

# SADLER'S WELLS TRUST LIMITED

England & Wales · Charity number 279884

## Details

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Other names	SADLERS WELLS THEATRE
Status	Registered
Legal form	Charitable company
Company number	<a href="#">01488786</a>
Registered	1980-04-30
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	Sadlers Wells Theatre Rosebery Avenue London EC1R 4TN
Phone	02078638034
Email	<a href="mailto:artisticdirector@sadlerswells.com">artisticdirector@sadlerswells.com</a>
Website	<a href="http://www.sadlerswells.com">www.sadlerswells.com</a>

## Activities

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**Objects:** TO ADVANCE EDUCATION PARTICULARLY BY ENCOURAGING THE UNDERSTANDING AND APPRECIATION OF THE DRAMATIC ARTS ANYWHERE IN THE UNITED KINGDOM BY PROVIDING, PRESENTING, PRODUCING, ORGANISING, MANAGING AND CONDUCTING PERFORMANCES OF CLASSICAL AND EDUCATIONAL PLAYS, OPERA, BALLET, FILMS AND CONCERTS, IMPROVING AND PRESERVING AMENITIES FOR PUBLIC BENEFIT.

**Activities:** The object for which the charity is established is to advance education particularly by encouraging the understanding and appreciation of the dramatic arts.

## Classification

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- **How:** Provides Services
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

## Geography

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- City Of Westminster
- Islington

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£43,305,760	£37,849,564	£13,090,954	384
2024-03-31	£41,757,221	£40,198,645	£6,869,259	325
2023-03-31	£31,133,687	£30,793,752	£4,653,516	304
2022-03-31	£22,696,000	£25,292,000	£4,114,000	205
2021-03-31	£15,550,000	£13,003,000	£6,316,000	229

## Trustees

Name	Role	Appointed
<b>NIGEL HIGGINS</b>	Chair	2017-01-01
Alexandra Soto		2026-02-21
Baroness Thangam Debbonaire		2025-02-17
Brenda Leff		2022-02-22
Clare Jane Connor		2022-09-28
Dame Sharon White		2025-10-18
<b>HUMPHREY BATTCKOCK</b>		2017-09-27
Maria Albonico		2020-06-30
Matthew Jake Slotover		2020-09-21
Melanie Jane Smith		2020-02-26
Nicholas Andrew Grace		2024-04-23
Nicholas Bernard Basden		2021-04-22
Nina Patel		2022-09-28
<b>PAUL EDWARD MULHOLLAND</b>		2022-02-22
Suhair Fariha Khan		2022-09-28
Yana Peel		2023-10-04

**SADLER'S WELLS TRUST LIMITED**

England & Wales - Charity number 279884

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# Accounts

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**Sadler's Wells Trust Limited  
(Limited by Guarantee)**

**Sadler's Wells Trust Limited  
(Limited by Guarantee)**

**Registered Company Number 01488786**

**Registered Charity Number 279884**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2025**

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

**Trustees**

Nigel Higgins (Chairman)

Maria Albonico

Nicholas Basden

Humphrey Battcock

Melissa Bethell

Clare Connor

Thangam Debbonaire

Suhair Khan

Nina Patel

Matthew Slotover

Melanie Smith

Brenda Leff

Paul Mulholland

Yana Peel

Nicholas Grace

**Secretary**

Alistair Spalding

**Registered Office**

Sadler's Wells Theatre

Rosebery Avenue

London

EC1R 4TN

**Bankers**

Coutts & Co.

440 Strand

London

WC2R 0QS

**Auditor**

Moore Kingston Smith LLP

6<sup>th</sup> Floor

9 Appold Street

London

EC2A 2AP

**Co-Chief Executives**

Alistair Spalding

Britannia Morton

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

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**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Chair's Foreword

A landmark year

On behalf of the Board of Sadler's Wells Trust Limited, I am pleased to present this annual report together with the consolidated financial accounts for the year ended 31 March 2025. These have been prepared in compliance with current statutory requirements, the Charities SORP (FRS 102) and with the charity's governing document, its Memorandum and Articles of Association.

This has been a landmark year in the history of Sadler's Wells. In the Spring, we opened Sadler's Wells East, a centre for creativity, learning and innovation in the heart of London's new cultural district as part of East Bank in Queen Elizabeth Olympic Park, Stratford.

Dance matters to society. It builds community and connection, supports personal wellness and self-expression and makes a vital contribution to the creative economy. That is what we hope to achieve in Stratford.

Our new stage is home to everything from hip hop to ballet, rave to rumba and kathak to krumping; with a flexible auditorium, six new studios, a new catering offer and public performance space – a national powerhouse for making, creating and sharing dance. It will also put even more energy into our community and education activities in one of the most deprived parts of the country.

Now with four theatres, we provide a base for our touring creative partners and a platform for the best national and international companies alongside emerging artists. We shared dance with over half a million people at our theatres in London, presenting 96 companies from the UK and abroad and over 650 performances. We delivered 100 international touring dates in 15 countries and showcased award-winning dance films for free with 1.7 million views of our Digital Stage.

We built connections to culture and communities, with 33,000 people aged 2-90 in every corner of the country reached through our learning and engagement programmes. We also supported artists at every stage of their career and nurtured the next generation of dance talent. From the 199 artists who participated in our range of artist development programmes to welcoming young dancers across England as part of the thirteenth cohort of the National Youth Dance Company to the culmination of the first Making Moves, our nationwide choreography and performance project for young people aged 11-18.

This year the team also launched a brand-new biennial prize, the Rose International Dance Prize, for original dance creations in any style from across the globe, together with the Bloom Prize celebrating artists with up to ten years of choreographic experience. This work, together with the Rose Choreographic School, will have a lasting impact on the future of the art form.

The environment for the performing arts is always challenging and feels particularly so at the current time, given the pressures on all sources of funding and so many other complex issues faced by society. Against that backdrop, our thanks to all of those who support us are more important and more heartfelt than ever. The Board starts by extending its thanks to every member of the Sadler's Wells team for making this possible.

Furthermore, we owe enormous thanks to Arts Council England, our donors and corporate partners who continued to play a vital role in supporting our work this year through generous gifts, grants and partnerships, with funding towards our community and artistic programmes, and the opening of Sadler's Wells East. Partnering with businesses and individuals, alongside public funding, ensures our work goes further and has a greater impact. It enables growth, resilience, ambition and risk taking; ever more important in the challenging national and global funding and financial context in which arts and cultural organisations operate.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Chair's Foreword

We create and share more new work than any other dance organisation in the world and facilitate the broadest opportunities to engage with dance for communities across the UK. We sit at the centre of the dance ecosystem and feel strongly our responsibilities to all of those involved. We look forward to continuing to embed and strengthen the milestones achieved this year for future generations of dancers, artists, communities and audiences.

Nigel Higgins, Chair

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' Report

## OBJECTIVES AND ACTIVITIES

### Mission, vision, values

Sadler's Wells' mission is to make and share dance that inspires us all.

Our vision is to create, through dance, a depth of connection beyond borders, cultures and languages, so we see ourselves in each other.

Our values actively underpin the decisions we make and how we work. They are:

- Excellence: world-class experiences
- Collaboration: stronger together
- Inclusion: everyone matters; and
- Innovation: improve and pioneer.

### Strategic goals

We have five strategic goals which provide a focus for our work. Together, our strategic goals deliver our mission and vision. Our goals are to:

- The audience: Engage and involve diverse audiences;
- The art: Nurture diverse talent to make and show world-leading dance;
- The world: Make change through dance, locally, nationally, internationally;
- Our organisation and people: Develop an expanded organisation responsibly and inclusively; and
- The business of dance: Scale our footprint and impact innovatively and generously.

Within each of the goals, we have identified a clear set of priorities, and we evaluate our progress using a monitoring and evaluation framework that measures the outputs and outcomes of our work against a body of success factors over the long-term, including against Arts Council England Annual Activity Plans and Investment Principles Plans, reporting quarterly to our Board and funders. We also contribute to the monitoring and evaluation strategy in place for East Bank, which will deliver a range of socio-economic benefits to East London and the UK. Again, these impacts are being measured over the long term, with targets set to 2036.

### Public benefit

In shaping the goals and the activities that sit within them, Trustees have considered the Charity Commission's general guidance on public benefit and fee charging, including its guidance 'Public Benefit: Running a Charity (PB2)'. We believe everyone should have access to dance and we have taken many steps to ensure our venues and experiences are more accessible to more people. We ensure that the organisation's pricing policy reflects our commitment to enabling audiences whatever their means; our *Get into Dance* programme maximises affordable tickets for new audiences, people from low-income households, young people and people with disabilities. We work with education providers, community groups and partners to build inviting gateways to our programmes. We offer assisted performances and an *Access for All* Scheme to support disabled audiences. Finally, we use the Sadler's Wells Digital Stage to offer world-class dance in a range of formats.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

**GOVERNANCE AND STRUCTURE**

Sadler's Wells Trust Limited is a registered charity which runs Sadler's Wells. It is governed by its Memorandum and Articles of Association and its objects are to advance education, particularly by encouraging the understanding and appreciation of the dramatic arts. The charity ensures that Sadler's Wells operates in alignment with these objectives, and in pursuit of the mission and vision set out above.

Board of Trustees

The Board of Trustees is the non-executive and unpaid governing body of Sadler's Wells, led by Chair Nigel Higgins. Trustees serving any period from 1 April 2024 to the date of signing these accounts were:

Nigel Higgins	Chair
Maria Albonico	
Nicholas Basden	
Humphrey Battcock	Co-Deputy Chair
Melissa Bethell	
Clare Connor	
Thangam Debbonaire	Appointed 17 February 2025
Nick Grace	Appointed 23 April 2024
Suhair Khan	
Brenda Leff	
Paul Mulholland	
Nina Patel	
Yana Peel	
Melanie Smith	Co-Deputy Chair
Matthew Slotover	

Appointment and induction of Trustees

As set out in the Articles of Association, the Chair of the Trustees is elected by fellow Trustees. Trustees are appointed for a term of three years, which can be extended to a second, third or exceptionally, a fourth term with approval from the Governance Committee and Board. A skills audit of the Board is undertaken annually to inform the recruitment and selection of new Trustees.

The charity provides an induction of incoming Trustees which apprises them of their legal obligations as directors of the company and familiarises them with the operation of the theatres. Trustees are encouraged to keep fully up to date with the latest Charity Commission directives and with guidance associated with Sadler's Wells status as a National Portfolio Organisation, including in relation to Arts Council England's investment principles. Regular presentations are made to the Board on key issues of current and ongoing importance in relation to their legal obligations as Trustees.

Governance structure

The Board of Trustees of Sadler's Wells Trust Limited has ultimate responsibility for the running of Sadler's Wells. It retains ultimate control of the overall strategic direction of the theatre, appointments to and remuneration of the organisation's leadership. However, day-to-day business is delegated to the Co-Chief Executives, Britannia Morton and Alistair Spalding, who in turn recruit and set the remuneration of key management personnel as informed by sector benchmarking. The Board also approves the annual budget but delegates responsibility for the selection of the artistic programme to the Artistic Director and Co-Chief Executive Alistair Spalding.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Trustees' Report**

The Board met five times during 2024/25 and there were regular meetings between the Chair of the Board and the Co-Chief Executives. The Board as a whole spends half a day each year debating and reviewing long-term strategy with senior members of staff.

To provide effective oversight and to enable particular focus on key areas of the operation, a number of sub-committees exist to support the work of the Board. These include the Finance, Audit and Risk Committee, the Development Council, the Learning Committee, the Governance Committee and the Gift Review Panel. The committees are appointed by and include members of the Board, as well as co-opted members.

In addition, a number of honorary Trustee Placements provide an opportunity for younger people to gain experience of governance and for the Board to gain insights from their perspectives. Current Trustee Placements are held by Arran Green and Bar Groisman. Kade Stroud's placement ended in August 2024.

The Board of Trustees of Sadler's Wells Trust Limited operates alongside Sadler's Wells Limited, a wholly owned trading subsidiary of the Trust. Sadler's Wells Limited operates the commercial elements of the theatres (namely catering, event hires, sponsorship and producing commissions), gifting its profits to the Trust. Sadler's Wells Limited is consolidated within these financial statements.

The Board considers and protects the interests of our staff to support Sadler's Wells ongoing success. They are committed to creating a culture of inclusion – an environment where we all feel safe to work successfully, in alignment with our values. The Executive Team, Senior Leadership Team and People Team support and enable all colleagues, and welcome new people into a culture led by our values through our organisational policies and procedures and delivering bi-annual in-person colleague engagement sessions and multiple other internal engagement opportunities including through the Management Committee. Anonymous colleague feedback processes are encouraged alongside regular line management meetings and the annual performance review process, through which all colleagues reflect on experiences, achievements and aspirations alongside identifying targets and development goals for the year ahead.

Engagement with our customers, audiences, artists, companies and learning and engagement programme participants is essential to ensure that we understand and meet their needs. We regularly seek and evaluate feedback from our audiences through surveys. This takes place for every performance and for digital initiatives enabling us to build a detailed picture of how the programme across our stages is received by different audience groups, including those traditionally under-represented, and to understand motivations for attendance and engagement.

Our Learning and Engagement teams, Artist Development and Breakin' Convention teams regularly seek and evaluate feedback from participants of all ages and artists at all stages of their careers. This feedback is fed into the development of these programmes and future activity plans.

We have developed strong relationships with certain key suppliers who support our stages, technical infrastructure and wider operation to develop mutually beneficial relationships. We ensure that our day-to-day business interactions with all suppliers are conducted in a professional, fair and respectful manner.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

Director engagement with our stakeholders under s172(1) Companies Act 2006

Sadler's Wells engages with a broad spectrum of customers, suppliers and employees - from our audiences to resident companies to learning and engagement participants and our catering clients.

Our Freelance Charter aims to create an open, transparent, and inclusive way of engaging freelancers. We do this fairly and with respect in a way that aligns with and embodies Sadler's Wells' values: Excellence, Collaboration, Inclusion, and Innovation, and in line with Sadler's Wells' policies. We are committed to making changes to better working conditions for freelancers in both the short and long-term.

Review of our wider engagement with employees, customers, artists and suppliers is carried out by our Board at their meetings and weekly by our Senior Leadership Team. The Board reviews the organisational risk register quarterly which assesses the likely consequences of our engagement in the short, medium and long term and the impact of our operations on the community, the environment and for our reputation in the long-term interests of our colleagues. The Board further supports this governance, reviewing funding partnerships against our Gift Acceptance policy and Charity Commission guidance.

Streamlined Energy and Carbon Reporting (SECR)

For the period April 2024 to March 2025, Sadler's Wells used the following energy:

**Emissions from combustion of Gas kg CO<sub>2</sub>e:**

FY 2024/25: 382,244kg CO<sub>2</sub>e (Energy consumption: Gas 1,846,588Kwh)

Emissions ratio (being kg CO<sub>2</sub>e per £'000 revenue): 8.83

**Methodology:** follows best practice and is compiled using governmental guidelines calculated from the product of a combination of invoiced gas consumption and consumption logged on a system we use called Pilio in kWh during the reporting period for FY25.

**Emissions from purchased electricity kg CO<sub>2</sub>e:**

2024/25: 418,261kg CO<sub>2</sub>e (Energy consumption: Electricity 2,020,585Kwh)

Emissions ratio (being kg CO<sub>2</sub>e per £'000 revenue): 9.66

**Methodology:** follows best practice and is compiled using governmental guidelines calculated from the product of a combination of electricity consumption and consumption logged on a system we use called Pilio in kWh during the reporting period for FY25.

**Emissions from travel:** it has not been practical to measure these emissions for this year.

Data has been compiled in line with the requirements of the SECR guidelines introduced by the 2018 SECR Regulations.

Sadler's Wells has introduced a number of improvement protocols which have reduced our energy consumption as part of our commitment to the strategic aims of achieving net zero, including:

- BMS systems used to monitor and control energy usage at Sadler's Wells East and Sadler's Wells Theatre
- A biodiverse sedum room at Sadler's Wells East and a new biodiverse sedum garden introduced in the courtyard at Sadler's Wells Theatre
- Both Sadler's Wells East and Sadler's Wells Theatre generating their own electricity through PV solar panels

# Sadler's Wells Trust Limited (Limited by Guarantee)

## Trustees' Report

- Sadler's Wells East recycles grey water, whilst Sadler's Wells Theatre has its own bore hole which supplies all grey water for the building

### EXECUTIVE LEADERSHIP AND MANAGEMENT

Sadler's Wells is led by Co-Chief Executives Executive Director Britannia Morton and Artistic Director Alistair Spalding. They are supported by a Senior Leadership Team made up of Directors from different functional areas of the business. The team meets on a weekly basis and at year end comprised:

Alistair Spalding	Artistic Director and Co-Chief Executive
Britannia Morton	Executive Director and Co-Chief Executive
Catherine Mallyon	Executive Director, Transition
Isobel Chester	Director of Finance and Business Performance
Oliver Clark	Technical Director
Zuzana Galikova	Director of Catering and Events
Joce Giles	Director of Learning and Engagement
Rob Jones	Associate Artistic Director
Michelle Norton	Director of Breakin' Convention
Bia Oliveira	Director of Digital Stage
Lesley Owusu	Director of People and Inclusion
Mark Smedley	Director of Operations
Christopher Travers	Director of Marketing and Communications
Suzanne Walker	Executive Producer
Hamble Wallace	Director of Development

### Health and Safety

The health and safety of employees, contractors, artists and visitors is a high priority. A Health and Safety Committee drawn from across the organisation meets regularly. Health and safety protocols are communicated throughout the organisation and all new employees are required to undertake a health and safety induction. The organisation engages a professional Health and Safety Assessor who meets regularly with the Director of Operations (the senior responsible officer for health and safety) to update on good and better practice and to audit the organisation's procedures and progress each year. Risk assessments are reviewed regularly and updated as required. Training is provided throughout the year for new staff and refresher courses are regularly delivered by external providers as well as internal incident practice sessions between different staff teams. All the Sadler's Wells buildings, including the new Sadler's Wells East, operate compliantly, including ensuring that visitors and occupants are protected against potential acts of harm, accidents and terrorism.

### Equality and Employment

Sadler's Wells recognises its legal and ethical obligations under the Equality Act. Sadler's Wells does not discriminate on the basis of age, gender, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including nationality and ethnic or national origins), religion or belief, sex or sexual orientation. In addition, Sadler's Wells does not discriminate because of working patterns, trade union membership (or non-membership), family or caring responsibilities, socio-economic barriers or spent convictions. Our Equity, Equality, Diversity, Inclusion and Belonging (EEDIB) journey is supported by our Executive Sponsors and our Steering Group. We have an EEDIB action plan in place that seeks to develop and represent our audience, our workforce and artists. We monitor the Gender pay gap on an annual basis.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

Sadler's Wells is committed to moving beyond compliance. We are actively building a culturally diverse workforce and encouraging applicants from different backgrounds and lived experiences. As users of the *Disability Confident* scheme, Sadler's Wells guarantees to interview all disabled applicants who meet the minimum criteria for our vacancies. In the period of this report, we had a particular focus on building career pathways and offering employment opportunities to East Londoners. We maintained a focus on fostering belonging, particularly with regards to ethnic identity.

Finally, Sadler's Wells is committed to developing and training all colleagues, not only to enable them to do their own jobs, but also to assist them in their careers. At least annually, colleagues are encouraged to consider what they can do for their own personal and professional development and to use every opportunity to discuss options, suggestions, and feedback with their line manager.

Remuneration

Sadler's Wells aims to be an employer of choice and is committed to paying a fair salary for jobs undertaken by our employees. We are committed to paying the London Living Wage as a minimum.

Our Remuneration Policy ensures that the organisation remains competitive within the labour market and employee benefits are published on the Sadler's Wells website. Benchmarking procedures are used to inform the pay rates of new and replacement roles. All roles are subject to an annual pay review, which involves consultation with employee representatives and trade unions. These general pay awards aim to reflect changes in the wider labour market and levels of inflation and are balanced against affordability for the organisation.

**STRATEGIC REPORT**

Sadler's Wells enjoyed a landmark year in its history in 2024/25 with the following key achievements, organised by strategic goal.

The audience: Engage and involve diverse audiences

We embarked upon a new chapter to create and share dance with more people than ever before.

In February 2025 we opened the brand-new Sadler's Wells East as part of East Bank in Queen Elizabeth Olympic Park, Stratford. Designed by architects O'Donnell and Tuomey, our fourth theatre is a new hub for creativity, with a 550-seat flexible theatre and six studios for creating and developing dance productions. It is designed both for artists to come together to create dance, and also for anyone to experience dance: to take part, learn, experiment and be inspired.

Sadler's Wells East is a resource for the whole of the UK, offering a destination venue for dance companies around Britain to tour the capital, and hosting the best work from international choreographers. Performances developed on the Stratford stage from this year will go on to tour the UK and the world, reaching new audiences.

Overall, Sadler's Wells shared dance with over two million people in 2024/25 through presentations and events in London (to audiences of 511,000), touring work nationwide and internationally and through the Sadler's Wells digital stage which saw an increase in content views of 511% (1.7 million views).

**Sadler's Wells Trust Limited**  
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Trustees' Report

Occupancy increased across our existing three theatres and with the opening of our new fourth theatre, the total number of performances increased as described in further detail below: 87% occupancy at Sadler's Wells Theatre (83% in 23/24) across 241 performances; 76% at the Peacock (75% in 23/24) across 212 performances; 84% in the Lilian Baylis Studio (70% in 23/24) with almost double the number of performances (51). Occupancy for the opening season of Sadler's Wells East, from February to end of March 2025, was 72% across 34 performances. Overall, the number of performances we presented across the year on our four stages increased to 538 (525 in 23/24) with a total occupancy of 82%.

Careful planning and audience development strategy underpinned the opening of Sadler's Wells East in February 2025 informed by segmentation of existing and target audiences. The opening show, *Our Mighty Groove*, doubled the standard Sadler's Wells Global Majority audience representation. New audiences represented at least a third of bookers, with a high of 40% for *Our Mighty Groove*. Audience appreciation amongst these more diverse audiences was also high as measured by the post show survey, with an average Net Promoter Score throughout this period of 86 (87 for *Our Mighty Groove*).

This work was supported by the launch of our brand refresh which introduced a set of five coloured logos with bold one word descriptors to describe the different platforms for our work (Sadler's, Peacock, East, Baylis and Digital) and a new strapline 'Get Dance From Every Angle' reflecting the huge diversity of our offer. Sadler's Wells East Instagram gained 12,000 followers in under 12 months through our focus on community building with the Olympic boroughs.

3,150 people attended Breakin' Convention festival, the world's biggest festival of hip-hop dance theatre, which engaged 168 artists (80% of whom were from a global majority background) to deliver a programme of performances, live DJs and dance workshops.

Producing and touring activity delivered a year of success and artistic excellence for international audiences, with 100 international touring dates in 15 countries. *Message in a Bottle*, a Sadler's Wells and Universal Music UK co-production, completed a record-breaking world tour which totalled 175 performances across 24 cities in 7 countries reaching an audience of 128,000 alongside being released in 500 cinemas across the UK in partnership with the Royal Ballet and Opera.

The *Rite of Spring/common ground[s]* toured to Europe and Asia, concluding with a standout week in Shanghai as part of the China Shanghai International Arts Festival. Meanwhile *Kontakthof – Echoes of '78*, a Sadler's Wells, Pina Bausch Foundation and Tanztheater Wuppertal Pina Bausch production, received its world premiere in Wuppertal, to critical acclaim.

Our Digital Stage programme continued to go from strength to strength, with a 511% increase in content views to 1.7 million this year, which includes views on Vimeo, YouTube, YouTube Shorts, social media and in-person audiences from live screenings and page views increasing by 155%. This was achieved through implementation of a year-long, holistic marketing strategy with dedicated support.

Highlights of Digital Stage in 2024/25 included: the award-winning *The Little Match Girl* being made available for free to 813 schools across the UK with accompanying resources; the release of three Choreographer Conversations films; our first open-call film commissions for the *Classics Re:Frames* series which led to 3 films showcasing different artistic backgrounds, perspectives, and diversity; the release of six new films to coincide with the wider Elixir Festival at Sadler's Wells which featured artists Aditi Mangaldas, ZooNation Youth Company, Company of Elders, Paco Peña, Louise Lecavalier, Men! Dancing! and Charlotta Öfverholm. Three existing Digital Stage films were nominated for National Dance Awards, and two new films received further nominations, including "Ammonia" which was awarded Silver in the Dance Short Film category at the 1.4 awards.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

The art: Nurture diverse talent to make and show world-leading dance

We supported dancers at every stage of life. We launched a brand-new biennial prize, the Rose International Dance Prize, for original dance creations in any style from across the globe. Sadler's Wells presented seven shortlisted pieces, across two categories – the Rose for full length-work and the Bloom for shorter pieces by choreographers with less than 10 years' experience. Each work was selected for its top choreography, distinctive style and performance quality. A jury of four judges; Professor Christopher Bannerman, PJ Harvey, Karthika Nair and Dame Arlene Phillips awarded the inaugural Rose Prize to Christos Papadopoulos for *LARSEN C* and the Bloom Prize to Stav Struz Boutrous for *Sepia*.

Our programming team worked hard to establish a new model of delivering our programme across four stages. Overall, we presented 538 performances, compared with 525 in 2023/24. Showcasing a broad range of choreographic styles from 43 UK companies – including those based in London, Leicester, Birmingham, Glasgow, Leeds, Newcastle and Cardiff – together with 53 international companies.

Highlights included work presented by Associate Artist and world-renowned choreographer and dancer Akram Khan who delved into his past in his creation *GIGENIS: The generation of the Earth* as part of the autumn season. New work was also presented from other Associate Artists Michael Keegan-Dolan, Hofesh Shechter, Oona Doherty, Crystal Pite, Seeta Patel, Jules Cunningham, Jasmin Vardimon and Matthew Bourne and our International Associate Company Rosas led by Anne Teresa De Keersmaeker. Associate Artist Wayne McGregor brought together art and AI to create the 95th and 96th iterations of *Autobiography*. Gabriela Carrizo won Best New Dance Production at the Olivier Awards for *La Ruta*, part of Nederlands Dans Theater – NDT1. The category nominations reflected the breadth of work presented across our stages - from Bharatanatyam to tap, dance theatre to Xhosa and contemporary African styles.

In total we presented 93 works on our physical stages from 124 choreographers; 37% of whom identified as being from the global majority, 45% female, 3% non-binary and 3% identified as disabled.

*Quadrophenia* generated significant media attention upon its press launch in June 2024. The production was created entirely at Sadler's Wells East, before premiering in Plymouth in Summer 2025, a major step forward in using our own space with all the facilities needed to support the full creative process.

We continued to deliver a range of artist development programmes to support artists at every stage of their career and nurture new talent with a focus on practice development over production-based outcomes. 199 artists participated in our programmes including a Disabled Artists' Programme; artist-led sessions; a South Asian Dance Development Programme; a Mentorship Programme; Time & Space Commissions and Open Sessions. This built upon a successful first cycle of the programme in 2023/24 which aimed to provide all dance artists with opportunities to experiment, exchange and develop their practice, the programme also looked at targeting areas of the dance ecology that have been historically underrepresented. A cohort of 8 emerging choreographers completed the two year South Asian Dance Development programme. In 2023/24 we supported artist Becky Namgauds as part of our Time and Space commissions; this led to the creation of *The Heat* this year, which premiered in the Lilian Baylis Studio. We look forward to supporting artists to create work in the upcoming cycles of these programmes.

The Rose Choreographic School brought together 13 artists selected from 404 applications to explore their choreographic enquiries and to collectively imagine a school through which knowledge and practices can be developed and shared. The cohort will continue until the end of 2026. The school's podcast series, *Thorns*, averages 250 listeners from around the world, with 780 subscribers to the bi-monthly newsletter.

**Sadler's Wells Trust Limited**  
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Trustees' Report

The National Youth Dance Company, run by Sadler's Wells, welcomed their thirteenth cohort of 32 dancers from across England in October 2024, led by Guest Artistic Director Boy Blue. Founded in East London by composer Mikey J Asante MBE and choreographer Kenrick 'H2O' Sandy MBE, Boy Blue is one of the most celebrated UK hip hop dance theatre companies. The young dancers completed residencies across England including in Ipswich and Birmingham to create their brand-new show *Gravity*, ahead of premiering in Leeds in April 2025. Since its inception 364 dancers have passed through the company.

The opening of Academy Breakin' Convention, the ABC of hip hop theatre, was delayed until September 2025. This will provide the UK's first free full-time Level 3 Extended Diploma in Performance and Production Arts specific to Hip Hop Theatre for 16–19-year-olds. We continued to offer a programme of open days and taster events throughout 2024/25 to welcome potential students, parents and carers to experience parts of the course and get a feel for what studying at ABC may be like, with recruitment opening in November 2024.

The Elixir Festival took place in April 2024, which featured a triple bill on the Sadler's Wells stage, performance installations in our front of house spaces, 5 different productions in the Lilian Baylis Studio including a collaboration between Sadler's Wells resident Company of Elders and ZooNation Youth Company with dancers aged 11-81, 6 workshops in a range of dance styles and a cabaret party hosted by The Posh Club. The festival culminated with a Get into Dance community celebration that included performances by 7 of our community partners across Hackney, Islington, Newham, Tower Hamlets, and Waltham Forest.

The world: Make change through dance, locally, nationally, internationally:

We built connections to culture and communities.

Our learning and engagement teams delivered 1,506 sessions attended by over 33,000 people in every region of the UK. This work included long-term local and national initiatives providing ongoing opportunities for people aged 2 – 90+ years to take part in dance and creative activities – for example community dance sessions in Islington and east London, Family Freestyle sessions for young children aged 2-4 years and their parents across Sadler's Wells and SWE, libraries and community centres and our work with 13 Associate Schools. In February, local secondary schools from this programme performed at our annual showcase event in the Lilian Baylis Studio.

24/25 saw the culmination of the first year of Making Moves, our nationwide choreography and performance project for young people aged 11-18. This involved 9 school and youth groups performing work they had created with us, on the Sadler's Wells stage in July 2024. 44 schools and youth groups and over 700 young people from every region of the UK participated in workshops as part of the second year of Making Moves, 11% of participating groups were either SEND schools or youth groups for young people with learning disabilities.

The opening show at Sadler's Wells East brought a cast of young dancers from east London to the stage alongside professionals. After over 5 years of planning, it was a milestone moment to see a cast, with strong links to east London, performing in *Our Mighty Groove*. This was made possible through years of engagement sessions with young people locally in partnership with Uchenna Dance. Through this work we invited 12 young dancers aged 13 – 21 years to be part of the *Our Mighty Groove* young cast.

This initiative highlighted our belief that young talent must be supported and nurtured; and we remain committed to playing a leading role in offering and advocating for better pathways and progression routes for the next generation of dancers.

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The Dance Floor; our new public performance space at Sadler's Wells East, opened for a range of free activities and events for people of all ages and backgrounds, local community groups and guest artists. 50% of our tickets at Sadler's Wells East were at accessible prices of under £25.

This builds upon engagement with communities in east London which has been ongoing for 7-10 years ahead of the opening of Sadler's Wells East. We continued to re-invest into the local dance ecology, working with dance freelancers in the community and offering CPD opportunities.

Sadler's Wells continued to work with other East Bank partners on collaborative activities in support of cultural, social and economic benefits for east London communities in line with in the London Growth Plan, cultural and economic strategies of the Olympic boroughs, Arts Council England's Let's Create Strategy and the economic growth and community engagement priorities of the Department for Culture, Media & Sport (DCMS). In 24/25, this included the Great Get Together in summer 2024 - the Queen Elizabeth Olympic Park's free-to-enter, flagship community event which showcased the best of east London, bringing together music, dance, arts, sports and food – and collaboration around local employment initiatives. Breakin' Convention performed on the main stage alongside hosting a youth takeover of Riverside East.

Work continued on our Net Zero Pathway in 2024/25 (which aims to take us to net zero in scopes 1 and 2 by 2050).

Sadler's Wells commissioned Pilio to produce a capital investment readiness strategy, reviewing all four sites. This exercise is part of our net zero pathway established in 2022. The net zero pathway entered its second phase this year, having reviewed energy management and undertaking energy audits in 23/24, with a focus on long term options and exploring capital investment in the building systems.

Sadler's Wells East opened as BREEAM Excellent, a building rating which certifies that a building project has followed best sustainability practices and environmental performance.

Our organisation and people: Develop an expanded organisation responsibly and inclusively

Sadler's Wells East was handed over on 8 November 2024.

We held our opening performance on 6 February and have delivered a phased opening through to summer 2025 when the building was opened seven days a week.

We appointed Thangam Debonnaire to the Board in support of our advocacy and policy work, together with recruiting a new Head of Advocacy and Policy, Matira Wheeler. This work was further supported through the appointment of Brunswick to develop a corporate communications strategy with activation ideas and tactics to support our teams to embed this messaging and reach priority audiences and stakeholders, furthering our position as a leading culture institution.

Recruitment to support the opening of Sadler's Wells East continued, with key appointments including Catherine Mallyon, Executive Director Transition, on a fixed term position to provide additional Senior Management Team support for the period of managed expansion. We employed 473 people across the year, in a mixture of permanent and contractual/freelance roles.

Sadler's Wells continued to build its careers, talent development and employment programme. We increased trainee participation in the STEP programme by 25%, employing four STEP programme participants, alongside 3 apprentices. Our commitment to local employment as part of East Bank partnership ensured we met our target for at least 50% of new roles at Sadler's Wells East to be taken up by local residents. We published our Freelance Charter and embedded the associated action plan to create an open, transparent, and inclusive way of engaging freelancers.

# Sadler's Wells Trust Limited

## (Limited by Guarantee)

### Trustees' Report

We continued to embed the Leadership Charter into our organisational values. The Senior Leadership Team met quarterly to review and reflect on what is working well and where there are gaps.

Capital building maintenance programmes are managed through the Sadler's Wells Foundation, whose Board meets five times per year. This group is also taking the lead in steering the development of a case for investment for sustainability improvements, as outlined above.

The business of dance: Scale our footprint and impact innovatively and generously.

The organisation continued to improve its systems and processes, both to support the overall management and evaluation of activity and to improve day-to-day efficiency. Through 2024/25, the following main areas of activity were progressed:

- Ongoing training and development for the Learning & Engagement team in the roll out of the Learning & Engagement Evaluation Framework matrix;
- Ongoing use of enhanced audience segmentation with a new segmentation model. This has enabled our Marketing team to have greater understanding of our audiences and their purchasing behaviour;
- Continue to embed strategic logic model framework and ongoing use of Business Intelligence tools with a quarterly reporting dashboard to track and report ACE KPIs. This has been used internally to track which KPIs are outstanding and used for quarterly reporting to the Board;
- New HR and Payroll System launched to colleagues on 3 June with phase one of employee self-service complete and an ongoing rollout of improvements over the next year.

## FINANCIAL REVIEW

Total income for the year ending 31 March 2025 was £43.3m, compared to £41.8m in 2023/24. This increase was primarily driven by higher levels of sponsorship, donations and Arts Council England funding recognised, being offset by a decrease in income from theatre presentations due to lower box office. Our ticket income was £17.8m (compared with £22.0m in 2023/24).

The principal source of funding for the charity is income generated from ticket sales and other show related income, such as catering, drinks and merchandise. This is underpinned by annual funding from Arts Council England, whose unrestricted funding represents 7.0% (2024: 6.3%) of the total unrestricted income of the charity. In 2024/25, a total of £5.7m (2024: £4.6m) was received from the Arts Council, of which £2,376k (2024: £2,376k) was unrestricted, NPO annual funding. The other major sources of income are voluntary donations from individuals, Trusts & Foundations, and corporate bodies together with trading income derived from hiring out the spaces in the theatres.

£8.6m (2024: £3.7m) was received in voluntary donations from a range of individuals, Trusts and Foundations and corporate bodies. There was growth across our donated income streams, with generous gifts, grants and partnerships supporting our artistic and learning programmes and our expansion into Sadler's Wells East. There was significant growth in major project support with funding for the Rose Choreographic School and Prize, and the Foyle Foundation's lead donor funding of the Creative Development Fund. In February 2025 we held the Everybody Dance gala in the newly opened Sadler's Wells East building which introduced current and prospective donors to the space.

