

Company number: 00556251  
Charity Number: 233801

# Pioneer Theatres Limited

## Trading as “Theatre Royal Stratford East”

Report and financial statements  
For the year ended 31 March 2023

Pioneer Theatres Limited (Theatre Royal Stratford East)

Contents

For the year ended 31 March 2023

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# **Pioneer Theatres Limited (Theatre Royal Stratford East)**

## **Reference and administrative information**

**For the year ended 31 March 2023**

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**Company number** 00556251 – incorporated in the United Kingdom

**Charity number** 233801 – registered in England and Wales

**Registered office and** Gerry Raffles Square

**Operational address** Stratford

London

E15 1BN

**Trading name** Theatre Royal Stratford East

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

The Rt. Hon. Dame M Hodge, Chair

J Adeogun (appointed 4 October 2022, resigned 17 July 2023)

Cllr R K Dasgupta (appointed 18 July 2023)

Cllr J Garfield

Dr E Glyn

P Hamzahee

S Haynes

C Hird

F Hutchin (appointed 20 June 2023)

D Olaniregun (appointed 6 December 2022)

M Pilgrim MBE

B Raven

P Roberts (appointed 20 March 2023)

P Wilson (deceased 4 September 2023)

**Artistic Director** Nadia Fall

**Executive Director** Eleanor Lang

**Bankers** Natwest Bank plc,  
1 Stratford Broadway  
London  
E15 4DX

**Solicitors** Harbottle & Lewis  
14 Hanover Square  
London  
W1R 0BE

**Pioneer Theatres Limited (Theatre Royal Stratford East)**

**Reference and administrative information**

**For the year ended 31 March 2023**

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<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108 – 114 Golden Lane LONDON EC1Y 0TL
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## Chair's Statement

2022–23 has been the first full operational year after the pandemic, and it has been wonderful to be back with live theatre and live audiences. Reopening has not been without its challenges, as the cost-of-living crisis, inflation and building the confidence of our audiences have all impacted on our operations. Despite this, the theatre has produced some great work over the last year and continues to make a real impact in our local community.

Our work on stage during the year aimed to give our audiences entertainment they couldn't get in their living rooms, including Burn It Down, a festival of 6 new plays about the issues that felt important in 2022, Fantastically Great Women Who Changed the World, The Wonderful World of Dissocia, How Not to Drown and Village Idiot. We were able to return to a full run of pantomime, with this year's offering of Cinderella.

Our Learning & Participation work goes from strength to strength, and this year saw a continuation of the partnership with the London Borough of Newham at Stratford Youth Zone. Our Young Company Production and our Young Technicians course have been particular highlights, and we have also expanded our work with adults in Newham. In June 2022 we launched our Freelance Royalty Scheme, which provides East London Freelancers with a range of support services from free rehearsals space to residencies, to tickets, to workshops to opportunities to showcase work. More than 600 freelancers signed up within the first year.

On behalf of the Board I would like to acknowledge the work and dedication of the whole team, led by Nadia Fall, Artistic Director and Chief Executive and to Eleanor Lang, our Executive Director. I would also like to extend my heartfelt thanks to the trustees, who have provided additional support to the organisation during this time.

The trustees are grateful to Arts Council England and the London Borough of Newham for their continuing support, as well as to all our supporters who have support the work we do both on and off the stage.

Rt. Hon. Dame Margaret Hodge MP

Chair

## TRUSTEE REPORT

The trustees present their report and the audited group financial statements for the year ending 31 March 2023. The financial statements have been prepared in accordance with current statutory requirements; 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 (FRS 102) (effective 1 January 2015).

### Principal activities

The objects of the charity as set out in the Articles of Association are:

*to promote, maintain, improve, and advance education, particularly by the production of educational plays and the encouragement of the Arts, including the arts of drama, mime, dance, singing and music, and to formulate, prepare and establish schemes therefor provided that all objects of the Company shall be of a charitable nature.*

### Structure

Pioneer Theatres Limited (trading as Theatre Royal Stratford East) is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association as amended 18th November 2015. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charitable company.

Pioneer Theatres Limited has two wholly owned subsidiaries. The results of Stratford East Trading Limited are consolidated into these financial statements. Stratford East Productions Limited is a dormant company.

### Our aims

Theatre Royal Stratford East (TRSE) has six key aims:

- **Produce bold, exciting and outstanding theatre**

The quality of the work on the stages is vital to the success of TRSE, and it is crucial that the economic impact of the pandemic does not prevent us from taking creative risks and working with industry talent.

- **Grow our audiences**

The pandemic has set back our audience growth and disrupted the positive upward trajectory we were on. We are in a more uncertain environment in terms of audience confidence and appetite. Growing our audiences is a priority for TRSE over the next few years.

Trustees' annual report

For the year ended 31 March 2023

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- **Develop creative talent**

We want to grow our talent development work, ensuring that the industry remains diverse and that barriers to working in the industry are reduced. We will work with young people and artists in East London to provide development and support. We want to centre this work and to be a flagship for talent development.

Three further aims underpin our organisational values and will be integral to the delivery of the first three aims.

- **Embed Representation, Belonging, and Justice in our organisation**

We want our organisation to reflect the community in which we work. We want the programming on our stage to speak to the people who come to the theatre. We want everyone who works with us to feel empowered and supported, and we want our theatre to feel accessible to anyone, no matter their background.

- **Reduce our environmental impact**

Climate change is the biggest threat facing humanity. We want to ensure that we work in an environmentally responsible way, from how we make productions, to how we work in the office, and ensure that all decisions consider the environmental impact and how to reduce it.

- **Ensure we are resilient for the future**

The pandemic has inevitably challenged our finances, and we need to ensure that our financial position and business models ensure we are resilient for the future. We need to make sure that the choices we make and the work that we do balances risk, with ability to protect the charity long term.

## ACTIVITY IN 2021–23

### Public Benefit

Over the course of the year TRSE has fulfilled its charitable objectives through continuing to engage with the widest possible audiences. The year saw the slow reopening of theatre, with our live work gradually replacing digital interactions. In 2021–23:

- 60,316 people saw our work on stage
- 244,100 people watched or listened to our online content
- Produced 7 newly commissioned pieces of theatre
- 19 productions with 229 performances
- Engaged with 8,733 young people
- Ran regular community sessions for 316 adults
- Screened our pantomime in London hospices, hospitals and care homes
- Provided 3 artist residencies



## Trustees' annual report

For the year ended 31 March 2023

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- Hosted 2 artist scratch nights
- Employed 185 freelancers
- Provided 20 free workshops for our freelance network
- Gave away over 600 hours of free space for artists to use
- Engaged 600+ freelancers in our freelance network

## Artistic Programme

The programme during the year included:

**Burn It Down:** A series of six newly commissioned script-in-hand performances about urgent political issues:

*The Expendables* written by Timberlake Wertenbaker directed by Anthony Lau

*Yummy* written by babirye bukilwa directed by malakaï sargeant

*If I Speak* written by Lettie Precious directed by Leian John-Baptiste

*I want to Live* written by Jamie Hale directed by Lilac Yosiphon

*It's not like it's Illegal* written by Amy Trigg directed by Jane Moriarty

*I'm so tired of waiting so pass me the Duct Tape* written by Travis Alabanza directed by Milli Bhatia

**Ballet Black: Double Bill:** Ballet Black returned to the theatre with their new double bill.

★★★★ "A world of wonder" *Reviews Hub*

**Fantastically Great Women Who Changed the World:** A brand new pop musical by Chris Bush and Miranda Cooper with music by Miranda Cooper and Jennifer Decilveo telling the story of independent women throughout history. Directed by Amy Hodge, alongside an all-female creative team.

