses

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------|--|---------------------------------------|---------------------------------------|
| Cost of sales staff costs | 9,545 | 9,545 | - |

9. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Designated funds 2021 £ | Total funds 2021 £ |
|---------------------|--|--|--|---------------------------------------|
| Operational Theatre | 2,121,430 | 904,687 | 37,899 | 3,064,016 |

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Designated funds 2020 £ | Total funds 2020 £ |
|---------------------|--|--|--|---------------------------------------|
| Operational Theatre | 4,651,195 | 748,129 | 37,899 | 5,437,223 |

Summary by expenditure type

| | Staff costs 2021 £ | Depreciation 2021 £ | Other costs 2021 £ | Total funds 2021 £ |
|---------------------|-----------------------------------|------------------------------------|-----------------------------------|---------------------------------------|
| Operational Theatre | 1,647,976 | 542,082 | 873,958 | 3,064,016 |

| | Staff costs 2020 £ | Depreciation 2020 £ | Other costs 2020 £ | Total funds 2020 £ |
|---------------------|-----------------------------------|------------------------------------|-----------------------------------|---------------------------------------|
| Operational Theatre | 2,143,945 | 400,905 | 2,892,373 | 5,437,223 |

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Notes to the financial statements
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10. Analysis of expenditure by activities

| | Direct costs | Support costs | Total funds |
|---------------------|---------------------|----------------------|--------------------|
| | 2021 | 2021 | 2021 |
| | £ | £ | £ |
| Operational Theatre | 2,464,537 | 599,480 | 3,064,017 |

| | Direct costs | Support costs | Total funds |
|---------------------|---------------------|----------------------|--------------------|
| | 2020 | 2020 | 2020 |
| | £ | £ | £ |
| Operational Theatre | 4,708,306 | 728,917 | 5,437,223 |

Analysis of direct costs

| | Total funds | Total funds |
|---|--------------------|--------------------|
| | 2021 | 2020 |
| | £ | £ |
| Wages and salaries | 1,303,991 | 1,781,567 |
| Depreciation | 509,691 | 381,783 |
| Production costs | 276,227 | 1,840,935 |
| Community education projects | 10,083 | 23,603 |
| Front of house costs | 4,949 | 6,729 |
| Production/activity marketing and advertising | 62,855 | 260,983 |
| Premises costs | 78,572 | 93,393 |
| Interest payable | 12,000 | 12,000 |
| Professional and feasibility costs | 206,169 | 307,313 |
| | 2,464,537 | 4,708,306 |

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10. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2021 £ | Total funds 2020 £ |
|--------------------------------|---------------------------------------|---------------------------------------|
| Wages and salaries | 343,985 | 362,378 |
| Depreciation | 32,391 | 19,122 |
| Administration overheads | 104,633 | 200,619 |
| IT costs | 75,441 | 87,305 |
| Legal and professional charges | 25,310 | 46,421 |
| Auditors remuneration | 7,150 | 6,950 |
| Governance costs | 10,570 | 6,122 |
| | <u>599,480</u> | <u>728,917</u> |

11. Net income/(expenditure)

This is stated after charging:

| | 2021 £ | 2020 £ |
|--|-------------------|-------------------|
| Depreciation of tangible fixed assets: | | |
| - owned by charitable group | 542,082 | 400,905 |
| Auditors remuneration | 7,150 | 6,950 |
| Operating lease costs | 57,724 | 29,997 |
| | <u>606,956</u> | <u>437,852</u> |

12. Staff costs

| | 2021 £ | 2020 £ |
|---------------------------------------|-------------------|-------------------|
| Wages and salaries (including actors) | 1,759,907 | 2,446,651 |
| Social security and pension costs | 192,034 | 240,279 |
| | <u>1,951,941</u> | <u>2,686,930</u> |

During the year, the Group paid total compensation for loss of office in respect of employees of £43,902.

