

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 2023

Lucraft Hodgson & Dawes LLP
2/4 Ash Lane
Rustington
Littlehampton
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Gate Theatre Company Limited(the)**Reference and Administrative Details**

Chair	Ms Sharmishta Chakrabarti
Trustees	Sian Alexander David Lakhdhir Jan Baister Sarah Frankcom Rahul Sinha Ms Sharmishta Chakrabarti Mr Jason Fernandez Mr Jonathan Charles Evans
Secretary	Lucy Jane Perman Ms Nicola Clements
Senior Management / Leadership Team	Nicola Clements, Executive Director and CEO Stef O'Driscoll, Interim Artistic Director
Charity Registration Number	280278
Company Registration Number	01495543
	The charity is incorporated in England & Wales.
Registered Office	26 Crowndale Road London NW11 1TT
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 2023**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2023, in compliance with s414C of the Companies Act 2006.

Chair's Report

2022/23 was a year of two halves in which Gate theatre made significant progress in recovery post-pandemic through a venue relocation, key leadership appointments and delivering innovative, exciting artistic work to scale for the first time since 2020. However, this was marred by the devastating decision by the Arts Council to cut 100% of the regular funding that made up 45% of the Gate's annual turnover.

Public opinion is in our favour, notably mentioned in the national and consistently outstanding reviews for Bootycandy, and the support and affection from industry peers, audiences and local community partners has been heartening. Initial strategy work clearly shows the impact of 43 years of artist development, international programming and innovative approaches to theatre-making, indicating a solid case for the Gate's continued existence.

In anticipation of the relocation and increased risks around earned income as the theatre industry continues to feel the effects of the pandemic, with slow-to-return audiences, changed expectations around work practices and a national cost of living crisis, reserves were designated as a Relocation fund in order to support increased expenditure and reduced income for 22/23. The year ended with a strong cash position and a generous wind up reserve in place which will be reviewed and reduced once organisational planning has taken place, anticipating much reduced overheads and liabilities by end of 2023/24. This work has already begun with our new Executive Director and CEO Nicola Clements who joined in November 2022.

We are grateful for the support of our donors, stakeholders and audiences as we rebuild.

The following report outlines the key artistic and organisational activity from the last year.

The strategic report was approved by the trustees of the charity on 25 August 2023 and signed on its behalf by:



Ms Sharmishta Chakrabarti
Chair and trustee

Gate Theatre Company Limited(the)

Chief Executive's Report for the Year Ended 31 March 2023

The chief executive presents their report and review of the year for the year ended 31 March 2023.

Introduction

In 2022, the Gate moved operations to Teatro Technis @ 26 Crowndale, a step-free and wheelchair accessible home in Camden. The lease was ended on the premises above the Prince Albert pub in Notting Hill, which whilst held in great affection by artists, staff and audiences of the Gate, could not be made accessible and therefore no longer served our mission.

We were thrilled to announce the appointment of our new Chair, Baroness Shami Chakrabarti, and our first full season of Gate-produced work since pre-pandemic: Bootycandy, HOT IN HERE and Brassic FM is a season of international voices, emerging artists and contemporary issues curated by Interim Stef O'Driscoll.

Unfortunately, we also faced the challenging decision of the Arts Council not to continue our regular NPO funding, which will necessitate a review of our business model. Transition funding was secured, enabling us to honour our commitments to artists and audiences and ensuring our 2023 season remained viable, but further business development work is being undertaken urgently to explore options for the future of the Gate.

Our work

Route27: Voices

A farewell exhibition at the Pembridge Road venue curated by designer Hazel Low, culminated in an event introducing donors and stakeholders to our new home, travelling there along the bus route between Notting Hill and Camden (Route 27).

The Caravan Project: Our Voices

Led by the Young Associates in partnership with Small Truth Theatre, we presented three original audio plays, performed live inside the Caravan Theatre for the Henry Dickens Community Centre and Migrants Organise Charity, as well as in Portobello Market, and recorded at Gate Theatre.

<https://caravantheatre.co.uk/our-voices-gate-theatre>

A Sudden Burst of Violent Rain

The first production in our new home, *A Sudden Burst of Violent Rain*, was a co-production with Paines Plough and Rose Theatre Kingston. Directed by Associate Director Yasmin Hafeesji, it was a poetic fable from playwright Sami Ibrahim depicting an impenetrable immigration system. The production was warmly received for its imagination and stirred hearts and minds for its poignancy, particularly as at the time of performance, the government was being condemned for its hostile treatment of asylum seekers.