★★★★ "Vibrant history lesson in praise of girl power" *Daily Mail*

**The Wonderful World of Dissocia:** Anthony Neilson's cult play, directed by Emma Baggot opened our Autumn season, providing a poignant and comical delve into the nature of mental illness.

★★★★★ "the hardest I've laughed in a theatre this year" *WhatsOnStage*

**Much Ado About Nothing:** Sheffield Theatres brought their Ramps on the Moon production of Shakespeare's great comic love story to the theatre. Directed by Rob Hastie, every performance featured the use of integrated creative sign language, audio description and captioning.

★★★★★ "An exceptional production" *The Guardian*

**Cinderella:** Our annual pantomime returned written by Leo Butler and Robert Hyman giving a unique twist on this classic tale, set in the ancient home of Sphinx cats, pharaohs and the empress Cleopatra.

★★★★ "full of fountains of laughs and feel good memories to take home" *Broadway World*

**How Not To Drown:** A story of endurance for a kid who wasn't safe or welcome anywhere in the world, written by Nicola McCartney & Dritan Kastrati and directed by Neil Bettles. The play explores the illegal migration routes and the care system in the UK in a timely play produced by ThickSkin.

## Trustees' annual report

For the year ended 31 March 2023

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★★★★ "Fluently told and shocking in its straightforward account." *Sunday Times*

**The Trial of Josie K:** A production by the Unicorn Theatre as part of Newham's Cultural Enrichment programme this told the story of defiance, the power of friendship and finding hope, even in a world where no one has explained the rules. Written by Katie Hims and directed by Leigh Toney.

★★★★★ "Kid's theatre at its absolute best" *WhatsOnStage*

**Gone Too Far!:** National Youth Theatre's Rep Company brought Bola Agbaje's Olivier Award-winning play to our stage. Directed by Monique Touko.

★★★★ "a stellar production" *All That Dazzles*

**Village Idiot:** Samson Hawkin's audacious comedy open at Nottingham Playhouse and played in Ipswich ahead of it's Stratford East Run. Directed by Nadia Fall, this production was the last of the Ramps on the Moon consortium productions and the only new writing piece in the seven year partnership.

★★★★ "Outrageously funny" *The Times*

Alongside our main theatre programme we restarted our 'One nighters' a series of music and comedy evenings on the main stage.

## Learning & Participation

July 2022 our Young Company performed *Painkiller* on the main stage, written by Sophie Ellerby and directed by Toby Clarke. Following the success of the performance, the Young Company were supported to make a second piece, *Run*, in March 2023. Young Company, youth theatre and junior youth theatre all ran through to summer 2022, and new cohorts started in Autumn 2022.

We ran two Easter programmes – one solely with young people and one intergenerational, and ran one summer school. We completed the pilot of our Future Leaders programme, with an October half term project, Future Makers and our Young Technicians second cohort started in November 2022.

We expanded our adult community programme this year, running four community projects, six community theatre trips and six community socials.

Our schools work continued this year, and we developed a long-term schools project, *Your Move*, with two schools. We continued to work with secondary schools in Newham creating bespoke support for them, responding to their needs to deliver a creative curriculum, alongside running three Technical Insight Days. We worked with the London Borough of Newham on their Cultural Enrichment Programme, bringing year 7s to pantomime, and creating a resource pack and teacher CPD around the programme, and ran a further offer for year 5s and 6s around the Unicorn Theatre's production of *The Trial of Josie K*. To support further development and training we ran a

## Trustees' annual report

### For the year ended 31 March 2023

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work experience week for year 12s and took on a cultural producer placement and a BA CSSD placement.

In June 2022 we launched our Freelance Royalty Scheme, which gives freelancers who live or work in East London support. The scheme gave away 92 free tickets and over 600 hours of free space use, hosted three artist residencies and two scratch nights along side 20 free workshops. The scheme has over 600 numbers at 31 March 2023.

## Trading Subsidiary

The bar continues to be very dependent on the performances for trade, but with the increase in performances this year, we have seen the bar return to a small profit at March 2023. We are still operating on reduced opening hours, with the bar only open during the day on Saturdays and matinees.

## Representation, Justice and Belonging

Diversity and inclusion is at the heart of TRSE's way of working, and is championed throughout the organisation. We have continued substantial strategic work in this area:

Representation: TRSE works to reflect the community of East London – in the make up of its Board, staff, freelancers, participants and audiences.

Justice: TRSE works to create an equitable environment, where everyone working with us is empowered and supported to speak out against any injustice.

Belonging: TRSE is at the heart of its community. We work to ensure that every person who walks through our door feels like they belong.

Closing the Gap, our task force led by people from the Global Majority have continued to provide a space for conversation through their Spice Up Your lunch initiative, as well as providing peer to peer support for staff of the global majority. They have worked to identify key strategic areas to focus on in the coming year, working in particular on recruitment and on the development of our micro-aggression policy.

We continued to be a committed partner in the Ramps on the Moon consortium, culminating with our Ramps on the Moon production of *Village Idiot*, a co-production with Nottingham Playhouse which opened in March 2023. We also hosted in November a Ramps on the Moon Symposium, bringing together arts organisations across London to share learnings from our Ramps partnership and discuss the challenges faced by disabled people in theatre. The official Ramps on the Moon projected finished at the end of March 2023, but we will continue to prioritise and embed this work.

We continue to programme work that reflects the diverse community in which we live. This felt particularly important in our reopening, as a statement of our commitment to representation on



our stages and in our creative teams.

## **Building**

We carried out some refurbishment of bar furniture this year, alongside some major work to our electrical systems. There are number of areas of the building that do need capital investment, including our Heating and Ventilation system. We have worked with a consultant to identify the work needed and will be developing this more fully next year.

## **Staffing**

Staff turnover has reduced this year, but is still high, as roles within the industry remain hard to fill and industry-wide staff shortages has made recruitment hard. We started the year with a very depleted senior team, but as the year progressed roles have become more stable. We still face challenges particularly in recruitment for our technical roles.