Sadler's Wells operates an internal fundraising team and is a member of the Fundraising Regulator. Our approach takes account of the Code of Fundraising Practice and we have complied with the standards of the Regulator. We continue to comply with the General Data Protection Regulations and our privacy policy is available at [Privacy policy - Sadler's Wells](#). No fundraising complaints were received during the year.

**Sadler's Wells Trust Limited**  
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Trustees' Report

Expenditure in the period was predominantly on the charity's main charitable objective, with 86.2% (2024: 90.1%) of unrestricted expenditure on productions and the running of the theatre. The remaining 13.8% (2024: 9.9%) was spent on fundraising activities and trading costs.

The total net movement in funds for the year was £6.2m (2024: £2.2m), made up of an unrestricted funds deficit of £0.3m (2024: surplus of £2.5m), a surplus on designated funds of £2.4m (2024: £0.1m) and a surplus on restricted funds of £4.1m (2024: deficit of £0.3m). As a result we ended the year with total reserves of £13.1m (2024: £6.9m), of which £4.5m was unrestricted (2024: £4.7m), £2.8m designated (2024: £0.4m) and £5.8m restricted (2024: £1.7m).

These results incorporate the trading of the subsidiary, Sadler's Wells Limited. This company operates the catering at the theatres, promotes commercial events hire, raises sponsorship income and produces commissions from Sadler's Wells Trust Ltd. The company gifted a profit of £2,921k for 2024/25 (2024: £1,851k) to Sadler's Wells Trust.

#### Investment Powers and Policy

Under the Memorandum and Articles of Association, the charity has the power to invest funds not immediately required for its purposes in such investments as may be considered appropriate by the Trustees.

#### Going Concern

These financial statements are prepared on a going concern basis which assumes that the charitable group will continue in operational existence for the foreseeable future. The risk to the overall Sadler's Wells business model by the opening of a fourth theatre means that the Board is continuously engaged in an assessment of whether the use of the going concern basis is appropriate. Trustees continue to consider possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern, and to manage these risks as set out below.

The Board made an assessment of going concern for a period of at least one year from the date of the approval of the financial statements. Trustees concluded that the charitable group has adequate resources to continue in operational existence for the foreseeable future and therefore the charitable group continues to adopt the going concern basis in preparing these financial statements.

#### Reserves Policy

The aim of the charity's general reserves is to provide a cushion against adverse events, such as significant reductions in income due to external factors. The target reserves position is based upon a review of the level of overhead that the charity is committed to, together with an analysis of the level of reserves needed to trade through an external shock to the charity's income.

Total reserves as of 31 March 2025 were £13.1m (2024: £6.9m). Restricted reserves were £5.8m (2024: £1.7m) and general reserves were £4.5m (2024: £4.7m). The free reserves, being general reserves excluding fixed assets, were £3.5m (2024: £3.7m). The Trustees had previously set a reserves target of £3.5m for free reserves, being the reserves backed by current assets. This target was met by the end of 2025 as the result of the strong trading year, as set out above. Notwithstanding this success, the Board continues to take a cautious position as it navigates a number of risks associated with the expansion of the organisation.

# **Sadler's Wells Trust Limited**

## **(Limited by Guarantee)**

### **Trustees' Report**

#### **PLANS FOR FUTURE PERIODS**

Our organisational priorities for 25-26 are to;

- Strengthen a respectful and mutually supportive culture of collaboration that nurtures and recognises success.
- Refine our expanded organisation and programme with an agile mindset using testing, reflection and learning to iterate and improve.
- Create the best possible conditions for all artists and creatives at all stages of their career to make dance and explore their practice.
- Deliver world-leading local, national and international artistic programmes and tell their impact story.
- Encourage participation and deepen engagement, build loyalty and reach, diversify audiences, championing the value of dance to society in support of economic growth and regeneration, wellbeing and positive social change.
- Drive income generation, reduce our environmental impact and sustain a healthy organisation.

We will continue to deliver against the Sadler's Wells East opening and activation plan for 2025/26. Strengthening our expanded organisation, operating across four theatres and online will be a key focus for the organisation in 2025 alongside ongoing artistic activity which furthers the art form. Embedding our new corporate communications framework will support this organisational and art form growth.

National activities in every corner of the UK will deliver social, cultural and economic impact for all ages, especially for young people through YFX Festival in July 2025 - which will bring together National Youth Dance Companies of England, Scotland and Wales with school, youth and community groups from across the UK in partnership with One Dance UK - and in place in communities in Islington and east London. We will continue to work closely with East Bank partners around impact and evaluation as more partners open to the public, alongside collaboration in support of local employability opportunities and skills, e.g., East Bank Future Leaders. International touring and engagement activities will continue to deliver global reach and economic and cultural value.

We will continue to champion the value of dance to society, and advocate for improved opportunities for dance at all life stages and for better pathways and progression routes for the next generation of dancers.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Board maintains a risk register which is updated quarterly. During the year, key risks that were mitigated included:

- Risks associated with standstill or reduction of ACE/DCMS funding leading to reduced income in real terms, managed through investment in advocacy and policy function and continued mitigation through best practice around diversification of income streams and long-term sustainability planning.
- Risks inherent in provocative programming across international boundaries, managed by careful planning and positioning.
- Competition for audiences and changing audience behaviour, managed by careful work to monitor and segment audiences and target our marketing and visitor experience to build loyalty and attract new audiences in focused areas.
- The failure of our technical infrastructure, managed by regular review, maintenance and replacement.

## **Sadler's Wells Trust Limited (Limited by Guarantee)**

### **Trustees' Report**

- The risk of a terrorist incident or virus/ransomware attack leading to injury, loss of life or disruption to our business, managed through our health and safety and security procedures.
- Rising energy and other fixed costs, including National Insurance contributions that are out of proportion to our ability to increase income while still advancing the art form, a live risk that we continue to manage through a programme of efficiency and long-term sustainability planning.
- Ambitious fundraising targets in a difficult climate, which continue to be mitigated by best practice in stewardship and donor care, as well as Board support for fundraising.
- The demands of managing the opening of Sadler's Wells East alongside existing operations, mitigated by careful resource planning and the judicious scaling of the team.
- Resources required to complete capital repairs programme, managed through long term sustainability planning.
- Safeguarding risks mitigated by robust policies and training.
- Major road and transport disruption in local areas leading to issues with performances and staff/audience attendance, mitigated by regular monitoring and communications with staff/audience.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also Directors of Sadler's Wells Trust 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 group and company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Trustees' Report**

Auditor

The auditor, Moore Kingston Smith LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006. This Strategic Report, which forms part of the Trustees' Report, is approved by the Trustees in their capacity as Directors of the company. The Trustees' Report was approved by the members of the Board on 2025 and signed on their behalf by:



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Nigel Higgins  
Chairman

Charity registration number 279884  
Company registration number 1488786

**Sadler's Wells Trust Limited**  
**Independent Auditor's Report to the Members of Sadler's Wells Trust**  
**Limited (Limited by Guarantee)**

**Opinion**

We have audited the financial statements of Sadler's Wells Trust Limited for the year ended 31 March 2025 which comprise the consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the consolidated Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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**Other information (cont.)**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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; and
- the trustees' annual report have 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 parent charitable company and its 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 where the 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 12, 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 and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Sadler's Wells Trust Limited**  
Independent Auditor's Report to the Members of Sadler's Wells Trust  
Limited (Limited by Guarantee)

**Auditor's 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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.

**Sadler's Wells Trust Limited**  
Independent Auditor's Report to the Members of Sadler's Wells Trust  
Limited (Limited by Guarantee)

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (cont.)**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

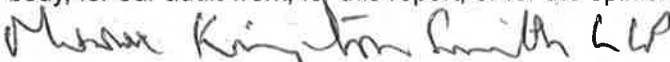
Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**James Cross (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith, LLP  
Statutory Auditor

6<sup>th</sup> Floor  
9 Appold Street  
London  
EC2A 2AP

Date: 11 December 2025

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Consolidated Statement of Financial Activities  
For the year ended 31 March 2025

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
	Year ended 31 March 2025	Year ended 31 March 2025	Year ended 31 March 2025	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000	£'000	£'000	£'000
<b>Income</b>					
Donations and legacies:					
Sponsorship & donations	2,965	-	5,659	8,624	3,698
Arts Council funding	2	2,376	-	3,369	5,745
Charitable activities:					
Theatre presentations	22,976	-	134	23,110	28,603
Activities for raising funds:					
Trading income	3,861	-	-	3,861	3,332
Other income	858	-	28	886	935
Investment income	914	-	165	1,079	572
<b>Total Income</b>	<b>33,950</b>	<b>-</b>	<b>9,355</b>	<b>43,305</b>	<b>41,757</b>
<b>Expenditure</b>					
Charitable activities:					
Expenditure on presentations	3	22,608	1	2,625	25,234
Theatre overheads	3	5,390	63	2,527	7,980
Activities for raising funds:					
Fundraising costs	3	1,156	-	86	1,242
Trading	3	3,294	-	101	3,395
<b>Total Expenditure</b>	<b>32,448</b>	<b>64</b>	<b>5,339</b>	<b>37,851</b>	<b>40,197</b>
<b>Net Income before Investment Losses</b>	<b>1,502</b>	<b>(64)</b>	<b>4,016</b>	<b>5,454</b>	<b>1,560</b>
<b>Unrealised Loss on Investment Properties</b>	<b>-</b>	<b>-</b>	<b>(26)</b>	<b>(26)</b>	<b>(85)</b>
<b>Other Recognised Gains and Theatre Tax Relief</b>	<b>589</b>	<b>-</b>	<b>204</b>	<b>793</b>	<b>742</b>
<b>Net Income</b>	<b>2,091</b>	<b>(64)</b>	<b>4,194</b>	<b>6,221</b>	<b>2,217</b>
Gross transfers between Funds	(2,345)	2,459	(114)	-	-
<b>Net movement in Funds</b>	<b>(254)</b>	<b>2,395</b>	<b>4,080</b>	<b>6,221</b>	<b>2,217</b>
<b>Net Funds at 1 April 2024</b>	<b>4,734</b>	<b>435</b>	<b>1,701</b>	<b>6,870</b>	<b>4,653</b>
<b>Net Funds at 31 March 2025</b>	<b>4,480</b>	<b>2,830</b>	<b>5,781</b>	<b>13,091</b>	<b>6,870</b>

None of the charitable group's activities were acquired or discontinued during the above two financial periods.

The charitable group has no recognised gains and losses other than those dealt with in the above Statement of Financial Activities.

Restricted funds have been applied only for the purposes for which the income was received.


**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Balance sheet as at 31 March 2025

	Note	2025 Consolidated £'000	2025 Charity £'000	2024 Consolidated £'000	2024 Charity £'000
<b>Fixed Assets</b>					
Tangible assets	6	41	30	57	43
Investment Property	7(b)	1,539	1,114	1,565	1,140
		<u>1,580</u>	<u>1,144</u>	<u>1,622</u>	<u>1,183</u>
<b>Current Assets</b>					
Stock for resale		150	60	90	27
Debtors	8	6,374	9,068	6,135	6,621
Current asset investment		-	-	1,500	1,500
Cash at bank and in hand		23,620	20,182	14,276	12,558
		<u>30,144</u>	<u>29,310</u>	<u>22,001</u>	<u>20,706</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	9	<u>(14,530)</u>	<u>(13,260)</u>	<u>(12,385)</u>	<u>(10,651)</u>
<b>Net Current Assets</b>		15,614	16,050	9,616	10,055
<b>Long term Liabilities</b>	10	<u>(4,103)</u>	<u>(4,103)</u>	<u>(4,368)</u>	<u>(4,368)</u>
<b>Total Assets Less Liabilities</b>		<u>13,091</u>	<u>13,091</u>	<u>6,870</u>	<u>6,870</u>
<b>Funds</b>					
Restricted	18	5,781	5,781	1,701	1,701
Unrestricted - Designated	18	2,830	2,830	435	435
Unrestricted	18	4,480	4,480	4,734	4,734
		<u>13,091</u>	<u>13,091</u>	<u>6,870</u>	<u>6,870</u>

As permitted by S408 Companies Act 2006, the charity has not presented its own Statement of Financial Activities and related notes. The charity surplus for the year was £6,221k (2024: £2,215k).

Approved for issue by the members of the board on  
by:

and signed on their behalf



Nigel Higgins  
Chairman

Company number 01488786

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

Consolidated Statement of Cash Flows for the year ended 31 March 2025

	Note	Year ended 31 March 2025 £'000	Year ended 31 March 2024 £'000
<b>Net cash flows from operating activities</b>	12	6,927	2,054
<b>Cash flows from investing activities</b>			
Cash receipts from interest and dividends received		1,079	572
Movement in current asset investments		1,500	(1,500)
Purchase of property, plant and equipment		-	(18)
<b>Net cash provided by (used in) investing activities</b>		<u>2,579</u>	<u>(946)</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowing		(162)	-
<b>Net cash (used in) financing activities</b>		<u>(162)</u>	<u>-</u>
<b>Net change in cash and cash equivalents in the period</b>		<u>9,344</u>	<u>1,108</u>
Movement in net cash in the period		9,344	1,108
<b>Net cash and cash equivalents at 1 April 2024</b>		14,276	13,168
<b>Net cash and cash equivalents at 31 March 2025</b>	13	<u><u>23,620</u></u>	<u><u>14,276</u></u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**1. Accounting Policies**

**a. Basis of accounting**

Sadler's Wells Trust Limited is a company limited by guarantee and has no share capital. The entity is registered in England & Wales (company number 1488786, charity number 279884) with a registered address of Rosebery Avenue, London, EC1R 4TN.

The financial statements have been prepared under the historical cost convention, subject to the revaluation of certain investments, and in accordance with the accounting policies set out in the notes to the accounts. The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011, and Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity is a Public Benefit Entity as defined by FRS102.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

**b. Going concern**

The financial statements are prepared on a going concern basis which assumes that the charitable group will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern as referred to in the Trustees report. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. Given the charity's cash position and year-end reserves, the Trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing its financial statements.

**c. Consolidation**

The Group Financial Statements consolidate those of Sadler's Wells Trust Limited and its trading subsidiary, Sadler's Wells Limited. The results for the trading subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

**d. Income from presentations and performances**

Income from presentations and performances, which is matched to relevant performances, represents amounts receivable, excluding Value Added Tax, for goods and services provided in the ordinary course of business. Income from productions is recognised when the performance takes place. Donations and sponsorship for specific productions are credited to presentation income as the performances take place.

**e. Grants, donations and sponsorship**

a. Revenue grants are credited to the Statement of Financial Activities in the period in which they fall due unless they relate to specified future or prior periods, in which case they are deferred or accrued respectively.

b. Donations are treated on a cash receipts basis.

c. Corporate sponsorship is recognised on an accruals basis in the period in which the sponsor consumes the relevant benefits.

d. Legacies are recognised when probate on the legacy has been completed, and it is probable that income will be received and is quantifiable.

e. Investment and other income is recognised when the entitlement can be demonstrated, it is probable that it will be received, and it can be reliably measured.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**Accounting Policies (cont.)**

**f. Cost allocation**

All expenditure is accounted for on an accruals basis. To the extent that VAT is not recovered, it is included in the cost category to which it relates. Costs relating to the mounting of productions and running of the theatre are classed as charitable activities. Those costs relating to generating voluntary income, and to trading activities to raise funds for the charity, are classified as costs of raising funds. Governance costs comprise those costs that allow Sadler's Wells Trust to operate as a charity and to generate the information required for public accountability, and are part of support costs. Support costs have been allocated between areas of activities on the basis of staff numbers in each area.

**g. Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. There is a capitalisation threshold policy of £10,000. Depreciation is provided on all tangible fixed assets, excluding land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life. Purchased assets have been depreciated at the following straight line rate:

Fixtures & fittings	33.3%
Leasehold improvements	5%
Computer equipment	20%

The Trustees review the tangible fixed assets annually for any evidence of impairment. Where there is objective evidence of impairment, the charity recognises the loss in the Statement of Financial Activities immediately.

**h. Investment properties**

Investment properties are held at fair value, based on the market value for the property which the Trustees consider to be reasonable. Changes in fair value and any gains or losses arising on disposal are recognised as net gains/(losses) on investments in the Statement of Financial Activities.

**i. Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short-term deposits with an original maturity date of three months or less and investments capable of immediate cash realisation.

**j. Current asset investment**

Fixed term cash deposits with a fixed term of three months or more are included in current asset investments.

**k. Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest. Show prepayments and production work in progress represent costs incurred at the reporting date for shows which have not yet matured or, for at-risk shows, where the production has not reached a net profit.

**l. Stock**

Stock represents goods for resale and is stated at the lower of cost and net realisable value.

**m. Employee benefits**

The costs of short-term employee benefits are registered as a liability and expense. Termination benefits are recognised immediately as an expense when the company is committed to provide termination benefits. Costs not paid at the year end are recognised as a liability.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**Accounting Policies (cont.)**

**n. Pension costs**

The charity operates an auto enrolment pension scheme. Payments into this scheme, and in respect of employees' private pension schemes, are charged to the Statement of Financial Activities as incurred.

**o. Foreign currencies**

Foreign currency balances at the year end have been translated into sterling at the rate ruling at that date. Transactions during the course of the period have been translated into sterling at the rate ruling at the transaction date.

**p. Government grants**

Where the charity is awarded government grants, it recognises these as income only where there is reasonable assurance that the charity will comply with the conditions attaching to them, and the funds will be received. This includes grants received from Arts Council England as they are an executive non-departmental public body. The £4,250k loan from Arts Council England under the Cultural Recovery Fund is considered to be a public benefit entity concessionary loan as the interest rate is below the prevailing market rate. The loan is valued at amortised cost using the effective interest method. Interest is accrued annually at 2% and is repayable over 20 years, with a repayment holiday for the first four years. The interest is accrued and added to the initial £4,250k loan. As at 31 March 2025, repayments of the loan had commenced.

**q. Accounting for reserves**

There are both restricted and unrestricted funds. Unrestricted funds are divided into general and designated funds.

General funds are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of the Trustees.

Restricted funds are grants or donations with conditions attached by the donor. They may specify that the funds are used in a specific way or for a specific purpose.

**r. Operating leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**s. Taxation**

The company is a registered charity and as such is entitled to exemption from taxation on its charitable activities under the Corporation Tax Act 2010.

**t. Theatre tax relief**

Theatre tax relief credits payable to the company in relation to eligible expenditure on theatrical productions are recognised as a credit within the tax charge.

**u. Accounting estimates and areas of judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effect on amounts recognised in the financial statements:

- Measurement of the fair value of the investment properties as undertaken by the Trustees, based on appropriate professional advice
- Estimation of likely future recoupment of production costs and commissioning fees carried forward in the balance sheet at each period end.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**2. Arts Council and other Government Funding**

During 2025, the charity has recognised funding from the Arts Council for:

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
NPO core funding	2,376	2,376
Restricted:		
· NYDC	495	450
· Stratford	2,828	1,332
· Breakin' Out	-	282
· Message in a Bottle	40	164
· What's Next	6	13
	<u>5,745</u>	<u>4,617</u>

**3. Expenditure on support costs**

	<b>Presentation</b>	<b>Theatre</b>	<b>Fundraising</b>	<b>Trading</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>Overhead</b>	<b>£'000</b>	<b>£'000</b>	<b>Total</b>	<b>Total</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Executive Office	857	124	59	167	1,207	1,021
Finance	1,330	192	92	260	1,874	2,868
People	462	67	32	90	651	488
	<u>2,649</u>	<u>383</u>	<u>183</u>	<u>517</u>	<u>3,732</u>	<u>4,377</u>

Support costs have been allocated on the basis of staff numbers in each area.

**4. Governance costs**

Governance costs include the following payments to auditors:

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Audit - current year	53	41
prior year	8	-
Taxation - current year	3	-
prior year	3	1
Non-audit services	-	1
	<u>67</u>	<u>43</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**5. Staff costs**

<b>Consolidated and charity</b>	<b>2025</b> <b>£'000</b>	<b>2024</b> <b>£'000</b>
Wages and salaries	10,395	8,849
Social security costs	1,069	847
Pension costs (note 16)	341	282
	<u>11,805</u>	<u>9,978</u>

Redundancy and termination payment costs included in the above totalled £60,098 (2024: £4,053).

Employee remuneration for employees earning more than £60,000 fell in the following bands:

	<b>2025</b>	<b>2024</b>
£200,001 - £210,000	1	1
£170,001 - £180,000	1	-
£160,001 - £170,000	-	1
£110,001 - £120,000	1	-
£100,001 - £110,000	-	1
£90,001 - £100,000	2	2
£80,001 - £90,000	1	-
£70,001 - £80,000	7	3
£60,001 - £70,000	3	7

During the year the company paid pension contributions of £86,565 (2024: £68,786) on behalf of these staff.

The average monthly head count was 384 staff (2024: 325) and the average number of full-time equivalent staff employed (including part-time staff):

	<b>2025</b>	<b>2024</b>
Theatre and Front of House	74	88
Box office	17	11
Marketing	23	21
Technical	62	53
Administration	24	23
Development	11	13
Events	6	4
Catering	31	24
	<u>248</u>	<u>237</u>

The Trustees received no remuneration for the services they provided to the company. No expenses were reimbursed (2024: £nil). The Trustees donated £4,124,436 (2024: £937,760) to the charity during the year.

The charity considers its key management personnel to be the Senior Leadership Team, made up of 16 (2024: 15) members. The remuneration of the Co-Chief Executives is decided by the Board; the Co-Chief Executives decide the remuneration of other members of the Senior Leadership Team. Total employment costs for this group, including employer NICs and pension contributions, was £1,694,638 (2024: £1,528,062).

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**6. Tangible fixed assets**

<b>Consolidated</b>	<b>Leasehold Improvements £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures &amp; Fittings £'000</b>	<b>2025 Total £'000</b>
<b>Cost</b>				
As at 1 April 2024	110	307	154	571
Additions	-	-	-	-
As at 31 March 2025	110	307	154	571
<b>Depreciation</b>				
As at 1 April 2024	80	280	154	514
Charge for the period	7	9	-	16
As at 31 March 2025	87	289	154	530
<b>Net book value</b>				
As at 31 March 2025	23	18	-	41
As at 31 March 2024	30	27	-	57
<b>Charity</b>				
	<b>Leasehold Improvements £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures &amp; Fittings £'000</b>	<b>2025 Total £'000</b>
<b>Cost</b>				
At 1 April 2024	110	289	46	445
Additions	-	-	-	-
At 31 March 2025	110	289	46	445
<b>Depreciation</b>				
At 1 April 2024	80	276	46	402
Charge for the period	7	6	-	13
At 31 March 2025	87	282	46	415
<b>Net book value</b>				
At 31 March 2025	23	7	-	30
At 31 March 2024	30	13	-	43

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**7. a) Investment in trading subsidiary**

The wholly owned trading subsidiary Sadler's Wells Limited (company number 02907116), which is incorporated in England and Wales, is consolidated within these financial statements. The company distributes all its profits to the charity under Gift Aid. Sadler's Wells Limited promotes commercial non theatre hires and provides catering at the Sadler's Wells and Peacock theatres, receives sponsorship income and produces productions commissioned by Sadler's Wells Trust Ltd. The charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below.

Sadler's Wells and its trading subsidiary have entered into a deed of covenant for the subsidiary to make qualifying charitable donations equal to its taxable profits to the Charity.

<b>Profit and Loss Account</b>	<b>Year ended 31 March 2025 £'000</b>	<b>Year ended 31 March 2024 £'000</b>
Turnover	9,388	9,795
Cost of sales	(1,111)	(879)
Production expenses	(3,960)	(6,039)
Gross Profit	4,317	2,877
Administration expenses	(2,257)	(1,764)
Bank interest	68	21
Taxation	793	742
Other recognised gains and losses	-	(25)
Result for the financial year	2,921	1,851
Retained earnings brought forward	-	-
Charitable distribution to parent charity	(2,921)	(1,851)
Retained earnings carried forward	-	-
	<b>31 March 2024 £'000</b>	<b>31 March 2024 £'000</b>
The assets and liabilities of the subsidiary were:		
Fixed assets	436	440
Current assets	5,654	3,150
Creditors: amounts falling due within one year	(6,090)	(3,590)
Total net current assets	-	-
Aggregate share capital and reserves	-	-

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**b) Investment property**

The investment property held by the charity are a house which was donated by the Dame Hilda Bracket Trust and is valued by the Trustees at £174,000 and office building held at 369 St John Street valued at £940,000. The house has been disposed of post year-end for net proceeds of £174,000. An independent valuation of the office building was undertaken in March 2024 by Glenny LLP. The investment property held by the trading subsidiary comprises the leasehold interest of the Shakespeare's Head Public House on Arlington Way, London. The fair value of the investment property of £425,000 has been arrived at on the basis of a valuation carried out as at 31 March 2024 by Fleurets Limited Chartered Surveyors, who are not connected with the company. The valuations were reviewed in the year and the Trustees consider that this is the best estimate of the fair value at the balance sheet date.

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
<b>Fair value</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 April 2024	1,565	1,140	1,650	1,200
Revaluation loss	(26)	(26)	(85)	(60)
As at 31 March 2025	1,539	1,114	1,565	1,140

**8. Debtors**

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	2,539	2,075	1,985	1,440
Amounts owed by related undertakings	7	4,829	2	1,858
Other debtors	70	62	484	449
Corporation Tax Receivable	1,534	-	741	-
Accrued income and prepayments	2,224	2,102	2,923	2,874
	6,374	9,068	6,135	6,621

**9. Creditors: amounts due within one year**

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Loan	325	325	137	137
Trade creditors	1,848	1,789	750	710
Social security and other taxes	936	936	1,011	1,011
Other creditors	2,475	2,475	586	586
Accruals and deferred income	8,946	7,735	9,901	8,207
	14,530	13,260	12,385	10,651

Analysis of **deferred income**, comprising income from future performances, venue hire, gift vouchers and deferred government funding:

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Balances brought forward at 1 April	6,335	4,674	5,741	4,805
Released in year	(6,021)	(4,362)	(5,400)	(4,465)
Income deferred in year	5,971	4,786	5,994	4,334
Balance carried forward	6,285	5,098	6,335	4,674

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**10. Creditors: Amounts due after more than one year**

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Loan	4,103	4,103	4,368	4,368

**11. Borrowings**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>&amp; Charity</b>	<b>&amp; Charity</b>
	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Payable within 1 year	325	137
Payable 2-5 years	1,298	1,092
Payable over 5 years	2,805	3,276
	<u>4,428</u>	<u>4,505</u>

In the year ended 31 March 2021, Sadler's Wells Trust Limited was granted a facility for a 20 year loan by Arts Council England under the Cultural Recovery Fund. The loan was drawn down to £4,250,000 on 17 March 2021. The loan incurs an annual interest charge of 2%, which has been accrued and added to the total amount payable. The loan is repayable over 20 years, with a repayment holiday for the first four years. Repayments of the loan began in March 2025.

**12. Reconciliation of Net Incoming Resources from Operating Activities to Net Cash flows**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>&amp; Charity</b>	<b>&amp; Charity</b>
	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Consolidated</b>		
Net income for the reporting period	6,221	2,217
Dividends, interest and rents from investments	(1,079)	(572)
Depreciation	16	16
Impairment	26	85
Finance costs	85	85
(Increase) in stock	(60)	(19)
(Increase) in debtors	(239)	(2,982)
Increase in creditors	1,957	3,224
Net cash inflow from operating activities	<u>6,927</u>	<u>2,054</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**13. Analysis of changes in net debt**

	At 1 April 2024 £	Non-cash Flow £	Cash Flow £	At 31 March 2025 £
Cash at bank and in hand	14,276	-	9,344	23,620
<b>Borrowings</b>				
DCMS loan	(4,505)	(85)	162	(4,428)
<b>Net debt</b>	<u>9,771</u>	<u>(85)</u>	<u>9,506</u>	<u>19,192</u>

**14. Liability of Members**

The company is limited by guarantee and the liability of members is limited to £10 each. At 31 March 2025 there were 15 members (2024: 13 members).

**15. Operating Lease Commitments**

The charity has an annual base rent commitment of £300,000 (2024: £300,000) in respect of the lease of Sadler's Wells Theatre, from Sadler's Wells Foundation. The total payable to the end of the lease is £2,665,352 (2024: £2,989,832). The charity also has an annual rent commitment of £175,000 in respect of the Peacock Theatre to the London School of Economics, expiring 20 years from 2019. The total payable to the end of the lease is £2,987,531 (2024: £3,210,500).

The charity has an annual lease commitment of £20,675 (2024: £20,675) in respect of the lease of printing equipment. The total payable to the end of the lease is £25,889 (2024: £46,565).

**16. Pension Commitments**

Sadler's Wells Trust makes contributions to employees' private pension plans, the costs of which amounted to £340,758 during the year to 31 March 2025 (2024: £281,518). The pension creditor at the year end was £106,993 (2024: £55,387).

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**17. Net movement in funds**

	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Transfers/ Gains/Losses £'000	At 31 March 2025 £'000
<b>Restricted Funds:</b>					
National Youth Dance Fund	182	555	(654)	45	128
Dame Hilda Bracket Fund	124	-	(4)	(25)	95
What Next? Fund	33	56	(89)	-	-
Stratford	-	2,829	(2,819)	(10)	-
DOPODO	(32)	108	(60)	(16)	-
Breakin' Out	2	-	(2)	-	-
Creative Development Fund	-	1,112	-	-	1,112
Development	12	76	(64)	(15)	9
Learning and Engagement Funds	461	687	(721)	98	525
Programming, Producing & Touring Funds	52	108	(99)	(1)	60
Rose Choreographic Prize	803	3,773	(765)	(4)	3,807
Data Accelerator Project	54	-	(54)	-	-
Other restricted funds	10	51	(8)	(8)	45
	<u>1,701</u>	<u>9,355</u>	<u>(5,339)</u>	<u>64</u>	<u>5,781</u>
<b>Unrestricted Funds:</b>					
<b>Designated Funds</b>					
Peacock Theatre Fund	58	-	(64)	106	100
Sadler's Wells Theatre Fund	-	-	-	750	750
Transition and Resilience Fund	-	-	-	1,603	1,603
The Shakespeare's Head Fund	377	-	-	-	377
	<u>435</u>	<u>-</u>	<u>(64)</u>	<u>2,459</u>	<u>2,830</u>
<b>General Fund</b>	<u>4,734</u>	<u>33,950</u>	<u>(32,448)</u>	<u>(1,756)</u>	<u>4,480</u>
	<u>6,870</u>	<u>43,305</u>	<u>(37,851)</u>	<u>767</u>	<u>13,091</u>

**Restricted Funds**

- The National Youth Dance Fund represents funds received and expended on the National Youth Dance Company.
- The Dame Hilda Bracket Fund is a donation to support music, in particular grand and light opera.
- The What Next? Fund represents a donation for the What Next? campaign, hosted by Sadler's Wells.
- The Stratford Fund is an Arts Council grant provided to fund preparation costs associated with the new venue in Stratford.
- The DOPODO fund is a European grant provided to support the Dance on, Pass on, Dream on project.
- The Breakin' Out fund is an Arts Council grant provided for Breakin' Convention dance and engagement activity.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**Net movement in funds (cont.)**

**Restricted funds (cont.)**

- The Creative Development, reinstated via Foyle Foundation funding, underpins creative projects which further Sadler's reputation for excellence in dance.
- The Development restricted funds represent grants to be spent against future activity.
- The Learning & Engagement Fund represents amounts received from funders in support of learning and engagement activity.
- The Programming, Producing and Touring fund represents amounts received in support of the programme hosted at and toured by Sadler's Wells.
- The Rose Choreographic Prize represents amounts received to establish and fund the Rose International Dance Prize and Choreographic School.
- The Data Accelerator Project represents funds in support of strategic improvements to technology infrastructure.
- Other restricted funds represent grants to be spent against future activity.

**Designated Funds**

The Trustees have designated four funds.

- The Peacock Theatre Fund will provide for any future support required on Sadler's Wells activity in this space.
- The Sadler's Wells Theatre Fund represents monies set aside to support the maintenance and development of Sadler's Wells Theatre and will be spent in the next year.
- The Transition and Resilience Fund represents monies that will provide resilience for the artistic programme and business over the next three to five years as it navigates the new three-theatre model.
- The Shakespeare's Head Fund will provide for any future impairment on the leasehold of the Shakespeare's Head public house, held by Sadler's Wells Limited.

**Transfers between funds**

The transfers of funds from restricted to unrestricted funds for named funds relate to internal overhead costs to be recovered from restricted funding.

The transfers from other restricted funds in aggregate relate to the release of restricted funding as a donation to support core or other costs.

The transfer from the unrestricted funds to designated funds relates to the expansion of the fund for maintenance associated with Sadler's Wells activity at the Peacock Theatre, as well as the creation of two new designated funds, the purposes of which are outlined above.

**18. Analysis of Net Assets between funds**

	<b>Fixed assets</b>	<b>Cash</b>	<b>Other net liabilities</b>	<b>Net total assets</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Unrestricted funds	981	14,660	(11,161)	4,480
Designated funds	425	2,405	-	2,830
Restricted funds	174	6,555	(948)	5,781
<b>Total Funds</b>	<b>1,580</b>	<b>23,620</b>	<b>(12,109)</b>	<b>13,091</b>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**19. Connected charities and related party transactions**

Sadler's Wells Limited is a wholly owned subsidiary which trades on behalf of the charity.

A gift of £2,920,781 (2024: £1,851,169) was receivable from Sadler's Wells Limited, for the year, and £4,827,718 was due from (2024: £1,857,088) that company at the year end. Sadler's Wells Trust Limited bore a number of administrative costs on behalf of Sadler's Wells Limited that have been recharged subsequently, the largest being payroll costs of £1,671,905 (2024: £1,111,971) and VAT of £758,640 (2024: £821,629).

Sadler's Wells Trust is a corporate trustee of the Dame Hilda Bracket Trust, along with Sadler's Wells Development Trust. The fund is held in a restricted fund by Sadler's Wells Trust.

During the year Sadler's Wells Trust Ltd incurred a rent charge of £320,374 (2024: £452,000) from Sadler's Wells Foundation Ltd, of which £nil had not been paid (2024: £218,000) to the Foundation at the year end. An additional £29 was due from Trust to Foundation at year-end, with an additional £29,446 (2024: £nil) invoiced by the Foundation to Trust post year-end. £5,460 (2024: £0) was paid by Sadler's Wells Trust Limited on behalf of the Foundation. Sadler's Wells Foundation Limited owed Sadler's Wells Trust Limited £5,460 (2024: £nil) and Sadler's Wells Limited £24,468 (2024: £nil) at 31 March 2025: outstanding balances related to fit-out purchases which were settled by the entities on behalf of Sadler's Wells Foundation.

Sadler's Wells Foundation Ltd is a member of Sadler's Wells Trust Ltd.

At year-end, Sadler's Wells Limited was owed £5,287 by Sadler's Wells Development Trust (2024: £325 creditor), primarily relating to cash received on behalf of Sadler's Wells Limited.

**20. Capital Commitments**

At 31 March 2025 Sadler's Wells Trust had no capital commitments committed but not yet contracted for (2024: None).