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Notes to the financial statements
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12. Staff costs (continued)

The average number of persons employed by the Theatre during the year was as follows:

| | Group 2021 No. | Group 2020 No. |
|---------------------------------------|-------------------------------|-------------------------------|
| Actors and production | 41 | 65 |
| Front of house, catering and cleaning | 29 | 42 |
| Marketing | 6 | 7 |
| Administration | 12 | 21 |
| | 88 | 135 |

The average headcount expressed as full-time equivalents was:

| | Group 2021 No. | Group 2020 No. |
|---------------------------------------|-------------------------------|-------------------------------|
| Actors and production | 32 | 47 |
| Front of house, catering and cleaning | 14 | 22 |
| Marketing | 6 | 6 |
| Administration | 11 | 16 |
| | 63 | 91 |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | Group 2021 No. | Group 2020 No. |
|-------------------------------|-------------------------------|-------------------------------|
| In the band £60,001 - £70,000 | 1 | - |
| In the band £70,001 - £80,000 | 1 | 1 |
| In the band £80,001 - £90,000 | - | 1 |

During the year, the key management personnel of the Theatre received total compensation of £166,861 (2020: £162,829).

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13. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the Theatre. The senior officers of the Theatre, Mr W H Glen and Ms K J Reid were appointed directors / trustees on 6 October 2005. They are paid in respect of their duties as employees, notwithstanding that they may also be directors / trustees of the Theatre. Following approval from the Charity Commission, the Charity's Memorandum & Articles of Association have been altered accordingly. The value of Trustees' remuneration and other benefits was as follows:

| | 2021 £ | 2020 £ |
|-----------------------------|-----------|-----------|
| Senior officers' emoluments | 152,529 | 162,829 |

During the year, retirement benefits were accruing to 2 Trustees (2020 - 2) in respect of defined contribution pension schemes.

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

14. Tangible fixed assets

Group and Theatre

| | Freehold property £ | Long-term leasehold property £ | Events equipment £ | Furniture, equipment & vehicles £ | Assets under construction £ | Total £ |
|--------------------------|---------------------------|---|--------------------------|--|-----------------------------------|------------|
| Cost or valuation | | | | | | |
| At 1 April 2020 | 16,230,062 | 740,026 | 505,920 | 1,934,116 | - | 19,410,124 |
| Additions | - | - | - | 334,647 | 2,139,625 | 2,474,272 |
| Disposals | - | - | - | (24,736) | - | (24,736) |
| At 31 March 2021 | 16,230,062 | 740,026 | 505,920 | 2,244,027 | 2,139,625 | 21,859,660 |
| Depreciation | | | | | | |
| At 1 April 2020 | 5,034,928 | 196,822 | 505,920 | 1,550,097 | - | 7,287,767 |
| Charge for the year | 409,772 | 14,801 | - | 117,509 | - | 542,082 |
| On disposals | - | - | - | (24,736) | - | (24,736) |
| At 31 March 2021 | 5,444,700 | 211,623 | 505,920 | 1,642,870 | - | 7,805,113 |
| Net book value | | | | | | |
| At 31 March 2021 | 10,785,362 | 528,403 | - | 601,157 | 2,139,625 | 14,054,547 |
| At 31 March 2020 | 11,195,134 | 543,204 | - | 384,019 | - | 12,122,357 |

Belgrade Theatre Trust (Coventry) Limited**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2021****14. Tangible fixed assets (continued)****Secured assets**

The fixed assets of the Theatre are secured by way of a legal charge, made on 16 November 2005, securing all monies and obligations should it be necessary to repay a grant made by the Arts Council England to the Theatre for the purpose of the acquisition, re-development, extending and equipping of The Belgrade Theatre, Coventry.

Some of the fixed assets of the Theatre are secured by way of fixed and floating charges, made on 17 September 2007, securing all monies and liabilities covenanted to be paid and discharged under the Deed of Charge and outstanding from time to time to The Arts Council of England and The Trustees of the National Heritage Memorial Fund.

15. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|--|
| Theatre | |
| Cost or valuation | |
| At 1 April 2020 | 4 |
| At 31 March 2021 | 4 |
| Net book value | |
| At 31 March 2021 | 4 |
| At 31 March 2020 | 4 |

16. Stocks

| | Group 2021 £ | Group 2020 £ | Theatre 2021 £ | Theatre 2020 £ |
|--------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Materials and goods for resale | 27,770 | 37,967 | 20,526 | 20,811 |

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17. Debtors

| | Group 2021 £ | Group 2020 £ | Theatre 2021 £ | Theatre 2020 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Due within one year | | | | |
| Trade debtors | 60,273 | 283,794 | 29,226 | 259,005 |
| Amounts owed by group undertakings | - | - | 282,992 | 308,747 |
| Other debtors | 178,001 | 276,668 | 178,001 | 30,931 |
| Prepayments and accrued income | 532,281 | 232,562 | 526,778 | 229,427 |
| | <u>770,555</u> | <u>793,024</u> | <u>1,016,997</u> | <u>828,110</u> |

18. Creditors: Amounts falling due within one year

| | Group 2021 £ | Group 2020 £ | Theatre 2021 £ | Theatre 2020 £ |
|---|--------------------|--------------------|----------------------|----------------------|
| Bank loans and overdrafts | 2,789 | 4,139 | 2,789 | 4,139 |
| Coronavirus Business Interruption Loan Scheme | 33,333 | - | 33,333 | - |
| Coventry City Council loan | 18,012 | 17,154 | 18,012 | 17,154 |
| Trade creditors | 104,613 | 263,538 | 95,227 | 246,924 |
| Amounts owed to group undertakings | - | - | 2 | 2 |
| Other taxation and social security | 32,384 | 51,943 | 32,384 | 51,943 |
| Accruals | 836,766 | 648,530 | 832,770 | 641,573 |
| Deferred income | 220,201 | 522,553 | 184,627 | 503,867 |
| | <u>1,248,098</u> | <u>1,507,857</u> | <u>1,199,144</u> | <u>1,465,602</u> |

The Group has obtained a loan via the Coronavirus Business Interruption Loan Scheme (CBILS). As part of this loan, the government will pay any arrangement fees and interest for the first 12 months which are accounted for as a grant.

| | Group 2021 £ | Group 2020 £ | Theatre 2021 £ | Theatre 2020 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Deferred income at 1 April 2020 | 522,553 | 942,161 | 503,867 | 853,491 |
| Resources deferred during the year | 220,201 | 522,553 | 184,627 | 503,867 |
| Amounts released from previous periods | (522,553) | (942,161) | (503,867) | (853,491) |
| | <u>220,201</u> | <u>522,553</u> | <u>184,627</u> | <u>503,867</u> |

Deferred income consists of amounts received for future shows which had not taken place at year end.

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19. Creditors: Amounts falling due after more than one year

| | Group 2021 £ | Group 2020 £ | Theatre 2021 £ | Theatre 2020 £ |
|-------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans | 966,667 | - | 966,667 | - |
| Other loans | 173,199 | 189,497 | 173,199 | 189,497 |
| | 1,139,866 | 189,497 | 1,139,866 | 189,497 |

Included within the above are amounts falling due as follows:

| | Group 2021 £ | Group 2020 £ | Theatre 2021 £ | Theatre 2020 £ |
|-----------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Between one and two years | | | | |
| Bank loans | 200,000 | - | 200,000 | - |
| Other loans | 21,643 | 19,029 | 21,643 | 19,029 |
| Between two and five years | | | | |
| Bank loans | 600,000 | - | 600,000 | - |
| Other loans | 62,603 | 59,622 | 62,603 | 59,622 |
| Over five years | | | | |
| Bank loans | 166,667 | - | 166,667 | - |
| Other loans | 88,953 | 110,846 | 88,953 | 110,846 |

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

| | Group 2021 £ | Group 2020 £ | Theatre 2021 £ | Theatre 2020 £ |
|--------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Repayable by instalments | 88,953 | 110,846 | 88,953 | 110,846 |
| | 88,953 | 110,846 | 88,953 | 110,846 |

The Coventry City Council loan is repayable in annual repayments of £27,440 from 1 April 2010 to 31 March 2029 and the sum of £17,310 from 1 April 2029 to 31 March 2030. Interest on the loan is calculated at 5%.