## **Fundraising**

During the year we raised a total of £343k from Trusts and Foundations, Corporates and individuals, a reduction of £123k from the amount raised in the previous year. Income from individual and corporate donors decreased from £291k in 2021/22 to £209k in the current year, a decrease of £82k.

During the year we spent £202k on fundraising costs, or 59% of the funds raised. This compares with £187k (40% of funds raised) in the previous year.

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities.

There is a dedicated permanent fundraising team at TRSE, led by a Development Director. Our new Development Director started in May 2022, and has been working to develop a new strategy for our fundraising. The Development Director is support by a Development Committee, which was formed in May 2019. The committee has a remit to advise and support on all fundraising activities. There are no commercial participators used.

TRSE closely follows the Code of Fundraising Practice and stays up to date with all compliance and regulation around fundraising.

TRSE is careful to protect the data of our supporters and is fully GDPR compliant. TRSE has not received any complaints about our fundraising activities. We do not approach members of the public to ask for charitable support.

## FUTURE PLANS

Having been reopen fully for more than a year we are now back into a more traditional rhythm of producing shows. In April 2022, *Village Idiot*, our Ramps on the Moon show came to the theatre, in a joyful riot of fun. We then followed with Ballet Black's new production and the UK premiere of Dave Harris' *Tambo & Bones*.

In March 2023 we announced our new programme of work through to March 2024 including Jonathan Harvey's Beautiful Thing, in a 30<sup>th</sup> anniversary production, our annual pantomime, *Jack and the Beanstalk*, written by Anna Jordan and Rob Hyman, and a new version of *The Big Life* by Paul Sirret, Tameka Empson and Paul Joseph.

Our Freelance Royalty Scheme continues to go from strength to strength and we will continue to work with freelancers to support their development and the work they do.

Our Learning & Participation team have ambitious plans for the year ahead with our Young Company performing a new piece on the main stage in July 2023, and the development of Young Techs Course and our Future Leader Course. We will continue to run a summer programme, as well as our acting programme, and are scaling up our work with adults in the community. Our partnership with the London Borough of Newham around Stratford Youth Zone ends in August 2023, and we are now looking at how we find space to continue a high volume of community work.

Our priority for 2023–24 is rebuilding our audiences. We are increasingly programming music and comedy nights around our shows, to widen the audiences we appeal to, and we need to reach out to audiences and encourage them in. We are also looking ahead to our 140<sup>th</sup> year in 2024, and thinking of a bold programme of work to celebrate our legacy.

## FINANCIAL REVIEW

### Review of financial performance

TRSE continues to be in receipt of annual funding from Arts Council England of £1,125k.

Overall, income for the year was £4,300k, 22% up from £3,538k in 2021/22. Further income received from Arts Council England was £58k from the Cultural Recovery Fund. Income from productions increased from £616k in 2021/22 to £1,374k in 2022/23. Income from the trading subsidiary also increased to £262k compared to £115k in 2021/2022 as post covid opening hours was in operation for the full year under review. Theatre Tax Relief, at £455k, was also an increase from £170k recorded in 2021/2022 reflecting increased activity on the stage as well as an increase of the TTR rate to 45% (50% touring relief) on all productions from October 2021.



**Trustees' annual report**

**For the year ended 31 March 2023**

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Total resources expended in the year were £4,414k (2021/22: £3,462k). The growth reflected the increase in the number of in-house productions and on stage activity in general.

Overall, net deficit for the year to 31 March 2023 was £114k (2021/22 Surplus of £76k) resulting in funds carried forward decreasing to £2,248k (2021/22: £2,362k) at the end of the year.

**Principal funding sources**

TRSE was successful in its re-application to the Arts Council of England for National Portfolio Funding in 2022. The current agreement runs until March 2026.

TRSE receives an annual grant from the London Borough of Newham of £256,500 per year and this has been extended to March 2026.

**Reserves**

The Trustees believe the company should hold in reserve a sufficient cushion of funds to enable it to continue to exist through a period of reduced income and, should it be necessary to, wind up in an orderly fashion. The trustees consider the desirable level of reserves for these purposes to be £740k, approximately equal to three months running and production costs.

As at 31 March 2023 the group restricted reserves amounted to £63k (2021/22: £0). The reserves balance relates to grants made during the year for projects beyond March 2023.

As at 31 March 2023 the group unrestricted reserves amounted to £2,185k (2021/22: £2,361k).

The current funds position shows restricted funds £63k (2021/22: £0), designated funds of £1,436k (2021/22: £1,504k) and general unrestricted funds £749k (2021/22: £858k)

**Going Concern**

The Trustees are confident of the charity's abilities to continue as a going concern due to the historical evidence of support from the local authority, Arts Council England and other donors, and believe that this support is likely to continue for the foreseeable future. TRSE is adapting its models in light of pandemic.

**Principal Risks and Uncertainties**

The major risks can be broken down into these categories.

## Trustees' annual report

For the year ended 31 March 2023

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**Box office:** Audiences have been slow to return to theatre for drama and forecast for the next few years are likely to be lower than normal. There is also risk around box offices if cancellations happened again, and if artists are off sick.

**Fundraising:** We are enormously grateful to many of our donors who have supported us through our closure and continue to sort us. The climate for fundraising is touch, and we will need to balance ambition with realism in our targets and approach.

**Economic Climate:** The economic climate remains a difficult one, with inflation impacting our running costs, and audience capacity to spend.

**Building Fabric and equipment:** Much of our plant and equipment is now more than 20 years old and reaching the end of its working life. Substantial investment will be needed in the future to sustain it.

## GOVERNANCE AND MANAGEMENT

### Appointment of trustees

New trustees are elected to the Board by existing members. Annually, a third of the Board must retire and trustees may be eligible for re-election up to a maximum of nine years' service.

The Board regularly reviews the skills mix of the trustees and considers whether it adequately represents the community which it serves. Various methods are then adopted to identify and recruit potential trustees, if required.

### Trustee induction and training

All new trustees receive the support of staff and existing members of the Board during an induction period, as well as receiving key organisational documents.

### Organisation and key management

The Board is responsible for the strategic management of the charitable company and the setting of policy. It has ultimate responsibility and control of the charitable company which it exercises through quarterly meetings of the Board and a Finance Committee. The key management is considered to be the Chief Executive and the Executive Director. The Board sets the pay and remuneration of the Chief Executive, informed by a benchmarking exercise of industry peers. The Chief Executive sets the pay and remuneration of the Executive Director, based on industry peers.

## Charity Governance Code

The Board has adopted the Charity Governance Code for larger charities (the 'Code'). The Code encourages charities to publish a short narrative in their annual report explaining their use of the Code.

At the end of 2022/23 an internal board effectiveness review was carried out, using the Code as reference points. As well as positives, the review identified areas where governance could be strengthened and the Trustees agreed to implement an action plan to be driven forward in 2023/24.