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**21. Comparative net movement in funds year ended 31 March 2024**

	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers/ Gains £'000	At 31 March 2024 £'000
<b>Restricted Funds:</b>					
National Youth Dance Fund	124	600	(706)	164	182
Dame Hilda Bracket Fund	126	-	(2)	-	124
What Next? Fund	36	129	(132)	-	33
Stratford Mobilisation	-	1,337	(1,329)	(8)	-
DOPODO	5	-	(32)	(5)	(32)
Breakin' Out	18	402	(418)	-	2
Development	8	42	(23)	(15)	12
Learning and Engagement Funds	276	768	(579)	(4)	461
Programming, Producing and Touring Funds	301	545	(794)	-	52
Rose Choreographic Prize	992	37	(226)	-	803
Data Accelerator Project	89	25	(60)	-	54
Other restricted funds	25	3	(18)	-	10
	2,000	3,888	(4,319)	132	1,701
<b>Unrestricted Funds:</b>					
<b>Designated Funds</b>					
Peacock Theatre Fund	-	-	-	58	58
The Shakespeare's Head Fund	402	-	-	(25)	377
	402	-	-	33	435
General Fund	2,251	37,869	(35,878)	492	4,734
	4,653	41,757	(40,197)	657	6,870

**22. Comparative analysis of net assets between funds year ended 31 March 2024**

	Fixed assets £'000	Cash £'000	Other net liabilities £'000	Net total assets £'000
Unrestricted funds	1,020	11,540	(7,826)	4,734
Designated funds	402	33	-	435
Restricted funds	200	2,703	(1,202)	1,701
<b>Total Funds</b>	1,622	14,276	(9,028)	6,870

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**23. Comparative fund and statement of financial activities balances year ended 31 March 2024**

	Unrestricted Funds Year ended 31 March 2024 £'000	Designated Funds Year ended 31 March 2024 £'000	Restricted Funds Year ended 31 March 2024 £'000	Total Funds Year ended 31 March 2024 £'000
<b>Income</b>				
Donations and legacies:				
Sponsorship & donations	2,297	-	1,401	3,698
Arts Council funding	2,376	-	2,241	4,617
Charitable activities:				
Theatre presentations	28,478	-	125	28,603
Activities for raising funds:				
Trading income	3,332	-	-	3,332
Other income	851	-	84	935
Investment income	535	-	37	572
<b>Total Income</b>	<b>37,869</b>	<b>-</b>	<b>3,888</b>	<b>41,757</b>
<b>Expenditure</b>				
Charitable activities:				
Expenditure on presentations	27,731	-	2,503	30,234
Theatre overheads	4,583	-	1,662	6,245
Activities for raising funds:				
Fundraising costs	900	-	80	980
Trading	2,664	-	74	2,738
<b>Total Expenditure</b>	<b>35,878</b>	<b>-</b>	<b>4,319</b>	<b>40,197</b>
<b>Net Income before Investment Losses</b>	<b>1,991</b>	<b>-</b>	<b>(431)</b>	<b>1,560</b>
<b>Unrealised Loss on Investment Properties</b>	<b>(60)</b>	<b>(25)</b>	<b>-</b>	<b>(85)</b>
<b>Other Recognised Gains and Theatre Tax Relief</b>	<b>553</b>	<b>-</b>	<b>189</b>	<b>742</b>
<b>Net Income</b>	<b>2,484</b>	<b>(25)</b>	<b>(242)</b>	<b>2,217</b>
Gross transfers between Funds	(1)	58	(57)	-
<b>Net movement in Funds</b>	<b>2,483</b>	<b>33</b>	<b>(299)</b>	<b>2,217</b>
<b>Net Funds at 1 April 2023</b>	<b>2,251</b>	<b>402</b>	<b>2,000</b>	<b>4,653</b>
<b>Net Funds at 31 March 2024</b>	<b>4,734</b>	<b>435</b>	<b>1,701</b>	<b>6,870</b>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2025

**24. Comparative support costs year ended 31 March 2024**

	<b>Presentation</b>	<b>Theatre Overhead</b>	<b>Fundraising</b>	<b>Trading</b>	<b>2024 Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Executive Office	786	67	59	109	1,021
Finance	2,204	191	167	306	2,868
People	375	33	28	52	488
	<b>3,365</b>	<b>291</b>	<b>254</b>	<b>467</b>	<b>4,377</b>

**SADLER'S WELLS TRUST LIMITED**

England & Wales - Charity number 279884

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# Accounts

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**Sadler's Wells Trust Limited  
(Limited by Guarantee)**

**Registered Company Number 01488786**

**Registered Charity Number 279884**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2024**

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees, Officers and Administrative Information

**Trustees**

Nigel Higgins (Chairman)

Maria Albonico

Nicholas Basden

Humphrey Battcock

Melissa Bethell

Clare Connor

Suhair Khan

Nina Patel

Matthew Slotover

Melanie Smith

Brenda Leff

Paul Mulholland

Yana Peel

Nicholas Grace

**Secretary**

Sir Alistair Spalding CBE

**Registered Office**

Sadler's Wells Theatre

Rosebery Avenue

London

EC1R 4TN

**Bankers**

Coutts & Co.

440 Strand

London

WC2R 0QS

**Auditor**

Moore Kingston Smith LLP

6<sup>th</sup> Floor

9 Appold Street

London

EC2A 2AP

**Solicitors**

Clifford Chance LLP

10 Upper Bank Street

E14 5JJ

**Sadler's Wells Trust Limited  
(Limited by Guarantee)**

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18	Consolidated Statement of Financial Activities
19	Balance Sheets
20	Statement of Cash Flows
21-35	Notes to the Financial Statements

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Chair's Foreword

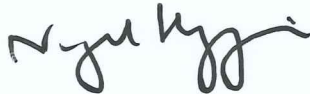
Coming together, looking ahead

On behalf of the Board of Sadler's Wells Trust Limited, I am delighted to present this annual report together with the consolidated financial accounts for the year ended 31 March 2024. These have been prepared in compliance with current statutory requirements, the Charities SORP (FRS 102) and with the charity's governing document, its Memorandum and Articles of Association.

It has been a rewarding year for the team at Sadler's Wells. The organisation has showcased an extraordinary breadth of dance, from world-class hip-hop acts to exceptional ballet companies, kathak dancers to performances of pantsula, tightrope walkers to immersive works for young dancers. We have welcomed artists from all over the world including Argentina, Taiwan, the United States, India, and Ukraine, and we have taken two of our productions on global tour, boosting touring income by 50%. There have been musings on nationhood, dance histories, and desire, stories of humanity and hope, and reflections on the importance of coming together to share a space.

These themes have clearly resonated with our audiences, and we continue to see ever increasing appetite for dance. An increase of a third in audiences across our sites in London bodes well as we plan for the future, expanding our operation with a fourth physical stage opening next year. This will form part of the East Bank culture and education district in the Queen Elizabeth Olympic Park, a unique collaboration between cultural organisations, world-leading universities and the people of the Olympic boroughs. The opening of Sadler's Wells East will mark the culmination of over ten years of meticulous planning and partnership work, an exceptional feat pulled off at the same time as the ongoing renewal of the wider organisation as it navigates the ongoing ripples of change in the aftermath of Covid-19.

The Board extends its thanks to every member of the Sadler's Wells team for these extraordinary achievements. We are very much looking forward to seeing what heights Sadler's Wells will scale in the coming year.



Nigel Higgins, Chair

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' Report

## OBJECTIVES AND ACTIVITIES

### Mission, vision, values

Sadler's Wells' mission is to make and share dance that inspires us all.

Our vision is to create, through dance, a depth of connection beyond borders, cultures and languages, so we see ourselves in each other.

Our values actively underpin the decisions we make and how we work. They are:

- Excellence: world-class experiences
- Collaboration: stronger together
- Inclusion: everyone matters; and
- Innovation: improve and pioneer.

### Strategic goals

We have five strategic goals which provide a focus for our work. Together, our strategic goals deliver our mission and vision. Our goals are to:

- Engage the audience;
- Nurture artistic talent;
- Change the world;
- Develop our organisation and people; and
- Scale the business of dance.

Within each of the goals, we have identified a clear set of priorities, and we evaluate our progress using a monitoring and evaluation framework that measures the outputs and outcomes of our work against a body of success factors over the long-term. We also contribute to the monitoring and evaluation strategy in place for East Bank, which will deliver a range of socio-economic benefits to East London and the UK. Again, these impacts are being measured over the long term, with targets set to 2036.

### Public benefit

In shaping the goals and the activities that sit within them, Trustees have considered the Charity Commission's general guidance on public benefit and fee charging, including its guidance 'Public Benefit: Running a Charity (PB2)'. We believe everyone should have access to dance and we have taken many steps to ensure our venues and experiences are more accessible to more people. We ensure that the organisation's pricing policy reflects our commitment to enabling audiences whatever their means; our *Get into Dance* programme maximises affordable tickets for new audiences, people from low-income households, young people and people with disabilities. We work with education providers, community groups and partners to build inviting gateways to our programmes. We offer assisted performances and an *Access for All* Scheme to support disabled audiences. Finally, we use the Sadler's Wells Digital Stage to offer world-class dance in a range of formats.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

**GOVERNANCE AND STRUCTURE**

Sadler's Wells Trust Limited is a registered charity which runs Sadler's Wells. It is governed by its Memorandum and Articles of Association and its objects are to advance education, particularly by encouraging the understanding and appreciation of the dramatic arts. The charity ensures that Sadler's Wells operates in alignment with these objectives, and in pursuit of the mission and vision set out above.

Board of Trustees

The Board of Trustees is the non-executive and unpaid governing body of Sadler's Wells, led by Chair Nigel Higgins. Trustees serving any period from 1 April 2023 to the date of signing these accounts were:

Nigel Higgins	Chair
Maria Albonico	
Nicholas Basden	
Humphrey Battcock	Deputy Co-Chair
Melissa Bethell	
Sue Butcher	resigned 23 June 2023
Clare Connor	
Nick Grace	appointed 23 April 2024
Suhair Khan	
David Lan	resigned 6 December 2023
Brenda Leff	
Paul Mulholland	
Nina Patel	
Yana Peel	appointed 4 October 2023
Melanie Smith	Deputy Co-Chair
Matthew Slotover	

Appointment and induction of Trustees

As set out in the Articles of Association, the Chair of the Trustees is elected by fellow Trustees. Trustees are appointed for a term of three years, which is often extended to a second or third (and occasionally a fourth) term. A skills audit of the Board is undertaken annually to inform the recruitment and selection of new Trustees.

The charity provides an induction of incoming Trustees which apprises them of their legal obligations as directors of the company and familiarises them with the operation of the theatres. Trustees are encouraged to keep fully up to date with the latest Charity Commission directives and with guidance associated with Sadler's Wells status as a National Portfolio Organisation, including in relation to Arts Council England's investment principles. Regular presentations are made to the Board on key issues of current and ongoing importance in relation to their legal obligations as Trustees.

Governance structure

The Board of Trustees of Sadler's Wells Trust Limited has ultimate responsibility for the running of Sadler's Wells. It retains ultimate control of the overall strategic direction of the theatre, appointments to and remuneration of the organisation's leadership. However, day-to-day business is delegated to the Co-Chief Executives, Britannia Morton and Sir Alistair Spalding, who in turn recruit and set the remuneration of key management personnel. The Board also approves the annual budget but delegates responsibility for the selection of the artistic programme to the Artistic Director and Co-Chief Executive Sir Alistair Spalding.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Trustees' Report**

The Board met five times during 2023/4 and there were regular meetings between the Chair of the Board and the Co-Chief Executives. The Board as a whole spends half a day each year debating and reviewing long-term strategy with senior members of staff.

To provide effective oversight and to enable particular focus on key areas of the operation, a number of Board sub-committees exist to support the work of the Board. These include the Finance, Audit and Risk Committee, the Development Council, the Learning Committee and the Governance Committee. The committees are appointed by and include members of the Board, while also including co-opted members.

In addition, a number of honorary Trustee Placements provide an opportunity for younger people to gain experience of governance as well as the board gaining insight from their perspective. Current Trustee Placements are held by Arran Green, Bar Groisman and Kade Stroude.

The Board of Trustees of Sadler's Wells Trust Limited operates alongside Sadler's Wells Limited, a wholly owned trading subsidiary of the Trust. Sadler's Wells Limited operates the commercial elements of the theatre (namely catering, event hires and sponsorship), gifting its profits to the Trust. Sadler's Wells Limited is consolidated within these financial statements.

#### **EXECUTIVE LEADERSHIP AND MANAGEMENT**

Sadler's Wells is led by Co-Chief Executives Executive Director Britannia Morton and Artistic Director Sir Alistair Spalding. They are supported by a Senior Management Team made up of Directors from different functional areas of the business. The team meets on a weekly basis and at year end comprised:

Sir Alistair Spalding	Artistic Director and Co-Chief Executive
Britannia Morton	Executive Director and Co-Chief Executive
Isobel Chester	Director of Finance and Business Performance
Howard Clark	Director of Visitor Experience
Oliver Clark	Technical Director
Zuzana Galikova	Director of Catering and Events
Joce Giles	Director of Learning and Engagement
Robert Jones	Associate Artistic Director
Matt Kirby	Director of Data and Systems
Michelle Norton	Director of Breakin' Convention
Bia Oliveira	Director of Digital Stage
Lesley Owusu	Director of People and Inclusion
Christopher Travers	Director of Marketing and Communications
Suzanne Walker	Executive Producer
Hamble Wallace	Director of Development

#### Health and Safety

The health and safety of employees, contractors, artists and visitors is a high priority. A Health and Safety Committee drawn from across the organisation meets regularly. Health and safety protocols are communicated throughout the organisation and all new employees are required to undertake a health and safety induction. The organisation engages a professional Health and Safety Assessor who meets regularly with the Director of Visitor Experience (the senior responsible officer for health and safety) to update on good and better practice and to audit the organisation's procedures and progress each year. Risk assessments are reviewed regularly and updated as required. Training is provided throughout the

## **Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' Report**

year for new staff and refresher courses are regularly delivered by external providers as well as internal incident practice sessions between different staff teams. Work is underway to ensure that Sadler's Wells East will operate compliantly and that all the Sadler's Wells buildings, visitors and occupants are protected against potential acts of terrorism.

### Equality and Employment

Sadler's Wells recognises its legal and ethical obligations under the Equality Act. Sadler's Wells does not discriminate on the basis of age, gender, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including nationality and ethnic or national origins), religion or belief, sex or sexual orientation. In addition, Sadler's Wells does not discriminate because of working patterns, trade union membership (or non-membership), family or caring responsibilities, socio-economic barriers or spent convictions. Our Equity, Equality, Diversity, Inclusion and Belonging (EEDiB) journey is supported by our Executive Sponsors and our Steering Group. We have an EEDiB action plan in place that seeks to develop and represent our audience, our workforce and artists. We monitor the Gender pay gap on an annual basis.

Sadler's Wells is committed to moving beyond compliance. We are actively building a culturally diverse workforce and encouraging applicants from different backgrounds and lived experiences. As users of the *Disability Confident* scheme, Sadler's Wells guarantees to interview all disabled applicants who meet the minimum criteria for our vacancies. In the period of this report, we had a particular focus on building career pathways and offering employment opportunities to East Londoners. We maintained a focus on fostering belonging, particularly with regards to ethnic identity. Our Management Committee also recently revisited inclusion training on bias, discrimination and lived experiences in life and at work.

Finally, Sadler's Wells is committed to developing and training all colleagues, not only to enable them to do their own jobs, but also to assist them in their careers. At least annually, colleagues are encouraged to consider what they can do for their own personal and professional development and to use every opportunity to discuss options, suggestions, and feedback with their line manager.

### Remuneration

Sadler's Wells aims to be an employer of choice and is committed to paying a fair salary for jobs undertaken by our employees. We are committed to paying the London Living Wage as a minimum.

A Remuneration Policy ensures that the organisation remains competitive within the labour market and employee benefits are published on the Sadler's Wells website. Benchmarking procedures are used to inform the pay rates of new and replacement roles. All roles are subject to an annual pay review, which involve consultation with employee representatives and trade unions. These general pay awards aim to reflect changes in the wider labour market and levels of inflation and are balanced against affordability for the organisation.

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' Report

## STRATEGIC REPORT

Sadler's Wells enjoyed one of its most successful years in 2023/4 with the following key achievements, organised by strategic goal.

### Engage the audience

Overall, Sadler's Wells reached over a million people in 2023/4 through presentations in London (to audiences of 512,000), touring work nationwide (33,000) and internationally (142,000) and through the Sadler's Wells digital stage (300,000 views). In-venue London attendance was up 33% and touring output in the UK and abroad increased by 50%.

Occupancy improved on similar levels of marketing spend. The percentage of seats sold was also sharply up year on year – from 68% to 83% at Sadler's Wells Theatre; 56% to 75% at the Peacock; and 58% to 70% in the Lilian Baylis Studio (although there were fewer performances)

Behind these impressive numbers, is a body of careful work, undertaken over the last few years, related to focused audience development, marketing, improved visitor experience and opportunities to increase audience loyalty. An audience development plan was developed to cover all Sadler's Wells theatres and the Digital Stage, and this was informed by the segmentation of existing and target audiences, aided by new systems and tools described below.

In particular, careful planning underpinned the ambition to ensure that Sadler's Wells East, opening in 2025, will reach and engage a more diverse range of audiences. Research identified the projected catchment area of the potential audience as well as the boundaries of a hyper-local audience; this revealed audiences not drawn to SW's other venues, and which typically have a lower engagement with the arts; 64% of households are deprived in more than one dimension.

Two of our home-grown productions enjoyed great success out on the road in the UK and abroad, travelling to 30 cities across 12 countries. *Message In A Bottle*, a Sadler's Wells and Universal Music UK co-production, toured the country before visiting The Netherlands, and completing a 10-stop tour of North America, playing at prestigious theatres including New York City Center and the Hollywood Pantages Theater in Los Angeles. *The Rite of Spring/common ground[s]*, a Pina Bausch Foundation, Ecole des Sables and Sadler's Wells production, enjoyed sold-out runs in Europe and the United States, with performances at the iconic Park Avenue Armory and the Playhouse Theatre in Edinburgh as part of the Edinburgh International Festival.

Our Digital Stage programme went from strength to strength following a relaunch to position six key strands of programming, from new call-out commissions to documentaries about Sadler's Wells projects. The aim of the relaunch was to support the ambition to become an internationally recognised platform, a go-to destination for audiences looking for dance-related digital content as well as artists looking to use digital in their practice.

Highlights of Digital Stage in 2023/24 included pairing top choreographers with filmmakers for Motion Picture, which saw Botis Seva collaborate with Douglas Bernardt and Alesandra Seutin team up with Ben Williams. Festival programming allowed the team to curate content, such as the Elixir Festival, which included four new commissions. New audio content was developed, including podcast *Kiss My Black Side* and an upcoming podcast series associated with the Rose Choreographic School. A new programme of Digital Stage in-person screening and events included the Choreographer Conversations series.

Our work on our Digital Stage received almost 300,000 views, with people tuning in from 144 different countries. 27% of users came from outside the UK and Digital Stage gained 2,400 YouTube subscribers, increasing from the previous year by 4%. There was emerging evidence of Digital Stage content encouraging in-person ticket sales.

## Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' Report

Our Learning and Engagement work involved over 29,000 participants and we delivered over 1,400 sessions, including learning sessions with our 14 Associate Schools. We launched a brand-new choreographic programme, *Making Moves*, which reached nearly 800 young people, some of whom showcased their own creations on Sadler's Wells Theatre stage at the national showcase in July 2024.

Finally, we prepared for a future with an additional theatre, undertaking a brand refresh prior to the opening of Sadler's Wells East. The rebrand introduces a set of five coloured logos with bold one word descriptors to describe the different platforms for our work (Sadler's, Peacock, East, Baylis and Digital) and a new strapline 'Get Dance From Every Angle' reflecting the huge diversity of our offer.

### Nurture artistic talent

Overall, we presented 525 performances, compared with 648 in 2022/23. Showcasing a broad range of choreographic styles the programme supported work from 134 choreographers; 33% from the global majority, 28% female, 2% non-binary and 2% identified as disabled.

In 23/24 we commissioned 17 works on our physical stages; 14 large scale and 3 small scale. 47% of the commissioned works came from global majority artists and 25% of artists commissioned were female. We also commissioned 4 new works on Sadler's Wells Digital Stage.

We introduced a new artist development programme which aimed to provide all dance artists with opportunities to experiment, exchange and develop their practice, the programme also looked at targeting areas of the dance ecology that have been historically underrepresented. In its first cycle it contained six distinct open programmes designed to have a broad reach connecting with artists who may not have thought Sadler's Wells was for them and also to support a range of choreographic styles. They include: a bi-monthly programme of Artist-Led Sessions; a Disabled Artists' Programme; a South Asian Dance Development Programme; a Mentorship Programme; Time & Space Commissions and Open Sessions. Registration for these programmes started in the Summer of 2024 and we received over 400 applications for the programmes, 83% of which were from artists who had never had a relationship with Sadler's Wells before.

We named seven new Associate Artists – Jules Cunningham, Dan Daw, Oona Doherty, Michelle Dorrance, Seeta Patel, Alesandra Seutin, and Botis Seva – who joined our existing Associates and reflected the extraordinary range of work that we present on our stages. Our cohort of Young Associates presented their first live performances in the Lilian Baylis Studio across two sold out performances and collaborated with filmmaker Camilla Greenwell to make a series of short films for our Digital Stage.

The National Youth Dance Company celebrated its tenth birthday and has now reached 8,000 young people. The company toured the country with a new work, *Novacene*, choreographed by our Associate Artist Sir Wayne McGregor. A new nationwide schools programme was introduced, delivering 100 free workshops in secondary schools and FE colleges across England.

Breakin' Convention marked 20 years with its biggest celebrations to date taking over the whole building once again showcasing extraordinary hip hop culture in all its forms. Artistic Director Jonzi D was presented with a New York citation in honour of his decades-long contribution to the art form from American hip hop pioneers, The Legendary Twins.

Some of our plans for developing talent through Sadler's Wells East started to come to fruition. We recruited the inaugural cohort for the Rose Choreographic School, an experimental research and pedagogy project which will support a cohort of 13 artists over two years to explore their choreographic enquiries and to collectively imagine a school through which knowledge and practice can be developed and shared.

## **Sadler's Wells Trust Limited (Limited by Guarantee)**

### **Trustees' Report**

We finalised the offer for Academy Breakin' Convention, the ABC of hip hop theatre, which will provide the UK's first free full-time Level 3 Extended Diploma in Performance and Production Arts specific to Hip Hop Theatre for 16–19-year-olds. We launched a programme of open days and taster events to welcome potential students, parents and carers to experience parts of the course and get a feel for what studying at ABC may be like.

We put in place the academic partnerships needed to support both programmes, working in partnership with Goldsmiths, University of London to support a fully-funded CHASE collaborative doctoral award within the Rose Choreographic School and working with UAL to design and secure accreditation for the ABC Diploma.

Finally, we launched a brand-new biennial prize for original dance creations in any style from across the globe, the Rose International Dance Prize. Alongside the Rose Prize, the Bloom Prize will celebrate artists with up to ten years choreographic experience working in any dance style. Shortlisting of the first potential winners took place in 2023/4, with the winners being announced early in 2025.

#### Change the world

Construction works to Sadler's Wells East neared completion during this year and the team worked closely with MACE, LLDC and Atkins to ensure that any issues related to fit out were identified quickly, recorded and rectified. Likewise, close collaboration continued to ensure that risks related to client handover and training in the use of the new theatre are being managed closely. Plans for the launch were also progressed.

Sadler's Wells continued to work with other East Bank partners on the collaborative activities intended to yield the various socio-economic benefits of the wider project. In 22/23, these included Great Get Together in summer 2023, a free community event at which Sadler's Wells presented an extract of *The Head Wrap Diaries* and a variety of hip hop acts hosted by Breakin' Convention's Jonzi D. Sadler's Wells also ran a series of workshops later in the summer as part of the East Summer School.

Work continued on our Net Zero Pathway in 2023/24 (which aims to take us to net zero by 2050). Two audits of energy consumption were undertaken to establish a baseline and inform a programme of measures to begin reducing energy costs. This was given added impetus by the cost of energy, which rose significantly in 23/24, requiring all systems to be monitored closely to reduce use and optimise efficiency. This implementation of immediate 'Quick Wins' was supplemented with planning for some longer-term measures.

Sadler's Wells joined the first cohort of ten leading arts organisations on the Julie's Bicycle *Capital Investment Ready, Transforming Energy* Programme. This year-long programme is geared at organisations already making significant progress in energy reductions. It aims to support them in assessing the potential of current and future technology for their organisations and in making the case for further capital investment. Through the programme, the team has been working with external specialists to assess the viability of a number of recommendations that emerged from the audit process, while assembling a body of data on potential capital work should a future grant opportunity become available.

Sadler's Wells also participated in the Mayor of London's Business Climate Challenge for 2023. As a participant, the team received support for energy auditing, energy data and consumption analysis. There were also learning and training opportunities on energy management.

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' Report

## Develop our organisation and people

Following the retirement of a number of Trustees, we made new appointments to the Board. Britannia Morton became our Co-Chief Executive and Executive Director of Sadler's Wells, strengthening our leadership. Recruitment to support Sadler's Wells East started in earnest, with key appointments including Martin Hargreaves, Head of the Rose Choreographic School and Niquelle LaTouche, Head of Academy Breakin' Convention. The average monthly headcount for the year was 325.

Work continued to build the culture of an expanded Sadler's Wells. A programme of focused discussions and seminars took place at Senior Management Team, followed by all colleague engagement and the delivery of awareness sessions on issues such as long-term conditions and the menopause. Sadler's Wells' Mental Health First Aid network was expanded, and a Parents' and Carers' Forum was established.

Sadler's Wells continued to build its careers, talent development and employment programme. We employed three STEP programme participants, and three apprentices. Our commitment to local employment as part of the East Bank partnership means that we have actively been welcoming applications from candidates based in East London. We opened a sign-up list for East London residents to be the first to hear of job opportunities, and of the new appointments we made in 23/24, seven out of fourteen were local residents.

Finally, October 2023 saw us celebrate 25 years in our 'new theatre' on the historic Angel site. A community day was held to celebrate this historic event – Morris dancing at the Lilian Baylis tree in Spa Green Gardens was followed by wine and cake in the foyer, with performances by Darcey Bussell and colleagues from the Royal Ballet, singers from the ENO and a special Rambert performance.

Building maintenance continued to be managed through the Sadler's Wells Foundation, whose Board meets five times per year. This group is also taking the lead in steering the development of a case for investment for sustainability improvements, as outlined above.

## Scale the business of dance

The organisation continued to improve its systems and processes, both to support the overall management and evaluation of activity and to improve day-to-day efficiency.

In 2022, Sadler's Wells secured funding from Bloomberg Philanthropies as part of the second cohort of the Digital Accelerator for Culture programme. Sadler's Wells' proposal was the development of a systematic approach to KPIs, data collection and monitoring through training and improved HR, CRM, Segmentation and Business Intelligence tools. Through 2023/24, four main areas of activity were progressed:

- Improved Human Resources management via a new HR and payroll system, the first phase of which went live in July 2024
- Improved CRM, and data training. Training was given to Senior Management Team around KPIs, Targets and Outputs, and users of our CRM system received training for the new version of our CRM system which was also launched in July 2024
- Enhanced audience segmentation with a new segmentation model. This has enabled our Marketing team to have greater understanding of our audiences and their purchasing behaviour, allowing the team to send marketing emails at a time when someone is more likely to consider purchasing.
- Introducing Business Intelligence tools with a quarterly reporting dashboard to track and report ACE KPIs. This has been used internally to track which KPIs are outstanding and used for quarterly reporting to the board.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

**FINANCIAL REVIEW**

Total income for the year ending 31 March 2024 was £41.8m, compared to £31.2m in 2022/23. This increase was driven by attendance at theatre productions and associated spend alongside increased fundraising. Our ticket income was £22.0m (compared with £15.6m in 2022/23).

The principal source of funding for the charity is income generated from ticket sales and other show related income, such as catering, drinks and merchandise. This is underpinned by annual funding from Arts Council England, whose unrestricted funding represents 6.3% (2023: 9.3%) of the total unrestricted income of the charity. In 2023/24, a total of £4.6m (2023: £4.2m) was received from the Arts Council, of which £2,376k (2023: £2,501k) was unrestricted, NPO annual funding. The other major sources of income are voluntary donations from individuals, Trusts & Foundations, and corporate bodies together with trading income derived from hiring out the spaces in the theatres.

£3.7m (2023: £3.8m) was received in voluntary donations from a range of individuals, Trusts and Foundations and corporate bodies. There was growth across our donated income streams, with generous gifts, grants and partnerships supporting our artistic and learning programmes and our expansion into Sadler's Wells East. Sadler's Wells operates an internal fundraising team and is a member of the Fundraising Regulator. Our approach takes account of the Code of Fundraising Practice and we have complied with the standards of the Regulator. We continue to comply with the General Data Protection Regulations and our privacy policy is available at [www.sadlerswells.com/about-us/privacy-policy](http://www.sadlerswells.com/about-us/privacy-policy). No fundraising complaints were received during the year.

Expenditure in the period was predominantly on the charity's main charitable objective, with 90.1% (2023: 89.2%) of unrestricted expenditure on productions and the running of the theatre. The remaining 9.9% (2023: 10.8%) was spent on fundraising activities and trading costs.

The total net movement in funds for the year was £2.2m (2023: £0.5m), made up of an unrestricted funds surplus of £2.5m (2023: £0.7m), a surplus on designated funds of £33k (2023: deficit of £0.6m) and a deficit on restricted funds of £0.3m (2023: surplus £0.4m). As a result we ended the year with total reserves of £6.9m (2023: £4.7m), of which £4.7m was unrestricted (2023: £2.3m), £0.4m designated (2023: £0.4m) and £1.7m restricted (2023: £2m).

These results incorporate the trading of the subsidiary, Sadler's Wells Limited. This company operates the catering at the theatre, promotes commercial events hire, raises sponsorship income and produces commissions from Sadler's Wells Trust Ltd. The company gifted a profit of £1,851k for 2023/24 (2023: £1,349k) to Sadler's Wells Trust.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the charity has the power to invest funds not immediately required for its purposes in such investments as may be considered appropriate by the Trustees. Monies are only invested in funds that are regulated by the FCA.

Going Concern

These financial statements are prepared on a going concern basis which assumes that the charitable group will continue in operational existence for the foreseeable future. The risk to the overall Sadler's Wells business model by the opening of a fourth theatre means that the Board is continuously engaged in an assessment of whether the use of the going concern basis is appropriate. Trustees continue to consider possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern, and to manage these risks as is set out below.

As at the balance sheet date, the group had considerable cash balances in part as a result of the 20-year Cultural Recovery Fund loan taken out in 2021, repayment of which will begin in 2025. The Board made an assessment of going concern for a period of at least one year from the date of the approval of

## **Sadler's Wells Trust Limited (Limited by Guarantee)**

### **Trustees' Report**

the financial statements. Trustees concluded that the charitable group has adequate resources to continue in operational existence for the foreseeable future and therefore the charitable group continues to adopt the going concern basis in preparing these financial statements.

#### Reserves Policy

The aim of the charity's general reserves is to provide a cushion against adverse events, such as significant reductions in income due to external factors. The target reserves position is based upon a review of the level of overhead that the charity is committed to, together with an analysis of the level of reserves needed to trade through an external shock to the charity's income.

General reserves as at 31 March 2024 were £4.7m (2023 £2.3m). The free reserves, being general reserves excluding fixed assets, were £3.7m (2023 £1.1m). The Trustees had previously set a reserves target of £3.5m for unrestricted free reserves, being the reserves backed by current assets. This target was met by the end of 2024 as the result of the phenomenal trading year, as set out above. Notwithstanding this success, the Board continues to take a cautious position as it navigates a number of risks associated with the expansion of the organisation.

#### **PLANS FOR FUTURE PERIODS**

Our organizational priorities for 25-26 are to;

- Strengthen a respectful and mutually supportive culture of collaboration that nurtures and recognises success
- Refine our expanded organisation and programme with an agile mindset using testing, reflection and learning to iterate and improve.
- Deliver local, national and international artistic programmes and tell their impact story
- Encourage participation and deepen engagement, build loyalty and reach, diversify audiences, and champion the value of dance
- Drive income generation, reduce our environmental impact and sustain a healthy organisation.

The opening of Sadler's Wells East in Stratford will be a key focus for the organisation in 2025 alongside ongoing artistic activity at our current locations at Angel and Holborn. National activities will deliver impact especially for young people through NYDC and Making Moves while international touring will continue to deliver global reach.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Board maintains a risk register which is updated monthly. During the year, key risks that were managed included:

- Succession planning for members of the Board and leadership team, which were mitigated by strengthening both with a number of appointments
- Risks inherent in provocative programming across international boundaries, managed by careful planning and positioning
- Competition for audiences and changing audience behaviour, managed by careful work to monitor and segment audiences and target our marketing and visitor experience to build loyalty and attract new audiences in focused areas
- The failure of our technical infrastructure, managed by regular review, maintenance and replacement
- The risk of a terrorist incident or virus/ransomware attack leading to injury, loss of life or disruption to our business, managed through our health and safety and security procedures

## **Sadler's Wells Trust Limited (Limited by Guarantee)**

### **Trustees' Report**

- Rising energy and other fixed costs that are out of proportion to our ability to increase income while still advancing the art form, a live risk that we continue to manage through a programme of efficiency and long-term sustainability planning
- Risks to the stability of the overall Sadler's Wells business model by the opening of Sadler's Wells East, a risk which is being actively managed in discussion with funders following the requirement for ongoing operational subsidy for SWE having been first confirmed by Treasury in March 2015
- Ambitious fundraising targets in a difficult climate, which continue to be mitigated by best practice in stewardship and donor care, as well as Board support for fundraising
- The demands of managing the implementation of Sadler's Wells East alongside existing operations, mitigated by careful resource planning and the judicious scaling of the team
- Safeguarding risks are mitigated by robust policies and training
- Weaknesses in our monitoring and evaluation, addressed by the four strands of activity funded by the Bloomberg Digital Accelerator programme, as outlined above.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also Directors of Sadler's Wells Trust 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 group and company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

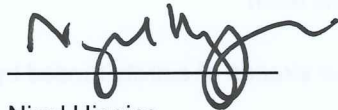
In so far as the Trustees are aware:

- 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.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

Auditor

The auditor, Moore Kingston Smith LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006. This Strategic Report, which forms part of the Trustees' Report, is approved by the Trustees in their capacity as Directors of the company. The Trustees' Report was approved by the members of the Board on 11/12/2024 and signed on their behalf by:



Nigel Higgins  
Chairman

Charity registration number 279884  
Company registration number 1488786

**Sadler's Wells Trust Limited**  
Independent Auditor's Report to the Members of Sadler's Wells Trust  
Limited (Limited by Guarantee)

**Opinion**

We have audited the financial statements of Sadler's Wells Trust Limited for the year ended 31 March 2024 which comprise the consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the consolidated Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

**Sadler's Wells Trust Limited**  
Independent Auditor's Report to the Members of Sadler's Wells Trust  
Limited (Limited by Guarantee)

**Other information (cont.)**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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; and
- the trustees' annual report have 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 parent charitable company and its 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 where the 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 12, 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 and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Sadler's Wells Trust Limited**  
Independent Auditor's Report to the Members of Sadler's Wells Trust  
Limited (Limited by Guarantee)

**Auditor's 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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.

## Sadler's Wells Trust Limited

### Independent Auditor's Report to the Members of Sadler's Wells Trust Limited (Limited by Guarantee)

#### Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (cont.)