The CBILS loan is repayable in annual repayments of £200,000 from 5 February 2022 to 5 February 2027. Interest on the loan is calculated at 2.34% plus the The Bank of England base rate. The interest rate on the loan is lower than a rate of interest that may reflect normal market rates, arising from the impact of the 80% government-backed guarantee provided to the bank on the outstanding facility balance.

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20. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|---|---------------------------------|------------------|--------------------|--------------------------|----------------------------------|
| Unrestricted funds | | | | | |
| General Funds | 23,575 | 2,464,492 | (2,583,933) | 680,150 | 584,284 |
| Designated funds | | | | | |
| Leasehold office buildings (FA*) | 229,126 | - | (7,638) | - | 221,488 |
| Renewals reserve | 69,473 | - | - | - | 69,473 |
| Lighting and sound desks 2013 (FA*) | 22,603 | - | (5,617) | - | 16,986 |
| Capital development project 2007 (FA*) | 1,015,000 | - | - | - | 1,015,000 |
| Revenue projects / UK City of Culture | 178,000 | - | - | - | 178,000 |
| E-Marketing Project | 35,000 | - | - | - | 35,000 |
| Red Lane improvement 2013 (FA*) | 213,504 | - | (7,163) | - | 206,341 |
| Air cooling project 2012 (FA*) | 19,662 | - | (10,011) | - | 9,651 |
| CNC router project 2015 (FA*) | 49,850 | - | (7,470) | - | 42,380 |
| Capital redevelopment project 2020 | 155,000 | - | - | (130,000) | 25,000 |
| Restructuring fund | - | - | - | 161,000 | 161,000 |
| | <u>1,987,218</u> | <u>-</u> | <u>(37,899)</u> | <u>31,000</u> | <u>1,980,319</u> |
| Restricted funds | | | | | |
| Capital development project (FA*) | 8,995,873 | - | (277,972) | - | 8,717,901 |
| ERDF - capital grant (FA*) | 9,954 | - | (1,992) | - | 7,962 |
| Capital redevelopment project 2020 | 878,663 | 2,837,444 | (327,624) | - | 3,388,483 |
| City of Culture | - | 141,005 | (163,852) | 22,847 | - |
| Culture Recovery Fund | - | 987,619 | (133,247) | (733,997) | 120,375 |
| | <u>9,884,490</u> | <u>3,966,068</u> | <u>(904,687)</u> | <u>(711,150)</u> | <u>12,234,721</u> |
| Total of funds | <u>11,895,283</u> | <u>6,430,560</u> | <u>(3,526,519)</u> | <u>-</u> | <u>14,799,324</u> |