## Related parties

The charitable company has a wholly owned subsidiary, Stratford East (Trading) Limited, which provides the bar and catering facilities at TRSE. It has a dormant subsidiary Stratford East Productions Limited, which is to be used in the case of commercial productions. It also has a related charity, Theatre Workshop Trust, which owns the freehold of the Theatre

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Pioneer Theatres Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enables them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' annual report

For the year ended 31 March 2023

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In so far as the trustees are aware;

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 12 (2022:13). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Auditor**

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 19 September 2023 and signed on their behalf by

Rt. Hon. Dame Margaret Hodge MP

**Chair**



## Independent auditor's report

To the members of

Pioneer Theatres Limited (Theatre Royal Stratford East)

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### Opinion

We have audited the financial statements of Pioneer Theatres Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, 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 FRS 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 2023 and of the group's and parent charitable company'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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Pioneer Theatres Limited'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.

## **Independent auditor's report**

### **To the members of**

#### **Pioneer Theatres Limited (Theatre Royal Stratford East)**

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

### **Other Information**

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group 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 group 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.

### **Opinions 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' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or

## **Independent auditor's report**

**To the members of**

**Pioneer Theatres Limited (Theatre Royal Stratford East)**

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- 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; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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 are set out below.



## Independent auditor's report

### To the members of

#### Pioneer Theatres Limited (Theatre Royal Stratford East)

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#### Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **Independent auditor's report**

**To the members of**

**Pioneer Theatres Limited (Theatre Royal Stratford East)**

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### **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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

Date: 10 October 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

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

Pioneer Theatres Limited Trading as "Theatre Royal Stratford East"

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

		2023			2022		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income from:</b>							
Donations and legacies	2	1,890,366	394,575	2,284,941	2,275,377	361,570	2,636,947
Charitable activities	3						
Theatre		1,749,461	-	1,749,461	608,520	-	608,520
Education and workshops		170	-	170	7,904	-	7,904
Other trading activities	4	262,071	-	262,071	284,901	-	284,901
<b>Total income</b>		<b>3,902,068</b>	<b>394,575</b>	<b>4,296,643</b>	<b>3,176,702</b>	<b>361,570</b>	<b>3,538,272</b>
<b>Expenditure on:</b>							
Raising funds	5	202,528	-	202,528	186,933	-	186,933
Charitable activities							
Theatre		3,394,876	331,575	3,726,451	2,146,171	520,570	2,666,741
Education and workshops		481,490	-	481,490	608,146	-	608,146
<b>Total expenditure</b>		<b>4,078,894</b>	<b>331,575</b>	<b>4,410,469</b>	<b>2,941,250</b>	<b>520,570</b>	<b>3,461,820</b>
<b>Net income / (expenditure) for the year</b>	6	<b>(176,826)</b>	<b>63,000</b>	<b>(113,826)</b>	<b>235,452</b>	<b>(159,000)</b>	<b>76,452</b>
Transfers between funds		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>(176,826)</b>	<b>63,000</b>	<b>(113,826)</b>	<b>235,452</b>	<b>(159,000)</b>	<b>76,452</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		2,361,950	-	2,361,950	2,126,498	159,000	2,285,498
<b>Total funds carried forward</b>		<b>2,185,124</b>	<b>63,000</b>	<b>2,248,124</b>	<b>2,361,950</b>	<b>-</b>	<b>2,361,950</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

## Balance sheets

Company no. 00556251

As at 31 March 2023

	Notes	Group 2023 £	2022 £	Charity 2023 £	2022 £
<b>Fixed assets:</b>					
Tangible assets	10	543,889	504,951	536,115	504,951
Investments	11	–	–	2	2
		<b>543,889</b>	<b>504,951</b>	<b>536,117</b>	<b>504,953</b>
<b>Current assets:</b>					
Stock of goods for resale		11,211	4,775	–	–
Debtors	13	560,776	348,753	642,365	464,848
Cash at bank and in hand		1,866,509	2,376,363	1,772,016	2,265,189
		<b>2,438,496</b>	<b>2,729,891</b>	<b>2,414,381</b>	<b>2,730,037</b>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	(696,760)	(825,391)	(669,822)	(812,144)
		<b>1,741,736</b>	<b>1,904,500</b>	<b>1,744,559</b>	<b>1,917,893</b>
<b>Net current assets</b>		<b>1,741,736</b>	<b>1,904,500</b>	<b>1,744,559</b>	<b>1,917,893</b>
<b>Total assets less current liabilities</b>		<b>2,285,625</b>	<b>2,409,451</b>	<b>2,280,676</b>	<b>2,422,846</b>
Creditors: amounts falling due after one year	15	(37,501)	(47,501)	–	–
		<b>2,248,124</b>	<b>2,361,950</b>	<b>2,280,676</b>	<b>2,422,846</b>
<b>Net assets</b>		<b>2,248,124</b>	<b>2,361,950</b>	<b>2,280,676</b>	<b>2,422,846</b>
<b>Funds:</b>					
Restricted funds	17a	63,000	–	63,000	–
Unrestricted funds:					
Designated funds		1,436,115	1,504,000	1,436,115	1,504,000
Charitable funds		781,561	918,846	781,561	918,846
Non charitable trading (deficit)		(32,552)	(60,896)	–	–
Total unrestricted funds		<b>2,185,124</b>	<b>2,361,950</b>	<b>2,217,676</b>	<b>2,422,846</b>
<b>Total funds</b>		<b>2,248,124</b>	<b>2,361,950</b>	<b>2,280,676</b>	<b>2,422,846</b>

Approved by the trustees on 19 September 2023 and signed on their behalf by

Dame Margaret Hodge  
Chair

Pioneer Theatres Limited Trading as "Theatre Royal Stratford East"

Consolidated statement of cash flows

For the year ended 31 March 2023

	Note	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net income for the reporting period (as per the statement of financial activities)		(113,826)		76,452	
Depreciation charges		63,453		64,243	
(Increase)/decrease in stocks		(6,436)		(608)	
(Increase)/decrease in debtors		(212,023)		(3,697)	
Increase/(decrease) in creditors		(128,630)		299,170	
<b>Net cash provided by operating activities</b>			<b>(397,462)</b>		<b>435,560</b>
<b>Cash flows from investing activities:</b>					
Purchase of fixed assets		(102,391)		(50,238)	
Bank loans		(10,000)		(202,500)	
<b>Net cash (used in) investing activities</b>			<b>(112,391)</b>		<b>(252,738)</b>
<b>Change in cash and cash equivalents in the year</b>			<b>(509,853)</b>		<b>182,822</b>
Cash and cash equivalents at the beginning of the year			<b>2,376,362</b>		<b>2,193,540</b>
<b>Cash and cash equivalents at the end of the year</b>	a		<b>1,866,509</b>		<b>2,376,362</b>
<b>Analysis of cash and cash equivalents and of net debt</b>					
	At 1 April 2022	Cash flows	Other non-	At 31 March	
	£	£	cash changes	2023	
			£	£	
Cash at bank and in hand	2,376,363	(509,853)	–	1,866,510	
<b>a Total cash and cash equivalents</b>	<b>2,376,363</b>	<b>(509,853)</b>	<b>–</b>	<b>1,866,510</b>	
<b>Total</b>	<b>2,376,363</b>	<b>(509,853)</b>	<b>–</b>	<b>1,866,510</b>	

**1 Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**a) Basis of preparation**

The financial statements have been prepared in accordance with 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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

**b) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

**c) Statutory information**

Pioneer Theatres Limited Trading as "Theatre Royal Stratford East" is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is Theatre Royal Stratford East, Gerry Raffles Square, Stratford, London, E15 1BN.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**d) Consolidation**

The Statement of Financial Activities (SoFA) and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary, Stratford East (Trading) Limited. The results of the subsidiary are consolidated on a line by line basis in accordance with FRS 102 – section 9 and the Charities SORP (FRS 102) – section 24.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Stratford East (Trading) Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet.