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

#### 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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*James Cross*

**James Cross (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith, LLP  
Statutory Auditor

6<sup>th</sup> Floor  
9 Appold Street  
London  
EC2A 2AP

Date: 16 December 2024

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Statement of Financial Activities  
For the year ended 31 March 2024

	Unrestricted Funds Year ended 31 March 2024 £'000	Designated Funds Year ended 31 March 2024 £'000	Restricted Funds Year ended 31 March 2024 £'000	Total Funds Year ended 31 March 2024 £'000	Total Funds Year ended 31 March 2023 (restated) £'000
<b>Income</b>					
Donations and legacies:					
Sponsorship & donations	2,297	-	1,401	3,698	3,808
Arts Council funding	2,376	-	2,241	4,617	4,210
Charitable activities:					
Theatre presentations	28,478	-	125	28,603	19,527
Activities for raising funds:					
Trading income	3,332	-	-	3,332	2,928
Other income	851	-	84	935	538
Investment income	535	-	37	572	189
<b>Total Income</b>	<b>37,869</b>	<b>-</b>	<b>3,888</b>	<b>41,757</b>	<b>31,200</b>
<b>Expenditure</b>					
Charitable activities:					
Expenditure on presentations	27,731	-	2,503	30,234	21,629
Theatre overheads	4,583	-	1,662	6,245	6,189
Activities for raising funds:					
Fundraising costs	900	-	80	980	671
Trading	2,664	-	74	2,738	2,371
<b>Total Expenditure</b>	<b>35,878</b>	<b>-</b>	<b>4,319</b>	<b>40,197</b>	<b>30,860</b>
<b>Net Income before Investment Losses</b>	<b>1,991</b>	<b>-</b>	<b>(431)</b>	<b>1,560</b>	<b>340</b>
<b>Unrealised Loss on Investment Properties</b>	<b>(60)</b>	<b>(25)</b>	<b>-</b>	<b>(85)</b>	<b>-</b>
<b>Other Recognised Gains and Theatre Tax Relief</b>	<b>553</b>	<b>-</b>	<b>189</b>	<b>742</b>	<b>199</b>
<b>Net Income</b>	<b>2,484</b>	<b>(25)</b>	<b>(242)</b>	<b>2,217</b>	<b>539</b>
Gross transfers between Funds	(1)	58	(57)	-	-
<b>Net movement in Funds</b>	<b>2,483</b>	<b>33</b>	<b>(299)</b>	<b>2,217</b>	<b>539</b>
<b>Net Funds at 1 April 2023</b>	<b>2,251</b>	<b>402</b>	<b>2,000</b>	<b>4,653</b>	<b>4,114</b>
<b>Net Funds at 31 March 2024</b>	<b>4,734</b>	<b>435</b>	<b>1,701</b>	<b>6,870</b>	<b>4,653</b>

None of the charitable group's activities were acquired or discontinued during the above two financial periods.

The charitable group has no recognised gains and losses other than those dealt with in the above Statement of Financial Activities.

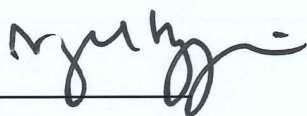
Restricted funds have been applied only for the purposes for which the income was received.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Balance sheet as at 31 March 2024

	Note	2024 Consolidated £'000	2024 Charity £'000	2023 Consolidated £'000	2023 Charity £'000
<b>Fixed Assets</b>					
Tangible assets	6	57	43	55	55
Investment Property	7(b)	1,565	1,140	1,650	1,200
		<u>1,622</u>	<u>1,183</u>	<u>1,705</u>	<u>1,255</u>
<b>Current Assets</b>					
Stock for resale		90	27	71	16
Debtors	8	6,135	6,621	3,153	5,542
Current asset investment		1,500	1,500	-	-
Cash at bank and in hand		14,276	12,558	13,168	10,269
		<u>22,001</u>	<u>20,706</u>	<u>16,392</u>	<u>15,827</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	9	<u>(12,385)</u>	<u>(10,651)</u>	<u>(9,024)</u>	<u>(8,009)</u>
<b>Net Current Assets</b>		9,616	10,055	7,368	7,818
<b>Long term Liabilities</b>	10	<u>(4,368)</u>	<u>(4,368)</u>	<u>(4,420)</u>	<u>(4,420)</u>
<b>Total Assets Less Liabilities</b>		<u>6,870</u>	<u>6,870</u>	<u>4,653</u>	<u>4,653</u>
<b>Funds</b>					
Restricted	17	1,701	1,701	2,000	2,000
Unrestricted - Designated	17	435	435	402	402
Unrestricted	17	4,734	4,734	2,251	2,251
		<u>6,870</u>	<u>6,870</u>	<u>4,653</u>	<u>4,653</u>

As permitted by S408 Companies Act 2006, the charity has not presented its own Statement of Financial Activities and related notes. The charity surplus for the year was £2,215,228 (2023: £537,677).

Approved for issue by the members of the board on 11/12/24 and signed on their behalf by:



Nigel Higgins  
Chairman

Company number 01488786

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

Consolidated Statement of Cash Flows for the year ended 31 March 2024

	Note	Year ended 31 March 2024		Year ended 31 March 2023 (restated)	
		£'000	£'000	£'000	£'000
<b>Net cash flows from operating activities</b>	12		2,054		636
<b>Cash flows from investing activities</b>					
Cash receipts from interest and dividends received			572		189
Movement in current asset investments			(1,500)		-
Purchase of property, plant and equipment			(18)		-
<b>Net cash provided by (used in) investing activities</b>			<u>(946)</u>		<u>189</u>
<b>Net change in cash and cash equivalents in the period</b>			<u>1,108</u>		<u>825</u>
Movement in net cash in the period			1,108		825
<b>Net cash and cash equivalents at 1 April 2023</b>			13,168		12,343
<b>Net cash and cash equivalents at 31 March 2024</b>	13		<u>14,276</u>		<u>13,168</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**1. Accounting Policies**

**a. Basis of accounting**

Sadler's Wells Trust Limited is a company limited by guarantee and has no share capital. The entity is registered in England & Wales (company number 1488786, charity number 279884) with a registered address of Rosebery Avenue, London, EC1R 4TN.

The financial statements have been prepared under the historical cost convention, subject to the revaluation of certain investments, and in accordance with the accounting policies set out in the notes to the accounts. The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011, and Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity is a Public Benefit Entity as defined by FRS102.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

**b. Going concern**

The financial statements are prepared on a going concern basis which assumes that the charitable group will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern as referred to in the Trustees report. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. As at the balance sheet date the group has considerable cash balances in part from the 20 year CRF loan taken out in 2021, repayment of which will begin in 2025. Therefore, the Trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing its financial statements.

**c. Consolidation**

The Group Financial Statements consolidate those of Sadler's Wells Trust Limited and its trading subsidiary, Sadler's Wells Limited. The results for the trading subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

**d. Income from presentations and performances**

Income from presentations and performances, which is matched to relevant performances, represents amounts receivable, excluding Value Added Tax, for goods and services provided in the ordinary course of business. Advance box office income is deferred until the presentation opens. Donations and sponsorship for specific productions are credited to presentation income as the performances take place.

**e. Grants, donations and sponsorship**

- a. Revenue grants are credited to the Statement of Financial Activities in the period in which they fall due unless they relate to specified future or prior periods, in which case they are deferred or accrued respectively.
- b. Donations are treated on a cash receipts basis.
- c. Corporate sponsorship is recognised on an accruals basis in the period in which the sponsor consumes the relevant benefits.
- d. Legacies are recognised when probate on the legacy has been completed, and it is probable that income will be received and is quantifiable.
- e. Investment and other income is recognised when the entitlement can be demonstrated, it is probable that it will be received, and it can be reliably measured.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**Accounting Policies (cont.)**

**f. Cost allocation**

All expenditure is accounted for on an accruals basis. To the extent that VAT is not recovered, it is included in the cost category to which it relates. Costs relating to the mounting of productions and running of the theatre are classed as charitable activities. Those costs relating to generating voluntary income, and to trading activities to raise funds for the charity, are classified as costs of raising funds. Governance costs comprise those costs that allow Sadler's Wells Trust to operate as a charity and to generate the information required for public accountability and are part of support costs. Support costs have been allocated between areas of activities on the basis of staff numbers in each area. In previous years, bank interest was included in support costs. In 2024, bank interest is now included in investment income and the comparatives have been restated accordingly.

**g. Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. There is a capitalisation threshold policy of £10,000. Depreciation is provided on all tangible fixed assets, excluding land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life. Purchased assets have been depreciated at the following straight line rate:

Fixtures & fittings	33.3%
Leasehold improvements	5%
Computer equipment	20%

The Trustees review the tangible fixed assets annually for any evidence of impairment. Where there is objective evidence of impairment, the charity recognises the loss in the Statement of Financial Activities immediately.

**h. Investment properties**

Investment properties are reviewed annually and held at fair value, based on the market value for the property which the Trustees consider to be reasonable. Changes in fair value and any gains or losses arising on disposal are recognised as net gains/(losses) on investments in the Statement of Financial Activities.

**i. Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short-term deposits with an original maturity date of three months or less and investments capable of immediate cash realisation.

**j. Current asset investment**

Fixed term cash deposits with a fixed term of three months or more are included in current asset investments.

**k. Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest. Show prepayments represent costs incurred at the reporting date for shows which have not yet matured or, for at-risk shows, where the production has not reached a net profit.

**l. Stock**

Stock represents goods for resale and is stated at the lower of cost and net realisable value.

**m. Employee benefits**

The costs of short-term employee benefits are registered as a liability and expense. Termination benefits are recognised immediately as an expense when the company is committed to provide termination benefits. Costs not paid at the year end are recognised as a liability.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**Accounting Policies (cont.)**

**n. Pension costs**

The charity operates an auto enrolment pension scheme. Payments into this scheme, and in respect of employees' private pension schemes, are charged to the Statement of Financial Activities as incurred.

**o. Foreign currencies**

Foreign currency balances at the year end have been translated into sterling at the rate ruling at that date. Transactions during the course of the period have been translated into sterling at the rate ruling at the transaction date.

**p. Government grants**

Where the charity is awarded government grants, it recognises these as income only where there is reasonable assurance that the charity will comply with the conditions attaching to them, and the funds will be received. This includes grants received from Arts Council England as they are an executive non-departmental public body. The £4,250k loan from Arts Council England under the Cultural Recovery Fund is considered to be a public benefit entity concessionary loan as the interest rate is below the prevailing market rate. The loan is valued at amortised cost using the effective interest method. Interest is accrued annually at 2% and is repayable over 20 years, with a repayment holiday for the first four years. The interest is accrued and added to the initial £4,250k loan. As at 31 March 2024, the loan remained fully drawn down.

**q. Accounting for reserves**

There are both restricted and unrestricted funds. Unrestricted funds are divided into general and designated funds.

General funds are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of the Trustees.

Restricted funds are grants or donations with conditions attached by the donor. They may specify that the funds are used in a specific way or for a specific purpose.

**r. Operating leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**s. Taxation**

The company is a registered charity and as such is entitled to exemption from taxation on its charitable activities under the Corporation Tax Act 2010.

**Theatre tax relief**

Theatre tax relief credits payable to the company in relation to eligible expenditure on theatrical productions are recognised as a credit within the tax charge.

**t. Accounting estimates and areas of judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effect on amounts recognised in the financial statements:

- Measurement of the fair value of the investment properties as undertaken by the Trustees, based on appropriate professional advice
- Estimation of likely future recoupment of production costs and commissioning fees carried forward in the balance sheet at each period end.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**2. Arts Council and other Government Funding**

During 2024, the charity has received funding from the Arts Council for:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
NPO core funding	2,376	2,501
Restricted:		
. NYDC	450	474
. Stratford	1,332	1,232
. Breakin' Out	282	-
. Message in a Bottle	164	-
. What's Next	13	3
	<u>4,617</u>	<u>4,210</u>

**3. Expenditure on support costs**

	<b>Presentation</b>	<b>Theatre</b>	<b>Fundraising</b>	<b>Trading</b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>Overhead</b>	<b>£'000</b>	<b>£'000</b>	<b>Total</b>	<b>(restated)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Executive Office	786	67	59	109	1,021	911
Finance	2,204	191	167	306	2,868	1,294
People	375	33	28	52	488	388
	<u>3,365</u>	<u>291</u>	<u>254</u>	<u>467</u>	<u>4,377</u>	<u>2,593</u>

Support costs have been allocated on the basis of staff numbers in each area.

**4. Governance costs**

Governance costs include the following payments to auditors:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Audit - current year	41	46
prior year	-	13
Taxation - current year	-	3
prior year	1	6
Non-audit services	1	1
	<u>43</u>	<u>69</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**5. Staff costs**

<b>Consolidated and charity</b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	8,849	7,278
Social security costs	847	754
Pension costs (note 16)	282	255
	<u>9,978</u>	<u>8,287</u>

Redundancy and termination payment costs included in the above totalled £4,053 (2023: £14,553).

Employee remuneration for employees earning more than £60,000 fell in the following bands:

	<b>2024</b>	<b>2023</b>
£200,001 - £210,000	1	-
£180,001 - £190,000	-	1
£160,001 - £170,000	1	-
£140,001 - £150,000	-	1
£100,001 - £110,000	1	1
£90,001 - £100,000	2	-
£80,001 - £90,000	-	2
£70,001 - £80,000	3	-
£60,001 - £70,000	7	8

During the year the company paid pension contributions of £68,786 (2023: £60,099) on behalf of these staff.

The average monthly head count was 325 staff (2023: 304) and the average number of full-time equivalent staff employed (including part-time staff):

	<b>2024</b>	<b>2023</b>
Theatre and Front of House	88	71
Box office	11	10
Marketing	21	18
Technical	53	54
Administration	23	21
Development	13	10
Events	4	5
Catering	24	19
	<u>237</u>	<u>208</u>

The Trustees received no remuneration for the services they provided to the company. No expenses were reimbursed (2023: £nil). The Trustees donated £937,760 (2023: £1,485,687) to the charity during the year.

The charity considers its key management personnel to be the Senior Management Team, made up of 15 (2023: 14) members. The remuneration of the Artistic Director and Co-Chief Executive and Executive Director and Co-Chief Executive is decided by the Board; the Artistic Director and Chief Executive and Executive Director and Co-Chief Executive decide the remuneration of other members of the Senior Management Team. Total employment costs for this group, including employer NICs and pension contributions, was £1,528,062 (2023: £1,350,682).

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**6. Tangible fixed assets**

<b>Consolidated</b>	<b>Leasehold Improvements £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures &amp; Fittings £'000</b>	<b>2024 Total £'000</b>
<b>Cost</b>				
As at 1 April 2023	110	351	154	615
Additions	-	18	-	18
Disposals	-	(62)	-	(62)
As at 31 March 2024	110	307	154	571
<b>Depreciation</b>				
As at 1 April 2023	75	331	154	560
Charge for the period	5	11	-	16
Disposals	-	(62)	-	(62)
As at 31 March 2024	80	280	154	514
<b>Net book value</b>				
As at 31 March 2024	30	27	-	57
As at 31 March 2023	35	20	-	55
<b>Charity</b>				
<b>Charity</b>	<b>Leasehold Improvements £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures &amp; Fittings £'000</b>	<b>2024 Total £'000</b>
<b>Cost</b>				
As at 1 April 2023	110	289	46	445
Additions	-	-	-	-
As at 31 March 2024	110	289	46	445
<b>Depreciation</b>				
As at 1 April 2023	75	269	46	390
Charge for the period	5	7	-	12
As at 31 March 2024	80	276	46	402
<b>Net book value</b>				
As at 31 March 2024	30	13	-	43
As at 31 March 2023	35	20	-	55

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**7. a) Investment in trading subsidiary**

The wholly owned trading subsidiary Sadler's Wells Limited (company number 02907116), which is incorporated in England and Wales, is consolidated within these financial statements. The company distributes all its profits to the charity under Gift Aid. Sadler's Wells Limited promotes commercial non theatre hires and provides catering at the Sadler's Wells and Peacock theatres, receives sponsorship income and produces productions commissioned by Sadler's Wells Trust Ltd. The charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below.

Sadler's Wells and its trading subsidiary have entered into a deed of covenant which is a legally binding agreement to pay up all profits a subsidiary can legally distribute.

	<b>Year ended 31 March 2024 £'000</b>	<b>Year ended 31 March 2023 £'000</b>
<b>Profit and Loss Account</b>		
Turnover	9,795	5,939
Cost of sales	(879)	(808)
Production expenses	(6,039)	(2,751)
Gross Profit	<u>2,877</u>	<u>2,380</u>
Administration expenses	(1,764)	(1,240)
Bank interest	21	10
Taxation	742	199
Other recognised gains and losses	(25)	-
Result for the financial year	<u>1,851</u>	<u>1,349</u>
Retained earnings brought forward	-	-
Charitable distribution to parent charity	(1,851)	(1,349)
Retained earnings carried forward	<u>-</u>	<u>-</u>
	<b>31 March 2024 £'000</b>	<b>31 March 2023 £'000</b>
The assets and liabilities of the subsidiary were:		
Fixed assets	440	450
Current assets	3,150	3,773
Creditors: amounts falling due within one year	(3,590)	(4,223)
Total net current assets	<u>-</u>	<u>-</u>
Aggregate share capital and reserves	<u>-</u>	<u>-</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**b) Investment property**

The investment property held by the charity comprises a house which was donated by the Dame Hilda Bracket Trust and is valued by the Trustees at £200,000 and an office building held at 369 St John Street valued at £940,000. Independent valuations of these properties have been undertaken: for the house in April 2018 by Robert Cooney, Chartered Surveyors and for the office building in March 2024 by Glenny LLP. The investment property held by the trading subsidiary comprises the leasehold interest of the Shakespeare's Head Public House on Arlington Way, London. The fair value of the investment property of £425,000 has been arrived at on the basis of a valuation carried out as at 31 March 2024 by Fleurets Limited Chartered Surveyors, who are not connected with the company.

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
<b>Fair value</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 April 2023	1,650	1,200	1,650	1,200
Revaluation loss	(85)	(60)	-	-
As at 31 March 2024	<u>1,565</u>	<u>1,140</u>	<u>1,650</u>	<u>1,200</u>

**8. Debtors**

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2024</b>	<b>2024</b>	<b>(restated)</b>	<b>(restated)</b>
	<b>£'000</b>	<b>£'000</b>	<b>2023</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	1,985	1,440	1,300	1,102
Amounts owed by related undertakings	2	1,858	23	3,230
Other debtors	484	449	327	305
Corporation Tax Receivable	741	-	592	-
Accrued income and prepayments	2,923	2,874	911	905
	<u>6,135</u>	<u>6,621</u>	<u>3,153</u>	<u>5,542</u>

**9. Creditors: amounts due within one year**

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Loan	137	137	-	-
Trade creditors	750	710	609	579
Social security and other taxes	1,011	1,011	699	699
Accruals and deferred income	10,487	8,793	7,716	6,731
	<u>12,385</u>	<u>10,651</u>	<u>9,024</u>	<u>8,009</u>

Analysis of **deferred income**, comprising income from future performances, venue hire and gift vouchers:

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Balances brought forward at 1 April	5,741	4,805	3,751	3,464
Released in year	(5,400)	(4,465)	(2,967)	(2,681)
Income deferred in year	6,580	4,920	4,957	4,022
Balance carried forward	<u>6,921</u>	<u>5,260</u>	<u>5,741</u>	<u>4,805</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**10. Creditors: Amounts due after more than one year**

	Consolidated 2024 £'000	Charity 2024 £'000	Consolidated 2023 £'000	Charity 2023 £'000
Loan	4,368	4,368	4,420	4,420

**11. Borrowings**

	Consolidated & Charity 2024 £'000	Consolidated & Charity 2023 £'000
Payable within 1 year	137	-
Payable 2-5 years	1,092	536
Payable over 5 years	3,276	3,884
	<u>4,505</u>	<u>4,420</u>

In the year ended 31 March 2021, Sadler's Wells Trust Limited was granted a facility for a 20 year loan by Arts Council England under the Cultural Recovery Fund. The loan was drawn down to £4,250,000 on 17 March 2021. The loan incurs an annual interest charge of 2%, which has been accrued and added to the total amount payable. The loan is repayable over 20 years, with a repayment holiday for the first four years. Repayments of the loan commence March 2025.

**12. Reconciliation of Net Incoming Resources from Operating Activities to Net Cash flows**

	Consolidated & Charity 2024 £'000	Consolidated & Charity (restated) 2023 £'000
<b>Consolidated</b>		
Net income for the reporting period	2,217	539
Dividends, interest and rents from investments	(572)	(189)
Depreciation	16	12
Impairment	85	-
Finance costs	85	85
(Increase) in stock	(19)	(5)
(Increase) in debtors	(2,982)	(990)
Increase in creditors	3,224	1,184
Net cash inflow from operating activities	<u>2,054</u>	<u>636</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**13. Analysis of changes in net debt**

	At 1 April 2023 £	Non-cash Flow £	Cash Flow £	At 31 March 2024 £
Cash at bank and in hand	13,168	-	1,108	14,276
<b>Borrowings</b>				
DCMS loan	(4,420)	(85)	-	(4,505)
<b>Net debt</b>	<u>8,748</u>	<u>(85)</u>	<u>1,108</u>	<u>9,771</u>

**14. Liability of Members**

The company is limited by guarantee and the liability of members is limited to £10 each. At 31 March 2024 there were 13 members (2023: 14 members).

**15. Operating Lease Commitments**

The charity has an annual rent commitment of £300,000 (2023: £300,000) in respect of the lease of Sadler's Wells Theatre, from Sadler's Wells Foundation. The total payable to the end of the lease is £2,989,832 (2023: £3,301,832). The charity also has an annual rent commitment of £175,000 in respect of the Peacock Theatre to the London School of Economics, expiring 20 years from 2019. The total payable to the end of the lease is £3,210,500 (2023: £4,052,393). The charity has an annual lease commitment of £20,675 (2023: £20,675) in respect of the lease of printing equipment. The total payable to the end of the lease is £46,565 (2023: £67,240).

**16. Pension Commitments**

Sadler's Wells Trust makes contributions to employees' private pension plans, the costs of which amounted to £281,518 during the year to 31 March 2024 (2023: £255,177). The pension creditor at the year end was £55,387 (2023: £43,510).

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**17. Net movement in funds**

	At 1 April 2023	Income	Expenditure	Transfers/ Gains/Losses	At 31 March 2024
	£'000	£'000	£'000	£'000	£'000
<b>Restricted Funds:</b>					
National Youth Dance Fund	124	600	(706)	164	182
Dame Hilda Bracket Fund	126	-	(2)	-	124
What Next? Fund	36	129	(132)	-	33
Stratford	-	1,337	(1,329)	(8)	-
DOPODO	5	-	(32)	(5)	(32)
Breakin' Out	18	402	(418)	-	2
Development	8	42	(23)	(15)	12
Learning and Engagement Funds	276	768	(579)	(4)	461
Programming, Producing & Touring Funds	301	545	(794)	-	52
Rose Choreographic Prize	992	37	(226)	-	803
Data Accelerator Project	89	25	(60)	-	54
Other restricted funds	25	3	(18)	-	10
	2,000	3,888	(4,319)	132	1,701
<b>Unrestricted Funds:</b>					
<b>Designated Funds</b>					
Peacock Theatre Fund	-	-	-	58	58
The Shakespeare's Head Fund	402	-	-	(25)	377
	402	-	-	33	435
<b>General Fund</b>	2,251	37,869	(35,878)	492	4,734
	4,653	41,757	(40,197)	657	6,870

**Restricted Funds**

- The National Youth Dance Fund represents funds received and expended on the National Youth Dance Company.
- The Dame Hilda Bracket Fund is a donation to support music, in particular grand and light opera.
- The What Next? Fund represents a donation for the What Next? campaign, hosted by Sadler's Wells.
- The Stratford Fund is an Arts Council grant provided to fund preparation costs associated with the new venue in Stratford.
- The DOPODO fund is a European grant provided to support the Dance on, Pass on, Dream on project. The deficit relates to expenses incurred for which funds are pending; further funds are expected in FY25.
- The Breakin' Out fund is an Arts Council grant provided for Breakin' Convention dance and engagement activity.
- The Development restricted funds represent grants to be spent against future activity.
- The L&E Fund represents amounts received from funders in support of learning and engagement activity.
- The Programming, Producing and Touring fund represents amounts received in support of the programme hosted at and toured by Sadler's Wells.
- The Rose Choreographic Prize represents amounts received to establish and fund the Rose International Dance Prize and Choreographic School.
- The Data Accelerator Project represents funds in support of strategic improvements to technology infrastructure.
- Other restricted funds represent grants to be spent against future activity.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**Net movement in funds (cont)**

**Designated Funds**

The Trustees have designated two funds. The Shakespeare's Head Fund will provide for any future impairment on the leasehold of the Shakespeare's Head public house, held by Sadler's Wells Limited. The Peacock Theatre Fund will provide for any future improvements required on Sadler's Wells activity at the Peacock Theatre.

**Transfers between funds**

The transfers of funds from restricted to unrestricted funds for named funds relate to internal overhead costs to be recovered from restricted funding.

The transfers from other restricted funds in aggregate relate to the release of restricted funding as a donation to support core or other costs.

The transfer from the unrestricted funds to designated funds relates to the creation of a fund for maintenance associated with Sadler's Wells activity at the Peacock Theatre.

**18. Analysis of Net Assets between funds**

	Fixed assets	Cash	Other net liabilities	Net total assets
	£'000	£'000	£'000	£'000
Unrestricted funds	1,020	11,540	(7,826)	4,734
Designated funds	402	33	-	435
Restricted funds	200	2,703	(1,202)	1,701
<b>Total Funds</b>	<b>1,622</b>	<b>14,276</b>	<b>(9,028)</b>	<b>6,870</b>

**19. Connected charities and related party transactions**

Sadler's Wells Limited is a wholly owned subsidiary which trades on behalf of the charity.

A gift of £1,851,169 (2023: £1,349,233) was receivable from Sadler's Wells Limited for the year, and £1,857,088 was due from (2023: £3,126,212) that company at the year end. Sadler's Wells Trust Limited bore a number of administrative costs on behalf of Sadler's Wells Limited that have been recharged subsequently, the largest being payroll costs of £1,111,971 (2023: £938,805) and VAT of £821,629 (2023: £579,786).

Sadler's Wells Trust is a corporate trustee of the Dame Hilda Bracket Trust, along with Sadler's Wells Development Trust. The fund is held in a restricted fund by Sadler's Wells Trust.

During the year Sadler's Wells Trust Ltd incurred a rent charge of £452,000 (2023: £300,000) from Sadler's Wells Foundation Ltd, of which £218,000 had not been paid (2023: £150,000) to the Foundation at the year end. An additional £29 was due from Trust to Foundation at year-end. No development costs (2023: £680) were paid by Sadler's Wells Trust Limited on behalf of the Foundation.

Sadler's Wells Foundation Ltd is a member of Sadler's Wells Trust Ltd.

**20. Capital Commitments**

At 31 March 2024 Sadler's Wells Trust had no capital commitments committed but not yet contracted for (2023: None).

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

Notes to the Financial Statements  
For the year ended 31 March 2024

**21. Comparative net movement in funds year ended 31 March 2023**

	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers/ Gains £'000	At 31 March 2023 £'000
<b>Restricted Funds:</b>					
National Youth Dance Fund	184	504	(635)	71	124
Dame Hilda Bracket Fund	131	-	(5)	-	126
What Next? Fund	53	108	(125)	-	36
Stratford Mobilisation	-	1,231	(1,253)	22	-
DOPODO	69	1	(65)	-	5
Breakin' Out	200	3	(185)	-	18
Development	595	11	(329)	(269)	8
Learning and Engagement Funds	19	795	(532)	(6)	276
Programming, Producing and Touring Funds	324	380	(356)	(47)	301
Rose Choreographic Prize	-	1,000	(8)	-	992
Kwame Asafo Adjei Fund	-	88	(86)	(2)	-
Data Accelerator Project	-	125	(36)	-	89
Other restricted funds	3	38	(33)	17	25
	1,578	4,284	(3,648)	(214)	2,000
<b>Unrestricted Funds:</b>					
<b>Designated Funds</b>					
Peacock Theatre Fund	50	-	(50)	-	-
The Shakespeare's Head Fund	402	-	-	-	402
Contingency reserve	500	-	-	(500)	-
	952	-	(50)	(500)	402
General Fund	1,584	26,850	(27,096)	913	2,251
	4,114	31,134	(30,794)	199	4,653

**22. Comparative analysis of net assets between funds year ended 31 March 2023**

	Fixed assets £'000	Cash £'000	Other net liabilities £'000	Net total assets £'000
Unrestricted funds	1,103	11,293	(10,145)	2,251
Designated funds	402	-	-	402
Restricted funds	200	1,875	(75)	2,000
<b>Total Funds</b>	1,705	13,168	(10,220)	4,653

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**23. Comparative fund and statement of financial activities balances year ended 31 March 2023 (restated)**

	Unrestricted Funds Year ended 31 March  2023 £'000	Designated Funds Year ended 31 March  2023 £'000	Restricted Funds Year ended 31 March  2023 £'000	Total Funds Year ended 31 March  2023 £'000
<b>Income</b>				
Donations and legacies:				
Sponsorship & donations	1,342	-	2,466	3,808
Arts Council funding	2,501	-	1,709	4,210
Charitable activities:				
Theatre presentations	19,418	-	109	19,527
Activities for raising funds:				
Trading income	2,928	-	-	2,928
Other income	538	-	-	538
Investment income	189	-	-	189
<b>Total Income</b>	<b>26,916</b>	<b>-</b>	<b>4,284</b>	<b>31,200</b>
<b>Expenditure</b>				
Charitable activities:				
Expenditure on presentations	19,747	-	1,883	21,630
Theatre overheads	4,475	50	1,663	6,188
Activities for raising funds:				
Fundraising costs	625	-	46	671
Trading	2,315	-	56	2,371
<b>Total Expenditure</b>	<b>27,162</b>	<b>50</b>	<b>3,648</b>	<b>30,860</b>
<b>Net Income before Investment Losses</b>	<b>(246)</b>	<b>(50)</b>	<b>636</b>	<b>340</b>
<b>Other Recognised Gains and Theatre Tax Relief</b>	<b>97</b>	<b>-</b>	<b>102</b>	<b>199</b>
<b>Net Income</b>	<b>(149)</b>	<b>(50)</b>	<b>738</b>	<b>539</b>
Gross transfers between Funds	816	(500)	(316)	-
<b>Net movement in Funds</b>	<b>667</b>	<b>(550)</b>	<b>422</b>	<b>539</b>
<b>Net Funds at 1 April 2023</b>	<b>1,584</b>	<b>952</b>	<b>1,578</b>	<b>4,114</b>
<b>Net Funds at 31 March 2024</b>	<b>2,251</b>	<b>402</b>	<b>2,000</b>	<b>4,653</b>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2024

**24. Comparative support costs year ended 31 March 2023 (restated)**

	Theatre				2023
	Presentation £'000	Overhead £'000	Fundraising £'000	Trading £'000	Total £'000
Executive Office	696	73	49	93	911
Finance	991	103	69	131	1,294
People	297	31	21	39	388
	1,984	207	139	263	2,593

**SADLER'S WELLS TRUST LIMITED**

England & Wales - Charity number 279884

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# Accounts

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**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

**Registered Company Number 1488786**

**Registered Charity Number 279884**

**ANNUAL REPORT AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 March 2023**

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**Sadler's Wells Trust Limited**  
**(Limited by guarantee)**  
**Trustees, Officers and Administrative Information**

**Trustees**

Nigel Higgins (Chairman)  
Maria Albonico  
Nicolas Basden  
Humphrey Battcock  
Melissa Bethell  
David Lan  
Brenda Leff  
Suhair Khan  
Paul Mulholland  
Clare Connor  
Nina Patel  
Matthew Slotover  
Melanie Smith

**Secretary**

Alistair Spalding

**Registered Office**

Sadler's Wells Theatre  
Rosebery Avenue  
London  
EC1R 4TN

**Bankers**

Coutts & Co.  
440 Strand  
London  
WC2R 0QS

**Auditor**

Moore Kingston Smith LLP  
Chartered Accountants  
6th Floor  
9 Appold Street  
London  
EC2A 2AP

**Solicitors**

Clifford Chance LLP  
10 Upper Bank Street  
London  
E14 5JJ

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' report

The Trustees, who are also the Directors of the company under the Companies Act 2006, submit their report and the consolidated financial statements of Sadler's Wells Trust for the year ended 31 March 2023 which have been prepared in compliance with current statutory requirements, the Charities SORP (FRS 102) and with the charity's governing document, its Memorandum and Articles of Association.

## **Objectives**

The object for which the charity is established is to advance education particularly by encouraging the understanding and appreciation of the dramatic arts.

## **Strategic Review**

### *Achievements and Performance*

Sadler's Wells is a world-leading creative organisation dedicated to dance in all its forms. With over three centuries of theatrical heritage and a year-round programme of performances and learning activities, it is the place where artists come together to create dance, and where we welcome everyone to experience dance – to take part, learn, experiment and be inspired. Our mission is to make and create dance that inspires us all, and our vision is to create, through dance, connections beyond borders, cultures and languages. We also have four values we live by as an organisation – Excellence, Collaboration, Inclusion, Innovation. We commission, produce and present more dance than any other organisation in the world. Since 2005, we have helped to bring more than 200 new dance works to the stage, embracing both the popular and the unknown. Our acclaimed productions tour the world. Since 2005 we've produced 64 new full-length works and performed to audiences of more than two million, touring to 51 countries. Sadler's Wells also host the National Youth Dance Company and Sadler's Wells Breakin' Convention.

Springboarding out of the pandemic, 22/23 was a successful and challenging year re-building our audiences and artistic ambitions and preparing to open our new venue. We produced and toured major groundbreaking productions, created exciting work with young people and communities, and developed and supported new artists and audiences.

We presented 648 performances and sold 433,539 tickets; 118,213 more than the previous year. Our ticket income was almost £16m. We commissioned 26 new dance productions on our physical stages, and 28 new works on Digital Stage and prioritised investment in new work.

Our touring productions gave 72 performances in 20 cities in 11 countries, to audiences of more than 55,000.

### *Sadler's Wells East*

Construction of our mid-sized multipurpose venue continues apace in the Queen Elizabeth Olympic Park, Stratford as part of the East Bank development. The venue will house the Academy Breakin' Convention and Rose Choreographic School and the inaugural production will be Our Mighty Groove; an immersive dance theatre show set in an underground New York City nightclub with a multigenerational community cast.

Opening in 2024, Sadler's Wells East will support artist development and training, and the creation of new work. It is a resource for the whole of the UK, offering a destination venue for dance companies around Britain to tour to the capital, and hosting the best work from international choreographers. Performances developed on the Stratford stage will tour the UK and the world, reaching new audiences.

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' report (continued)

## *Learning & Engagement programmes*

These programmes offered high quality participation opportunities to people of all ages and abilities. From the National Youth Dance Company to the internationally acclaimed Company of Elders and Breakin' Convention's Higher Learning and Open Art Surgery. Over the year we ran a total of 900 learning sessions with nearly 27,000 attendees.

## *Financial Review*

Total income for the year ending 31st March 2023 was £31.1m, compared to £22.7m in the prior year. This increase is driven by theatre productions, with this being our first fully operational year post-Covid. £3.8m was received in voluntary donations from a range of individuals, Trusts and Foundations and corporate bodies. £4.2m was received from the Arts Council, of which £2.5m is NPO annual funding. The principal source of funding for the charity is the income generated from ticket sales and other show related income, such as catering, drinks and merchandise. This is underpinned by annual funding from Arts Council England, whose unrestricted funding represents 9% of the total unrestricted income of the charity. The other major sources of income are voluntary donations from individuals, Trusts & Foundations, and corporate bodies together with trading income derived from hiring out the spaces in the theatres. Expenditure in the period was predominantly on the charity's main charitable objective, with 90% of unrestricted expenditure on productions and the running of the theatre. The remaining 10% was spent on fundraising activities and trading costs. The total net movement in funds for the year was £539k, made up of an unrestricted funds surplus of £667k, a deficit on designated funds of £550k and a surplus on restricted funds of £422k. As a result we ended the year with total reserves of £4.7m, of which £2.3m was unrestricted, £0.4m designated and £2.0m restricted.

These results incorporate the trading of the subsidiary, Sadler's Wells Limited. This company operates the catering at the theatre, promotes commercial events hire, raises sponsorship income and produces commissions from Sadler's Wells Trust Ltd. The company gifted a profit of £1,349k for 2022/23 (2021/22: £452k) to Sadler's Wells Trust.

## *Fundraising*

In FY23 we celebrated a new principal gift pledge, the largest individual gift that has been committed to a European contemporary dance organisation. This gift will enable significant new programmes of work: the Rose Choreographic School and Sadler's Wells Rose International Dance Prize. Other generous gifts, grants and partnerships continued to support our recovery post-pandemic, our artistic and learning programmes, and our expansion into Sadler's Wells East.

Sadler's Wells operates an internal fundraising team and is a member of the Fundraising Regulator. Our approach takes account of the Code of Fundraising Practice and we have complied with the standards of the Regulator. We continue to comply with the General Data Protection Regulations and our privacy policy is available at [www.sadlerswells.com/about-us/privacy-policy](http://www.sadlerswells.com/about-us/privacy-policy). No fundraising complaints were received during the year.