Bootycandy

Written by Robert O'Hara and directed by Associate Artist Tristan Fynn-Aiduenu, Bootycandy was the most ambitious production the Gate has ever produced, both in scale and content. Critical and audience responses were fantastically successful (4 and 5 * reviews) and word of mouth drove ticket sales to meet cautious box office targets.

Gate Theatre Company Limited(the)**Chief Executive's Report for the Year Ended 31 March 2023**

Our audiences

During 2022/2023 we distributed and sold 2,720 tickets across 59 event instances. We continued our Gate Late series and wraparound activity, working with Migrants Organise, presenting our first ever Blackout performance and increasing our access provision in line with our more physically accessible theatre space by offering relaxed, audio-described, BSL interpretation and captioned performances.

Audience Finder identifies our top customer profiles as follows: 41% as Metroculturals, 22% as Kaleidoscope Creativity, and 18% as Experience Seekers. We are very proud to see a 7% increase in Kaleidoscope Creativity from last year, a group recognised as having low cultural engagement preferring free, local, culturally specific arts. This speaks to our audience development and community strategy, as well as the nature of our programming speaking to these audiences. The 4% increase in the Experience Seekers category can also be attributed to our programming, which appeals to diverse, highly active and ambitious arts engagers, as the Gate is known for its risk taking and producing work not seen on other stages.

New customers account for 77% of bookings for A Sudden Burst of Violent Rain and 78% for Bootycandy. Student and Under 26s remain one of our strongest demographics (23%) and we welcomed 8% of bookers for ASBVR return for Bootycandy.

Our engagement on our digital platforms rose this year, following the announcement of the Gate Theatre move to Camden, as well as two major productions. Our website received 52,101 visitors, an increase of 48% on the previous year. Our most visited content was the statement made by Chair Shami Chakrabarti in response to the Arts Council decision to cut the Gate's NPO funding, with 1,522 unique page views, almost 5x more popular than the highest ranking blog content of the previous year.

Our social media engagement was as follows:

- 50,385 Twitter followers
- 8,617 Instagram followers
- 7,482 Facebook likes
- 386 LinkedIn followers

Instagram saw follower growth of 33%, based on a following of 6,478 during 2021/2022, then rising to 8,617 during 2022/2023. Our LinkedIn following remains small, but the engagement just as was shown last year remains promising and engaged, and the follower growth has almost tripled, rising 184% from our following of 136 last year.

Our organisation

Funded by the Aziz Foundation and Stage One, we welcomed Harris Albar in the fixed term role of Trainee Producer and otherwise maintained team structure as formed in 2021 in order to deliver committed programme supported by the NPO Transition fund. The year closed with contracts coming to an end for Interim Artistic Director Stef O'Driscoll and Interim General Manager Wofai Je, and an organisational structure review prompted by the loss of NPO funding has been planned for 2023/4 alongside business planning and strategy work around a new financial and operating model.

Nicola Clements
Executive Director and 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 2023.

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 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

The Trustees have set aside £190,000 as a minimum reserve ringfencing for wind up purposes.

Principal funding sources

2021/22 was the final year of the 2018-22 funding cycle of the Arts Council England National Portfolio. For 2022/23 the Gate was in receipt of extension year funding and from 2023 onwards will no longer remain part of the portfolio. Looking ahead, it is the Board and Senior Management's priority to diversify income streams and transition from this support to a new funding model.

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 Officer. 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.

Organisational structure

In 2022/23, the day-to-day management of the charity was delegated to the senior management team. This comprised Executive Director/CEO Shawab Iqbal until September 2022, followed by Interim Executive Director Lucy Perman from September to December, and Interim Artistic Director Stef O'Driscoll throughout. In November 2022, Nicola Clements was appointed permanent Executive Director & 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.

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.

Gate Theatre Company Limited(the)

Trustees' Report

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.

Going concern

The charity's Arts Council England (ACE) annual grant has been discontinued from April 2023. This follows a new investment round which includes the levelling up agenda, where arts funding is redistributed away from inner London following direction from central government.

The Charity has secured a Transition Fund grant. This grant will be used to support committed activity and related core costs in the period to October 2023. In addition, management have budgeted for a reduction of £100k in overheads and have secured significant funding for 2023/24 and 2024/25.

The trustees anticipate that the reserve of £190,000 in order to implement an orderly winding up will reduce by approximately 50% by the end of 2023/24.

For the reasons outlined above the trustees consider that the Charity continues to be a going concern.

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 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 Republic of Ireland".

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 the incoming resources and application of resources, including its 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and

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

- 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 can 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.