Details of Stratford East (Trading) Limited are given in note 12 of the financial statements.

A separate statement of financial activities for the Charitable Company has not been presented because the Charitable Company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

**e) Going concern**

Detailed financial projections have been prepared for the period of 12 months from the date of approval of these financial statements which indicate that the charitable company and group will have sufficient financial resources to continue to be able to meet its liabilities as they fall due. The trustees have carefully considered these financial projections, level of funding and other matters relevant to TRSE and believe that it is appropriate for the financial statements to be prepared on a going concern basis.

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**f) Incoming resources**

Incoming resources are included in the Statements of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Income from theatre admission fees is included in incoming resources in the period in which the relevant performance takes place. Income related to productions or lettings in a subsequent period is treated as deferred income.

Income from commercial activities is included in the period in which the group is entitled to receipt.

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

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.



Notes to the financial statements

For the year ended 31 March 2023

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1 Accounting policies (continued)

f) Incoming resources (continued)

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Resources expended

Expenditure is accounted for on an accruals basis.

Costs of generating funds are those costs incurred in attracting voluntary income to support the activity of the theatre, and costs incurred in commercial trading activities to raise funds.

Charitable activity costs include all direct expenditure associated with the staging of productions and educational programmes together with support costs allocated to those activities.

Support costs are the costs of central and administrative functions, which are allocated to activity cost categories on the basis of time spent by staff on those activities.

Governance costs are those costs associated with the governance arrangement of the charitable company including costs associated with strategic management and constitutional and statutory requirements.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose, including costs incurred by the trading subsidiary.
- Expenditure on charitable activities includes the costs of running the theatre and its productions, and other educational activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Cost of new productions

The cost of materials, creative team fees and other related set up costs of a new production are carried forward and written off when the production is first performed to a fee paying audience. Ongoing labour and related production costs which occur throughout the life of the production are expensed as incurred. Where production set up costs have been incurred prior to the year end, but the production has not yet opened to the fee paying public, the set up costs are carried forward at the balance sheet date as deferred production costs until such time as the production opens.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the direct costs per activity as a proportion of total direct costs, of the amount attributable to each activity

• Raising funds	5%
• Theatre costs	84%
• Education & Workshops	11%

k) Taxation

The charitable company is considered to pass the tests set out in Paragraph I Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charitable company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II 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.

l) Fixed asset investments

The Statement of Recommended Practice requires investments to be stated at market value. The investment of the charitable company consists of the investment in the subsidiary, an unquoted company. The trustees consider it appropriate to include this investment at cost. See note 12 for more details.

Investments in subsidiaries

Investments in subsidiaries are at cost.

Notes to the financial statements

For the year ended 31 March 2023

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**1 Accounting policies (continued)**

**m) Tangible fixed assets**

Individual fixed assets consisting of more than £2,000 are capitalised at cost.

Tangible fixed assets are depreciated at rates calculated to write off each asset over its anticipated useful life. The rates used are:

• Computer equipment	4 years straight line basis
• Furniture and Fittings	3 years straight line basis
• Auditorium	20 years straight line
• Production equipment	8 years straight line basis

Assets in the course of construction are not depreciated until they are brought into use.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

**n) Stock**

Stock comprises catering and bar consumables for resale and is stated at the lower of cost and net realisable value.

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

**o) Debtors**

Debtors include amounts owed to the charity for the provision of goods and services or amounts the charity has paid in advance for the goods or services it will receive. Debtors are measured at their recoverable amount.

Other debtors and prepayments are recognised at the settlement amount due.

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

**p) Cash at bank and in hand**

Cash at bank and cash 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.

**q) Creditors**

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

**r) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**s) 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 charitable company and which have not been designated for other purposes.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Expenditure which meets these criteria is charged to the fund.

**t) Pension costs**

The theatre makes contributions to a defined contribution pension scheme, on behalf of eligible employees, at a rate determined by the trustees.

**u) Operating leases**

Rental charges are charged against income on a straight line basis over the term of the lease.

## Notes to the financial statements

For the year ended 31 March 2023

## 2 Income from donations and legacies

	Unrestricted	Restricted	2023 Total	Unrestricted	Restricted	2022 Total
	£	£	£	£	£	£
Arts Council of England						
– Revenue Grant	1,125,847	–	1,125,847	1,125,847	–	1,125,847
– Emergency and Cultural Recovery Grants	58,327	–	58,327	380,530	–	380,530
London Borough of Newham						
– Revenue grant	256,000	–	256,000	256,000	–	256,000
– Operating Fee	233,789	–	233,789	157,044	–	157,044
– Business Restart	–	203,000	203,000	38,000	–	38,000
– Branding	–	–	–	–	40,000	40,000
– Theatre Enrichment Project	–	65,000	65,000	–	78,320	78,320
– Newham Unlocked Festival	–	–	–	–	95,000	95,000
Foyle Foundation	–	–	–	–	50,000	50,000
Foundation For Future London	–	20,000	20,000	–	20,000	20,000
New Wolsey Theatre	–	7,150	7,150	–	10,750	10,750
Belvedere Trust	–	–	–	–	1,000	1,000
Boris Karloff Trust	–	–	–	–	1,000	1,000
Golsoncott Foundation	–	–	–	–	1,000	1,000
London Theatre Concertium	–	–	–	–	3,000	3,000
People's Palace Projects	–	–	–	20,600	5,000	25,600
The Leche Trust	–	–	–	–	3,000	3,000
The Noel Coward Foundation	–	–	–	–	3,000	3,000
Jack Petchey Foundation	1,000	1,800	2,800	1,200	–	1,200
Harold Hyam Wingate Foundation	–	3,000	3,000	–	–	–
L&Q Place Makers	–	18,750	18,750	–	–	–
Idlewild Trust	–	5,000	5,000	–	1,000	1,000
Esmee Fairbairn Foundation	6,000	60,000	66,000	–	42,500	42,500
The John Thaw Foundation	–	2,410	2,410	–	2,000	2,000
Worshipful Company of Basketmakers	–	–	–	5,000	5,000	10,000
Pinsent Masons Services	–	7,665	7,665	–	–	–
Discover – Newham Word Festival	–	800	800	–	–	–
Corporate and Individual donors	209,403	–	209,403	291,156	–	291,156
	<u>1,890,366</u>	<u>394,575</u>	<u>2,284,941</u>	<u>2,275,377</u>	<u>361,570</u>	<u>2,636,947</u>

## Grants – Association of London Government and London Boroughs

In accordance with sub-section 37(4) of the Local Government and Housing Act 1989, these grants have been fully utilised in accordance with the terms under which they were originally granted and have been fully expended on revenue items in the normal course of the charitable company's business.

