

Company registration number: 01495543

Charity registration number: 280278

Gate Theatre Company Limited(the)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Lucraft Hodgson & Dawes LLP
2/4 Ash Lane
Rustington
Littlehampton
West Sussex
BN16 3BZ

Gate Theatre Company Limited(the)**Contents**

Reference and Administrative Details	1
Strategic Report	2
Chief Executives' Report	3 to 5
Trustees' Report	6 to 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 to 27

Gate Theatre Company Limited(the)**Reference and Administrative Details**

Chairman	Joseph Smith
Trustees	Charles Prideaux Sian Alexander David Lakhdhir Nicola Cornwell Nicole Newman Joseph Smith Jan Baister Peter Brathwaite Sarah Frankcom Rahul Sinha Diane Morgan Rita Laven
Secretary	Mohammad Shawab Iqbal
Senior Management / Leadership Team	Ellen McDougall, Artistic Director Lise Bell, Executive Director Mohammad Shawab Iqbal, Executive Director
Charity Registration Number	280278
Company Registration Number	01495543 The charity is incorporated in England & Wales.
Registered Office	11 Pembridge Road Above Prince Albert Pub London W11 3HQ
Auditor	Lucraft Hodgson & Dawes LLP 2/4 Ash Lane Rustington Littlehampton West Sussex BN16 3BZ

Gate Theatre Company Limited(the)**Strategic Report for the Year Ended 31 March 2021**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

Chair's Report

Despite the many challenges which the COVID-19 pandemic and lockdowns brought to the theatre sector and wider society, 20/21 year continued to be ambitiously and resiliently led by Ellen McDougall and Consulting Executive Sarah Nicholson. The organisation successfully responded to COVID-19 by creating innovative digital work and responding to the needs of artists, freelancers and other stakeholders during the unpredictability of the pandemic, with internationalism and being a talent pipeline at the forefront of this work.

In 2020/21, we were delighted to welcome Diane Morgan and Rita Laven to our Board of Trustees. Diane brings a wealth of experience and knowledge of the arts, particularly around producing, community engagement, governance and organisational development. Rita brings a rich knowledge of fundraising and knowledge of our local communities in Notting Hill.

In January 2021, we were excited to welcome Shawab Iqbal to the Gate, as our new Executive Director and Joint CEO, following the departure of Lise Bell after two and a half successful years in post. Shawab joined Ellen McDougall to form the new leadership team of the organisation.

Our donors and supporters continued to be a vital part of the Gate, contributing to 14% of our annual turnover in 20/21. We were grateful to be able to successfully use the Coronavirus Job Retention Scheme to contribute to our financial viability during the pandemic.

We ended the year at £294,313 of which £11,714 was restricted leaving unrestricted £282,601 exceeding our £230,000 unrestricted reserves target.

The following Co-Chief Executive report outlines the key artistic and organisational achievements from the last year. As Chair, I would like to thank the Board, Ellen, Sarah, Shawab and the Gate team for all their hard work and resilience, in what was an incredibly challenging and unpredictable year.

The strategic report was approved by the trustees of the charity on 31 March 2022 and signed on its behalf by:

.....
Joseph Smith
Chair

Gate Theatre Company Limited(the)

Chief Executives' Report for the Year Ended 31 March 2021

The chief executives, who are senior management, present their report and review of the year for the year ended 31 March 2021.

Objectives and activities

Aim 1 - Our Work - header: Our Work

Productions

In March 2020, the Gate was in the midst of the organisation's most ambitious season celebrating its 40-year anniversary and history. Like every other theatre in the country, COVID-19 and related lockdowns forced the organisation to shut down its live performances, resulting in prolonged closure throughout all of 2020/21.

Consequently - various historical and current projects and productions were streamed or developed online, through co-creation, and presenting deliberately unfinished, experimental work in the hope of letting it develop in conversation with an audience.

The Unknown Island and Suzy Storck

In April 2020, we launched recordings of previous hit productions *The Unknown Island* and *Suzy Storck*, allowing us to provide the Gate's audiences and beyond and offer during the peak of the 2020 lockdown.

Prayer

In July 2020, following three years of development, *Prayer*, by associate artist Rosie Elnile, an initial production from our cancelled 40th anniversary season was reimagined for digital platforms, exploring decolonising theatre design and sustainability.