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20. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2020 £ |
|--|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General Funds | 201,690 | 5,455,825 | (5,680,940) | 47,000 | 23,575 |
| Designated funds | | | | | |
| Leasehold office buildings (FA*) | 236,764 | - | (7,638) | - | 229,126 |
| Renewals reserve | 69,473 | - | - | - | 69,473 |
| Lighting and sound desks 2013 (FA*) | 28,220 | - | (5,617) | - | 22,603 |
| Capital development project 2007 (FA*) | 1,015,000 | - | - | - | 1,015,000 |
| Revenue projects / UK City of Culture | 200,000 | - | - | (22,000) | 178,000 |
| E-Marketing Project | 35,000 | - | - | - | 35,000 |
| Red Lane improvement 2013 (FA*) | 220,667 | - | (7,163) | - | 213,504 |
| Air cooling project 2012 (FA*) | 29,673 | - | (10,011) | - | 19,662 |
| CNC router project 2015 (FA*) | 57,320 | - | (7,470) | - | 49,850 |
| Capital redevelopment project 2020 | 155,000 | - | - | - | 155,000 |
| | <u>2,047,117</u> | <u>-</u> | <u>(37,899)</u> | <u>(22,000)</u> | <u>1,987,218</u> |
| Restricted funds | | | | | |
| Capital development project (FA*) | 9,273,845 | - | (277,972) | - | 8,995,873 |
| ERDF - capital grant (FA*) | 11,946 | - | (1,992) | - | 9,954 |
| Esmée Fairbairn Foundation funding | - | 38,160 | (38,160) | - | - |
| STRAPP Project (Tamasha) | - | 5,500 | (5,500) | - | - |
| Capital redevelopment project 2020 | (291,847) | 1,502,823 | (307,313) | (25,000) | 878,663 |
| City of Culture | - | 117,192 | (117,192) | - | - |
| | <u>8,993,944</u> | <u>1,663,675</u> | <u>(748,129)</u> | <u>(25,000)</u> | <u>9,884,490</u> |
| Total of funds | <u>11,242,751</u> | <u>1,663,675</u> | <u>(6,466,968)</u> | <u>-</u> | <u>11,895,283</u> |

20. Statement of funds (continued)

FA = Fixed Asset fund*

Leasehold office buildings

This designated fund represents the capital element of the asset less the loan from Coventry City Council. The loan has now been repaid hence the outstanding amount is the capital element.

Renewals reserve

This designated fund is being built up to cover any required renewals, repairs or maintenance on the Theatre and its equipment.

Lighting & sound desks 2013

This designated fund represents the cost of renewals made in 2013. It is represented by fixed assets.

Capital development project 2007

This designated fund represents the element of the capital development project which the charity is to fund itself. It is represented by fixed assets.

Revenue projects

This designated fund has been created from trading surpluses to allow the Theatre to increase its core activity of producing shows, the participation, talent development and education programme and programming the new B2 auditorium.

E-Marketing projects

This designated fund has been created to cover known and anticipated web and new media marketing projects.

Red Lane improvement project 2013

This designated fund has been created to cover known and anticipated improvements to the leased property. It is represented by fixed assets.

Air cooling rectification project 2012

This designated fund represents rectifications made to the air cooling system within the Theatre. It is represented by fixed assets.

CNC Project

This designated fund has been created to fund the installation of a CNC router for set making.

Capital redevelopment project 2020

This designated fund has been created towards known and anticipated costs for the capital redevelopment project 2020.

Restructuring fund

This designated fund has been created following a transfer from general funds to fund future staff restructuring costs.

Capital development projects

This restricted fund was established out of the various grants and donations awarded for the above projects. It is represented by fixed assets.

ERDF funding

Restricted part funding for the CNC Router and associated capital works at Red Lane, applied for through the Growth Hub.

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20. Statement of funds (continued)

Esmée Fairbairn funding

Restricted funding received for the "Arts Gymnasium" project; working with older people, using theatre as a way to improve physical and emotional health & well being.

STRAPP Project (Tamasha)

Restricted funding received for the Sustained Theatre Regional Associate Producer Programme in partnership with Tamasha Theatre Company Limited.

Capital redevelopment project 2020

Restricted funding for a capital redevelopment project which is part funded by the Government's Local Growth Fund through the Coventry and Warwickshire Local Enterprise Partnership and by Coventry City Council.

City of Culture

Restricted funding received from the City of Culture Trust for the Theatre's 2021 Project, HANDING OVER THE KEYS.