## 3 Income from charitable activities

	2023 Total	2022 Total
	£	£
Theatre		
Box office receipts	452,633	367,037
Corporation tax rebate	454,666	169,688
Touring and co-productions	663,609	4,773
Front of house	19,761	17,976
Theatre hire	88,880	31,680
Royalties	4,861	667
Other income	65,051	186,387
Education and workshops	170	7,904
Total income from charitable activities	<u>1,749,631</u>	<u>786,112</u>

All income from charitable activities is unrestricted. Other income includes £ 9,726 (2022: £42,680) received via the HMRC Job Retention Scheme.

## 4 Income from other trading activities

	2023 Total	2022 Total
	£	£
Commercial Trading (note 12)	262,071	115,213
	<u>262,071</u>	<u>115,213</u>

All income from other trading activities is unrestricted.



Pioneer Theatres Limited Trading as "Theatre Royal Stratford East"

Notes to the financial statements

For the year ended 31 March 2023

5a Analysis of expenditure (current year)

	Charitable activities					2023 Total £	2022 Total £
	Raising funds £	Theatre costs £	Education & Workshops £	Governance costs £	Support costs £		
Staff costs (Note 7)	131,556	1,325,277	262,745	-	342,877	2,062,455	2,010,889
Theatre production freelance	10,900	86,614	68,204	-	31,545	197,263	142,893
Theatre production costs	-	1,052,539	-	-	-	1,052,539	437,770
Theatre running costs	-	166,415	14,792	-	-	181,207	195,310
Theatre fundraising costs	29,242	-	-	-	-	29,242	17,707
Press and publicity	-	150,953	1,882	-	75,437	228,272	206,444
Front of house costs	-	67,835	803	-	-	68,638	53,128
Education and workshops	-	-	34,899	-	-	34,899	26,918
Commercial trading	-	248,126	-	-	-	248,126	117,408
General office and administration	1,824	95,003	14,208	-	88,874	199,909	132,983
Depreciation	-	-	-	-	62,401	62,401	64,243
Audit fees and other related fees	-	-	-	26,095	-	26,095	31,685
Legal and professional fees	-	-	15,000	-	3,785	18,785	19,228
Board meeting expenses	-	-	-	639	-	639	5,214
	173,522	3,192,762	412,533	26,734	604,919	4,410,470	3,461,820
Support costs	27,778	511,102	66,039	-	(604,919)	-	-
Governance costs	1,228	22,587	2,918	(26,734)	-	(1)	-
<b>Total expenditure 2023</b>	<b>202,528</b>	<b>3,726,451</b>	<b>481,490</b>	<b>-</b>	<b>-</b>	<b>4,410,469</b>	<b>-</b>
Total expenditure 2022	186,933	2,666,741	608,146	-	-	3,461,820	3,461,820

Pioneer Theatres Limited Trading as "Theatre Royal Stratford East"

Notes to the financial statements

For the year ended 31 March 2023

5b Analysis of expenditure (prior year)

	Charitable activities				2022 Total £
	Raising funds £	Theatre costs £	Education & Workshops £	Governance costs £	
Staff costs (Note 7)	126,589	1,257,430	239,108	-	2,010,889
Theatre production freelance	5,800	14,632	157,877	-	142,893
Theatre production costs	-	437,770	-	-	437,770
Theatre running costs	-	129,452	25,629	-	195,310
Theatre fundraising costs	17,707	-	-	-	17,707
Press and publicity	-	114,147	24,725	-	206,444
Front of house costs	-	51,425	1,703	-	53,128
Education and workshops	-	-	26,918	-	26,918
Commercial trading	-	117,408	-	-	117,408
General office and administration	1,526	40,756	17,313	-	132,983
Depreciation	-	-	-	-	64,243
Audit fees and other related fees	-	-	-	31,685	31,685
Legal and professional fees	-	-	-	-	19,228
Board meeting expenses	-	-	-	5,214	5,214
	151,622	2,163,020	493,273	36,899	3,461,820
Support costs	33,318	475,297	108,391	-	-
Governance costs	1,993	28,424	6,482	(36,899)	-
<b>Total expenditure 2022</b>	<b>186,933</b>	<b>2,666,741</b>	<b>608,146</b>	<b>-</b>	<b>3,461,820</b>

## Notes to the financial statements

For the year ended 31 March 2023

**6 Net income / (expenditure) for the year**

	Group 2023 £	2022 £
This is stated after charging:		
Depreciation	63,453	64,243
Auditor's remuneration (excluding VAT):		
Audit (Group)	17,600	15,300
Other services	8,495	18,185
Operating lease costs	5,586	3,504

**7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,401,844	1,433,226
Non NI Salaries and wages	449,027	397,554
Social security costs	153,488	130,577
Pension costs	58,096	49,532
Total employee costs	2,062,455	2,010,889
Freelance staff	129,147	27,015
Commercial trading	97,812	56,119
Total staff costs	2,289,414	2,094,023

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,000 – £70,000	–	2
£70,000 – £80,000	–	–
£80,000 – £90,000	2	–

No trustees received any remuneration or benefits in kind in their capacity as a trustee during the year (2022: none).

No trustees had travel and subsistence expenses reimbursed in the year (2022: £Nil).

The key management of the Charity comprise of the Trustees, the Executive Director and the Artistic Director.

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £163,911 (2022: £151,381).

**8 Staff numbers**

The average weekly number of employees (head count based on number of staff employed) during the year was 93 (2022: 98).