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

The annual report was approved by the trustees of the charity on 25 August 2023 and signed on its behalf by:



Ms Sharmishta Chakrabarti
Chair and 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 2023.

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 the Company 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.

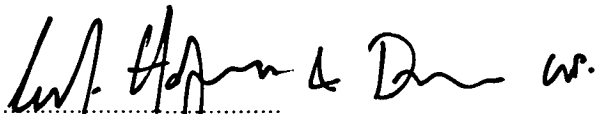
Independent examiner's statement

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 Lucraft Hodgson & Dawes LLP, 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
For and on behalf of Lucraft Hodgson & Dawes LLP
2/4 Ash Lane
Rustington
Littlehampton
West Sussex
BN16 3BZ

25 August 2023

Gate Theatre Company Limited(the)**Statement of Financial Activities for the Year Ended 31 March 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	349,011	26,243	375,254	895,961
Charitable activities	4	72,377	-	72,377	5,029
Investment income	5	1,824	-	1,824	43
Total Income		423,212	26,243	449,455	901,033
Expenditure on:					
Raising funds	6	(43,948)	-	(43,948)	(62,102)
Charitable activities	7	(596,895)	(66,852)	(663,747)	(510,340)
Total Expenditure		(640,843)	(66,852)	(707,695)	(572,442)
Net (expenditure)/income		(217,631)	(40,609)	(258,240)	328,591
Net movement in funds		(217,631)	(40,609)	(258,240)	328,591
Reconciliation of funds					
Total funds brought forward		561,694	61,214	622,908	294,315
Total funds carried forward	19	344,063	20,605	364,668	622,906

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 19.

Gate Theatre Company Limited(the)**(Registration number: 01495543)****Balance Sheet as at 31 March 2023**

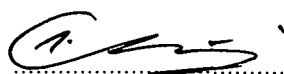
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	1,810	3,628
Current assets			
Debtors	15	62,057	265,807
Cash at bank and in hand	16	340,929	406,264
		402,986	672,071
Creditors: Amounts falling due within one year	17	(40,128)	(52,793)
Net current assets		362,858	619,278
Net assets		364,668	622,906
Funds of the charity:			
Restricted		20,605	61,214
Unrestricted income funds			
Designated Funds		115,991	242,691
General Funds		228,072	319,001
Total unrestricted funds		344,063	561,692
Total funds	19	364,668	622,906

For the financial year ending 31 March 2023 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.

The financial statements on pages 10 to 26 were approved by the trustees, and authorised for issue on 25 August 2023 and signed on their behalf by:



Ms Sharmishta Chakrabarti
Chair and Trustee

The notes on pages 13 to 26 form an integral part of these financial statements.

Gate Theatre Company Limited(the)**Statement of Cash Flows for the Year Ended 31 March 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (expenditure)/income		(258,240)	328,591
Adjustments to cash flows from non-cash items			
Depreciation	6	3,960	8,941
Investment income	5	(1,824)	(43)
		(256,104)	337,489
Working capital adjustments			
Decrease/(increase) in debtors	15	203,750	(161,061)
(Decrease)/increase in creditors	17	(12,663)	16,398
Net cash flows from operating activities		(65,017)	192,826
Cash flows from investing activities			
Interest receivable and similar income	5	1,824	43
Purchase of tangible fixed assets	14	(2,142)	-
Net cash flows from investing activities		(318)	43
Net (decrease)/increase in cash and cash equivalents		(65,335)	192,869
Cash and cash equivalents at 1 April		406,264	213,395
Cash and cash equivalents at 31 March		340,929	406,264

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 13 to 26 form an integral part of these financial statements.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2023**

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:

26 Crowndale Road

London

NW11 1TT

These financial statements were authorised for issue by the trustees on 25 August 2023.

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.

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.

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 meetings and reimbursed expenses.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2023**

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.

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.

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.

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.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2023**

2 Accounting policies (continued)

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.

3 Income from donations and legacies

	Unrestricted			
	General £	Restricted £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations from individuals	5,935	26,243	32,178	31,932
Gift aid reclaimed	2,347	-	2,347	5,398
Grants, including capital grants;				
Government grants	311,966	-	311,966	786,868
Grants from other charities	17,143	-	17,143	43,000
Regular giving and capital donations	11,620	-	11,620	28,763
	349,011	26,243	375,254	895,961

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2023**

4 Income from charitable activities

Unrestricted			
	General £	Total 2023 £	Total 2022 £
Theatre production	72,377	72,377	5,029
	72,377	72,377	5,029

5 Investment income

Unrestricted			
	General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,824	1,824	43
	1,824	1,824	43