Culture Recovery Fund

Restricted funding received from Arts Council England to ensure that the Theatre remained either fully or partially opened or sustainable and cost efficient so that they can reopen at a later date. The funding is intended to cover costs taking place between October 2020 and March 2021. Transfers were made from this fund for the replenishment of reserves lost as a result of the pandemic.

21. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|------------------|------------------------------|------------------|--------------------|-----------------------|-------------------------------|
| General funds | 23,575 | 2,464,492 | (2,583,933) | 680,150 | 584,284 |
| Endowment funds | 1,987,218 | - | (37,899) | 31,000 | 1,980,319 |
| Restricted funds | 9,884,490 | 3,966,068 | (904,687) | (711,150) | 12,234,721 |
| | <u>11,895,283</u> | <u>6,430,560</u> | <u>(3,526,519)</u> | <u>-</u> | <u>14,799,324</u> |

Summary of funds - prior year

| | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2020 £ |
|------------------|------------------------------|------------------|--------------------|-----------------------|-------------------------------|
| General funds | 201,690 | 5,455,825 | (5,680,940) | 47,000 | 23,575 |
| Endowment funds | 2,047,117 | - | (37,899) | (22,000) | 1,987,218 |
| Restricted funds | 8,993,944 | 1,663,675 | (748,129) | (25,000) | 9,884,490 |
| | <u>11,242,751</u> | <u>7,119,500</u> | <u>(6,466,968)</u> | <u>-</u> | <u>11,895,283</u> |

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22. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Designated funds 2021 £ | Total funds 2021 £ |
|-------------------------------------|--|--|--|---------------------------------------|
| Tangible fixed assets | 307,980 | 12,234,721 | 1,511,846 | 14,054,547 |
| Current assets | 2,664,268 | - | 468,473 | 3,132,741 |
| Creditors due within one year | (1,248,098) | - | - | (1,248,098) |
| Creditors due in more than one year | (1,139,866) | - | - | (1,139,866) |
| Total | 584,284 | 12,234,721 | 1,980,319 | 14,799,324 |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Designated funds 2020 £ | Total funds 2020 £ |
|-------------------------------------|--|--|--|---------------------------------------|
| Tangible fixed assets | 440,191 | 10,132,421 | 1,549,745 | 12,122,357 |
| Current assets | 1,032,807 | - | 437,473 | 1,470,280 |
| Creditors due within one year | (1,259,926) | (247,931) | - | (1,507,857) |
| Creditors due in more than one year | (189,497) | - | - | (189,497) |
| Total | 23,575 | 9,884,490 | 1,987,218 | 11,895,283 |

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23. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2021 £ | Group 2020 £ |
|--|--------------------|--------------------|
| Net income for the year (as per Statement of Financial Activities) | 2,904,041 | 652,532 |
| Adjustments for: | | |
| Depreciation charges | 542,082 | 400,905 |
| Interest received | (383) | (5,289) |
| Interest paid | 12,000 | 12,000 |
| Decrease in stocks | 10,197 | 14,520 |
| Decrease/(increase) in debtors | 22,469 | (394,191) |
| Decrease in creditors | (293,950) | (111,705) |
| Net cash provided by operating activities | 3,196,456 | 568,772 |

24. Analysis of cash and cash equivalents

| | Group 2021 £ | Group 2020 £ |
|--|--------------------|--------------------|
| Cash in hand | 145,740 | 73,560 |
| Cash held in deposit accounts | 2,188,676 | 565,729 |
| Total cash and cash equivalents | 2,334,416 | 639,289 |

25. Analysis of changes in net debt

| | At 1 April 2020 £ | Cash flows £ | At 31 March 2021 £ |
|-------------------------------------|-------------------------|-----------------|--------------------------|
| Cash at bank and in hand | 639,289 | 1,695,127 | 2,334,416 |
| Bank overdrafts repayable on demand | (4,139) | 1,350 | (2,789) |
| Debt due within 1 year | (17,154) | (34,191) | (51,345) |
| Debt due after 1 year | (189,497) | (950,369) | (1,139,866) |
| | 428,499 | 711,917 | 1,140,416 |

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26. Capital commitments

| | Group 2021 £ | Group 2020 £ | Theatre 2021 £ | Theatre 2020 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Contracted for but not provided in these financial statements | | | | |
| Acquisition of tangible fixed assets | 50,000 | 150,000 | 50,000 | 150,000 |

27. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund. Contributions amounting to £17,805 (2020 - £18,192) were payable to the fund at the balance sheet date and are included in creditors.