	2023 No.	2022 No.
Fundraising	3	4
Productions	45	47
Press and Publicity	3	4
Education	5	4
Support and Administration	31	36
Trading Activities	6	3
	93	98

Employee time has been allocated either;

- i) To direct costs on a percentage of the time spent by an employee on an activity
- ii) To support costs allocated on a percentage basis over all the costs

## Notes to the financial statements

For the year ended 31 March 2023

## 9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Stratford East (Trading) Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2023 £	2022 £
UK corporation tax at 19%	-	-

## 10 Tangible fixed assets

Group	Equipment & Furniture £	Building Improvements £	Total £
<b>Costs</b>			
As at 1 April 2022	453,072	480,208	933,280
Additions	8,796	93,595	102,391
Disposals	-	-	-
At 31 March 2023	461,868	573,803	1,035,671
<b>Depreciation</b>			
As at 1 April 2022	295,003	133,326	428,329
Charge for the year	39,747	23,706	63,453
Disposals	-	-	-
At 31 March 2023	334,750	157,032	491,782
<b>Net book value</b>			
31 March 2023	127,118	416,771	543,889
31 March 2022	158,069	346,882	504,951
<b>Charity</b>			
<b>Costs</b>			
As at 1 April 2022	403,584	480,208	883,792
Additions	-	93,595	93,595
Disposals	-	-	-
At 31 March 2023	403,584	573,803	977,387
<b>Depreciation</b>			
As at 1 April 2022	245,515	133,326	378,841
Charge for the year	38,725	23,706	62,431
Disposals	-	-	-
At 31 March 2023	284,240	157,032	441,272
<b>Net book value</b>			
31 March 2023	119,344	416,771	536,115
31 March 2022	158,069	346,882	504,951

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2023

11 Investments

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Shares in group undertakings	-	-	2	2

12 Net income from the subsidiary trading activities

The wholly owned trading subsidiary Stratford East (Trading) Limited, is a company registered in England and Wales. The company number is 03074042, and the registered office address is Theatre Royal Stratford East, Gerry Raffles Square, Stratford, London, E15 1BN. All activities have been consolidated on a line by line basis in the statement of financial activities. The trading company distributes its available taxable profits to the charitable company under gift aid. Stratford East (Trading) Limited provides the bar facilities at the Theatre Royal.

The charity owns the entire issued share capital of 2 ordinary shares of £1 each. The trustees Dame Margaret Hodge, Martin Pilgrim, Joshua Garfield, Peter Wilson and Christopher Hird are also directors of the subsidiary.

A summary of the trading results of the subsidiary is shown below:

	2023	2022
	£	£
Turnover	261,723	115,202
Cost of sales	(157,448)	(81,429)
Administrative expenses	(76,279)	(29,152)
<b>Net profit/(loss)</b>	<b>27,996</b>	<b>4,621</b>
Other income and bank interest	348	7
<b>Retained in subsidiary</b>	<b>28,344</b>	<b>4,628</b>

The aggregate of the assets, liabilities and reserves was:

Fixed assets	7,744	-
Current assets	111,144	119,172
Creditors: amounts falling due within one year	(113,995)	(132,624)
Long Term Liabilities	(37,501)	(47,501)
<b>Total net liabilities</b>	<b>(32,608)</b>	<b>(60,953)</b>
<b>Aggregate share capital and reserves</b>	<b>(32,608)</b>	<b>(60,953)</b>

The charity also owns the entire issued share capital of 2 ordinary share of £1 of Stratford East Productions Limited, a company incorporated in England. The company number is 05369063, and the registered office address is Theatre Royal Stratford East, Gerry Raffles Square, Stratford, London, E15 1BN. Stratford East Productions Limited has been dormant throughout the year and given its immateriality has not been included in the consolidated accounts.

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2023	2022
	£	£
Gross income	3,639,997	3,061,489
Result for the year	(142,170)	71,824



## Notes to the financial statements

For the year ended 31 March 2023

## 13 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	54,507	133,145	49,562	132,691
Amounts owed from group undertakings	–	–	87,057	116,638
Accrued income	17,172	10,159	4,294	10,159
Other debtors	8,780	15	21,238	(74)
Prepayments	29,944	22,742	29,841	22,742
Deferred production costs	38,300	13,004	38,300	13,004
Corporation tax	412,073	169,688	412,073	169,688
<b>Total current debtors</b>	<b>560,776</b>	<b>348,753</b>	<b>642,365</b>	<b>464,848</b>

## 14 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	124,104	80,753	123,256	79,939
Taxation and social security	45,783	31,212	37,290	30,590
Other creditors	105,837	114,679	105,566	111,541
Accruals	263,949	135,901	255,553	127,228
Deferred income (note 16)	157,087	462,846	148,157	462,846
	<b>696,760</b>	<b>825,391</b>	<b>669,822</b>	<b>812,144</b>

Included in other creditors above is an amount due in relation to pension schemes of £2,314 (2022: £8,156).

## 15 Creditors: amounts falling due after one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	37,501	47,501	–	–
	<b>37,501</b>	<b>47,501</b>	<b>–</b>	<b>–</b>

Bank loans totalling £37,501 (2022: £47,501) are part of the government backed CBILS scheme. The CIBLS Loan is interest free for a year and thereafter charged at 2.7% above prime. The loan is repayable in equal instalments of £833 per month and will be repaid in full by December 2026.

## 16 Deferred income

Deferred income movements in the year were as follows:

	At 1 April 2022	Released in year	Deferred in year	At 31 March 2023
	£	£	£	£
<b>Charity</b>				
Box office advance income	462,846	(462,846)	94,218	<b>94,218</b>
Future Events income	–	–	53,938	<b>53,938</b>
	<b>462,846</b>	<b>(462,846)</b>	<b>148,156</b>	<b>148,156</b>

## Notes to the financial statements

For the year ended 31 March 2023

## 17a Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
<b>Restricted funds:</b>					
Foundation For Future London	-	20,000	(20,000)	-	-
London Borough of Newham	-	268,000	(238,000)	-	30,000
New Wolsey Theatre	-	7,150	(7,150)	-	-
Jack Petchey Foundation	-	1,800	(1,800)	-	-
Harold Hyam Wingate Foundation	-	3,000	-	-	3,000
L&Q Place Makers	-	18,750	(18,750)	-	-
Idlewild Trust	-	5,000	-	-	5,000
Esmee Fairbairn Foundation	-	60,000	(35,000)	-	25,000
The John Thaw Foundation	-	2,410	(2,410)	-	-
Pinsent Masons Services	-	7,665	(7,665)	-	-
Discover – Newham Word Festival	-	800	(800)	-	-
<b>Total restricted funds</b>	-	394,575	(331,575)	-	63,000
<b>Unrestricted funds:</b>					
<b>Designated Funds</b>					
Fixed Assets	504,000	-	-	32,115	536,115
Building Fund	200,000	-	-	-	200,000
Operational Fund	500,000	-	-	-	500,000
Production Fund	300,000	-	-	(100,000)	200,000
Cultural Recovery Fund	-	-	-	-	-
	1,504,000	-	-	(67,885)	1,436,115
Unrestricted general funds	918,846	3,639,997	(3,845,167)	67,885	781,561
Non-charitable trading	(60,896)	262,071	(233,727)	-	(32,552)
<b>Total unrestricted funds</b>	2,361,950	3,902,068	(4,078,894)	-	2,185,124
<b>Total funds</b>	2,361,950	4,296,643	(4,410,469)	-	2,248,124

## Transfers between funds

## Purposes of restricted funds

Funds given by The Foyle Foundation and the London Borough of Newham were to support our programme of capital works.