Since the launch the piece has been taught on various higher education courses, is mentioned on a GCSE textbook and has been the topic of a PhD research project.

Letters

Written between March and August 2020, *Letters* tells the story of Spring to Summer; of pandemics and protests; of the personal and the public, and of people living in isolation reaching out to one another on paper.

Following the run, the show was adopted by SISMO International Festival (Netherlands), and also by Age UK Kensington and Chelsea.

Open Gate

Open Gate activity provides young people, the local community and emerging theatre makers a range of opportunities to engage with our work in different ways - from introductions to theatre practice, to in-depth discussions around the themes of our productions.

During 2020/21, it remained even more of a crucial part of our online programme, and involved the following activity:

Gate Lates continued to bring together international artists, experts, young people and our audiences to discover more and be in conversation with one another as the pandemic progressed. The series panel events including:

Gate Theatre Company Limited(the)

Chief Executives' Report for the Year Ended 31 March 2021

The Politics of Space and Theatre Design with Rosie Elnile: a discussion between Gate Associate Director Anthony Simpson - Pike and Rosie Elnile on design as a political act.

Letters: after the *Letters* performances in the main programme, two Gate Lates were held to respond to the piece. Firstly, by Young Associates Evangeline Cullingworth, Barbara Smith and Kwame Owusu to discuss the piece, and the second by the main co-directing team, reflecting on the process of co-creation.

Island Poetry on Stage: continuing our conversations around our postponed production of *Omeros*, and coinciding with Black History Month, Associate Director Yasmin Hafesji programmed and chaired a live online discussion with Malachi McIntosh, editor and publishing director of *Wasafiri*, and Nicholas Laughlin, programme director of the annual *NGC Bocas Lit Fest*, and editor of the arts and travel magazine *Caribbean Beat*.

The Young Associates continued into its fifth year, with thirteen 17-25 year olds benefiting from the programme. One of the major highlights included *Gate Generations*, a digital series inspired by the Gate's 40th anniversary. Five plays from the theatre's archive were re-imagined, some newly written, all presented for a new audience, in a new decade.

Aim 2: Our Community

Audiences

During 2020/2021, the Gate went digital. Due to the impact of the COVID-19 pandemic, various national lockdowns, and as the smallest off-West End theatre in London, audience safety and organisational sustainability remained a priority. Propelled by a desire to still engage with new and existing audiences, the Gate responded with innovation through a comprehensive digital programme.

At the beginning of the pandemic and the first national lockdown, the theatre met audiences in their homes by releasing Gate Theatre productions online. *The Unknown Island* (2017) and *Suzy Storck* (2017) premiered online during April 2020, and have 10,876 and 6,325 views respectively to date.

During the digital phase, *Letters* was the biggest ticketed project, with 262 tickets sold. The show went on to have a future life with SISMO International Festival (Netherlands) and Age UK Kensington and Chelsea.

Prayer became our second largest ticketed engagement project, with 76 tickets sold. Since we launched the piece, it has been picked up by universities and academic boards - it's in a GCSE textbook, part of an MA syllabus, and has been the topic of at least one specific PhD research project.

Our final project of the year was *Gate Generations*, a free digital series by our Young Associates inspired by the Gate's 40th anniversary. To date, our Gate Generations project page has been viewed over a thousand times.

We held multiple Gate Lates, from *The Politics of Space and Theatre Design* with Rosie Elnile to *Island Poetry On Stage*. Each online discussion facilitated a conversation between an average of 26 participants. We also facilitated several podcasts, including the inaugural BlackLash event, hosting by Rachael Young and Queer House's LGBTQIA+ History Month Podcast, bringing 416 and 162 unique page views to our website landing pages for these events respectively.

Gate Theatre Company Limited(the)

Chief Executives' Report for the Year Ended 31 March 2021

Despite our reduced impact due to COVID-19, we are proud to still have achieved significant traffic on our website during this period. Our website received 45,826 unique users. We also saw the numbers of sessions per user rise from 1.38 to 1.41.

Prior to the pandemic, the Gate used its blog to profile work happening in the theatre building, but during this period it was used for varied purposes. One of our most prolific series was in collaboration with Fabulamundi where writers across Europe reflected on lockdown. The Gate's most well received article was *Life in Isolation: Italian author Francesca Garolla* which had 165 unique page views.