## *Principal Risks and Uncertainties*

The charity trades in the high-risk environment of theatre management and to pursue its objectives continually enters into relatively high-risk theatre presentations. The trading subsidiary Sadler's Wells Limited relies principally on less volatile catering and events income, together with guaranteed commissions to produce shows for Sadler's Wells Trust Ltd.

During the year Trustees have considered planning mitigation for senior role succession in the medium to long term. The risk of capacity of resources not matching ambition has also increased as the move towards a new venue puts additional strain on existing teams whilst new staff are recruited. The

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' report (continued)

opening of Sadler's Wells East has also increased the risk on financial resources hence the need to increase reserves. Financial risk around an adverse variance to budget has decreased during the year due to a more successful year than forecast however, the impact of inflation has been keenly felt by the organisation. The funding landscape is getting increasingly difficult for arts organisations and there is an increasing onus to self-fund.

## *Investment Powers and Policy*

Under the Memorandum and Articles of Association, the charity has the power to invest funds not immediately required for its purposes in such investments as may be considered appropriate by the Trustees. Monies are only invested in funds that are regulated by the FCA.

## *Equality and Employment*

Sadler's Wells does not discriminate on the basis of age, gender, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. In addition, Sadler's Wells does not discriminate because of working patterns, trade union membership (or non-membership), family or caring responsibilities, socio-economic barriers or spent convictions.

Sadler's Wells is committed to building a culturally diverse workforce and actively encourages applicants from different backgrounds. Sadler's Wells is committed to developing and training all colleagues, not only to enable them to do their own jobs, but also to assist them in their careers. They are also encouraged to consider what they could do for their own career development, and to use every opportunity to discuss feedback with their line manager.

As users of the Disability Confident scheme, Sadler's Wells guarantees to interview all disabled applicants who meet the minimum criteria for our vacancies.

We continue to have a particular focus on how we become an actively anti-racist organization. This has been the subject of wide engagement with colleagues, artists and trustees.

## *Key Management Personnel*

The charity considers its key management personnel to be the Senior Management Team comprising: the Artistic Director and Chief Executive, Executive Director, Director of Finance and Business Performance, Executive Producer, Technical Director, Director of Marketing and Communications, Director of Development, Director of Learning and Engagement, Director of Data and Systems, Director of Breakin' Convention, Interim Director of Digital Stage, Director of Catering and Events, Director of People and Inclusion and Director of Visitor Experience. The remuneration of the Artistic Director and Chief Executive is decided by the Board, the Artistic Director and Chief Executive decides the remuneration of other members of the Senior Management Team. Total remuneration of these people, including pension contributions and employer's national insurance, was £1,350,682 (2022: £1,183,942). The number of roles included in the Senior Management Team has increased to 14 this year from 13 in the prior year. The salaries are fair and affordable, and benchmarked against similar arts organisations.

## **Going Concern**

The financial statements are prepared on a going concern basis which assumes that the charitable group will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. These events include the impact of inflation, increase in utility costs and the 5% cut in Arts

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' report (continued)

Council England FY24 grant. As at the balance sheet date the group has considerable cash reserves in part from the 20 year CRF loan taken out in 2021, repayment of which will begin in 2025. The Trustees have made this assessment for a period of at least one year from the date of the approval of the financial statements. The Trustees have concluded that the charitable group has adequate resources to continue in operational existence for the foreseeable future and therefore the charitable group continues to adopt the going concern basis in preparing its financial statements.

## Public Benefit

Sadler's Wells recognises and welcomes the need to carry out its charitable activities for the benefit of the public. Having regard to the guidance of the Charity Commission, including the Charity Commission's guidance on public benefit ('public benefit: running a charity' (PB2)), the Trustees consider that the following activities in particular demonstrate the way in which Sadler's Wells achieves this aim:

- Providing the most wide ranging programme of dance, including touring outside of our theatres in London.
- Encouraging access through the availability of £15 tickets for most shows at Sadler's Wells together with other low-cost tickets available during the year for shows such as Breakin' Convention.
- Engagement with the community through a wide range of creative learning and community projects, as well as our Access for All scheme for disabled, d/Deaf and neurodivergent people.

## Reserves Policy

The aim of the charity's general reserves is to protect it against significant reductions in income due to external factors. The target reserves is based upon a review of the level of overhead that the charity is committed to, together with an analysis of the level of reserves needed to trade through an external shock to the charity's income. General reserves as at the 31st March 2023 were £2,251k (2022: £1,584k). The free reserves, being reserves backed by current assets are £1,148k. By 2024, Sadler's Wells will begin operating another theatre in Stratford and will need to build higher general reserves as it increases its level of activity. In light of the continued uncertainties from the cost-of-living crisis and inflation and the increase in the level of activity that would occur once Sadler's Wells opens another theatre in Stratford, the Trustees have set an aim to build up a general reserve of £3.5m by 2028. The Trustees recognise that the build-up of reserves may not be linear especially as the new venue opens and will be built up by surpluses in future years with a focus on additional fundraising. The target is subject to annual review.

## Trustees

The Trustees who served from 1st April 2022 to the date of signing the accounts were:

- Nigel Higgins (Chairman)
- Maria Albonico
- Nicholas Basden
- Humphrey Battcock
- Melissa Bethell
- Sue Butcher (resigned 23 June 2023)
- Clare Connor (appointed 28 September 2022)
- Sarah Evans (resigned 6th July 2022)
- Suhair Khan (appointed 28 September 2022)
- David Lan
- Brenda Leff
- Paul Mulholland

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' report (continued)

- Nina Patel (appointed 28 September 2022)
- David Ripert (resigned 23 November 2022)
- Matthew Slotover
- Melanie Smith
- Sharon White (resigned 23 November 2022)

The Trustees are appointed for a term of 3 years, which is often extended to a second or third and rarely, a fourth. A skills audit of the Trustees is conducted annually to better inform decisions regarding the appointment of new Trustees.

The charity provides an induction for newly appointed Trustees which informs them of their duties and responsibilities as directors of the company and familiarises them with the operation of the theatres.

The Trustees delegate the day to day running of the theatre to the Artistic Director and Chief Executive, Sir Alistair Spalding. The Board retains ultimate control of the overall strategic direction of the theatre in that they appoint the Artistic Director and Chief Executive, and are involved in recruitment of senior members of staff. The Board sets the remuneration of the Artistic Director and Chief Executive, who in turn sets the remuneration of key management personal. The Board also approves the annual budget, but delegates responsibility for the selection of the artistic programme to the Artistic Director and Chief Executive, together with day to day management of the operating budgets to the Artistic Director and Chief Executive and Executive Director. Board approval is only then sought for any major changes to the artistic programme or budget.

The Board met five times during the year and has sub committees including the Finance, Audit and Risk Committee, the Development Council, the Learning Committee and the Governance Committee. The Board spends half a day each year debating and reviewing long term strategy with senior members of staff.

For additional information on the charity's subsidiaries, please see note 7 to the accounts.

## **Statement of Trustees' Responsibilities**

The Trustees (who are also directors of Sadler's Wells Trust 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 group and company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group and company and enable them to

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' report (continued)

ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

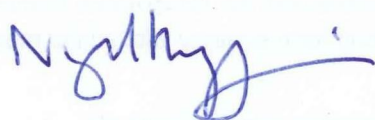
In so far as the Trustees are aware:

- 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.

## **Auditor**

The auditor, Moore Kingston Smith LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The Strategic Report, which forms part of the Trustees' Report, is approved by the Trustees in their capacity as directors of the company. The Trustees' Report was approved by the members of the Board on 2 October 2023 and signed on their behalf by:



**Nigel Higgins Chairman**

**Charity registration number: 279884**

**Company registration number: 1488786**

# Sadler's Wells Trust Limited

## (Limited by Guarantee)

### Independent Auditor's Report to the members of Sadler's Wells Trust Limited

#### **Opinion**

We have audited the financial statements of Sadler's Wells Trust Limited for the year ended 31 March 2023 which comprise the consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the consolidated Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

# Sadler's Wells Trust Limited (Limited by Guarantee)

Independent Auditor's Report to the members of Sadler's Wells Trust Limited (continued)

## **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; and
- 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 parent charitable company and its 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 where the 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, 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 and 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 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**

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Sadler's Wells Trust Limited (Limited by Guarantee)

### Independent Auditor's Report to the members of Sadler's Wells Trust Limited (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Sadler's Wells Trust Limited  
(Limited by Guarantee)**

Independent Auditor's Report to the members of Sadler's Wells Trust Limited (continued)

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*James Cross*  
*for and on behalf of Moore Kingston Smith LLP*

**James Cross**  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor  
Appold Street  
London  
EC2A 2AP

Date: 30 October 2023

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

**Consolidated Statement of Financial Activities for the year ended**  
**31 March 2023**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
	Year ended 31 March 2023	Year ended 31 March 2023	Year ended 31 March 2023	Year ended 31 March 2023	Year ended 31 March 2022
Note	£'000	£'000	£'000	£'000	£'000
<b>Income</b>					
Donations and legacies:					
Sponsorship and donations	1,342	-	2,466	3,808	1,595
Arts Council Funding	2,501	-	1,709	4,210	3,353
Charitable activities:					
Theatre presentations	19,418	-	109	19,527	15,083
Activities for raising funds					
Trading income	2,928	-	-	2,928	1,805
Other income	661	-	-	661	860
<b>Total Income</b>	<b>26,850</b>	<b>-</b>	<b>4,284</b>	<b>31,134</b>	<b>22,696</b>
<b>Expenditure</b>					
Charitable activity: theatre presentations					
Expenditure on presentations	19,696	-	1,883	21,579	17,539
Theatre overheads	4,470	50	1,663	6,183	5,373
Raising Funds					
Fundraising costs	621	-	46	667	609
Trading costs	2,309	-	56	2,365	1,771
<b>Total Expenditure</b>	<b>27,096</b>	<b>50</b>	<b>3,648</b>	<b>30,794</b>	<b>25,292</b>
<b>Net (Expenditure) / Income</b>	<b>(246)</b>	<b>(50)</b>	<b>636</b>	<b>340</b>	<b>(2,596)</b>
<b>Other Recognised Gains and Losses</b>	<b>97</b>	<b>-</b>	<b>102</b>	<b>199</b>	<b>394</b>
<b>Gross Transfer Between Funds</b>	<b>816</b>	<b>(500)</b>	<b>(316)</b>	<b>-</b>	<b>-</b>
<b>Net Movement in Funds</b>	<b>667</b>	<b>(550)</b>	<b>422</b>	<b>539</b>	<b>(2,202)</b>
<b>Net funds at 1 April 2022</b>	<b>1,584</b>	<b>952</b>	<b>1,578</b>	<b>4,114</b>	<b>6,316</b>
<b>Net Funds at 31 March 2023</b>	<b>2,251</b>	<b>402</b>	<b>2,000</b>	<b>4,653</b>	<b>4,114</b>

None of the charitable group's activities were acquired or discontinued during the above two financial periods.

The charitable group has no recognised gains and losses other than those dealt with in the above Statement of Financial Activities.

Restricted funds have been applied only for the purposes for which the income was received.

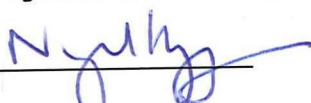
**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

Balance Sheets as at  
31 March 2023

		2023 Consolidated	2023 Charity	2022 Consolidated	2022 Charity
	Note	£'000	£'000	£'000	£'000
<b>Fixed Assets</b>					
Tangible assets	6	55	55	67	67
Investment Property	7(b)	1,650	1,200	1,650	1,200
		<u>1,705</u>	<u>1,255</u>	<u>1,717</u>	<u>1,267</u>
<b>Current Assets</b>					
Stock for resale		71	16	66	21
Debtors	8	3,153	5,542	2,163	3,971
Cash at bank and in hand		13,168	10,269	12,343	10,624
		<u>16,392</u>	<u>15,827</u>	<u>14,572</u>	<u>14,616</u>
<b>Creditors: Amounts Falling Due Within One Year</b>					
	9	<u>(9,024)</u>	<u>(8,009)</u>	<u>(7,840)</u>	<u>(7,434)</u>
<b>Net Current Assets</b>					
		7,368	7,818	6,732	7,182
<b>Long term Liabilities</b>					
	10	(4,420)	(4,420)	(4,335)	(4,335)
<b>Total Assets Less Liabilities</b>					
		<u>4,653</u>	<u>4,653</u>	<u>4,114</u>	<u>4,114</u>
<b>Funds</b>					
Restricted	18	2,000	2,000	1,578	1,578
Unrestricted - Designated	18	402	402	952	952
Unrestricted	18	2,251	2,251	1,584	1,584
		<u>4,653</u>	<u>4,653</u>	<u>4,114</u>	<u>4,114</u>

As permitted by S408 Companies Act 2006, the charity has not presented its own Statement of Financial Activities and related notes. The charity surplus for the year was £537,677 (2022: £2,202,000 deficit).

Approved for issue by the members of the board on 2nc October 2023  
and signed on their behalf by:



Nigel Higgins  
Chairman

Company number 1488786

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Consolidated Statement of Cash Flows for the year ended  
31 March 2023

	Note	Year ended 31 March 2023		Year ended 31 March 2022	
		£'000	£'000	£'000	£'000
<b>Net cash flows from operating activities</b>	12		825		633
<b>Cash flows from investing and financing activities</b>	13		-		(35)
<b>Net change in cash and cash equivalents in the period</b>			<u>825</u>		<u>598</u>
<b>to movement in net cash</b>					
Increase in cash in the period			<u>825</u>		<u>598</u>
Movement in net cash in the period			825		598
<b>Net cash and cash equivalents at 1 April 2022</b>			12,343		11,745
<b>Net cash and cash equivalents at 31 March 2023</b>	14		<u>13,168</u>		<u>12,343</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements for the year ended  
31 March 2023

**1 Accounting Policies**

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, subject to the revaluation of certain investments, and in accordance with the accounting policies set out in the notes to the accounts. The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011, and Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity is a Public Benefit Entity as defined by FRS102.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

**(b) Going Concern**

The financial statements are prepared on a going concern basis which assumes that the charitable group will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern as referred to in the Trustees report. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. As at the balance sheet date the group has considerable cash reserves in part from the 20 year CRF loan taken out in 2021, repayment of which will begin in 2025. Therefore, the Trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing its financial statements.

**(c) Income from presentations and performances**

Income from presentations and performances, which is matched to relevant performances, represents amounts receivable, excluding Value Added Tax, for goods and services provided in the ordinary course of business. Advance box office income is deferred until the presentation opens. Donations and sponsorship for specific productions are credited to presentation income as the performances take place.

**(d) Grants, donations and sponsorship**

- (i) Revenue grants are credited to the Statement of Financial Activities in the period in which they fall due unless they relate to specified future or prior periods, in which case they are deferred or accrued respectively.
- (ii) Donations are treated on a cash receipts basis.
- (iii) Corporate sponsorship is recognised on an accruals basis in the period in which the sponsor consumes the relevant benefits.
- (iv) Legacies are recognized when probate on the legacy has been completed, and it is probable that income will be received and is quantifiable.
- (v) Other income is recognised when the entitlement can be demonstrated, it is probable that it will be received, and it can be reliably measured.

**(e) Pension costs**

The charity operates an auto enrolment pension scheme. Payments into this scheme, and in respect of employees' private pension schemes, are charged to the Statement of Financial Activities as incurred.

**(f) Employee benefits**

The costs of short term employee benefits are registered as a liability and expense. Termination benefits are recognised immediately as an expense when the company is committed to provide termination benefits. Costs not paid at the year end are recognised as a liability.

# Sadler's Wells Trust Limited (Limited by Guarantee)

## Notes to the Financial Statements For the year ended 31 March 2023 (continued)

### 1 Accounting Policies (continued)

#### (g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. There is a capitalisation threshold policy of £10,000. Depreciation is provided on all tangible fixed assets, excluding land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life. Purchased assets have been depreciated at the following straight line rate:

Fixtures & fittings	33.3%
Freehold Land and Buildings	2%
Leasehold Land and Buildings	2%
Leasehold Improvements	5%
Computer Equipment	20%

The Trustees review the tangible fixed assets annually for any evidence of impairment. Where there is objective evidence of impairment the charity recognises the loss in the Statement of Financial Activities immediately.

Investment properties are reviewed annually and held at fair value, based on the market value for the property which the Trustees consider to be reasonable. Changes in fair value and any gains or losses arising on disposal are credited to or charged to the income and expenditure section of the Statement of Financial Activities as 'gain or loss on investments'.

#### (h) Foreign currencies

Foreign currency balances at the year end have been translated into sterling at the rate ruling at that date. Transactions during the course of the period have been translated into sterling at the rate ruling at the transaction date.

#### (i) Consolidation

The Group Financial Statements consolidate those of Sadler's Wells Trust Limited and its trading subsidiary, Sadler's Wells Limited. The results for the trading subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

#### (j) Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### (k) Cost allocation

Costs relating to the mounting of productions and running of the theatre are classed as charitable activities. Those costs relating to generating voluntary income, and to trading activities to raise funds for the charity, are classified as costs of generating funds. Governance costs comprise those costs that allow Sadler's Wells Trust to operate as a charity and to generate the information required for public accountability, and are part of support costs. Support costs have been allocated between areas of activities on the basis of staff numbers in each area.

#### (l) Stock

Stock represents goods for resale, and is stated at the lower of cost and net realisable value.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**1 Accounting Policies (cont)**

**(m) Financial Instruments**

The charity has elected to apply the provisions of section II "Basic Financial Instruments" of FRS 102 to all its financial investments. They are recognised in the charity's financial statement position when the charity becomes party to the contractual provisions of the instrument.

**Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less from the balance sheet date, and investments capable of immediate cash realisation.

**Debtors and Creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest. Show prepayments represent costs incurred at the reporting date for shows which have not yet matured or, for at-risk shows, where the production has not reached a net profit.

**Financial Investments**

Financial investments are initially recognised at their transaction value and subsequently measured at fair value based on the closing quoted market price as at the balance sheet date. Changes in fair value and any gains or losses arising on disposal are credited to or charged to the income and expenditure section of the Statement of Financial Activities as gain or loss on investments

**(n) Government Grants**

Where the charity is awarded government grants, it recognises these as income only where there is reasonable assurance that the charity will comply with the conditions attaching to them, and the funds will be received.

This includes grants received from Arts Council England as they are an executive non-departmental public body. The £4,250k loan from Arts Council England under the Cultural Recovery Fund is considered to be a public benefit entity concessionary loan as the interest rate is below the prevailing market rate. The loan is valued at amortised cost using the effective interest method. Interest is accrued annually at 2% and is repayable over 20 years, with a repayment holiday for the first four years. The interest is accrued and added to the initial £4,250k loan. As at 31 March 2023, the loan remained fully drawn down.

**(o) Accounting for Reserves**

There are both restricted and unrestricted funds. Unrestricted funds are divided into general and designated funds.

General funds are available for use at the discretion of Trustees in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of Trustees.

Restricted funds are grants or donations with conditions attached by the donor. They may specify that the funds are used in a specific way or for a specific purpose.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**(p) Accounting Estimates and Areas of Judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have most significant effect on amounts recognised in the financial statements:

- Measurement of the fair value of the investment properties as undertaken by the Trustees.
- Depreciation rates on assets held and estimation of any impairment.
- Estimation of likely future recoupment of production costs and commissioning fees carried forward in the balance sheet at each period end.

**(q) Taxation**

The company is a registered charity and as such is entitled to exemption from taxation on its charitable activities under the Corporation Tax Act 2010.

**(r) Theatre tax relief**

Theatre tax relief credits payable to the company in relation to eligible expenditure on theatrical productions are recognised as a credit within the tax charge.

**2. Arts Council and other Government Funding**

During 2023, the charity has received funding from the Arts Council for:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
NPO core funding	2,501	2,679
Restricted:		
• NYDC	474	420
• Stratford	1,232	240
• What's Next	3	14
	<b>4,210</b>	<b>3,353</b>

**3. Support Costs**

					<b>Year ended</b>	<b>Year ended</b>
	<b>Presentation</b>	<b>Theatre</b>	<b>Fundraising</b>	<b>Trading</b>	<b>31 March</b>	<b>31 March</b>
	<b>£'000</b>	<b>Overhead</b>	<b>£'000</b>	<b>£'000</b>	<b>2023</b>	<b>2022</b>
		<b>£'000</b>			<b>Total</b>	<b>Total</b>
			<b>£'000</b>		<b>£'000</b>	<b>£'000</b>
Executive Office	696	72	49	93	910	746
Finance	940	99	66	125	1,230	2,219
People	297	31	20	39	387	299
	<b>1,933</b>	<b>202</b>	<b>135</b>	<b>257</b>	<b>2,527</b>	<b>3,264</b>
Resources expended before support costs:						
Unrestricted	18,090	4,302	509	2,096	24,997	
Restricted	1,556	1,629	23	12	3,220	
Designated	-	50	-	-	50	
Resources expended	<b>21,579</b>	<b>6,183</b>	<b>667</b>	<b>2,365</b>	<b>30,794</b>	

Support costs have been allocated on the basis of staff numbers in each area.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**4. Governance Costs**

	<b>Year ended 31 March 2023 Total £'000</b>	<b>Year ended 31 March 2022 Total £'000</b>
Governance costs include the following payments to auditors:		
Audit - current year	46	36
Audit - prior year	13	-
Tax - current year	3	-
Tax - prior year	6	-
Other: non statutory audit	1	2
	<b>69</b>	<b>38</b>

**5. Staff Costs**

	<b>2023 £'000</b>	<b>2022 £'000</b>
<b>Consolidated and charity</b>		
Wages and salaries	7,278	6,998
Social security costs	754	622
Pension costs (note 17)	255	234
	<b>8,287</b>	<b>7,854</b>

Redundancy and termination payment costs included in the above totalled £14,553 (2022: £1,632).

Employee remuneration for employees earning more than £60,000 fell in the following bands:

	<b>2023</b>	<b>2022</b>
£180,001 - £190,000	1	-
£170,001 - £180,000	-	1
£140,001 - £150,001	1	1
£100,001 - £110,000	1	1
£90,001 - £100,000	-	-
£80,001 - £90,000	2	1
£60,001 - £70,000	8	4

During the year the company paid pension contributions of £60,099 (2022: £48,496) on behalf of these staff.

The average monthly head count was 304 staff (2022: 302) and the average number of full-time equivalent staff employed (including part-time staff):

	<b>2023</b>	<b>2022</b>
Theatre and Front of House	71	68
Box office	10	9
Marketing	18	20
Technical	54	59
Administration	21	14
Development	10	9
Events	5	5
Catering	19	21
	<b>208</b>	<b>205</b>

The Trustees received no remuneration for the services they provided to the company. No expenses were reimbursed (2022: £nil). The Trustees donated £1,485,687 (2022: £486,881) to the charity during the year.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**5. Staff Costs (continued)**

The charity considers its key management personnel to be the Senior Management Team. The remuneration of the Artistic Director and Chief Executive is decided by the Board; the Artistic Director and Chief Executive decide the remuneration of other members of the Senior Management Team. Total employment costs for this group, including employer NICs and pension contributions, was £1,350,682 (2022: £1,183,942).

**6. Tangible Fixed Assets**  
**Consolidated**

	<b>Leasehold Imp'ments £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures and Fittings £'000</b>	<b>2023 Total £'000</b>
<b>Cost</b>				
At 1st April 2022	110	351	154	615
Additions	-	-	-	-
Disposals	-	-	-	-
At 31st March 2023	<u>110</u>	<u>351</u>	<u>154</u>	<u>615</u>
<b>Depreciation</b>				
At 1st April 2022	70	324	154	548
Charge for the period	5	7	-	12
At 31st March 2023	<u>75</u>	<u>331</u>	<u>154</u>	<u>560</u>
<b>Net book value</b>				
At 31st March 2023	<u>35</u>	<u>20</u>	<u>-</u>	<u>55</u>
At 31st March 2022	<u>40</u>	<u>27</u>	<u>-</u>	<u>67</u>

**Charity**

	<b>Leasehold Imp'ments £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures and Fittings £'000</b>	<b>2023 Total £'000</b>
<b>Cost</b>				
At 1st April 2022	110	289	46	445
Additions	-	-	-	-
Disposals	-	-	-	-
At 31st March 2023	<u>110</u>	<u>289</u>	<u>46</u>	<u>445</u>
<b>Depreciation</b>				
At 1st April 2022	70	262	46	378
Charge for the period	5	7	-	12
At 31st March 2023	<u>75</u>	<u>269</u>	<u>46</u>	<u>390</u>
<b>Net book value</b>				
At 31st March 2023	<u>35</u>	<u>20</u>	<u>-</u>	<u>55</u>
At 31st March 2022	<u>40</u>	<u>27</u>	<u>-</u>	<u>67</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**7 (a). Investment in trading subsidiary**

The wholly owned trading subsidiary Sadler's Wells Limited (company number 02907116), which is incorporated in England and Wales, is consolidated within these financial statements. The company distributes all its profits to the charity under Gift Aid. Sadler's Wells Limited promotes commercial non theatre hires and provides catering at the Sadler's Wells and Peacock theatres, receives sponsorship income and produces productions commissioned by Sadler's Wells Trust Ltd. The charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below.

Sadler's Wells and its trading subsidiary have entered into a deed of covenant which is a legally binding agreement to pay up all profits a subsidiary can legally distribute.

	<b>Year ended 31 March 2023 £'000</b>	<b>Year ended 31 March 2022 £'000</b>
<b>Profit and Loss Account</b>		
Turnover	5,939	4,325
Cost of sales	(808)	(443)
Production expenses	(2,751)	(2,880)
Gross Profit	2,380	1,002
Administration expenses	(1,240)	(944)
Bank interest	10	-
Taxation	199	394
Result for the financial year	1,349	452
Retained earnings brought forward	-	-
Charitable distribution to parent charity	(1,349)	(452)
Retained earnings carried forward	-	-
	<b>31 March 2023 £'000</b>	<b>31 March 2022 £'000</b>
The assets and liabilities of the subsidiary were:		
Fixed assets	450	450
Current assets	3,773	2,466
Creditors: amounts falling due within one year	(4,223)	(2,916)
Total net current assets	-	-
Aggregate share capital and reserves	-	-

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**7 (b). Investment property**

The investment property held by the charity are a house which was donated by the Dame Hilda Bracket Trust and is valued by the Trustees at £200,000 and office building held at 369 St John Street valued at £1m. Independent valuations of these properties have been undertaken: for the house in April 2018 by Robert Cooney, Chartered Surveyors, in April 2018, and for the office building in September 2020 by Daniel Watney, Estate Agents. The investment property held by the trading subsidiary comprises the leasehold interest of the Shakespeare's Head Public House on Arlington Way, London. The fair value of the investment property of £450,000 has been arrived at on the basis of a valuation carried out as at 31 March 2020 by Fleurets Limited Chartered Surveyors, who are not connected with the company. The valuations were reviewed in the year and the Trustees consider that this is the best estimate of the fair value at the balance sheet date.

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fair value</b>				
At 1st April 2022	1,650	1,200	1,650	1,200
As at 31st March 2023	<u>1,650</u>	<u>1,200</u>	<u>1,650</u>	<u>1,200</u>

**8. Debtors**

	<b>2023</b>		<b>2022</b>	
	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	1,300	1,102	1,100	822
Amounts owed by related undertakings	23	3,230	7	2,517
Other debtors and prepayments	631	608	376	353
Corporation Tax Receivable	592	-	394	-
Accrued income	607	602	286	279
	<u>3,153</u>	<u>5,542</u>	<u>2,163</u>	<u>3,971</u>

**9. Creditors: Amounts due within one year**

	<b>2023</b>		<b>2022</b>	
	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade creditors	609	579	1,893	1,807
Social security and other taxes	699	699	734	734
Accruals and deferred income	7,716	6,731	5,213	4,893
	<u>9,024</u>	<u>8,009</u>	<u>7,840</u>	<u>7,434</u>

**10. Creditors: Amounts due after more than one year**

	<b>2023</b>		<b>2022</b>	
	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Loan	4,420	4,420	4,335	4,335

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

Notes to the Financial Statements  
For the year ended 31 March 2023 (continued)

**11. Borrowings**

	<b>31 March 2023</b>	<b>31 March 2022</b>
Payable within 1 year	-	-
Payable 2-5 years	536	499
Payable over 5 years	3,884	3,836
	4,420	4,335

In the year ended 31 March 2021, Sadler's Wells Trust Limited was granted a facility for a 20 year loan by Arts Council England under the Cultural Recovery Fund. The loan was drawn down to £4,250,000 on 17th March 2021. The loan incurs an annual interest charge of 2%, which has been accrued and added to the total amount payable. The loan is repayable over 20 years, with a repayment holiday for the first four years. Repayments of the loan commence March 2025.

**12. Reconciliation of Net Incoming / (Outgoing) Resources from Operating Activities to Net Cash flows**

	<b>Year ended 31 March 2023 £'000</b>	<b>Year ended 31 March 2022 £'000</b>
<b>Consolidated</b>		
Net income / (expenditure) for the reporting period	539	(2,202)
Depreciation	12	12
Finance costs	85	85
(Increase) in stock	(5)	(16)
(Increase) in debtors	(990)	(620)
Increase in creditors	1,184	3,374
Net cash inflow from operating activities	825	633

**13. Analysis of Cash Flows for Headings in Cash Flow Statement**

	<b>Year ended 31 March 2023 £'000</b>	<b>Year ended 31 March 2022 £'000</b>
--	---	---

**(a) Cash flows from investing and financing activities**

Purchase of property, plant and equipment	-	(35)
	-	(35)

**14. Analysis of changes in net debt**

	<b>1 April 2022 £'000</b>	<b>Non-cash Flow £'000</b>	<b>Cash Flow £'000</b>	<b>31 March 2023 £'000</b>
Cash at bank and in hand	12,343	-	825	13,168
<b>Borrowings</b>				
DCMS loan	(4,335)	(85)	-	(4,420)
<b>Net debt</b>	8,008	(85)	825	8,748

**Sadler's Wells Trust Limited**  
(Limited by Guarantee)

Notes to the Financial Statements  
For the year ended 31 March 2023 (continued)

**15. Liability of Members**

The company is limited by guarantee and the liability of members is limited to £10 each. At 31 March 2023 there were 14 members (2022: 14 members).

**16 Operating Lease Commitments**

The charity has an annual rent commitment of £300,000 (2022: £300,000) in respect of the lease of Sadler's Wells Theatre, from Sadler's Wells Foundation. The total payable to the end of the lease is £3,301,832 (2022: £nil). The charity also has an annual rent commitment of £175,000 in respect of the Peacock Theatre to the London School of Economics, expiring 20 years from 2019. The total payable to the end of the lease is £4,052,393 (2022: £992,853). The charity has an annual lease commitment of £20,675 (2022: £20,675) in respect of the lease of printing equipment. The total payable to the end of the lease is £67,240 (2022: £87,916).

**17. Pension Commitments**

Sadler's Wells Trust makes contributions to employees' private pension plans, the costs of which amounted to £255,177 during the year to 31 March 2023 (2022: £234,284). The pension creditor at the year end was £43,510 (2022: £39,330).

**18. Net Movement in Funds**

	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers/ Gains £'000	At 31 March 2023 £'000
<b>Restricted Funds:</b>					
National Youth Dance Fund	184	504	(635)	71	124
Dame Hilda Bracket Fund	131	-	(5)	-	126
What Next? Fund	53	108	(125)	-	36
Stratford Mobilisation	-	1,231	(1,253)	22	-
DOPODO	69	1	(65)	-	5
Breakin' Out	200	3	(185)	-	18
Development	595	11	(329)	(269)	8
Learning and Engagement Funds	19	795	(532)	(6)	276
Programming, Producing and Touring Fund	324	380	(356)	(47)	301
Rose Choreographic Prize	-	1,000	(8)	-	992
Kwame Asafo Adjei Fund	-	88	(86)	(2)	-
Data Accelerator Project	-	125	(36)	-	89
Other restricted funds	3	38	(33)	17	25
	<u>1,578</u>	<u>4,284</u>	<u>(3,648)</u>	<u>(214)</u>	<u>2,000</u>
<b>Unrestricted Funds:</b>					
<b>Designated Funds</b>					
Peacock Theatre Fund	50	-	(50)	-	-
The Shakespeare's Head Fund	402	-	-	-	402
Contingency reserve	500	-	-	(500)	-
	<u>952</u>	<u>-</u>	<u>(50)</u>	<u>(500)</u>	<u>402</u>
<b>General Fund</b>	<u>1,584</u>	<u>26,850</u>	<u>(27,096)</u>	<u>913</u>	<u>2,251</u>
	<u>4,114</u>	<u>31,134</u>	<u>(30,794)</u>	<u>199</u>	<u>4,653</u>

# Sadler's Wells Trust (Limited by Guarantee)

## Notes to the Financial Statements For the year ended 31 March 2023 (continued)

### 18. Net Movement in Funds (cont)

#### Restricted Funds

- The National Youth Dance Fund represents funds received and expended on the National Youth Dance Company.
- The Dame Hilda Bracket Fund is a donation to support music, in particular grand and light opera.
- The What Next? Fund represents a donation for the What Next? campaign, hosted by Sadler's Wells.
- The Stratford Mobilisation Fund is an Arts Council grant provided to fund preparation costs associated with the new venue in Stratford.
- The DOPODO fund is an european grant provided to support the Dance on, Pass on, Dream on project.
- The Breakin' Out fund is an Arts Council grant provided for Breakin' Convention dance and engagement activity.
- The Development restricted funds represent grants to be spent against future activity.
- The L&E Fund represents amounts received from funders in support of learning and engagement activity.
- The Programming, Producing and Touring fund represents amounts received in support of the programme hosted at and toured by Sadler's Wells.
- The Rose Choreographic Prize represents amounts received to establish and fund the Rose International Dance Prize.
- The Kwame Asafo-Adjei fund represents Arts Council England funds disbursed to Sadler's Wells by dance company Spoken Movement and administrated by Sadler's Wells on their behalf.
- The Data Accelerator Project represents funds in support of strategic improvements to technology infrastructure.

#### Designated Funds

The Trustees have designated a number of funds. The *Shakespeare's Head Fund* will provide for any future impairment on the leasehold of the Shakespeare's Head public house, held by Sadler's Wells

#### Transfers between funds

The transfers of funds from restricted to unrestricted funds for named funds relate to internal overhead costs to be recovered from restricted funding.

The transfers from other restricted funds in aggregate relate to the release of restricted funding as a donation to support core or other costs.

The transfer from the contingency reserve to unrestricted funds relates to the release of a prior year designation which was made to support the unknown challenges in the year ahead.

### 20. Analysis of Net Assets between Funds

	Fixed Assets £'000	Cash £'000	Other Net Liabilities £'000	Net Total Assets £'000
Unrestricted Funds	1,103	11,293	(10,145)	2,251
Designated funds	402	-	-	402
Restricted funds	200	1,875	(75)	2,000
<b>Total Funds</b>	<b>1,705</b>	<b>13,168</b>	<b>(10,220)</b>	<b>4,653</b>

# Sadler's Wells Trust (Limited by Guarantee)

## Notes to the Financial Statements For the year ended 31 March 2023 (continued)

### **21. Connected Charities and related Party Transactions**

Sadler's Wells Limited is a wholly owned subsidiary which trades on behalf of the charity.

A gift of £1,349,233 (2022: £452,284) was receivable from Sadler's Wells Limited, for the year, and £3,126,212 was due from (2022: £2,510,233) that company at the year end. Sadler's Wells Trust Limited bore a number of administrative costs on behalf of Sadler's Wells Limited that have been recharged subsequently, the largest being payroll costs of £938,805 (2022: £681,576) and VAT of £579,786 (2022: £231,187).

Sadler's Wells Trust is a corporate trustee of the Dame Hilda Bracket Trust, along with Sadler's Wells Development Trust. The fund is held in a restricted fund by Sadler's Wells Trust.

During the year Sadler's Wells Trust Ltd incurred a rent charge of £300,000 (2022: £565,696) from Sadler's Wells Foundation Ltd, of which £150,000 had not been paid (2022: £340,778) to the Foundation at the year end. An additional £29 was due from Trust to Foundation at year-end. Development costs of £680 (2022: £1,625) were paid by Sadler's Wells Trust Limited on behalf of the Foundation.