London Borough of Newham funds of £65,000 was to support Every Child a Theatre Goer Enrichment Programme and hosting of Trial of Josie K. Business Startup Grant for £203,000 for specific identified projects to help the theatre recover after Covid lockdown.

The *New Wolsey Theatre* contributed £10,750 towards the cost of supporting the theatre's Agent For Change and for Slambition hosted in March

The John Thaw Foundation provided funds to run our summer school, which was delivered in 2022/23

Funds given by Foundation for Future London of £20,000 was for Westfield East Bank Creative Futures Fund and Stratford East: A Civic Hub

The grant from the *Belvedere Trust* is to provide funding for the employment of Assistant Directors on future productions.

The grant from The Esmee Fairbairn Foundation was for Live Streaming, Closing the Gap and Freelancers.

Other funds listed as listed above have been given to support the theatre's programmes of work with young people and the local community.

## Purposes of Designated funds

The trustees have this year decided to be explicit in showing the designations in the accounts.

The *Fixed Assets* fund represents the net value of Fixed Assets at the end of March 2023.

The *Building Fund* is allocated for the purpose of setting aside funds for essential major building repairs.

The *Operational Fund* represents the amount required to cover liabilities and operating costs in the event of an orderly wind-up of operations if that situation were to arise.

The *Production Fund* represents the amount required to cover costs of production to allow TRSE to plan for ambitious work on our main stage.

## Notes to the financial statements

For the year ended 31 March 2023

## 17b Movements in funds (prior year)

	At 31 March 2021	Income & gains	Expenditure & losses	Transfers	At 31 March 2022
	£	£	£	£	£
<b>Restricted funds:</b>					
London Borough of Newham	-	213,320	(213,320)	-	-
New Wolsey Theatre	-	10,750	(10,750)	-	-
Garfield Weston Foundation	144,000	-	(144,000)	-	-
Harold Hyam Wingate Foundation	10,000	-	(10,000)	-	-
The John Thaw Foundation	-	2,000	(2,000)	-	-
Foundation For Future London	-	20,000	(20,000)	-	-
Foyle Foundation	-	50,000	(50,000)	-	-
Belvedere Trust	-	1,000	(1,000)	-	-
Boris Karloff Trust	-	1,000	(1,000)	-	-
Golsoncott Foundation	-	1,000	(1,000)	-	-
London Theatre Concertium	-	3,000	(3,000)	-	-
People's Palace Projects	-	5,000	(5,000)	-	-
The Leche Trust	-	3,000	(3,000)	-	-
The Noel Coward Foundation	-	3,000	(3,000)	-	-
National Theatre Connections	-	1,000	(1,000)	-	-
Esmee Fairbairn Foundation	-	42,500	(42,500)	-	-
Worshipful Company of Basket Makers	5,000	5,000	(10,000)	-	-
<b>Total restricted funds</b>	<b>159,000</b>	<b>361,570</b>	<b>(520,570)</b>	<b>-</b>	<b>-</b>
<b>Unrestricted funds:</b>					
<b>Designated Funds:</b>					
Fixed Assets	557,040	-	-	(53,040)	504,000
Building Fund	100,000	-	-	100,000	200,000
Operational Fund	500,000	-	-	-	500,000
Production Fund	-	-	-	300,000	300,000
Cultural Recovery Fund	267,728	-	-	(267,728)	-
	<b>1,424,768</b>	<b>-</b>	<b>-</b>	<b>79,232</b>	<b>1,504,000</b>
Unrestricted general funds	767,258	3,061,489	(2,830,669)	(79,232)	918,846
Non-charitable trading	(65,528)	115,213	(110,581)	-	(60,896)
<b>Total unrestricted funds</b>	<b>2,126,498</b>	<b>3,176,702</b>	<b>(2,941,250)</b>	<b>-</b>	<b>2,361,950</b>
<b>Total funds</b>	<b>2,285,498</b>	<b>3,538,272</b>	<b>(3,461,820)</b>	<b>-</b>	<b>2,361,950</b>

## Transfers between funds

Following discussion with The Esmee Fairbairn Foundation they agreed to the reclassification of their donation to support the work of the theatre in general, and the remaining unspent funds were moved from Restricted to Unrestricted.

## Purposes of restricted funds

Funds given by *The Theatres Trust Foundation* were for re-opening the building safely following shut-down.

The *Garrick Theatre Trust* grant was to contribute to the costs of creative teams and Lighting Directors on productions.

The *New Wolsey Theatre* contributed £7,500 towards the cost of supporting the theatre's Agent For Change.

The grant received from *The Garfield Weston Foundation* was to pay for technical equipment, to fund Learning and Participation work, and to contribute to the costs of producing the 2021 pantomime.

The purpose of the *Tate & Lyle* grant was to fund Learning and Participation online resources.

The grant from The Esmee Fairbairn Foundation was for computers, laptops and IT equipment.

The John Thaw Foundation provided funds to run our summer school, which was delivered online in 2021.

The grant from the *Harold Hyam Wingate Foundation* is to provide funding for the employment of Assistant Directors on future productions.

Other funds listed as listed above have been given to support the theatre's programmes of work with young people and the local community.



## Notes to the financial statements

For the year ended 31 March 2023

## 18a Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	543,889	-	543,889
Current assets	1,678,736	63,000	1,741,736
Creditors amount falling due after more than one year	(37,501)	-	(37,501)
<b>Net assets at 31 March 2023</b>	<b>2,185,124</b>	<b>63,000</b>	<b>2,248,124</b>

## 18b Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	504,951	-	504,951
Current assets	1,904,500	-	1,904,501
Creditors amount falling due after more than one year	(47,501)	-	(47,501)
<b>Net assets at 31 March 2022</b>	<b>2,361,950</b>	<b>-</b>	<b>2,361,950</b>

## 19 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Equipment 2023 £	2022 £
Less than one year	2,124	2,814
One to five years	531	2,655
Over five years	-	-
	<b>2,655</b>	<b>5,469</b>

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Equipment 2023 £	2022 £
Less than one year	2,124	2,124
One to five years	531	2,655
Over five years	-	-
	<b>2,655</b>	<b>4,779</b>

## 20 Capital commitments

At the balance sheet date, the group had no capital commitments (2022: £nil) in respect of development works.

## 21 Future Commitments

The charitable company entered into a 15 year lease with the Theatre Workshop Trust in September 2020; this is currently rent free.

**22 Legal charges**

There are no existing legal charges.

**23 Related party transactions**

Joshua Garfield (trustee) is a councillor for LB Newham who provide TRSE with funding during the year.

The following trustees of the charity are also directors of the subsidiary, Stratford East Trading Limited: Joshua Garfield, Christopher Hird, Margaret Hodge, Martin Pilgrim, and Peter Wilson

There are no other related party transactions to disclose for 2023 (2022: none).

**24 Contingent assets or liabilities**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.