28. Operating lease commitments

At 31 March 2021 the Group and the Theatre had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2021 £ | Group 2020 £ |
|--|-----------------------------|-----------------------------|
| Amounts payable: | | |
| Not later than 1 year | 54,841 | 32,007 |
| Later than 1 year and not later than 5 years | 201,909 | 149,067 |
| Later than 5 years | 1,293,903 | 1,298,015 |
| | 1,550,653 | 1,479,089 |

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29. Related party transactions

During the year, the Theatre has transacted with a wholly owned subsidiary, Belgrade Theatre Enterprises Limited. Recharges of £Nil (2020: £23,567) were made by the Theatre to the subsidiary during the year. The Theatre also received £Nil (2020: £191,572) from the subsidiary, as a payment under gift aid. The Theatre advanced an amount of £200,000 in the year to Belgrade Theatre Enterprises Limited. This amount is interest free and repayable on demand. A balance of £276,812 (2020: £59,572) was outstanding to the Theatre as at 31 March 2021.

During the year, the Theatre received £Nil (2020: £249,175) from another wholly owned subsidiary, Belgrade Theatre Productions Limited, as a payment under gift aid. Belgrade Productions Limited recharged £248,535 (£1,242,375) to the Theatre during the year and the Theatre recharged £Nil (2020: £2,306) to Belgrade Theatre Productions Limited. At the balance sheet date a balance of £1,484 (2020: £249,175) was due to the Theatre from Belgrade Theatre Productions Limited.

During the year, another wholly owned subsidiary, Belgrade Film & Digital Limited, recharged £53,762 (£Nil) to the Theatre and the Theatre recharged £4,696 (2020: £Nil) to Belgrade Film & Digital Limited. At the balance sheet date a balance of £4,695 (2020: £Nil) was due to the Theatre from Belgrade Film & Digital Limited.

During the year, the Theatre received donations of £1,205 (2020: £3,723) from its trustees.

30. Principal subsidiaries

The following were subsidiary undertakings of the Theatre:

| Names | Company number | Registered office or principal place of business | Principal activity | Class of Holding shares | |
|--------------------------------------|-----------------------|--|---|--------------------------------|------|
| Belgrade Theatre Enterprises Limited | 03883084 | Belgrade Theatre, Corporation Street, Coventry, West Midlands, CV1 1GS | Trading subsidiary | Ordinary | 100% |
| Belgrade Theatre Productions Limited | 09268009 | Belgrade Theatre, Corporation Street, Coventry, West Midlands, CV1 1GS | Production of theatre performances | Ordinary | 100% |
| Belgrade Film & Digital Limited | 09268085 | Belgrade Theatre, Corporation Street, Coventry, West Midlands, CV1 1GS | Production of film & digital performances | Ordinary | 100% |

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30. Principal subsidiaries (continued)

The financial results of the subsidiaries for the year were:

| Names | Income £ | Expenditure £ | Profit/(Loss) / Surplus/ (Deficit) for the year £ | Net assets/ (liabilities) £ |
|--------------------------------------|---------------------|--------------------------|--|--|
| Belgrade Theatre Enterprises Limited | 348,951 | (499,516) | (150,565) | (150,563) |
| Belgrade Theatre Productions Limited | 248,535 | (248,535) | - | 1 |
| Belgrade Film & Digital Limited | 53,762 | (53,762) | - | 1 |

All subsidiary undertakings of the Theatre are included within the consolidation.