At a time where many social media accounts noticed disengagement and a drop in following, we were able to maintain our follower counts across Instagram, Twitter and Facebook.

Social media stats as of 24 Mar 2022:

- 50,596 Twitter followers
- 8,153 Facebook followers
- 6,453 Instagram followers
- 409 YouTube subscribers

Aim 3 - Our Organisation: Our Organisation

We remain highly aware of the challenges with our office and theatre space in relation to audiences, artists and staff with physical disabilities. Despite the challenges of the pandemic, we continued with our search to find a new accessible theatre space, and also left our historical office space to address access issues.

Sustainability

Sustainability continues to be one of our core organisational values, with our Green Gate policy and associated sustainability action plan. It is communicated throughout every level of the organisation to ensure that carbon reduction and working towards more sustainable practices are a key focus of our year-round activity. Our environmental policy and Green Gate strategy is in line with the work of COP21 and the Creative Climate Coalition and the Paris Agreement of December 2015. In 2019 we have re-articulated our policy and scope through the framework of the UN Sustainable Development Goals. We are also committed to the UK Climate Change Act and the Mayor of London's 2008 target to reduce London's greenhouse gas emissions by 60% from 1990 levels by 2025.

We were thrilled to be shortlisted for the Highest Achievement for Understanding Award at Julie's Bicycle Creative Green Awards 2020. #CreativeGreen is a movement powering action on climate change through creativity.

This event celebrates Creative Climate Action and the Creative Green Community and took place on 13th November. It provided a chance to reflect on and celebrate the fantastic work being done within the arts and culture sector to take climate action, and a chance to look ahead to the future and how theatre can continue its commitment to environmental sustainability and inspire others.

We were also delighted to receive 5 Stars from Julie's Bicycle Creative Green Assessment for our actions and efforts in making our work more sustainable.



Mohammad Shawab Iqbal
Executive Director and joint CEO

Gate Theatre Company Limited(the)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The charity's objectives are educational and its principal activity continues to be that of producing theatre performances, introducing international dramatic art to the British stage and public, and the upkeep and promotion of the theatre to that end.

The charity's main objectives for 2018-2022 as outlined in the 4 year Business Plan, are:

Our Work

1. Productions: we will make excellent work, telling a wide range of international stories, by a diverse range of artists, in line with our mission statement
2. Talent development: we will support emerging artists to fulfil their potential and enable established artists to try something new
3. Partnerships: we will develop collaborative partnerships with a range of national and international companies to expand the scope of our work
4. Outreach: we will run a programme of activity that provides further access opportunities for audiences to learn more about our productions, theatre-practice and to engage with wider social debate around our work
5. Digital: we will explore opportunities to create work with or for digital platforms

Our Community

6. Audiences: we will maintain and grow the Gate's audience in our venue and online, with a particular focus on attracting new audiences, and engaging hard to reach local audiences
7. Artists: we will support the artists we work with by investing time and resource to enable them to make their best work
8. Staff: we will invest in training and development for the Gate's staff team, creating the industry leaders of tomorrow
9. Stakeholders and partners: we will build a network around the Gate that enables us to grow and support our ambitions

Our Organisation

10. Financial resilience: we will make the Gate a more financially robust organisation
11. Organisational sustainability: we will review and evaluate our structure to ensure best practice in governance and that the model supports the work and ambitions of the company
12. Venue: we will seek to secure the long-term stability of the buildings that we occupy and improve our theatre and office space, to provide a welcoming and accessible environment to staff and visitors
13. Environmental responsibility: we will minimise our impact on the environment and continue to reduce our carbon footprint
14. Diversity and inclusion: we will provide equality of opportunity and representation, reflecting the diversity of London on our stage, in the artists we work with and in our staff team and Board

By producing theatre and funding the core organisation that allows the charity to do this, the charity's expenditure for the year was put wholly into meeting these objectives.

The Joint Chief Executive's report outlines how the charity has undertaken to further public benefit through the delivery of these activities against the stated objectives.

Gate Theatre Company Limited(the)

Trustees' Report

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

Policy on reserves

As in 2019/20 the Gate invested a portion of its reserves to ensure that they are working as hard as possible for the charity. This investment sat below the Financial Services Compensation scheme limit of £75,000 and the investment reviewed and approved by the Finance subcommittee before being enacted.