Sadler's Wells Foundation Ltd is a member of Sadler's Wells Trust Ltd.

### **22. Capital Commitments**

At 31 March 2023 Sadler's Wells Trust had no capital commitments committed but not yet contracted for (2022: None).

**Sadler's Wells Trust Limited**  
(Limited by Guarantee)

Notes to the Financial Statements  
For the year ended 31 March 2023 (continued)

**23. Comparative Net Movement in Funds**  
**Year ended 31 March 2022**

	At 1 April 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers/ Gains £'000	At 31 March 2022 £'000
<b>Restricted Funds:</b>					
National Youth Dance Fund	261	523	(600)	-	184
Dame Hilda Bracket Fund	131	-	-	-	131
What Next? Fund	32	131	(110)	-	53
Stratford Mobilisation	122	240	(362)	-	-
DOPODO	73	-	(4)	-	69
Breakin' Out	240	2	(42)	-	200
Development	485	437	(327)	-	595
Learning and Engagement Funds	-	53	(34)	-	19
Programming, Producing and Touring Funds	325	40	(41)	-	324
Garfield Weston Fund	626	-	(626)	-	-
Relaunch Fund	264	200	(464)	-	-
Other restricted funds	-	10	(7)	-	3
	<u>2,559</u>	<u>1,636</u>	<u>(2,617)</u>	<u>-</u>	<u>1,578</u>
<b>Unrestricted Funds:</b>					
<b>Designated Funds</b>					
Peacock Theatre Fund	50	-	-	-	50
Creative Learning Fund	135	-	(135)	-	-
The Shakespeare's Head Fund	402	-	-	-	402
ACE Cultural Recovery Fund	341	-	(341)	-	-
Contingency reserve	-	-	-	500	500
	<u>928</u>	<u>-</u>	<u>(476)</u>	<u>500</u>	<u>952</u>
General Fund	2,829	21,060	(22,199)	(106)	1,584
	<u><u>6,316</u></u>	<u><u>22,696</u></u>	<u><u>(25,292)</u></u>	<u><u>394</u></u>	<u><u>4,114</u></u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**24. Comparative Analysis of Net Assets between Funds**  
**Year ended 31 March 2022**

	<b>Fixed Assets £'000</b>	<b>Cash £'000</b>	<b>Net Total Assets £'000</b>	
Unrestricted Funds	1,115	10,346	(9,877)	1,584
Designated funds	402	550	-	952
Restricted funds	200	1,447	(69)	1,578
<b>Total Funds</b>	<b>1,717</b>	<b>12,343</b>	<b>(9,946)</b>	<b>4,114</b>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**25 Comparative Fund and Statement of Financial Activities Balances**  
**Year ended 31 March 2022**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	Year ended 31 March 2022	Year ended 31 March 2022	Year ended 31 March 2022	Year ended 31 March 2022
Note	£'000	£'000	£'000	£'000
<b>Income</b>				
Donations and legacies:				
Sponsorship and donations	749	-	846	1,595
Arts Council Funding	2,679	-	674	3,353
Charitable activities:				
Theatre presentations	15,083	-	-	15,083
Activities for raising funds				
Trading income	1,805	-	-	1,805
Other income	744	-	116	860
<b>Total Income</b>	<b>21,060</b>	<b>-</b>	<b>1,636</b>	<b>22,696</b>
<b>Expenditure</b>				
Charitable activity: theatre presentations				
Expenditure on presentations	3 16,347	432	760	17,539
Theatre overheads	3 3,512	44	1,817	5,373
Raising Funds				
Fundraising costs	3 569	-	40	609
Trading costs	3 1,771	-	-	1,771
<b>Total Expenditure</b>	<b>22,199</b>	<b>476</b>	<b>2,617</b>	<b>25,292</b>
<b>Net Income / (Expenditure) before Investment (Loss) / Gain</b>	<b>(1,139)</b>	<b>(476)</b>	<b>(981)</b>	<b>(2,596)</b>
<b>Net Investment (Loss) / Gain</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income / (Expenditure)</b>	<b>(1,139)</b>	<b>(476)</b>	<b>(981)</b>	<b>(2,596)</b>
<b>Other Recognised Gains: Theatre Tax Relief</b>	<b>394</b>	<b>-</b>	<b>-</b>	<b>394</b>
<b>Gross Transfer Between Funds</b>	<b>(500)</b>	<b>500</b>	<b>-</b>	<b>-</b>
<b>Net Movement in Funds</b>	<b>(1,245)</b>	<b>24</b>	<b>(981)</b>	<b>(2,202)</b>
<b>Net funds at 1 April 2021</b>	<b>2,829</b>	<b>928</b>	<b>2,559</b>	<b>6,316</b>
<b>Net Funds at 31 March 2022</b>	<b>1,584</b>	<b>952</b>	<b>1,578</b>	<b>4,114</b>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 March 2023 (continued)**

**26. Comparative Support Costs**  
**Year ended 31 March 2022**

	<b>Presentation:</b>	<b>Theatre</b>	<b>Fundraising</b>	<b>Trading</b>	<b>2022</b>
	<b>£'000</b>	<b>Overhead</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Executive Office	586	51	33	76	746
Finance	1,743	152	97	227	2,219
People	235	20	13	31	299
	<u>2,564</u>	<u>223</u>	<u>143</u>	<u>334</u>	<u>3,264</u>
Unrestricted resources expended before support costs	13,783	3,289	426	1,437	18,935
Unrestricted resources expended	<u>16,347</u>	<u>3,512</u>	<u>569</u>	<u>1,771</u>	<u>22,199</u>

**SADLER'S WELLS TRUST LIMITED**

England & Wales - Charity number 279884

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# Accounts

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**Sadler's Wells Trust Limited  
(Limited by Guarantee)**

**Company Number 1488786**

**Registered Charity Number 279884**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 March 2022**

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Sadler's Wells Trust Limited  
(Limited by guarantee)  
Trustees, Officers and Administrative Information

**Trustees**

Nigel Higgins (Chairman)  
Maria Albonico  
Nicolas Basden  
Humphrey Battcock  
Melissa Bethell  
Sue Butcher  
David Lan  
Brenda Leff  
Suhair Khan  
Paul Mulholland  
Clare Connor  
Nina Patel  
Matthew Slotover  
Melanie Smith

**Secretary**

Alistair Spalding

**Registered Office**

Sadler's Wells Theatre  
Rosebery Avenue  
London  
EC1R 4TN

**Bankers**

Coutts & Co.  
440 Strand  
London  
WC2R 0QS

**Auditor**

Moore Kingston Smith LLP  
Chartered Accountants  
6th Floor  
9 Appold Street  
London  
EC2A 2AP

**Solicitors**

Clifford Chance LLP  
10 Upper Bank Street  
London  
E14 5JJ

**Sadlers' Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

The Trustees, who are also the Directors of the company under the Companies Act 2006, submit their report and the consolidated financial statements of Sadler's Wells Trust for the year ended 31 March 2022 which have been prepared in compliance with current statutory requirements, the Charities SORP (FRS 102) and with the charity's governing document, its Memorandum and Articles of Association.

## **Objectives**

The object for which the charity is established is to advance education particularly by encouraging the understanding and appreciation of the dramatic arts.

## **Strategic Review**

### *Achievements and Performance*

Sadler's Wells is a world-leading creative organisation dedicated to dance in all its forms. With over three centuries of theatrical heritage and a year-round programme of performances and learning activities, it is the place where artists come together to create dance, and where we welcome everyone to experience dance – to take part, learn, experiment and be inspired. Our **mission** is to make and create dance that inspires us all, and our **vision** is to create, through dance, a depth of connection beyond borders, cultures and languages, so we see ourselves in each other. We also have four **values** we live by as an organisation – Excellence, Collaboration, Inclusion, Innovation.

Sadler's Wells has commissioned and presented more new dance work than any other theatre in the world, embracing the popular and the unknown. Since 2005, it has helped to bring close to 200 new dance works to the stage, many of them involving its 17 Associate Artists, 6 New Wave Associates, 4 Young Associates, three Resident Companies and four Associate Companies – some of the most exciting talents working in dance today. Sadler's Wells also host the National Youth Dance Company and Sadler's Wells Breakin' Convention.

The theatre reopened its doors on 17th May 2021 with a rich and diverse programme and although there were a few closures over Christmas 2021 because of an upsurge in Covid cases there were 569 performances during the period and 22/23 sees a return to a complete programme.

Colleagues have been encouraged to return to the office for at least 60% of their working week for those who have been able to work from home. Many have embraced the hybrid working model while more operational teams have continued to attend theatres to support the live programme.

### *Sadler's Wells East*

Construction of our mid-sized multipurpose venue continues apace in the Queen Elizabeth Olympic Park, Stratford as part of the East Bank development. The venue will house the Hip Hop Theatre Academy and Choreographic School and the inaugural production will be *Our Mighty Groove*; an immersive dance theatre show set in an underground New York City nightclub with a multigenerational community cast.

### *Learning & Engagement programmes*

These programmes offered high quality participation opportunities to people of all ages and abilities. From the National Youth Dance Company to the internationally acclaimed Company of Elders and Breakin' Convention's Higher Learning and Open Art Surgery. Over the year we ran a total of 484 formal learning sessions with over 12,000 attendees and with a further 285 informal sessions with over 7,000 attendees.

**Sadlers' Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

*Financial Review*

Total income for the year ending 31<sup>st</sup> March 2022 was £22.7m, compared to £15.6m in the prior year. £1.6m was received in voluntary donations from a range of individuals, Trusts and Foundations and corporate bodies. £3.4m was received from the Arts Council.

The principal source of funding for the charity is the income generated from ticket sales and other show related income, such as catering, drinks and merchandise. This is underpinned by annual funding from Arts Council England, which represents 13% of the total unrestricted income of the charity. The other major sources of income are voluntary donations from individuals, Trusts & Foundations, and corporate bodies together with trading income derived from hiring out the spaces in the theatres.

Expenditure in the period was predominantly on the charity's main charitable objective, with 89% of unrestricted expenditure on productions and the running of the theatre. The remaining 11% was spent on fundraising activities and trading costs.

The total net movement in funds for the year was (£2.2m), made up of an unrestricted funds deficit of £1,245k, a surplus on designated funds of £24k and a deficit on restricted funds of £981k. As a result we ended the year with total reserves of £4.1m.

These results incorporate the trading of the subsidiary, Sadler's Wells Limited. This company operates the catering at the theatre, promotes commercial events hire and produces commissions from Sadler's Wells Trust Ltd. The company gifted a profit of £452k for 2021/22 (2020/21: £164k) to Sadler's Wells Trust.

*Fundraising*

A key focus this year was to welcome patrons back into the theatre and steward supporters who stayed with us through the Covid-19 pandemic. We continued to secure gifts and pledges towards key activities, including major contributions to our Digital Stage as well as the Re-launch Fund, set up specifically to help us reopen along with supporting raising funds for Sadler's Wells Foundation.

Sadler's Wells operates an internal fundraising team and is a member of the Fundraising Regulator. Our approach takes account of the Code of Fundraising Practice and we have complied with the standards of the Regulator.

We continue to comply with the General Data Protection Regulations and our privacy policy is available at [www.sadlerswells.com/about-us/privacy-policy](http://www.sadlerswells.com/about-us/privacy-policy)

*Principal Risks and Uncertainties*

The charity trades in the high-risk environment of theatre management and to pursue its objectives continually enters into relatively high-risk theatre presentations. The trading subsidiary Sadler's Wells Limited relies principally on less volatile catering and events income, together with guaranteed commissions to produce shows for Sadler's Wells Trust Ltd.

The charity's risk assessment strategy is to review and update systems and controls as necessary. A Risk Register is in place and is approved and monitored by the Trustees. Based on that Risk Register the Trustees have identified the principal risks as uncertainty over the impact of inflation, uncertainty over the future path of any new Covid-19 related restrictions, failure to meet ticket sales and fundraising targets, failure of Sadler's Wells' own productions to recoup costs leading to loss of profit, disruption to business from cyber attacks and Sadler's Wells Foundation resources being unequal to the capital repairs programme for the Sadler's Wells theatre. Additional financial and operational risks will need to be incorporated into the Risk Register once Sadler's Wells East begins operation.

*Investment Powers and Policy*

**Sadlers' Wells Trust Limited**  
**(Limited by Guarantee)**

Trustees' Report

Under the Memorandum and Articles of Association, the charity has the power to invest funds not immediately required for its purposes in such investments as may be considered appropriate by the Trustees. Monies are only invested in funds that are regulated by the FCA. Cash is held on deposit with AAA rated UK banks.

*Equality and Employment*

Sadler's Wells does not discriminate on the basis of age, gender, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. In addition, Sadler's Wells does not discriminate because of working patterns, trade union membership (or non-membership), family or caring responsibilities, socio-economic barriers or spent convictions.

Sadler's Wells is committed to building a culturally diverse workforce and actively encourages applicants from different backgrounds. Sadler's Wells is committed to developing and training all colleagues, not only to enable them to do their own jobs, but also to assist them in their careers. They are also encouraged to consider what they could do for their own career development, and to use every opportunity to discuss feedback with their line manager.

As users of the Disability Confident scheme, Sadler's Wells guarantees to interview all disabled applicants who meet the minimum criteria for our vacancies.

We continue to have a particular focus on how we become an actively anti-racist organization. This has been the subject of wide engagement with colleagues, artists and trustees.

*Key Management Personnel*

The charity considers its key management personnel to be the Senior Management Team comprising: the Artistic Director and Chief Executive, Executive Director, Director of Finance and Business Performance, Executive Producer, Technical Director, Director of Marketing and Communications, Director of Development, Director of Learning and Engagement, Director of Data and Systems, Director of Breakin' Convention, Interim Director of Digital Stage, Director of Catering and Events and Director of Visitor Experience.

The remuneration of the Artistic Director and Chief Executive is decided by the Board, the Artistic Director and Chief Executive decides the remuneration of other members of the Senior Management Team. Total remuneration of these people, including pension contributions and employer's national insurance, was £941,943 (2021: £964,546). The number of roles included in the Senior Management Team has remained at 13 this year. The salaries are fair and affordable, and benchmarked against similar arts organisations.

**Going Concern**

The financial statements are prepared on a going concern basis which assumes that the charitable group will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. These events include the impact of inflation, increase in utility costs and the 5% cut in Arts Council England grant. As at the balance sheet date the group has considerable cash reserves in part from the 20 year CRF loan taken out in the prior year, repayment of which will begin in 2025.

The Trustees have made this assessment for a period of at least one year from the date of the approval of the financial statements. The Trustees have concluded that the charitable group has adequate resources to continue in operational existence for the foreseeable future and therefore the charitable group continues to adopt the going concern basis in preparing its financial statements.

**Sadlers' Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

**Public Benefit**

Sadler's Wells recognises and welcomes the need to carry out its charitable activities for the benefit of the public. Having regard to the guidance of the Charity Commission, including the Charity Commission's guidance on public benefit ('public benefit: running a charity' (PB2)), the Trustees consider that the following activities in particular demonstrate the way in which Sadler's Wells achieves this aim:

Providing the most wide ranging programme of dance, including touring outside of our theatres in London.

Encouraging access through the availability of £15 tickets for most shows on Sadler's Wells main stage together with other low-cost tickets available during the year for shows such as Breakin' Convention, Sadler's Sampled Festival and all Lilian Baylis Studio shows.

Engagement with the community through a wide range of creative learning and community projects.

**Reserves Policy**

The aim of the charity's general reserves is to protect it against significant reductions in income as a result of external factors. The target reserves is based upon a review of the level of overhead that the charity is committed to, together with an analysis of the level of reserves needed to trade through an external shock to the charity's income. General reserves combined with the designated contingency reserve as at the 31st March 2022 were £2,084k (2020: £2,830k). The free reserves, being reserves backed by current assets are £969k.

By 2024, Sadler's Wells will begin operating another theatre in Stratford and will need to build higher general reserves as it increases its level of activity. The Trustees' aim prior to the pandemic was to increase the level of the reserve to £1.8m by 2026. However, in light of the less favourable macroeconomic outlook, a 5% reduction in ACE funding, continuing uncertainties around the future trajectory of the Covid-19 pandemic and the increase in the level of activity that would occur once Sadler's Wells opens another theatre in Stratford, the Trustees have now set an aim to build up a general reserve of £3.5m by 2028.

The Trustees recognise that the build up of reserves may not be linear especially as the new venue opens and will be built up by surpluses in future years with a focus on additional fundraising. During the year the Trustees set up a designated contingency reserve of £500k to be used at the Trustees' discretion and which forms part of the reserves for the purposes of reviewing the target.

**Trustees**

The Trustees who served from 1st April 2021 to the date of signing the accounts were:

Nigel Higgins (Chairman)

Maria Albonico

Nicholas Basden (joined 22nd April 2021)

Humphrey Battcock

Melissa Bethell

Sue Butcher

Sarah Evans (resigned 6th July 2022)

Farah Golant (resigned 23 November 2021)

David Lan

**Sadlers' Wells Trust Limited  
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Trustees' Report

Brenda Leff (joined 22 February 2022)

Suhair Khan (joined 28 September 2022)

Paul Mulholland (joined 22 February 2022)

Clare Connor (joined 28 September 2022)

David Ripert (resigned 23 November 2022)

Nina Patel (joined 28 September 2022)

Matthew Slotover

Melanie Smith

Sharon White (resigned 23 November 2022)

The Trustees are appointed for a term of 3 years, which is often extended to a second or third and rarely, a fourth. A skills audit of the Trustees is conducted annually in order to better inform decisions regarding the appointment of new Trustees.

The charity provides an induction for newly appointed Trustees which informs them of their duties and responsibilities as directors of the company, and familiarises them with the operation of the theatres.

The Trustees delegate the day to day running of the theatre to the Artistic Director and Chief Executive, Alistair Spalding. The Board retains ultimate control of the overall strategic direction of the theatre in that they appoint the Artistic Director and Chief Executive, and are involved in recruitment of senior members of staff. The Board sets the remuneration of the Artistic Director and Chief Executive, who in turn sets the remuneration of key management personal. The Board also approves the annual budget, but delegates responsibility for the selection of the artistic programme to the Artistic Director and Chief Executive, together with day to day management of the operating budgets to the Artistic Director and Chief Executive and Executive Director. Board approval is only then sought for any major changes to the artistic programme or budget.

The Board met six times during the year and has sub committees including the Finance, Audit and Risk Committee, the Development Council and Stratford Delivery Committee. The Board spends half a day each year debating and reviewing long term strategy with senior members of staff.

### **Statement of Trustees' Responsibilities**

The Trustees (who are also directors of Sadler's Wells Trust 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 group and company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

**Sadlers' Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees' Report

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

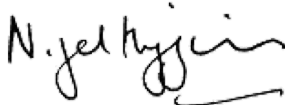
In so far as the Trustees are aware:

- 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.

**Auditor**

The auditor, Moore Kingston Smith LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The Strategic Report, which forms part of the Trustees' Report, is approved by the Trustees in their capacity as directors of the company. The Trustees' Report was approved by the members of the Board on 1 December 2022 and signed on their behalf by:



**Nigel Higgins**  
**Chairman**

Charity registration number: 279884

Company registration number: 1488786

# Sadler's Wells Trust Limited

## (Limited by Guarantee)

### Independent Auditor's Report to the members of Sadler's Wells Trust Limited

#### **Opinion**

We have audited the financial statements of Sadler's Wells Trust Limited for the year ended 31 March 2022 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

# Sadler's Wells Trust Limited (Limited by Guarantee)

Independent Auditor's Report to the members of Sadler's Wells Trust Limited (continued)

## **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; and
- 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 parent charitable company and its 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 where the 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;
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 and 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 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**

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# Sadler's Wells Trust Limited (Limited by Guarantee)

## Independent Auditor's Report to the members of Sadler's Wells Trust Limited (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# Sadler's Wells Trust Limited (Limited by Guarantee)

Independent Auditor's Report to the members of Sadler's Wells Trust Limited (continued)

## **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

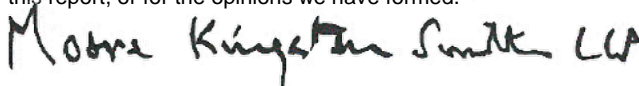
Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## **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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**James Cross** (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor  
Appold Street  
London  
EC2A 2AP

Date: 6 January 2023

Sadler's Wells Trust Limited  
(Limited by Guarantee)

Consolidated Statement of Financial Activities for the year ended  
31 March 2022

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
	Year ended 31 March 2022	Year ended 31 March 2022	Year ended 31 March 2022	Year ended 31 March 2022	Year ended 31 March 2021
Note	£'000	£'000	£'000	£'000	£'000
<b>Income</b>					
Donations and legacies:					
Sponsorship and donations	749	-	846	1,595	3,163
Arts Council Funding	2,679	-	674	3,353	11,276
Charitable activities:					
Theatre presentations	15,083	-	-	15,083	770
Activities for raising funds					
Trading income	1,805	-	-	1,805	218
Other income	744	-	116	860	123
<b>Total Income</b>	<b>21,060</b>	<b>-</b>	<b>1,636</b>	<b>22,696</b>	<b>15,550</b>
<b>Expenditure</b>					
Charitable activity: theatre presentations					
Expenditure on presentations	16,347	432	760	17,539	7,044
Theatre overheads	3,512	44	1,817	5,373	4,612
Raising Funds					
Fundraising costs	569	-	40	609	406
Trading costs	1,771	-	-	1,771	941
<b>Total Expenditure</b>	<b>22,199</b>	<b>476</b>	<b>2,617</b>	<b>25,292</b>	<b>13,003</b>
<b>Net (Expenditure)/ Income before Investment Gain</b>	<b>(1,139)</b>	<b>(476)</b>	<b>(981)</b>	<b>(2,596)</b>	<b>2,547</b>
<b>Net Investment Gain</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79</b>
<b>Net (Expenditure) / Income</b>	<b>(1,139)</b>	<b>(476)</b>	<b>(981)</b>	<b>(2,596)</b>	<b>2,626</b>
<b>Other Recognised Gains and Losses</b>	<b>394</b>		<b>-</b>	<b>394</b>	<b>912</b>
<b>Gross Transfer Between Funds</b>	<b>(500)</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Movement in Funds</b>	<b>(1,245)</b>	<b>24</b>	<b>(981)</b>	<b>(2,202)</b>	<b>3,538</b>
<b>Net funds at 1 April 2021</b>	<b>2,829</b>	<b>928</b>	<b>2,559</b>	<b>6,316</b>	<b>2,778</b>
<b>Net Funds at 31 March 2022</b>	<b>1,584</b>	<b>952</b>	<b>1,578</b>	<b>4,114</b>	<b>6,316</b>

None of the charitable group's activities were acquired or discontinued during the above two financial periods.

The charitable group has no recognised gains and losses other than those dealt with in the above Statement of Financial Activities.

Restricted funds have been applied only for the purposes for which the income was received.

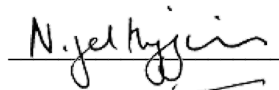
**Sadler's Wells Trust Limited**  
(Limited by Guarantee)

Balance Sheets as at  
31 March 2022

		<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
		<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fixed Assets</b>					
Tangible assets	6	67	67	122	122
Investment Property	7(b)	1,650	1,200	1,650	1,200
		<u>1,717</u>	<u>1,267</u>	<u>1,772</u>	<u>1,322</u>
<b>Current Assets</b>					
Stock for resale		66	21	50	28
Debtors	8	2,163	3,971	1,542	2,321
Cash at bank and in hand		12,343	10,624	11,745	11,292
		<u>14,572</u>	<u>14,616</u>	<u>13,337</u>	<u>13,641</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	9	<u>(7,840)</u>	<u>(7,434)</u>	<u>(4,543)</u>	<u>(4,397)</u>
<b>Net Current Assets</b>		6,732	7,182	8,794	9,244
<b>Long term Liabilities</b>	10	(4,335)	(4,335)	(4,250)	(4,250)
<b>Total Assets Less Liabilities</b>		<u>4,114</u>	<u>4,114</u>	<u>6,316</u>	<u>6,316</u>
<b>Funds</b>					
Restricted	18	1,578	1,578	2,559	2,559
Unrestricted - Designated	18	952	952	928	928
Unrestricted	18	1,584	1,584	2,829	2,829
		<u>4,114</u>	<u>4,114</u>	<u>6,316</u>	<u>6,316</u>

As permitted by S408 Companies Act 2006, the charity has not presented its own Statement of Financial Activities and related notes. The charity deficit for the year was £2,202,000 (2021: £3,538,000 surplus).

Approved for issue by the members of the board on 20/12/2022  
and signed on their behalf by:



Nigel Higgins  
Chairman

Company number 1488786

Sadler's Wells Trust Limited  
(Limited by Guarantee)  
Consolidated Statement of Cash Flows for the year ended  
31 March 2022

	Note	Year ended 31 March 2022		Year ended 31 March 2021	
		£'000	£'000	£'000	£'000
<b>Net cash flows from operating activities</b>	12		633		2,940
<b>Cash flows from investing and financing activities</b>	13		(35)		4,252
<b>Net change in cash and cash equivalents in the period</b>			<u>598</u>		<u>7,192</u>
<b>Reconciliation of net cash flow to movement in net cash</b>					
Increase in cash in the period		<u>598</u>		<u>7,192</u>	
Movement in net cash in the period			598		7,192
<b>Net cash and cash equivalents at 1 April 2021</b>			11,745		4,553
<b>Net cash and cash equivalents at 31 March 2022</b>	14		<u>12,343</u>		<u>11,745</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements for the year ended  
31 March 2022

**1 Accounting Policies**

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, subject to the revaluation of certain investments, and in accordance with the accounting policies set out in the notes to the accounts. The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011, and Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019) and applicable accounting standards in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity is a Public Benefit Entity as defined by FRS102.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

**(b) Going Concern**

The financial statements are prepared on a going concern basis which assumes that the charitable group will continue in operational existence for the foreseeable future. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern as referred to in the Trustees' report. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. As at the balance sheet date the group has considerable cash reserves in part from the 20 year CRF loan taken out in the prior year, repayment of which will begin in 2025. Therefore, the Trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing its financial statements.

**(c) Income from presentations and performances**

Income from presentations and performances, which is matched to relevant performances, represents amounts receivable, excluding Value Added Tax, for goods and services provided in the ordinary course of business. Advance box office income is deferred until the presentation opens. Donations and sponsorship for specific productions are credited to presentation income as the performances take place.

**(d) Grants, donations and sponsorship**

- (i) Revenue grants are credited to the Statement of Financial Activities in the period in which they fall due unless they relate to specified future or prior periods, in which case they are deferred or accrued respectively.
- (ii) Donations and Corporate sponsorship are treated on a cash receipts basis even though the benefits to the sponsor may cover the next accounting period.
- (iii) Other income is recognised when the entitlement can be demonstrated, it is probable that it will be received, and it can be reliably measured.

**(e) Pension costs**

The charity operates an auto enrolment pension scheme. Payments into this scheme, and in respect of employees' private pension schemes, are charged to the Statement of Financial Activities as incurred.

**(f) Employee benefits**

The costs of short term employee benefits are registered as a liability and expense. Termination benefits are recognised immediately as an expense when the company is committed to provide termination benefits. Costs not paid at the year end are recognised as a liability.

# Sadler's Wells Trust Limited (Limited by Guarantee)

## Notes to the Financial Statements For the year ended 31 March 2022 (continued)

### 1 Accounting Policies (continued)

#### (g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. There is a capitalisation threshold policy of £10,000. Depreciation is provided on all tangible fixed assets, excluding land and buildings, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life. Purchased assets have been depreciated at the following straight line rate:

Fixtures & fittings	33.3%
Freehold Land and Buildings	2%
Leasehold Land and Buildings	2%
Leasehold Improvements	5%
Computer Equipment	20%

The Trustees review the tangible fixed assets annually for any evidence of impairment. Where there is objective evidence of impairment the charity recognises the loss in the Statement of Financial Activities immediately.

Investment properties are reviewed annually and held at fair value, based on the market value for the property which the Trustees consider to be reasonable. Changes in fair value and any gains or losses arising on disposal are credited to or charged to the income and expenditure section of the Statement of Financial Activities as 'gain or loss on investments'.

#### (h) Foreign currencies

Foreign currency balances at the year end have been translated into sterling at the rate ruling at that date. Transactions during the course of the period have been translated into sterling at the rate ruling at the transaction date.

#### (i) Consolidation

The Group Financial Statements consolidate those of Sadler's Wells Trust Limited and its trading subsidiary, Sadler's Wells Limited. The results for the trading subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

#### (j) Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### (k) Cost allocation

Costs relating to the mounting of productions and running of the theatre are classed as charitable activities. Those costs relating to generating voluntary income, and to trading activities to raise funds for the charity, are classified as costs of generating funds. Governance costs comprise those costs that allow Sadler's Wells Trust to operate as a charity and to generate the information required for public accountability, and are part of support costs. Support costs have been allocated between areas of activities on the basis of staff numbers in each area.

#### (l) Stock

Stock represents goods for resale, and is stated at the lower of cost and net realisable value.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022 (continued)**

**1 Accounting Policies (cont)**

**(m) Financial Instruments**

The charity has elected to apply the provisions of section II "Basic Financial Instruments" of FRS 102 to all its financial investments. They are recognised in the charity's financial statement position when the charity becomes party to the contractual provisions of the instrument.

**Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less, and investments capable of immediate cash realisation.

**Debtors and Creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

**Financial Investments**

Financial investments are initially recognised at their transaction value and subsequently measured at fair value based on the closing quoted market price as at the balance sheet date. Changes in fair value and any gains or losses arising on disposal are credited to or charged to the income and expenditure section of the Statement of Financial Activities as 'gain or loss on investments'.

**(n) Government Grants**

Where the charity is awarded government grants, it recognises these as income only where there is reasonable assurance that the charity will comply with the conditions attaching to them, and the funds will be received.

This includes grants received from Arts Council England as they are an executive non-departmental public body.

**(o) Accounting for Reserves**

There are both restricted and unrestricted funds. Unrestricted funds are divided into general and designated funds.

General funds are available for use at the discretion of Trustees in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of Trustees.

Restricted funds are grants or donations with conditions attached by the donor. They may specify that the funds are used in a specific way or for a specific purpose.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
For the year ended 31 March 2022 (continued)

**(p) Accounting Estimates and Areas of Judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have most significant effect on amounts recognised in the financial statements:

- Measurement of the fair value of the investment properties as undertaken by the Trustees.
- Depreciation rates on assets held and estimation of any impairment.
- Estimation of likely future recoupment of production costs and commissioning fees carried forward in the balance sheet at each period end.

**(q) Taxation**

The company is a registered charity and as such is entitled to exemption from taxation on its charitable activities under the Corporation Tax Act 2010.

**2. Arts Council and other Government Funding**

During the prior year, the charity was successful in securing grants from the Arts Council England's Emergency fund and the Department of Culture, Media and Sport's Cultural Recovery Fund with grants of £1.5m and £2.975m received respectively. In view of the significance of the amounts received, this was disclosed as exceptional income.

**3. Support Costs**

	<b>Presentation</b>	<b>Theatre</b>	<b>Fundraising</b>	<b>Trading</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>£'000</b>	<b>Overhead</b>	<b>£'000</b>	<b>£'000</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>Total</b>	<b>Total</b>
					<b>£'000</b>	<b>£'000</b>
Executive Office	586	51	33	76	746	636
Administration	-	-	-	-	-	330
Finance	1,743	152	97	227	2,219	523
Governance	-	-	-	-	-	25
People	235	20	13	31	299	123
	<u>2,564</u>	<u>223</u>	<u>143</u>	<u>334</u>	<u>3,264</u>	<u>1,637</u>
Unrestricted resources expended before support costs	13,783	3,289	426	1,437	18,935	
Unrestricted resources expended	<u>16,347</u>	<u>3,512</u>	<u>569</u>	<u>1,771</u>	<u>22,199</u>	

Support costs have been allocated on the basis of staff numbers in each area.

**4. Governance Costs**

	<b>Year ended</b>	<b>Year ended</b>
	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Governance costs include the following payments to auditors:		
Audit	36	34
Tax	0	0
Other: non statutory audit	2	4
	<u>38</u>	<u>38</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022 (continued)**

**5. Staff Costs**

**Consolidated and charity**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	6,998	6,888
Social security costs	622	570
Pension costs (note 15)	234	235
	<u>7,854</u>	<u>7,693</u>

Redundancy and termination payment costs included in the above totalled £1,632 (2021: £139,865).

Employee remuneration for employees earning more than £60,000 fell in the following bands:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
£190,001 - £200,000	1	-
£140,001 - £150,001	1	-
£130,001 - £140,000	-	1
£110,001 - £120,000	-	1
£90,001 - £100,000	1	-
£80,001 - £90,000	1	-
£70,001 - £80,000	-	1
£60,001 - £70,000	6	3

During the year the company paid pension contributions of £48,496 (2021: £37,985) on behalf of these staff. In the prior year during the pandemic, pay restrictions were implemented. These were reversed as the theatre reopened.

The average monthly head count was 302 staff and the average number of full-time equivalent staff employed (including part-time staff):

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Theatre and Front of House	68	77
Box office	9	13
Marketing	20	16
Technical	59	73
Administration	14	15
Development	9	9
Events	5	5
Catering	21	21
	<u>205</u>	<u>229</u>

The Trustees received no remuneration for the services they provided to the company. No expenses were reimbursed (2021: £nil). The Trustees donated £486,881 (2021: £197,286) to the charity during the year.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022 (continued)**

**5. Staff Costs (continued)**

The charity considers its key management personnel to be the Senior Management Team comprising: the Artistic Director and Chief Executive, Executive Director, Director of Finance and Business Performance, Executive Producer, Technical Director, Director of Development, Director of Breakin' Convention, Interim Director of Digital Stage, Director of Catering and Events, Director of Marketing and Communications, Director of Learning and Engagement, Director of Data & Systems and Director of Visitor Experience. The remuneration of the Artistic Director and Chief Executive is decided by the Board; the Artistic Director and Chief Executive decides the remuneration of other members of the Senior Management Team. Total remuneration of this group, including pension contributions, was £941,943 (2021: £964,546).

**6. Tangible Fixed Assets**  
**Consolidated**

	<b>Leasehold Imp'ments £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures and Fittings £'000</b>	<b>2022 Total £'000</b>
<b>Cost</b>				
At 1st April 2021	110	394	154	658
Additions	-	35	-	35
Disposals	-	(78)	-	(78)
At 31st March 2022	<u>110</u>	<u>351</u>	<u>154</u>	<u>615</u>

<b>Depreciation</b>				
At 1st April 2021	65	317	154	536
Charge for the period	5	7	-	12
At 31st March 2022	<u>70</u>	<u>324</u>	<u>154</u>	<u>548</u>
<b>Net book value</b>				
At 31st March 2022	<u>40</u>	<u>27</u>	<u>-</u>	<u>67</u>
At 31st March 2021	<u>45</u>	<u>77</u>	<u>-</u>	<u>122</u>

**Charity**

	<b>Leasehold Imp'ments £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures and Fittings £'000</b>	<b>2022 £'000</b>
<b>Cost</b>				
At 1st April 2021	110	332	46	488
Additions	-	35	-	35
Disposals	-	(78)	-	(78)
At 31st March 2022	<u>110</u>	<u>289</u>	<u>46</u>	<u>445</u>

<b>Depreciation</b>				
At 1st April 2021	65	255	46	366
Charge for the period	5	7	-	12
At 31st March 2022	<u>70</u>	<u>262</u>	<u>46</u>	<u>378</u>
<b>Net book value</b>				
At 31st March 2022	<u>40</u>	<u>27</u>	<u>-</u>	<u>67</u>
At 31st March 2021	<u>45</u>	<u>77</u>	<u>-</u>	<u>122</u>

**Sadler's Wells Trust Limited**  
(Limited by Guarantee)

Notes to the Financial Statements  
For the year ended 31 March 2022 (continued)

**7 (a). Investment in trading subsidiary**

The wholly owned trading subsidiary Sadler's Wells Limited (company number 02907116), which is incorporated in England and Wales, is consolidated within these financial statements. The company distributes all its profits to the charity under Gift Aid. Sadler's Wells Limited promotes commercial non theatre hires and provides catering at the Sadler's Wells and Peacock theatres, and produces productions commissioned by Sadler's Wells Trust Ltd. The charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below.