Principal funding sources

2020/21 was the third year of the 2018-2022 funding cycle of the Arts Council England National Portfolio. We are extremely grateful to Arts Council England for this investment which is a testament to the Gate's position as a key part of the theatre ecology of London and the UK.

Looking ahead, it is the Board and Senior Management's priority to diversify income streams, increase a wider portfolio of donors and funders and increase earned income, to offset the real term cuts resulting from 10 years of standstill public funding, and to continue to grow our charitable output.

Structure, governance and management

Nature of governing document

The charity is constituted as a company limited by guarantee, and is governed by a memorandum and articles of association.

Recruitment and appointment of trustees

The Board of Directors form the governing body. All directors of the company are also trustees of the charity, and there are no other trustees. The Board has the power to appoint additional trustees as it sees fit. Recruitment of new trustees is discussed regularly at Board meetings, with the aim of addressing skills gaps and broadening diversity.

Induction and training of trustees

The recruitment process is led by the Chair with support from the Chief Executive Officers. After meeting with the Chair, at least one other Board member and representatives from the senior management team, a potential new trustee is invited to attend a Board meeting as an observer. New trustees receive a comprehensive induction pack which includes the Gate's Board member description; our current Business Plan, most recent management accounts, audited accounts and accompanying Directors'/Trustees' Report; the charity's Memorandum and Articles of Association; and the Scottish Arts Council's publication "Care, Diligence and Skill (A Corporate Governance Handbook for Arts Organisations)". Additional training for trustees is arranged if needed.

Gate Theatre Company Limited(the)

Trustees' Report

Organisational structure

In 2020/21, the day to day management of the charity was delegated to the senior management team, which for the vast majority of the year, comprised of Artistic Director, Ellen McDougall and Consulting Executive, Sarah Nicholson. From January 2021, Shawab Iqbal joined as Executive Director and Joint CEO.

The charity's Business Plan and annual budgets are subject to Board approval. The senior management team's progress in financial management and health and safety is monitored regularly by subcommittees of the Board of Directors. A Remuneration subcommittee of the Board meets annually to consider staff salaries. All subcommittees report directly to the full Board of Directors, who meet quarterly. The Board of Directors are actively involved in recruitment of senior management and lead any recruitment process for the two roles.

In this year the senior management team was supported by four full time permanent staff, two part time temporary, one full time temporary and two freelancers. Production staff and volunteers were hired on a project by project basis.

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and procedures have been established to manage these risks.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Gate Theatre Company Limited(the) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;

Gate Theatre Company Limited(the)**Trustees' Report**

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 31 March 2022 and signed on its behalf by:



.....
Charles Prideaux
Trustee

Gate Theatre Company Limited(the)**Independent Examiner's Report to the trustees of Gate Theatre Company Limited(the) ("the Company")**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Gate Theatre Company Limited(the) are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

1. accounting records were not kept in respect of Gate Theatre Company Limited(the) as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

.....
Adam Hickie FCA CTA
ICAEW

2/4 Ash Lane
Rustington
Littlehampton
West Sussex
BN16 3BZ

31 March 2022

Gate Theatre Company Limited(the)

**Statement of Financial Activities for the Year Ended 31 March 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	533,082	36,050	569,132	483,497
Charitable activities	4	37,889	-	37,889	135,586
Other trading activities	5	500	-	500	15,022
Investment income	6	29	-	29	-
Total Income		571,500	36,050	607,550	634,105
Expenditure on:					
Raising funds	7	(77,896)	-	(77,896)	(69,612)
Charitable activities	8	(451,462)	(47,536)	(498,998)	(700,866)
Total Expenditure		(529,358)	(47,536)	(576,894)	(770,478)
Net income/(expenditure)		42,142	(11,486)	30,656	(136,373)
Net movement in funds		42,142	(11,486)	30,656	(136,373)
Reconciliation of funds					
Total funds brought forward		240,457	23,200	263,657	400,032
Total funds carried forward	21	282,599	11,714	294,313	263,659

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 21.

Gate Theatre Company Limited(the)**(Registration number: 01495543)****Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	12,569	22,325
Current assets			
Debtors	17	104,746	131,918
Cash at bank and in hand	18	213,395	170,786
		318,141	302,704
Creditors: Amounts falling due within one year	19	(36,397)	(61,370)
Net current assets		281,744	241,334
Net assets		294,313	263,659
Funds of the charity:			
Restricted		11,714	23,200
Unrestricted income funds			
Designated Funds		47,691	52,466
General Funds		234,908	187,993
Total unrestricted funds		282,599	240,459
Total funds	21	294,313	263,659

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 27 were approved by the trustees, and authorised for issue on 31 March 2022 and signed on their behalf by:

.....
Charles Prideaux
Trustee

The notes on pages 13 to 27 form an integral part of these financial statements.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

11 Pembridge Road
Above Prince Albert Pub
London
W11 3HQ

These financial statements were authorised for issue by the trustees on 31 March 2022.

2 Accounting policies*Summary of significant accounting policies and key accounting estimates*

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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

These financial statements are presented in Sterling, which is also the charity's functional currency. The financial statements are rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

2 Accounting policies (continued)

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

2 Accounting policies (continued)

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	5 year straight line
Office equipment	3 year straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

2 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Accounting policies (continued)

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

3 Income from donations and legacies

Unrestricted					
	Designated £	General £	Restricted £	Total 2021 £	Total 2020 £
Donations and legacies;					
Donations from individuals	30,000	54,239	-	84,239	30,682
Gift aid reclaimed	-	19,658	-	19,658	11,784
Grants, including capital grants;					
Government grants	-	398,263	-	398,263	306,330
Grants from other charities	-	-	36,050	36,050	96,100
Regular giving and capital donations	-	30,922	-	30,922	38,601
	30,000	503,082	36,050	569,132	483,497

4 Income from charitable activities

Unrestricted			
	General £	Total 2021 £	Total 2020 £
Theatre production	37,889	37,889	135,586
	37,889	37,889	135,586

5 Income from other trading activities

Unrestricted			
	General £	Total 2021 £	Total 2020 £
Fundraising events income;			
Other events income	500	500	15,022
	500	500	15,022

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2021

6 Investment income

	Unrestricted	
	General £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	29	29
	29	29

7 Expenditure on raising funds

a) Costs of generating donations and legacies

Unrestricted				
	Note	General £	Total 2021 £	Total 2020 £
Regular giving		166	166	7,178
Marketing and publicity		-	-	214
Other direct costs of generating voluntary income		12	12	540
Allocated support costs	9	16,238	16,238	14,654
Staff costs		61,480	61,480	47,026
		77,896	77,896	69,612
		Direct costs £	Allocated support costs £	Total costs £
Costs of generating donations and legacies		178	16,238	16,416
Total for 2021		178	16,238	16,416
Total for 2020		7,932	14,654	22,586

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

8 Expenditure on charitable activities

Unrestricted					
	Note	General £	Restricted £	Total 2021 £	Total 2020 £
Theatre production		52,786	47,536	100,322	348,976
Staff costs		282,224	-	282,224	241,251
Allocated support costs	9	74,501	-	74,501	67,237
Governance costs	9	41,951	-	41,951	43,402
		451,462	47,536	498,998	700,866

	Activity undertaken directly £	Activity support costs £	Total 2021 £	Total 2020 £
Theatre production	100,322	74,501	174,823	174,823
Staff costs	282,224	-	282,224	241,251
	382,546	74,501	457,047	416,074

In addition to the expenditure analysed above, there are also governance costs of £41,951 (2020 - £43,403) which relate directly to charitable activities. See note 9 for further details.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

9 Analysis of governance and support costs

Governance costs

	Unrestricted		
	General £	Total 2021 £	Total 2020 £
Staff costs			
Wages and salaries	17,058	17,058	12,835
Social security costs	684	684	764
Pension costs	201	201	231
Other staff costs	5,356	5,356	5,431
Audit fees			
Audit of the financial statements	-	-	5,480
Independent examiner fees			
Examination of the financial statements	3,000	3,000	-
Other fees paid to examiners	500	500	-
Legal fees	150	150	39
Depreciation, amortisation and other similar costs	9,755	9,755	14,312
Other governance costs	5,247	5,247	4,310
	41,951	41,951	43,402

10 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Audit fees	-	5,480
Depreciation of fixed assets	9,755	14,312

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

12 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	341,153	279,872
Social security costs	16,469	17,283
Pension costs	4,025	4,952
Other staff costs	5,356	5,431
	367,003	307,538

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Administration	15	9
Production (including cast)	8	8
	23	17

No employee received emoluments of more than £60,000 during the year.