Sadler's Wells and its trading subsidiary have entered into a deed of covenant which is a legally binding agreement to pay up all profits a subsidiary can legally distribute.

	<b>Year ended</b>	<b>Year ended</b>
	<b>31 March</b>	<b>31 March</b>
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Profit and Loss Account</b>		
Turnover	4,325	246
Cost of sales	(443)	(50)
Production expenses	(2,880)	(35)
Gross Profit	1,002	161
Administration expenses	(944)	(4)
Taxation	394	7
Result for the financial year	452	164
Retained earnings brought forward	-	-
Charitable distribution to parent charity	(452)	(164)
Retained earnings carried forward	-	-
	<b>31 March</b>	<b>31 March</b>
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
The assets and liabilities of the subsidiary were:		
Fixed assets	450	450
Current assets	2,466	561
Creditors: amounts falling due within one year	(2,916)	(1,011)
Total net current assets	-	-
Aggregate share capital and reserves	-	-

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022 (continued)**

**7 (b). Investment property**

The investment property held by the charity is a house which was donated by the Dame Hilda Bracket Trust and is valued by the Trustees at £200,000 and office building held at 369 St John Street valued at £1m. Independent valuations of these properties have been undertaken: for the house in April 2018 by Robert Cooney, Chartered Surveyors, in April 2018, and for the office building in September 2020 by Daniel Watney, Estate Agents. The investment property held by the trading subsidiary comprises the leasehold interest of the Shakespeare's Head Public House on Arlington Way, London. The fair value of the investment property of £450,000 has been arrived at on the basis of a valuation carried out as at 31 March 2020 by Fleurets Limited Chartered Surveyors, who are not connected with the company. The valuations were reviewed in the year and the Trustees consider that this is the best estimate of the fair value at the balance sheet date.

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fair value</b>				
At start of year	1,650	1,200	650	200
Transfers from tangible fixed assets	-	-	94	94
Net gains or losses through fair value adjustments	-	-	906	906
At end of year	<u>1,650</u>	<u>1,200</u>	<u>1,650</u>	<u>1,200</u>

**8. Debtors**

	<b>2022</b>		<b>2021</b>	
	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	1,100	822	190	114
Amounts owed by related undertakings	7	2,517	-	865
Other debtors and prepayments	376	353	577	574
Corporation Tax Receivable	394	-	7	-
Accrued income	286	279	768	768
	<u>2,163</u>	<u>3,971</u>	<u>1,542</u>	<u>2,321</u>

**9. Creditors: Amounts due within one year**

	<b>2022</b>		<b>2021</b>	
	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade creditors	1,893	1,807	372	363
Social security and other taxes	734	734	264	264
Accruals and deferred income	5,213	4,893	3,907	3,770
	<u>7,840</u>	<u>7,434</u>	<u>4,543</u>	<u>4,397</u>

**10. Creditors: Amounts due after more than one year**

	<b>2022</b>		<b>2021</b>	
	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Loan	4,335	4,335	4,250	4,250

**Sadler's Wells Trust Limited**  
(Limited by Guarantee)

Notes to the Financial Statements  
For the year ended 31 March 2022 (continued)

**11. Borrowings**

	<b>31 March 2022</b>	<b>31 March 2021</b>
Payable within 1 year	-	-
Payable 2-5 years	499	246
Payable over 5 years	3,836	4,004
	4,335	4,250

In the year ended 31 March 2021, Sadler's Wells Trust Limited was granted a facility for a 20 year loan by Arts Council England under the Cultural Recovery Fund. The loan was drawn down to £4,250,000 on 17th March 2021. The loan is repayable from March 2025 and the interest rate is 2% per annum.

**12. Reconciliation of Net (Outgoing) / Incoming Resources from Operating Activities to Net Cash flows**

	<b>Year ended 31 March 2022 £'000</b>	<b>Year ended 31 March 2021 £'000</b>
<b>Consolidated</b>		
Net (expenditure) / income for the reporting period	(2,202)	3,459
Depreciation	12	6
Finance costs	85	-
Net gains or losses	-	(906)
(Increase) / Decrease in stock	(16)	14
(Increase) / Decrease in debtors	(620)	2,308
Increase/ (Decrease) in creditors	3,374	(1,941)
Net cash inflow from operating activities	633	2,940

**13. Analysis of Cash Flows for Headings in Cash Flow Statement**

	<b>Year ended 31 March 2022 £'000</b>	<b>Year ended 31 March 2021 £'000</b>
<b>(a) Cash flows from investing and financing activities</b>		
Purchase of property, plant and equipment	(35)	(77)
Investment gain on liquid investments	-	79
Finance obtained from DCMS loan	-	4,250
	(35)	4,252

**14. Analysis of changes in net debt**

	<b>1 April 2021 £'000</b>	<b>Non-cash Flow £'000</b>	<b>Cash Flow £'000</b>	<b>31 March 2022 £'000</b>
Cash at bank and in hand	11,745	-	598	12,343
<b>Borrowings</b>				
DCMS loan	(4,250)	(85)	-	(4,335)
<b>Net debt</b>	7,495	(85)	598	8,008

# Sadler's Wells Trust Limited (Limited by Guarantee)

## Notes to the Financial Statements For the year ended 31 March 2022 (continued)

### 15. Liability of Members

The company is limited by guarantee and the liability of members is limited to £10 each. At 31 March 2022 there were 14 members (2021: 12 members).

### 16 Operating Lease Commitments

The charity has an annual rent commitment of £300,000 (2021: £282,848) in respect of the lease of Sadler's Wells Theatre, from Sadler's Wells Foundation, which expired at end of year and was renewed after the year end. Sadler's Wells Foundation granted a rental holiday to Sadler's Wells Trust from January 2020 to March 2021. The charity also has an annual rent commitment of £175,000 in respect of the Peacock Theatre from the London School of Economics, expiring 20 years from 2019. The total payable to the end of the lease is £992,853 (2021: £3,325,000).

### 17. Pension Commitments

Sadler's Wells Trust makes contributions to employees' private pension plans, the costs of which amounted to £234,284 during the year to 31 March 2022 (2021: £235,422). The pension creditor at the year end was £39,330 (2021: £34,756).

### 18. Net Movement in Funds

	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers/ Gains £'000	At 31 March 2022 £'000
<b>Restricted Funds:</b>					
National Youth Dance Fund	261	523	(600)	-	184
Dame Hilda Bracket Fund	131	-	-	-	131
What Next? Fund	32	131	(110)	-	53
Stratford Mobilisation	122	240	(362)	-	-
Breakin' Out	240	2	(42)	-	200
NYCB Fund	270	-	-	-	270
DOPODO	73	-	(4)	-	69
Garfield Weston Fund	626	-	(626)	-	-
Relaunch Fund	264	200	(464)	-	-
Development	540	530	(402)	-	668
Out the Box	-	10	(7)	-	3
	2,559	1,636	(2,617)	-	1,578
<b>Unrestricted Funds:</b>					
<b>Designated Funds</b>					
Peacock Theatre Fund	50	-	-	-	50
Creative Learning Fund	135	-	(135)	-	-
The Shakespeare's Head Fund	402	-	-	-	402
ACE Cultural Recovery Fund	341	-	(341)	-	-
Contingency reserve	-	-	-	500	500
	928	-	(476)	500	952
<b>General Fund</b>	2,829	21,060	(22,199)	(106)	1,584
	6,316	22,696	(25,292)	394	4,114

# Sadler's Wells Trust (Limited by Guarantee)

## Notes to the Financial Statements For the year ended 31 March 2022 (continued)

### 18. Net Movement in Funds (cont)

#### Restricted Funds

The *National Youth Dance Fund* represents funds received and expended on the National Youth Dance Company. The *Dame Hilda Bracket Fund* is a donation to support music, in particular grand and light opera. The *What Next? Fund* represents a donation for the What Next? campaign, hosted by Sadler's Wells. The *Stratford Mobilisation* restricted fund is an Arts Council grant provided to fund preparation costs associated with the new venue in Stratford. The *Breakin' Out* restricted fund is an Arts Council grant provided for Breakin' Convention dance and engagement activity.

The *NYCB fund* represents a gift to support a future visit of New York City Ballet company. The *DOPODO* fund is a European grant provided to support the Dance on, Pass on, Dream on project. The *Garfield Weston Foundation* represents funds received to support touring and digital activity. The *Relaunch Fund* represents donations supporting the reopening of Sadler's Wells. The *Development* fund represents grant to be spent against future activity. The *Out of the Box* restricted fund is a Cripplegate foundation grant to fund project for young people.

#### Designated Funds

The Trustees have designated a number of funds. The *Shakespeare's Head Fund* will provide for any future impairment on the leasehold of the Shakespeare's Head public house, held by Sadler's Wells Limited. The *Peacock Theatre Fund* is to provide for future payments on the Peacock Theatre. The *Creative Learning Fund* is to expand Sadler's Wells Creative Learning programme. The *ACE Cultural Recovery Fund* represents amounts designated from the Cultural Recovery Fund grant received in 2020-21 for which expenditure was incurred in 2021-22. The contingency reserve fund is to support contingency and the unknown challenges in the year ahead.

### 19. Transfers between funds

The transfer of funds from the general fund to the designated fund is to set up a contingency reserve in the year. This is to support contingency and the unknown challenges in the year ahead.

### 20. Analysis of Net Assets between Funds

	<b>Fixed Assets £'000</b>	<b>Cash £'000</b>	<b>Other Net Liabilities £'000</b>	<b>Net Total Assets £'000</b>
Unrestricted Funds	1,115	10,346	(9,877)	1,584
Designated funds	402	550	-	952
Restricted funds	200	1,447	(69)	1,578
<b>Total Funds</b>	<b>1,717</b>	<b>12,343</b>	<b>(9,946)</b>	<b>4,114</b>

# Sadler's Wells Trust (Limited by Guarantee)

## Notes to the Financial Statements For the year ended 31 March 2022 (continued)

### **21. Connected Charities and related Party Transactions**

Sadler's Wells Limited is a wholly owned subsidiary which trades on behalf of the charity.

Sadler's Wells Trust is a corporate trustee of the Dame Hilda Bracket Trust, along with Sadler's Wells Development Trust. The fund is held in a restricted fund by Sadler's Wells Trust.

During the year Sadler's Wells Trust Ltd incurred a rent charge of £565,696 (2021: nil) from Sadler's Wells Foundation Ltd and £340,778 was due to the Foundation at the year end.

Sadler's Wells Foundation Ltd is a member of Sadler's Wells Trust Ltd.

A gift of £452,284 (2021: £164,172) was receivable from Sadler's Wells Limited for the year, and £2,510,233 was due from (2021: £852,684) that company at the year end.

### **22. Capital Commitments**

At 31 March 2022 Sadler's Wells Trust had no capital commitments committed but not yet contracted for (2021: None).

Sadler's Wells Trust Limited  
(Limited by Guarantee)

Notes to the Financial Statements  
For the year ended 31 March 2022 (continued)

**23. Comparative Net Movement in Funds**

	<b>At 1 April 2020 £'000</b>	<b>Incoming Resources £'000</b>	<b>Resources Expended £'000</b>	<b>Transfers £'000</b>	<b>Gains</b>	<b>At 31 March 2021 £'000</b>
<b>Restricted Funds:</b>						
The Shakespeare's Head Fund	83	486	(308)	-	-	261
Dame Hilda Bracket Fund	131	-	-	-	-	131
What Next? Fund	41	100	(109)	-	-	32
Stratford Mobilisation	92	60	(30)	-	-	122
Breakin' Out	246	-	(6)	-	-	240
NYCB Fund	270	-	-	-	-	270
DOPODO	-	73	-	-	-	73
Garfield Weston Fund	-	626	-	-	-	626
Relaunch Fund	-	264	-	-	-	264
Development	-	540	-	-	-	540
	<u>863</u>	<u>2,149</u>	<u>(453)</u>	<u>-</u>	<u>-</u>	<u>2,559</u>
<b>Unrestricted Funds:</b>						
<b>Designated Funds</b>						
Creative Development Fund	782	26	-	(808)	-	-
369 St John Street Fund	95	-	-	(1,000)	905	-
Peacock Theatre Fund	50	-	-	-	-	50
Creative Learning Fund	135	-	-	-	-	135
The Shakespeare's Head Fund	402	-	-	-	-	402
ACE Cultural Recovery Fund	-	-	-	341	-	341
	<u>1,464</u>	<u>26</u>	<u>-</u>	<u>(1,467)</u>	<u>905</u>	<u>928</u>
General Fund	451	13,455	(12,551)	1,467	7	2,829
	<u>2,778</u>	<u>15,630</u>	<u>(13,004)</u>	<u>-</u>	<u>912</u>	<u>6,316</u>

**Sadler's Wells Trust Limited**  
(Limited by Guarantee)

Notes to the Financial Statements  
For the year ended 31 March 2022 (continued)

**24. Comparative Analysis of Net Assets between Funds**

	<b>Fixed Assets £'000</b>	<b>Cash £'000</b>	<b>Other Net Liabilities £'000</b>	<b>Net Total Assets £'000</b>
<b>Unrestricted Funds</b>				
Peacock Theatre Fund	-	50	-	50
Creative Learning Fund	-	135	-	135
The Shakespeare's Head Fund	402	-	-	402
ACE Cultural Recovery Fund	-	341	-	341
General Fund	1,170	8,791	(7,132)	2,829
	<u>1,572</u>	<u>9,317</u>	<u>(7,132)</u>	<u>3,757</u>
<b>Restricted Funds</b>				
The Shakespeare's Head Fund	-	261	-	261
Dame Hilda Bracket Fund	200	-	(69)	131
What Next? Fund	-	32	-	32
Stratford Mobilisation	-	122	-	122
Breakin' Out	-	240	-	240
NYCB Fund	-	270	-	270
DOPODO	-	73	-	73
Garfield Weston Fund	-	626	-	626
Relaunch Fund	-	264	-	264
Development	-	540	-	540
	<u>200</u>	<u>2,428</u>	<u>(69)</u>	<u>2,559</u>
<b>Total Funds</b>	<u>1,772</u>	<u>11,745</u>	<u>(7,201)</u>	<u>6,316</u>

Sadler's Wells Trust Limited  
(Limited by Guarantee)

Notes to the Financial Statements  
For the year ended 31 March 2022 (continued)

**25 Comparative Fund and SOFA Balances**

		Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
		Year ended 31 March 2021	Year ended 31 March 2021	Year ended 31 March 2021	Year ended 31 March 2021
	Note	£'000	£'000	£'000	£'000
<b>Income</b>					
Charitable activities					
Theatre presentations		770	-	-	770
Donations and legacies					
Sponsorship and donations		1,535	26	1,602	3,163
Arts Council and other operational funding		10,790	-	486	11,276
Activities for generating funds					
Trading income		218	-	-	218
Other income		63	-	60	123
<b>Total Income</b>		<b>13,376</b>	<b>26</b>	<b>2,148</b>	<b>15,550</b>
<b>Expenditure</b>					
Charitable activity: theatre presentations					
Expenditure on presentations	3	6,701	-	343	7,044
Theatre overheads	3	4,503	-	109	4,612
Raising Funds					
Fundraising costs	3	406	-	-	406
Trading costs	3	941	-	-	941
<b>Total Expenditure</b>		<b>12,551</b>	<b>-</b>	<b>452</b>	<b>13,003</b>
<b>Net Income / (Expenditure) before Investment (Loss) / Gain</b>		825	26	1,696	2,547
<b>Net Investment (Loss) / Gain</b>		79	-	-	79
<b>Net Income / (Expenditure)</b>		904	26	1,696	2,626
<b>Other Recognised Gains: Theatre Tax Relief</b>		7	905	-	912
<b>Gross Transfer Between Funds</b>		1,467	(1,467)	-	-
<b>Net Movement in Funds</b>		2,378	(536)	1,696	3,538
<b>Net funds at 1 April 2020</b>		451	1,464	863	2,778
<b>Net Funds at 31 March 2021</b>		<b>2,829</b>	<b>928</b>	<b>2,559</b>	<b>6,316</b>

**Sadler's Wells Trust Limited**  
(Limited by Guarantee)

Notes to the Financial Statements  
For the year ended 31 March 2022 (continued)

**26 Comparative Support Costs**

	<b>Presentations</b>	<b>Theatre</b>	<b>Fundraising</b>	<b>Trading</b>	<b>2021</b>
	<b>£'000</b>	<b>Overhead</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Management	512	42	25	57	636
Administration	265	22	13	30	330
Finance	420	34	21	48	523
Governance	20	2	1	2	25
Human Resources	98	8	5	12	123
	<u>1,315</u>	<u>108</u>	<u>65</u>	<u>149</u>	<u>1,637</u>
Unrestricted resources expended before support costs	5,386	4,395	341	792	
Unrestricted resources expended	<u>6,701</u>	<u>4,503</u>	<u>406</u>	<u>941</u>	

**SADLER'S WELLS TRUST LIMITED**

England & Wales - Charity number 279884

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# Accounts

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**Sadler's Wells Trust Limited  
(Limited by Guarantee)**

**Company Number 1488786**

**Registered Charity Number 279884**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2021**

# **Sadler's Wells Trust Limited**

## **(Limited by Guarantee)**

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**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Trustees, Officers and Administrative Information

**Trustees**

Nigel Higgins (Chairman)  
Maria Albonico  
Nicholas Basden  
Humphrey Battcock  
Melissa Bethell  
Sue Butcher  
Sarah Evans  
Farah Golant  
David Lan  
David Ripert  
Melanie Smith  
Matthew Slotover  
Sharon White

**Secretary**

Alistair Spalding

**Registered Office**

Sadler's Wells Theatre  
Rosebery Avenue  
London  
EC1R 4TN

**Bankers**

Coutts & Co.  
440 Strand  
London  
WC2R 0QS

**Auditors**

Moore Kingston Smith LLP  
Chartered Accountants  
60 Goswell Road  
London  
EC1M 7AD

**Solicitors**

Clifford Chance LLP  
10 Upper Bank Street  
London  
E14 5JJ

# **Sadler's Wells Trust Limited**

## **(Limited by Guarantee)**

### **Trustees' Report**

The Trustees, who are also the Directors of the company under the Companies Act 2006, submit their report and the consolidated financial statements of Sadler's Wells Trust Limited for the year ended 31 March 2021 which have been prepared in compliance with current statutory requirements, the Charities SORP (FRS 102) and with the charity's governing document, its Memorandum and Articles of Association.

#### **Objectives**

The object for which the charity is established is to advance education particularly by encouraging the understanding and appreciation of the dramatic arts.

#### **Strategic Review**

##### *Achievements and Performance*

Sadler's Wells is a world-leading creative organisation dedicated to dance in all its forms. With over three centuries of theatrical heritage and a year-round programme of performances and learning activities, it is the place where artists come together to create dance, and where we welcome everyone to experience dance – to take part, learn, experiment and be inspired. Its vision is to reflect and respond to the world through dance: enabling artists of all backgrounds to create dance that moves us and opens our minds, and sharing those experiences with the widest possible audiences – to enrich their lives and deepen their understanding of what it means to be human.

Sadler's Wells has commissioned and presented more new dance work than any other theatre in the world, embracing the popular and the unknown. Since 2005, it has helped to bring 193 new dance works to the stage, many of them involving its 16 Associate Artists, three Resident Companies and four Associate Companies – some of the most exciting talents working in dance today.

On 16 March 2020 UK theatres were instructed to close by the government as part of their response to the global coronavirus pandemic. This closure had a profound impact on the organisation and all plans needed to be revised quickly in order to respond to the challenging health crisis. Despite the uncertainty, the key objectives of our activity during this time were to:

- Secure Sadler's Wells' short and medium term financial future
- Deepen engagement, loyalty and support for Sadler's Wells
- Enable a confident and enthusiastic return of audiences and colleagues as soon as conditions permit
- Ensure artists and partners could survive the crisis and thrive thereafter
- Develop our digital offerings to meet the moment and prepare us for the future and
- Diversify audiences, reaching new people around the world.

With a high dependency on earned income Sadler's Wells had to mobilise quickly and apply for emergency funding. We were awarded a £1.5m grant from Arts Council England's Emergency Response Fund to support the organisation through to September 2020, followed by a further grant of £2.9m and a loan of £4.25m from the Department for Culture, Media and Sport's Cultural Recovery Fund to support us through the recovery period.

During the autumn of 2020 a limited number of socially distanced shows took place and we sought to maintain engagement with audiences, donors, artists, companies, participants and specialist freelancers; all key relationships for the future of the organisation.

Sadler's Wells embraced digital opportunities with an increase in activity on Digital Stage, launched during the year. We shared through our digital platforms and partnerships 11 full length dance works, 5 dance documentaries, 25 dance workshops, 4 screendance films, 4 insight events with choreographers along with an online gala. This programme was seen by more than 5 million people globally and provided work and income to hundreds of artists and freelancers.

We have implemented significant cost reductions and efficiency savings over the last year. In common with many other organisations in the sector part of these savings included having to say goodbye to long standing colleagues with a redundancy programme taking place over the summer of 2020. This sadly resulted in 18% of permanent and

# **Sadler's Wells Trust Limited**

## **(Limited by Guarantee)**

### **Trustees' Report**

fixed term contract staff being made redundant and a further 9% laid off or placed on short term working. Temporary pay cuts were implemented in 2020/21 for all but the lowest paid and pay restraint will continue into 2021/22.

Home working arrangements were embraced by those able to do so and the company took advantage of the governments job retention scheme with 90% of colleagues furloughed at one point.

Property costs have also been reduced as going forward we see less need for office accommodation. The decision was taken for 369 St John's Street to become an investment property, releasing approximately £1m to reserves and providing a rental income. A rent holiday of £183k for 2020/21 has been requested from the London School of Economics relating to the Peacock Theatre but this continues to be resisted.

Following a halt in 2020 in the construction programme for our new mid-scale venue in Stratford, building works have resumed and the completion date for the theatre is now projected for the latter part of 2023, when the organisation will grow in scale and will have the resources to deepen support for dance and dance artists.

#### *Learning & Engagement*

Our learning and engagement programmes offered high quality participation opportunities to people of all ages and abilities. From the National Youth Dance Company to the internationally acclaimed Company of Elders, Breakin' Convention's Higher Learning and Open Art Surgery. These were mainly delivered digitally with in person opportunities offered when covid restrictions have allowed.

#### *Plans for 2021 - 22*

Sadler's Wells opened its doors again on 17th May 2021 with a rich and diverse programme planned for 2021/22. It is important that in these times we maintain a diverse programme and do not simply programme those companies who can afford some financial loss. Much of the programme is work which has been rescheduled from 2021/21, including performances from English National Ballet, Northern Ballet, Rambert, Breakin' Convention and Alexander Whitley. In August 2021, we had the rescheduled run of Singing in the Rain which was our first show planned back at full capacity.

#### *Financial Review*

Total income for the year ending 31<sup>st</sup> March 2021 was £15.6m, compared to £32.4m in the prior year. £3.2m was received in voluntary donations from a range of individuals, Trusts and Foundations and corporate bodies. £7.7m was received from the Arts Council including the National Portfolio Organisation grant of £2.5m, Emergency Response Fund grant of £1.5m and the Cultural Recovery Fund grant of £2.97m. £3.6m was received from the Coronavirus Job Retention Scheme for furloughed staff.

Expenditure in the period was predominantly on the charity's main charitable objective, with 90% of unrestricted expenditure on productions and the running of the theatre. The remaining 10% was spent on fundraising activities and trading costs.

The total net movement in funds for the year was £3.5m, made up of an unrestricted funds surplus of £2.38m (after accounting for theatre tax relief of £7k), a deficit on designated funds of £0.54m and a surplus on restricted funds of £1.70m. As a result, we ended the year with total reserves of £6.3m.

These results incorporate the trading of the subsidiary, Sadler's Wells Limited. This company operates the catering at the theatre, promotes commercial events hire and produces commissions from Sadler's Wells Trust Ltd. The company gifted a profit of £164k for 2020/21 (2019/20: £1.2m) to Sadler's Wells Trust Limited. The level of trading was severely affected by the fact that the theatre was closed for a large part of the year under review.

#### *Fundraising*

A key focus this year was to steward supporters who stayed with us through the Covid-19 pandemic. Through events, personalised communications and new ways of working such as an online Global Gala, we were able to sustain

# **Sadler's Wells Trust Limited**

## **(Limited by Guarantee)**

### **Trustees' Report**

generous giving. We continued to secure gifts and pledges towards key activities, including major contributions to our Digital Stage as well as the Re-launch Fund, set up specifically to help us reopen. Fundraising costs represented 13% of funds raised.

Sadler's Wells operates an internal fundraising team and does not engage commercial fundraising participators to carry out fundraising activity. Sadler's Wells is a member of the Fundraising Regulator and our fundraising approach takes account of its Code of Fundraising Practice. Sadler's Wells has at all times complied with the standards of the Regulator and have received no complaint in the year review.

We continue to comply with the General Data Protection Regulations at Sadler's Wells and our privacy policy is available at [www.sadlerswells.com/about-us/privacy-policy](http://www.sadlerswells.com/about-us/privacy-policy)

#### *Principal Risks and Uncertainties*

The charity trades in the high-risk environment of theatre management and in order to pursue its objectives continually enters into relatively high-risk theatre presentations. The trading subsidiary Sadler's Wells Limited relies principally on less volatile catering and events income, together with guaranteed commissions to produce shows for Sadler's Wells Trust Ltd.

The charity's risk assessment strategy is to review and update systems and controls as necessary. A Risk Register is in place and is approved and monitored by the Trustees. Based on that Risk Register the Trustees have identified the principal risks as uncertainty over the ending of lockdown and social distancing roadmap, failure to meet ticket sales and fundraising targets, failure of Sadler's Wells' own productions to recoup costs leading to loss of profit, disruption to business from cyber attacks and Sadler's Wells Foundation Limited resources being unequal to the capital repairs programme for the Sadler's Wells theatre.

In addition to implementing cost cutting and efficiency measures and making applications to the Arts Council Emergency Response Fund and to the Cultural Recovery Fund, Sadler's Wells has invested significant effort in ensuring that its main venue in Islington can be a Covid-safe environment for performers, contractors, staff and visitors to return to when government restrictions allow.

Staff have worked almost exclusively from home since the start of the pandemic, other than those in roles which require their presence on site (eg security, building services). Staff will return to the office as restrictions allow.

Looking forward, Sadler's Wells continues to face a heightened level of financial risk, due to the continued uncertainty around the potential for new restrictions and a potential loss of audience confidence to return to live theatre. The Trustees intend to provide increased financial resilience to mitigate this risk through raising the level of unrestricted reserves (see Reserves section below).

#### *Investment Powers and Policy*

Under the Memorandum and Articles of Association, the charity has the power to invest funds not immediately required for its purposes in such investments as may be considered appropriate by the Trustees. Monies are only invested in funds that are regulated by the FCA. Cash is held on deposit with AAA rated UK banks.

The Trustees have agreed an investment policy in line with the Charities Commission Guidance CC14. The key objective is to achieve a total return of 3% p.a. above the RPI over a rolling 3 year time horizon by investing in a diversified portfolio of low to medium risk assets.

During the prior year, £1.5m was held with Ruffer LLP in the Ruffer Absolute Return Fund. This investment was liquidated in May 2020 (with an investment gain of £79k) and the funds retained as cash. No funds are currently held on investment.

#### *Equality and Employment*

# **Sadler's Wells Trust Limited**

## **(Limited by Guarantee)**

### **Trustees' Report**

Sadler's Wells does not discriminate on the basis of age, gender, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. In addition, Sadler's Wells does not discriminate because of working patterns, trade union membership (or non-membership), family or caring responsibilities, socio-economic barriers or spent convictions.

Sadler's Wells is committed to building a culturally diverse workforce and actively encourages applicants from different backgrounds. Sadler's Wells is committed to developing and training all staff, not only to enable them to do their own jobs, but also to assist them in their careers. Staff are also encouraged to consider what they could do for their own career development, and to use every opportunity to discuss feedback with their line manager.

As users of the Disability Confident scheme, Sadler's Wells guarantees to interview all disabled applicants who meet the minimum criteria for our vacancies.

A particular focus this year has been on how we become an actively anti-racist organisation. This has been the subject of wide engagement with colleagues, artists and trustees.

#### *Key Management Personnel*

The charity considers its key management personnel to be the Senior Management Team comprising: the Artistic Director and Chief Executive, Executive Director, Director of Finance and Business Performance, Director of Programme Management, Executive Producer, Technical Director, Interim Director of Marketing and Sales, Director of Development, Director of Learning and Engagement, Director of Data and Systems, Director of Content and Communications, Director of Catering and Events and Director of Visitor Experience.

The remuneration of the Artistic Director and Chief Executive is decided by the Board, the Artistic Director and Chief Executive decides the remuneration of other members of the Senior Management Team. Total remuneration of these people, including pension contributions and employer's national insurance, was £964,546 (2020: £1,356,733). The number of roles included in the Senior Management Team has increased to 13 this year (from 12 last year). The salaries are fair and affordable, and benchmarked against similar arts organisations. Early in the financial year, all members of Senior Management Team took a pay cut of between 22.5% and 27.5% as part of the organisation's response to the pandemic.

#### **Going Concern**

The Trustees consider the charity remains a going concern, despite the very challenging trading conditions that Sadler's Wells has experienced since its venues were first instructed to close by the Government on the 16th March 2020, based on the charity's performance to date in the 2021/22 financial year and consideration of financial forecasts through to March 2023.

During 2020 the charity was successful in securing grants from the Arts Council's England's Emergency Response Fund and the Department of Culture, Media and Sport's Cultural Recovery Fund, with grants of £1.5m and £2.975m respectively being received.

Given the ongoing impact of the pandemic, in early 2021 Sadler's Wells applied for and received a loan from the Cultural Recovery Fund of £4.25m in March 2021. As a result of this and the projected programme of activity for the coming year, the Trustees believe that Sadler's Wells will be able to meet its liabilities for the 12 month period from the date of these accounts and have consequently prepared the accounts on a going concern basis.

#### **Public Benefit**

Sadler's Wells recognises and welcomes the need to carry out its charitable activities for the benefit of the general public. Having regard to the guidance of the Charity Commission, including the Charity Commission's guidance on public benefit ('public benefit: running a charity' (PB2)), the Trustees consider that the following activities in particular demonstrate the way in which Sadler's Wells achieves this aim:

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' Report

- Providing the most wide ranging programme of dance, including touring outside of our theatres in London.
- Encouraging access through the availability of £15 tickets for most shows on Sadler's Wells main stage together with other low-cost tickets available during the year for shows such as Breakin' Convention, Sadler's Sampled Festival and all Lilian Baylis Studio shows.
- Engagement with the community through a wide range of creative learning and community projects.
- Providing exemplary access for disabled people through both pricing and facilities.

## Reserves Policy

The aim of the charity's general reserves is to protect it against significant reductions in income as a result of external factors. The targeted reserve is based upon a review of the level of overhead that the charity is committed to, together with an analysis of the level reserves needed to trade through an external shock to the charity's income. General reserves as at the 31<sup>st</sup> March 2021 were £2,829k (2020: £451k).

By 2023, Sadler's Wells will begin operating another theatre in Stratford and will need to build higher general reserves as it increases its level of activity. The Trustees' aim prior to the pandemic was to increase the level of the reserve to £1.8m by 2026, through the application of unrestricted surpluses generated in future years.

However, as a result of the continued uncertainty arising from the pandemic, the Trustees have concluded that a target of £1.8m and the associated timescales to 2026 for building up general reserves to the proposed level are inadequate to meet the current and future financial risk management needs of the organisation.

In order to build up the general reserve in the light of the pandemic, the Trustees decided in July 2020 to undesignate the Creative Development Fund and transferred £0.8m to general reserves. The grants awarded to Sadler's Wells by Arts Council England's Emergency Response Fund and the Department for Culture Media and Sport's Cultural Recovery Fund supported an increment in general reserves of £600k. The Trustees also agreed to convert the building at 369 St John's Street (estimated market value £1m) from a staff office into an investment property occupied by third parties at commercial rent which increased general funds by £0.9m.

## Trustees

The Trustees who served from 1<sup>st</sup> April 2020 to the date of signing the accounts were:

Nigel Higgins (Chairman)  
Maria Albonico (appointed 30<sup>th</sup> June 2020)  
Nicholas Basden (appointed 22<sup>nd</sup> April 2021)  
Humphrey Battcock  
James Bethell (resigned 30<sup>th</sup> June 2020)  
Melissa Bethell (appointed 21<sup>st</sup> September 2020)  
Sue Butcher  
Sarah Evans  
Farah Golant  
David Lan  
Tim Marlow (resigned 30<sup>th</sup> June 2020)  
David Ripert  
Matthew Slotover (appointed 21<sup>st</sup> September 2020)  
Melanie Smith  
Sanoke Viswanathan (resigned 21<sup>st</sup> September 2020)  
Sharon White

The Trustees are appointed for a term of 3 years, which is often extended to a second or third. A skills audit of the Trustees is conducted annually in order to better inform decisions regarding the appointment of new Trustees.

The charity provides an induction for newly appointed Trustees which informs them of their duties and responsibilities as directors of the company, and familiarises them with the operation of the theatres.

# **Sadler's Wells Trust Limited**

## **(Limited by Guarantee)**

### Trustees' Report

The Trustees delegate the day to day running of the theatre to the Artistic Director and Chief Executive, Alistair Spalding. The Board retains ultimate control of the overall strategic direction of the theatre in that they appoint the Artistic Director and Chief Executive, and are involved in recruitment of senior members of staff. The Board sets the remuneration of the Artistic Director and Chief Executive, who in turn sets the remuneration of key management personal. The Board also approves the annual budget, but delegates responsibility for the selection of artistic programme to the Artistic Director and Chief Executive, together with day to day management of the operating budgets. Board approval is only then sought for any major changes to the artistic programme.

The Board met six times during the year and has sub committees including the Finance, Audit and Risk Committee, the Development Council and Stratford Delivery Committee. The Board spends half a day each year debating and reviewing long term strategy with senior members of staff.

# Sadler's Wells Trust Limited (Limited by Guarantee) Trustees' Report

## Statement of Trustees' Responsibilities

The Trustees (who are also directors of Sadler's Wells Trust 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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the charitable group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

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

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity'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.

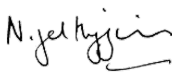
## Connected Charities

Sadler's Wells Trust Limited is connected to other charities, details of these charities are given in note 21 to the financial statements.

## Auditors

The auditors, Moore Kingston Smith LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

The Strategic Report, which forms part of the Trustees' Report, is approved by the Trustees in their capacity as directors of the company. The Trustees' Report was approved by the members of the Board on 21st September 2021 and signed on their behalf by:



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Nigel Higgins  
Chairman

Charity registration number 279884  
Company registration number 1488786

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SADLER'S WELLS TRUST LIMITED  
(LIMITED BY GUARANTEE)**

**Opinion**

We have audited the financial statements of Sadler's Wells Trust Limited for the year ended 31 March 2021 which comprise Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and 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 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 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SADLER'S WELLS TRUST LIMITED  
(LIMITED BY GUARANTEE)**

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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; and
- the trustees' annual report have 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 parent charitable company and its 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 where the 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's 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 AUDITOR'S REPORT TO THE MEMBERS OF  
SADLER'S WELLS TRUST LIMITED  
(LIMITED BY GUARANTEE)**

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, 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 and 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 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**

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 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.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SADLER'S WELLS TRUST LIMITED  
(LIMITED BY GUARANTEE)**

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**James Cross (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date:  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Consolidated Statement of Financial Activities  
For the year ended 31 March 2021

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
	Year ended 31 March 2021	Year ended 31 March 2021	Year ended 31 March 2021	Year ended 31 March 2021	Year ended 31 March 2020
Note	£'000	£'000	£'000	£'000	£'000
<b>Income</b>					
Donations and legacies					
	1,535	26	1,602	3,163	2,299
Sponsorship and donations					
Arts Council and other government funding	10,790	-	486	11,276	3,406
Charitable Activities: Theatre presentations	770	-	-	770	22,950
Other trading activities	218	-	-	218	3,200
Other income	63	-	60	123	518
<b>Total Income</b>	<b>13,376</b>	<b>26</b>	<b>2,148</b>	<b>15,550</b>	<b>32,373</b>
<b>Expenditure</b>					
Charitable activity: theatre presentations					
	6,701		343	7,044	24,164
Expenditure on presentations					
Theatre overheads	4,503		109	4,612	5,872
Raising Funds					
	406	-	-	406	562
Fundraising costs					
Trading costs	941	-	-	941	2,216
<b>Total Expenditure</b>	<b>12,551</b>	<b>-</b>	<b>452</b>	<b>13,003</b>	<b>32,813</b>
<b>Net Income / (Expenditure) before Investment (Loss) / Gain</b>	<b>825</b>	<b>26</b>	<b>1,696</b>	<b>2,547</b>	<b>(440)</b>
<b>Net Investment (Loss) / Gain</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>34</b>
<b>Net Income / (Expenditure)</b>	<b>904</b>	<b>26</b>	<b>1,696</b>	<b>2,626</b>	<b>(406)</b>
<b>Other Recognised Gains and Losses</b>	<b>7</b>	<b>905</b>	<b>-</b>	<b>912</b>	<b>369</b>
<b>Gross Transfer Between Funds</b>	<b>1,467</b>	<b>(1,467)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Movement in Funds</b>	<b>2,378</b>	<b>(536)</b>	<b>1,696</b>	<b>3,538</b>	<b>(36)</b>
<b>Net funds at 1 April 2020</b>	<b>451</b>	<b>1,464</b>	<b>863</b>	<b>2,778</b>	<b>2,814</b>
<b>Net Funds at 31 March 2021</b>	<b>2,829</b>	<b>928</b>	<b>2,559</b>	<b>6,316</b>	<b>2,778</b>

None of the charitable group's activities were acquired or discontinued during the above two financial periods.  
The charitable group has no recognised gains and losses other than those dealt with in the above Statement of Financial Activities.  
Restricted funds have been applied only for the purposes for which the income was received.

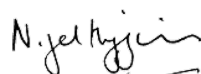
# Sadler's Wells Trust Limited (Limited by Guarantee)

Balance Sheets at 31 March 2021

		2021 Consolidated	2021 Charity	2020 Consolidated	2020 Charity
	Note	£'000	£'000	£'000	£'000
<b>Fixed Assets</b>					
Tangible assets	6	122	122	145	145
Investment Property	7(b)	1,650	1,200	650	200
		<u>1,772</u>	<u>1,322</u>	<u>795</u>	<u>345</u>
<b>Current Assets</b>					
Stock for resale		50	28	64	26
Debtors	8	1,542	2,321	3,850	4,018
Cash at bank and in hand		11,745	11,292	4,553	4,540
		<u>13,337</u>	<u>13,641</u>	<u>8,467</u>	<u>8,584</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	9	<u>(4,543)</u>	<u>(4,397)</u>	<u>(6,484)</u>	<u>(6,152)</u>
<b>Net Current Assets</b>		8,794	9,244	1,983	2,432
<b>Creditors: Amounts falling due after more than one year</b>	10	(4,250)	(4,250)	-	-
<b>Total Assets Less Current Liabilities</b>		<u><u>6,316</u></u>	<u><u>6,316</u></u>	<u><u>2,778</u></u>	<u><u>2,777</u></u>
<b>Funds</b>					
Restricted	18	2,559	2,559	863	863
Unrestricted - Designated	18	928	928	1,464	1,464
Unrestricted	18	2,829	2,829	451	451
		<u><u>6,316</u></u>	<u><u>6,316</u></u>	<u><u>2,778</u></u>	<u><u>2,778</u></u>

As permitted by s408 Companies Act 2006, the Charity has not presented its own Statement of Financial Activities and related notes. The Charity surplus for the year was 3,538,000 (2020:36,000 deficit)

Approved for issue by the members of the board on 21st September 2021  
and signed on their behalf by:



Nigel Higgins  
Chairman

Company number 1488786

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Consolidated Statement of Cash Flows  
For the year ended 31 March 2021

	Note	Year ended 31 March 2021		Year ended 31 March 2020	
		£'000	£'000	£'000	£'000
<b>Net cash flows from operating activities</b>	12		2,940		(733)
<b>Cash flows from investing and financing activities</b>	13		4,252		34
<b>Net change in cash and cash equivalents in the year</b>			<u>7,192</u>		<u>(699)</u>
<b>Reconciliation of net cash flow to movement in net cash</b>					
Increase / (Decrease) in cash in the year			<u>7,192</u>		<u>(699)</u>
Movement in net cash in the year			7,192		(699)
<b>Net cash and cash equivalents at 1 April 2020</b>			4,553		5,251
<b>Net cash and cash equivalents at 31 March 2021</b>	14		<u>11,745</u>		<u>4,553</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2021

**1 Accounting Policies**

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, subject to the revaluation of certain investments, and in accordance with the accounting policies set out in the notes to the accounts. The accounts comply with the charity's governing document, the Charities Act 2011, and 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).

The Charity is a Public Benefit Entity as defined by FRS102.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

**(b) Going Concern**

The Trustees consider the charity remains a going concern, despite the very challenging trading conditions that Sadler's Wells has experienced since its venues were first instructed to close by the Government on the 16th March 2020, based on the charity's performance to date in the 2021/22 financial year and consideration of financial forecasts through to March 2023.

Given the ongoing impact of the pandemic, in early 2021 Sadler's Wells applied for and received a loan from the Cultural Recovery Fund of £4.25m in March 2021. As a result of this and the projected programme of activity for the coming year, the Trustees believe that Sadler's Wells will be able to meet its liabilities for the 12 month period from the date of these accounts and have consequently prepared the accounts on a going concern basis.

**(c) Income from presentations**

Income from presentations, which is matched to relevant performances, represents amounts receivable, excluding Value Added Tax, for goods and services provided in the ordinary course of business. Advance box office income is deferred until the presentation opens. Donations and sponsorship for specific productions are credited to presentation income as the performances take place. The prior year total income from presentations has been restated to include the effect of irrecoverable VAT which had previously been offset against associated costs.

**(d) Grants, donations and sponsorship**

- (i) Revenue grants are credited to the Statement of Financial Activities in the period in which they fall due unless they relate to specified future or prior periods, in which case they are deferred or accrued respectively.
- (ii) Donations and Corporate sponsorship are treated on a cash receipts basis even though the benefits to the sponsor may cover the next accounting period.
- (iii) Legacies are recognized when probate on the legacy has been completed, and it is probable that income will be received and is quantifiable.
- (iv) Other income is recognised when the entitlement can be demonstrated, it is probable that it will be received, and it can be reliably measured.

**(e) Pension costs**

The charity operates an auto enrolment pension scheme. Payments into this scheme, and in respect of employees' private pension schemes, are charged to the Statement of Financial Activities as incurred.

**(f) Employee benefits**

The costs of short term employee benefits are registered as a liability and expense. Termination benefits are recognised immediately as an expense when the company is committed to provide termination benefits. Costs not paid at the year end are recognised as a liability.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**1 Accounting Policies (cont)**

**(g) Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. There is a capitalisation threshold policy of £10,000. Depreciation is provided on all tangible fixed assets, excluding land and buildings, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life. Purchased assets have been depreciated at the following straight line rate:

Fixtures & fittings	33.3%
Freehold Land and Buildings	2%
Leasehold Land and Buildings	2%
Leasehold Improvements	5%
Computer Equipment	20%

The Trustees review the tangible fixed assets annually for any evidence of impairment. Where there is objective evidence of impairment the charity recognises the loss in the Statement of Financial Activities immediately.

Investment properties are reviewed annually and held at fair value, based on the market value for the property which the Trustees consider to be reasonable. The investment properties are revalued by a professional valuer every five years. Changes in fair value and any gains or losses arising on disposal are credited to or charged to the income and expenditure section of the Statement of Financial Activities as 'gain or loss on investments'.

**(h) Foreign currencies**

Foreign currency balances at 31 March 2021 have been translated into sterling at the rate ruling at that date. Transactions during the course of the period have been translated into sterling at the rate ruling at the transaction date.

**(i) Consolidation**

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the charity and its trading subsidiary. The results for the trading subsidiary are consolidated on a line by line basis.

**(j) Operating Leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**(k) Cost allocation**

Costs relating to the mounting of productions and running of the theatre are classed as charitable activities. Those costs relating to generating voluntary income, and to trading activities to raise funds for the charity, are classified as costs of generating funds. Governance costs comprise those costs that allow Sadler's Wells Trust to operate as a charity and to generate the information required for public accountability, and are part of support costs. Support costs have been allocated on the basis of staff numbers in each area.

**(l) Stock**

Stock represents goods for resale, and is stated at the lower of cost and net realisable value.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**1 Accounting Policies (cont)**

**(m) Financial Instruments**

The charity has elected to apply the provisions of section II "Basic Financial Instruments" of FRS 102 to all its financial investments. They are recognised in the charity's financial statement position when the charity becomes party to the contractual provisions of the instrument.

**Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less, and investments capable of immediate cash realisation.

**Debtors and Creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

**Financial Investments**

Financial investments are initially recognised at their transaction value and subsequently measured at fair value based on the closing quoted market price as at the balance sheet date. Changes in fair value and any gains or losses arising on disposal are credited to or charged to the income and expenditure section of the Statement of Financial Activities as gain or loss on investments

**(n) Government Grants**

Where the charity is awarded government grants, it recognises these as income only where there is reasonable assurance that the charity will comply with the conditions attaching to them, and the funds will be received. This includes grants received from Arts Council England as they are an executive non-departmental public body.

**(o) Accounting for Reserves**

There are both restricted and unrestricted funds. Unrestricted funds are divided into general and designated funds.

General funds are available for use at the discretion of Trustees in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of Trustees.

Restricted funds are grants or donations with conditions attached by the donor. They may specify that the funds are used in a specific way or for a specific purpose.

**(p) Accounting Estimates and Areas of Judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have most significant effect on amounts recognised in the financial statements:

- Measurement of the fair value of the investment properties as undertaken by the Trustees.
- Depreciation rates on assets held and estimation of any impairment.
- Estimation of likely future recoupment of production costs and commissioning fees carried forward in the balance sheet at each period end.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**(q) Taxation**

The company is a registered charity and as such is entitled to exemption from taxation on its charitable activities under the Corporation Tax Act 2010.

**2. Exceptional Income**

During 2020 the charity was successful in securing grants from the Arts Council's England's Emergency Response Fund and the Department of Culture, Media and Sport's Cultural Recovery Fund, with grants of £1.5m and £2.975m respectively being received as part of the Government response to the COVID-19 pandemic. In view of the significance of the amounts received, this has been disclosed as Exceptional Income.

**3. Support Costs**

	<b>Presentations</b>	<b>Theatre</b>	<b>Fundraising</b>	<b>Trading</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>£'000</b>	<b>Overhead</b>	<b>£'000</b>	<b>£'000</b>	<b>31 March</b>	<b>31 March</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>2021</b>	<b>2020</b>
					<b>Total</b>	<b>Total</b>
					<b>£'000</b>	<b>£'000</b>
Management	512	42	25	57	636	572
Administration	265	22	13	30	330	493
Finance	420	34	21	48	523	589
Governance	20	2	1	2	25	38
Human Resources	98	8	6	12	123	151
	<u>1,315</u>	<u>108</u>	<u>65</u>	<u>149</u>	<u>1,637</u>	<u>1,843</u>
Unrestricted resources expended before support costs	5,386	4,395	341	792		
Unrestricted resources expended	<u>6,701</u>	<u>4,503</u>	<u>406</u>	<u>941</u>		

Support costs have been allocated on the basis of staff numbers in each area.

**4. Governance Costs**

	<b>Year ended</b>	<b>Year ended</b>
	<b>31 March</b>	<b>31 March</b>
	<b>2021</b>	<b>2020</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Governance costs include the following payments to auditors:		
Audit	34	38
Tax	0	0
Other: non statutory audit	4	4
	<u>38</u>	<u>42</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**5. Staff Costs**

**Consolidated and charity**

	<b>Year ended 31 March 2021 £'000</b>	<b>Year ended 31 March 2020 £'000</b>
Wages and salaries	6,888	7,961
Social security costs	570	702
Pension costs (note 15)	235	285
	<u>7,693</u>	<u>8,947</u>
Less: Staff costs charged to: Sadler's Wells Limited	<u>-</u>	<u>(868)</u>
	<u><u>7,693</u></u>	<u><u>8,079</u></u>

Staff costs decreased in the year as a result of pay cut applied to all staff along with the redundancy programme following the closure of the theatre due to covid 19. Redundancy and terminations payment costs included in the above totalled £139,865 (2020: £99,388).

Employee remuneration for employees earning more than £60,000 fell in the following bands:

	<b>Year ended 31 March 2021 Number</b>	<b>Year ended 31 March 2020 Number</b>
£190,001 - £200,000	-	1
£130,001 - £140,000	1	1
£110,001 - £120,000	1	-
£90,001 - £100,000	-	2
£80,001 - £90,000	-	1
£70,001 - £80,000	1	1
£60,001 - £70,000	3	3

During the year the company paid pension contributions of £37,985 (2020: £54,848) on behalf of these staff.

Average number of full-time equivalent staff employed (including part-time and furlough staff):

	<b>Year ended 31 March 2021 Number</b>	<b>Year ended 31 March 2020 Number</b>
Theatre and Front of House	77	77
Box office	13	15
Marketing	16	17
Technical	73	64
Administration	15	14
Development	9	8
Events	5	4
Catering	21	24
	<u>229</u>	<u>223</u>

The Trustees received no remuneration for the services they provided to the company. No expenses were reimbursed (2020: £nil). The Trustees donated £197,286 (2020: £305,755) to the charity during the year.

The charity considers its key management personnel to be the Senior Management Team comprising: the Artistic Director and Chief Executive, Executive Director, interim Finance Director, Director of Finance and Business Performance, Director of Artistic Programme, Executive Producer, Technical Director, interim Marketing & Sales Director, Director of Development, Director of Learning and Engagement, Director of Data & Systems, Director of Content & Audience, Director of Visitor Experience. The remuneration of the Artistic Director and Chief Executive is decided by the Board, the Artistic Director and Chief Executive decides the remuneration of other members of the Senior Management Team. Total remuneration of this group, including pension contributions and restructuring cost, was £964,546 (2020: £ 1,356,733).

**Sadler's Wells Trust Limited**  
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For the year ended 31 March 2021 (cont)

**6. Tangible Fixed Assets**  
**Consolidated**

	<b>Freehold Land &amp; Buildings £'000</b>	<b>Leasehold Imp'ments £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures and Fittings £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
As at 1st April 2020	128	110	317	154	709
Additions	-	-	77	-	77
Transfer to investment property	(128)	-	-	-	(128)
At 31st March 2021	<u>-</u>	<u>110</u>	<u>394</u>	<u>154</u>	<u>658</u>
<b>Depreciation</b>					
At 1st April 2020	34	59	317	154	564
Charge for the period	-	6	-	-	6
Transfer to investment property	(34)	-	-	-	(34)
At 31st March 2021	<u>-</u>	<u>65</u>	<u>317</u>	<u>154</u>	<u>536</u>
<b>Net book value</b>					
At 31st March 2021	<u>-</u>	<u>45</u>	<u>77</u>	<u>-</u>	<u>122</u>
At 31st March 2020	<u>94</u>	<u>51</u>	<u>-</u>	<u>-</u>	<u>145</u>

**Charity**

	<b>Freehold Land &amp; Buildings £'000</b>	<b>Leasehold Imp'ments £'000</b>	<b>Computer Equipment £'000</b>	<b>Fixtures and Fittings £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At 1st April 2020	128	110	255	46	539
Additions	-	-	77	-	77
Transfer to investment property	(128)	-	-	-	(128)
At 31st March 2021	<u>-</u>	<u>110</u>	<u>332</u>	<u>46</u>	<u>488</u>
<b>Depreciation</b>					
At 1st April 2020	34	59	255	46	394
Charge for the period	-	6	-	-	6
Transfer to investment property	(34)	-	-	-	(34)
At 31st March 2021	<u>-</u>	<u>65</u>	<u>255</u>	<u>46</u>	<u>366</u>
<b>Net book value</b>					
At 31st March 2021	<u>-</u>	<u>45</u>	<u>77</u>	<u>-</u>	<u>122</u>
At 31st March 2020	<u>94</u>	<u>51</u>	<u>-</u>	<u>-</u>	<u>145</u>

**7 (a). Investment in trading subsidiary**

The wholly owned trading subsidiary Sadler's Wells Limited, Rosebery Avenue, London, EC1R 4TN (company number 02907116), which is incorporated in England and Wales, is consolidated within these financial statements. The company distributes all its profits to the charity under Gift Aid. Sadler's Wells Limited promotes commercial non theatre hires and provides catering at the Sadler's Wells and Peacock theatres, and produces productions commissioned by Sadler's Wells Trust Ltd. The charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below.

Sadler's Wells Trust Limited and its trading subsidiary have entered into a deed of covenant which is a legally binding agreement to pay up all profits a subsidiary can legally distribute.

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**7 (a). Investment in trading subsidiary (cont)**

<b>Profit and Loss Account</b>	<b>Year ended 31 March 2021 £'000</b>	<b>Year ended 31 March 2020 £'000</b>
Turnover	246	7,953
Cost of sales	(50)	(1,029)
Production expenses	(35)	(5,246)
Gross Profit	<u>161</u>	<u>1,678</u>
Administration expenses	(4)	(988)
Interest received	-	-
Taxation	7	493
Result for the financial year	<u>164</u>	<u>1,183</u>
Retained earnings brought forward	-	-
Charitable distribution to parent charity	(164)	(1,183)
Retained earnings carried forward	<u>-</u>	<u>-</u>
	<b>31 March 2021 £'000</b>	<b>31 March 2020 £'000</b>
The assets and liabilities of the subsidiary were:		
Fixed assets	450	450
Current assets	561	824
Creditors: amounts falling due within one year	(1,011)	(1,274)
Total net assets	<u>-</u>	<u>-</u>
Aggregate share capital and reserves	<u>-</u>	<u>-</u>

**7 (b). Investment property**

The investment properties held by the charity are a house which was donated by the Dame Hilda Bracket Trust and is valued by the Trustees at £200,000 and office building held at 369 St John St valued at £1m. Independent valuations of these properties have been undertaken; for the house in April 2018 by Robert Cooney, Chartered Surveyors, and for the office building in September 2020 by Daniel Watney, Estate Agents. The fair values of the assets are considered appropriate. The investment property held by the trading subsidiary comprises the leasehold interest of the Shakespeare's Head Public House on Arlington Way, London. The fair value of this investment property of £450,000 has been arrived at on the basis of a valuation carried out as at 31 March 2020 by Fleurets Limited Chartered Surveyors.

	<b>31 March 2021</b>	
	<b>Consolidated £'000</b>	<b>Charity £'000</b>
<b>Fair value</b>		
At 1st April 2020	650	200
Transfers from tangible fixed assets	94	94
Net gains or losses through fair value adjustments	906	906
As at 31st March 2021	<u>1,650</u>	<u>1,200</u>

**8. Debtors**

	<b>31 March 2021</b>		<b>31 March 2020</b>	
	<b>Consolidated £'000</b>	<b>Charity £'000</b>	<b>Consolidated £'000</b>	<b>Charity £'000</b>
Trade debtors	190	114	501	238
Amounts owed by related undertakings	-	865	2	939
Other debtors and prepayments	577	574	1,841	1,830
Corporation Tax Receivable	7	-	493	-
Accrued income	768	768	1,012	1,012
	<u>1,542</u>	<u>2,321</u>	<u>3,850</u>	<u>4,018</u>

**Sadler's Wells Trust Limited**  
**(Limited by Guarantee)**  
Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**9. Creditors: Amounts due within one year**

	<b>31 March 2021</b>		<b>31 March 2020</b>	
	<b>Consolidated £'000</b>	<b>Charity £'000</b>	<b>Consolidated £'000</b>	<b>Charity £'000</b>
Trade creditors	372	363	489	472
Social security and other taxes	264	264	723	713
Accruals and deferred income	3,908	3,770	5,273	4,968
	<u>4,543</u>	<u>4,397</u>	<u>6,484</u>	<u>6,153</u>

**10. Creditors: Amounts due after more than one year**

	<b>31 March 2021</b>		<b>31 March 2020</b>	
	<b>Consolidated £'000</b>	<b>Charity £'000</b>	<b>Consolidated £'000</b>	<b>Charity £'000</b>
Loan	4,250	4,250	-	-
	<u>4,250</u>	<u>4,250</u>	<u>-</u>	<u>-</u>

**11. Borrowings**

	<b>31 March 2021 £'000</b>	<b>31 March 2020 £'000</b>
	Payable within 1 year	-
Payable 2-5 years	246	-
Payable over 5 years	4,004	-
	<u>4,250</u>	<u>-</u>

In the year ended 31 March 2021, Sadler's Wells Trust Limited was granted a facility for a 20 year loan by Arts Council England under the Cultural Recovery Fund. The loan was drawn down to £4,250,000 on 17th March 2021. The loan is repayable from March 2023 and the interest rate is 2% per annum.

**12. Reconciliation of Net Incoming / (Outgoing) Resources from Operating Activities to Net Cash flows**

	<b>Year ended 31 March 2021 £'000</b>	<b>Year ended 31 March 2020 £'000</b>
	<b>Consolidated</b>	
Net income / (expenditure) for the reporting period	3,459	(70)
Depreciation	6	17
Net gains or losses on investment assets	(906)	124
(Increase) in stock	14	10
(Increase) / Decrease in debtors	2,308	(751)
(Decrease) / Increase in creditors	(1,941)	(63)
Net cash inflow / (outflow) from operating activities	<u>2,940</u>	<u>(733)</u>

**13. Analysis of Cash Flows for Headings in Cash Flow Statement**

	<b>Year ended 31 March 2021 £'000</b>	<b>Year ended 31 March 2020 £'000</b>
	<b>(a) Cash flows from investing and financing activities</b>	
Purchase of property, plant and equipment	(77)	-
Investment gain on liquid investments	79	34
Finance obtained	4,250	-
	<u>4,252</u>	<u>34</u>

**Sadler's Wells Trust Limited**  
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Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**14. Analysis of Net Cash**

	Cash Flow £'000	1 April 2020 £'000	31 March 2021 £'000
Cash at bank and in hand and in immediately realisable investments	7,192	4,553	11,745

Sadler's Wells Trust Limited was granted a loan of £4,250,000 on 17th March 2021 (see notes 11). The net cash balance is therefore £7,495,000.

**15. Liability of Members**

The company is limited by guarantee and the liability of members is limited to £10 each. At 31 March 2021 there were 12 members (2020: 11 members).

**16. Operating Lease Commitments**

The charity has an annual rent commitment of £282,848 (2020: £282,848) in respect of the lease of Sadler's Wells Theatre, from Sadler's Wells Foundation Limited, expiring in 1 year. The Trustee's expect to renew the lease during the year. The total payable to the end of the lease is £282,848 (2020: £282,848). The charity also has an annual rent commitment of £175,000 in respect of the Peacock Theatre from the London School of Economics, expiring 20 years from starting in 2019. The total payable to the end of the lease is £3,325,000 (2020: £3,500,000).

**17. Pension Commitments**

Sadler's Wells Trust Limited makes contributions to employees' private pension plans, the costs of which amounted to £235,422 during the year to 31 March 2021 (2020: £284,536). The pension creditor at the year end was £34,756 (2020: £46,331).

**18. Net Movement in Funds**

	At 1 April 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains £'000	At 31 March 2021 £'000
<b>Restricted Funds:</b>						
National Youth Dance Fund	83	486	(308)	-	-	261
Dame Hilda Bracket Fund	131	-	-	-	-	131
What Next? Fund	41	100	(109)	-	-	32
Stratford Mobilisation	92	60	(30)	-	-	122
Breakin' Out	246	-	(6)	-	-	240
NYCB fund	270	-	-	-	-	270
DOPODO	-	73	-	-	-	73
Garfield Weston Foundation	-	626	-	-	-	626
Relaunch Fund	-	264	-	-	-	264
Development	-	540	-	-	-	540
	<u>863</u>	<u>2,149</u>	<u>(453)</u>	<u>-</u>	<u>-</u>	<u>2,559</u>
<b>Unrestricted Funds:</b>						
<b>Designated Funds</b>						
Creative Development Fund	782	26	-	(808)	-	-
369 St John Street Fund	95	-	-	(1,000)	905	-
Peacock Theatre Fund	50	-	-	-	-	50
Creative Learning Fund	135	-	-	-	-	135
The Shakespeare's Head Fund	402	-	-	-	-	402
ACE Cultural Recovery Fund	-	-	-	341	-	341
	<u>1,464</u>	<u>26</u>	<u>-</u>	<u>(1,467)</u>	<u>905</u>	<u>928</u>
<b>General Fund</b>	451	13,455	(12,551)	1,467	7	2,829
	<u>2,777</u>	<u>15,630</u>	<u>(13,004)</u>	<u>-</u>	<u>912</u>	<u>6,316</u>

The *National Youth Dance Fund* represents funds received and expended on the National Youth Dance Company. The *Dame Hilda Bracket Fund* is a donation to support music, in particular grand and light opera. The *What Next?* Fund represents a donation for the What Next? campaign, financially hosted by Sadler's Wells. The *Stratford Mobilisation* restricted fund is an Arts Council grant provided to fund preparation costs associated with the new venue in Stratford. The *Breakin' Out* restricted fund is an Arts Council grant provided for Breakin' Convention dance and engagement activity. The *NYCB fund* represents a gift to support a future visit of New York City Ballet company. The *DOPODO* fund is an European grant provided to support the Dance on, Pass on, Dream on project. The *Garfield Weston Foundation* represents funds received to support touring and digital activity. The *Relaunch Fund* represents donations supporting the reopening of Sadler's Wells. The *Development* fund represents grant to be spent against future activity.

**Sadler's Wells Trust Limited**  
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Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**18. Net Movement in Funds (cont)**

The Trustees have designated a number of funds. The *Shakespeare's Head Fund* will provide for any future impairment on the leasehold of the Shakespeare's Head public house, held by Sadler's Wells Limited. The *Peacock Theatre Fund* is to provide for future payments on the Peacock Theatre and is expected to be fully utilised once the venue is open again. The *Organisational Development Fund* is to build management capacity within the charity and was fully utilised in year. The *Creative Learning Fund* is to expand Sadler's Wells Creative Learning programme.

**19. Transfers between funds**

The *Creative Development Fund* was set up by the Trustees to invest in future theatrical commissions but has been released to general reserves in the light of the impact of the COVID-19 pandemic. The *ACE Cultural Recovery Fund* represents amounts designated from the Cultural Recovery Fund grant received in 2020-21 and which will be expended on activities in 2021-22. The *369 St John Street Fund* represented the carrying value of the Trust's freehold interest in the property. During the year the trustees determined that this property was no longer required for operational purposes and it was therefore re-classified as an investment property and released to general reserves at its fair value.

**20. Analysis of Net Assets between Funds**

	<b>Fixed Assets £'000</b>	<b>Cash £'000</b>	<b>Other Net Liabilities £'000</b>	<b>Net Total Assets £'000</b>
<b>Unrestricted Funds</b>				
Creative Development Fund	-	-	-	-
369 St John Street Fund	-	-	-	-
Peacock Theatre Fund	-	50	-	50
Creative Learning Fund	-	135	-	135
The Shakespeare's Head Fund	402	-	-	402
ACE Cultural Recovery Fund	-	341	-	341
General Fund	1,170	8,791	(7,132)	2,829
	<u>1,572</u>	<u>9,317</u>	<u>(7,132)</u>	<u>3,757</u>
<b>Restricted Funds</b>				
National Youth Dance Fund	-	261	-	261
Dame Hilda Bracket Fund	200	-	(69)	131
What Next? Fund	-	32	-	32
Stratford Mobilisation	-	122	-	122
Breakin' Out	-	240	-	240
NYCB fund	-	270	-	270
DOPODO	-	73	-	73
Garfield Weston Foundation	-	626	-	626
Relaunch Fund	-	264	-	264
Development	-	540	-	540
	<u>200</u>	<u>2,428</u>	<u>(69)</u>	<u>2,559</u>
<b>Total Funds</b>	<u>1,772</u>	<u>11,745</u>	<u>(7,201)</u>	<u>6,316</u>

**21. Connected Charities and related Party Transactions**

Sadler's Wells Limited is a wholly owned subsidiary which trades on behalf of the charity.

Sadler's Wells Trust is a corporate trustee of the Dame Hilda Bracket Trust, along with Sadler's Wells Development Trust. The fund is held in a restricted fund by Sadler's Wells Trust.

During the year Sadler's Wells Trust Ltd incurred a rent charge of £0 (2020: £212,136) from Sadler's Wells Foundation Ltd. In addition the Foundation recharged to the Trust credit card transaction charges totalling £2,915 (2020: £17,295). Sadler's Wells Trust Limited owed £565 to (2020: was owed £1,680 by) Sadler's Wells Foundation Limited at the 31st March 2021.

Sadler's Wells Foundation Ltd is a member of Sadler's Wells Trust Ltd.

A gift of £164,172 (2020: £1,182,746) was receivable from Sadler's Wells Limited, for the year, and £852,684 was due from (2020: £552,063) that company at the year end. During the year Sadler's Wells Trust charged Sadler's Wells Limited £0 (2020: £867,973) in respect of the services of 26 (2020: 28) employees of the company during the year.

**Sadler's Wells Trust Limited**  
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Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**22. Capital Commitments**

At 31 March 2021 Sadler's Wells Trust had no capital commitments committed but not yet contracted for (2020: None).

**23. Comparative Net Movement in Funds**

	<b>At 1 April 2019 £'000</b>	<b>Incoming Resources £'000 As Restated</b>	<b>Resources Expended £'000 As Restated</b>	<b>Transfers/ Gains £'000</b>	<b>At 31 March 2020 £'000</b>
<b>Restricted Funds:</b>					
The Shakespeare's Head Fund	526	-	-	(526)	-
National Youth Dance Fund	41	524	(482)	-	83
Dame Hilda Bracket Fund	183	-	(52)	-	131
What Next? Fund	41	116	(117)	-	41
Stratford Mobilisation	-	200	(108)	-	92
Breakin' Out	-	300	(54)	-	246
NYCB Fund	-	270	-	-	270
	<u>792</u>	<u>1,410</u>	<u>(813)</u>	<u>(526)</u>	<u>863</u>
<b>Unrestricted Funds:</b>					
<b>Designated Funds</b>					
Creative Development Fund	1,102	165	(485)	-	782
369 St John Street Fund	98	-	(3)	-	95
Peacock Theatre Fund	50	-	-	-	50
Organisational Development Fund	230	-	(230)	-	-
Creative Learning Fund	280	-	(145)	-	135
The Shakespeare's Head Fund	-	-	(124)	526	402
	<u>1,760</u>	<u>165</u>	<u>(987)</u>	<u>526</u>	<u>1,464</u>
General Fund	263	30,798	(31,137)	527	451
	<u>2,815</u>	<u>32,373</u>	<u>(32,936)</u>	<u>527</u>	<u>2,778</u>

**24. Comparative Analysis of Net Assets between Funds**

	<b>Fixed Assets £'000</b>	<b>Cash £'000</b>	<b>Other Net Liabilities £'000</b>	<b>Net Total Assets £'000</b>
<b>Unrestricted Funds</b>				
Creative Development Fund	-	782	-	782
369 St John Street Fund	95	-	-	95
Peacock Theatre Fund	-	50	-	50
Creative Learning Fund	-	135	-	135
The Shakespeare's Head Fund	402	-	-	402
General Fund	98	2,989	(2,635)	451
	<u>595</u>	<u>3,956</u>	<u>(2,635)</u>	<u>1,915</u>
<b>Restricted Funds</b>				
National Youth Dance Fund	-	83	-	83
Dame Hilda Bracket Fund	200	-	(69)	131
What Next? Fund	-	41	-	41
Stratford Mobilisation	-	92	-	92
Breakin' Out	-	246	-	246
NYCB fund	-	270	-	270
	<u>200</u>	<u>732</u>	<u>(69)</u>	<u>863</u>
<b>Total Funds</b>	<u>795</u>	<u>4,688</u>	<u>(2,704)</u>	<u>2,778</u>

**Sadler's Wells Trust Limited**  
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For the year ended 31 March 2021 (cont)

**25. Comparative Fund and SOFA Balances**

	Note	Unrestricted Funds Year ended 31 March 2020 £'000 As Restated	Designated Funds Year ended 31 March 2020 £'000	Restricted Funds Year ended 31 March 2020 £'000	Total Funds Year ended 31 March 2020 £'000 As Restated
<b>Income</b>					
Charitable activities					
Theatre presentations		22,950	-	-	22,950
Income generated from other activities					
Donation analysis					
Sponsorship and donations		1,748	165	386	2,299
ACE operational grant		2,456	-	950	3,406
Activities for generating funds					
Trading income		3,200	-	-	3,200
Other income		444	-	74	518
<b>Total Income</b>		<u>30,798</u>	<u>165</u>	<u>1,410</u>	<u>32,373</u>
<b>Expenditure</b>					
Charitable activity: theatre presentations					
Expenditure on presentations	3	22,982	485	696	24,164
Theatre overheads	3	5,377	378	117	5,872
Raising Funds					
Fundraising costs	3	562	-	-	562
Trading costs	3	2,216	-	-	2,216
<b>Total Expenditure</b>		<u>31,137</u>	<u>863</u>	<u>813</u>	<u>32,813</u>
<b>Net Income / (Expenditure) before Investment (Loss) / Gain</b>		(339)	(698)	597	(440)
<b>Net Investment (Loss) / Gain</b>		34	-	-	34
<b>Net Income / (Expenditure)</b>		(305)	(698)	597	(406)
<b>Other Recognised Gains: Theatre Tax Relief</b>		493	(124)	-	369
<b>Gross Transfer Between Funds</b>		-	526	(526)	-
<b>Net Movement in Funds</b>		188	(296)	72	(36)
<b>Net funds at 1 April 2019</b>		263	1,760	791	2,814
<b>Net Funds at 31 March 2020</b>		<u>451</u>	<u>1,464</u>	<u>863</u>	<u>2,778</u>

**Sadler's Wells Trust Limited**  
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Notes to the Financial Statements  
For the year ended 31 March 2021 (cont)

**26. Comparative Support Costs**

	<b>Presentations</b>	<b>Theatre</b>	<b>Fundraising</b>	<b>Trading</b>	<b>Year ended</b>
	<b>£'000</b>	<b>Overhead</b>	<b>£'000</b>	<b>£'000</b>	<b>31 March</b>
		<b>£'000</b>			<b>2020</b>
			<b>£'000</b>		<b>Total</b>
					<b>£'000</b>
Management	454	36	21	61	572
Administration	391	31	18	53	493
Finance	468	37	21	63	589
Governance	30	2	1	4	38
Human Resources	120	9	6	17	151
	<u>1,463</u>	<u>116</u>	<u>67</u>	<u>198</u>	<u>1,843</u>
Unrestricted resources expended before support costs	19,741	4,941	475	2,018	
Unrestricted resources expended	<u>21,204</u>	<u>5,057</u>	<u>542</u>	<u>2,216</u>	

**27. Prior Year Adjustment**

The comparative results have been restated as a result of an error identified in the presentation of irrecoverable VAT in the prior year. There is no impact on net income as a result of this adjustment.

Changes to the Consolidated Statement of Financial Activities:

	<b>As</b>		
	<b>previously</b>	<b>Adjustment</b>	<b>As restated</b>
	<b>reported</b>		
<b>Unrestricted fund</b>			
<b>Income</b>			
Charitable Activities: Theatre presentations	20,832	2118	22,950
<b>Expenditure</b>			
Charitable activity: theatre presentations			
Expenditure on presentations	(21,204)	(1,778)	(22,982)
Theatre overheads	(5,057)	(320)	(5,377)
Raising Funds			
Fundraising costs	(542)	(20)	(562)
	<u>(5,971)</u>	<u>-</u>	<u>(5,971)</u>