13 Independent examiner's remuneration

	2021 £
Examination of the financial statements	3,000
Other fees to examiners	
Taxation compliance services	500

14 Auditors' remuneration

	2020 £
Audit of the financial statements	5,480

15 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

16 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 April 2020	221,584	155,061	88,264	464,909
At 31 March 2021	221,584	155,061	88,264	464,909
Depreciation				
At 1 April 2020	221,584	143,846	77,154	442,584
Charge for the year	-	5,312	4,444	9,756
At 31 March 2021	221,584	149,158	81,598	452,340
Net book value				
At 31 March 2021	-	5,903	6,666	12,569
At 31 March 2020	-	11,215	11,110	22,325

Included within the net book value of land and buildings above is £Nil (2020 - £Nil) in respect of freehold land and buildings and £Nil (2020 - £Nil) in respect of leaseholds.

17 Debtors

	2021 £	2020 £
Trade debtors	1,160	1,250
Prepayments	28,170	12,832
Accrued income	19,500	22,500
Other debtors	55,916	95,336
	104,746	131,918

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

18 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	1,441	2,437
Cash at bank	200,240	139,149
Short-term deposits	11,714	29,200
	213,395	170,786
Bank overdrafts	-	(25,000)
Cash and cash equivalents in statement of cash flows	213,395	145,786

19 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	-	25,000
Trade creditors	17,542	11,035
Other taxation and social security	4,364	2,946
Other creditors	5,370	4,495
Accruals	9,121	17,894
	36,397	61,370

20 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £4,026 (2020 - £4,953).

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

21 Funds

	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted				
<i>General</i>				
General unrestricted funds	541,501	(529,358)	34,774	46,917
<i>Designated</i>				
Artistic spend (gala fundraising)	-	-	(24,774)	(24,774)
Support spend	-	-	(10,000)	(10,000)
Rebuilding Better project	30,000	-	-	30,000
Total Unrestricted	571,501	(529,358)	-	42,143
Restricted				
Production costs	25,000	(29,000)	-	(4,000)
Apprenticeships	11,050	(9,000)	-	2,050
OpenGate	-	(8,192)	585	(7,607)
Other restricted funds	-	(1,344)	(585)	(1,929)
Total restricted	36,050	(47,536)	-	(11,486)
Total funds	607,551	(576,894)	-	30,657

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2021

21 Funds (continued)

	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted			
<i>General</i>			
General unrestricted funds	530,255	(594,391)	(64,136)
<i>Designated</i>			
Artistic spend (gala fundraising)	-	(25,000)	(25,000)
Sound proofing	-	(6,352)	(6,352)
Support spend	-	(10,000)	(10,000)
Website project	-	(7,800)	(7,800)
Total unrestricted	530,255	(643,543)	(113,288)
Restricted			
Production costs	60,850	(56,850)	4,000
Associate director	-	(25,000)	(25,000)
Apprenticeships	-	(18,000)	(18,000)
OpenGate	43,000	(27,085)	15,915
Total restricted	103,850	(126,935)	(23,085)
Total funds	634,105	(770,478)	(136,373)

22 Analysis of net assets between funds

Unrestricted				
	General £	Designated £	Restricted £	Total funds £
Tangible fixed assets	12,569	-	-	12,569
Current assets	258,736	47,691	11,714	318,141
Current liabilities	(36,397)	-	-	(36,397)
Total net assets	234,908	47,691	11,714	294,313
Unrestricted				
	General £	Designated £	Restricted £	Total funds £
Tangible fixed assets	22,326	(1)	-	22,325
Current assets	202,038	77,466	23,200	302,704
Current liabilities	(36,370)	(25,000)	-	(61,370)
Total net assets	187,994	52,465	23,200	263,659

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2021**

23 Analysis of net funds

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	-	42,609	42,609
Bank overdraft	-	25,000	25,000
Net debt	-	67,609	67,609

	At 1 April 2019 £	Financing cash flows £	At 31 March 2020 £
Cash at bank and in hand	-	(171,187)	(171,187)
Bank overdraft	-	(25,000)	(25,000)
Net debt	-	(196,187)	(196,187)