6 Expenditure on raising funds**a) Costs of generating donations and legacies**

Unrestricted				
	Note	General £	Total 2023 £	Total 2022 £
Regular giving		4,519	4,519	-
Other direct costs of generating voluntary income		135	135	-
Allocated support costs	8	-	-	7,884
Staff costs		39,294	39,294	54,218
		43,948	43,948	62,102

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2023

6 Expenditure on raising funds (continued)

	Direct costs £	Allocated support costs £	Total costs £
Costs of generating donations and legacies	4,654	15,024	19,678
Total for 2023	4,654	15,024	19,678
Total for 2022	-	7,884	7,884

7 Expenditure on charitable activities

Unrestricted					
	Note	General £	Restricted £	Total 2023 £	Total 2022 £
Theatre production		231,604	44,966	276,570	185,216
Staff costs		253,582	19,836	273,418	250,587
Allocated support costs	8	102,251	2,050	104,301	36,175
Governance costs	8	9,458	-	9,458	38,362
		596,895	66,852	663,747	510,340

	Activity undertaken directly £	Activity support costs £	Total 2023 £	Total 2022 £
Theatre production	276,570	68,928	345,498	221,391
Staff costs	248,278	-	248,278	250,587
	524,848	68,928	593,776	471,978

In addition to the expenditure analysed above, there are also governance costs of £9,458 (2022 - £38,362) which relate directly to charitable activities. See note 8 for further details.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2023**

8 Analysis of governance and support costs

Basis of allocation

The trustees have reviewed the historical allocation of costs and adjusted this allocation to more accurately reflect direct governance and development costs in line with industry practice. For governance these costs include accountancy, legal fees, charitable administration and depreciation. For development this shows salaries for development specific roles and budget associated with fundraising. Previously costs were allocated based on an approximation of staff time spent on each activity, had the method applied this year been used for the previous year, governance costs would have been £18,917.

Governance costs

	Unrestricted			
	General £	Restricted £	Total 2023 £	Total 2022 £
Staff costs				
Wages and salaries	-	-	-	14,984
Social security costs	-	-	-	740
Pension costs	-	-	-	222
Other staff costs	8,545	-	8,545	1,378
Independent examiner fees				
Examination of the financial statements	4,680	-	4,680	4,680
Legal and professional fees	6,500	-	6,500	4,886
Depreciation, amortisation and other similar costs	3,961	-	3,961	8,941
Other governance costs	88,023	2,050	90,073	46,590
Allocated support costs	(102,251)	(2,050)	(104,301)	(44,059)
	9,458	-	9,458	38,362

9 Net incoming/outgoing resources

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

	2023 £	2022 £
Depreciation of fixed assets	3,961	8,941

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2023**

10 Trustees remuneration and expenses

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

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	296,791	300,782
Social security costs	12,659	14,809
Pension costs	3,262	4,440
Other staff costs	8,545	2,098
	321,257	322,129

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:

	2023 No	2022 No
Administration	5	12

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

12 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	4,680	4,680

13 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 2023**

14 Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Total £
Cost			
At 1 April 2022	155,061	88,264	243,325
Additions	612	1,530	2,142
At 31 March 2023	155,673	89,794	245,467
Depreciation			
At 1 April 2022	153,655	86,042	239,697
Charge for the year	1,313	2,647	3,960
At 31 March 2023	154,968	88,689	243,657
Net book value			
At 31 March 2023	705	1,105	1,810
At 31 March 2022	1,406	2,222	3,628

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings and £Nil (2022 - £Nil) in respect of leaseholds.

15 Debtors

	2023 £	2022 £
Trade debtors	232	2,500
Prepayments	18,495	30,373
Accrued income	2,143	227,425
Other debtors	41,187	5,509
	62,057	265,807

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2023**

16 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	1,398	1,363
Cash at bank	217,133	191,687
Short-term deposits	122,398	213,214
Cash and cash equivalents in statement of cash flows	340,929	406,264

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	23,194	11,597
Other taxation and social security	4,274	6,670
Other creditors	6,413	21,260
Accruals	6,247	13,266
	40,128	52,793

18 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 £3,261 (2022 - £4,439).

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2023

19 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted					
<i>General</i>					
General unrestricted funds	319,001	423,212	(640,840)	126,700	228,073
<i>Designated</i>					
Relocation	212,691	-	-	(96,700)	115,991
Rebuilding Better project	30,000	-	-	(30,000)	-
Total Unrestricted	561,692	423,212	(640,840)	-	344,064
Restricted					
Production costs	43,000	-	(30,158)	1,356	14,198
Organisational sustainability	2,050	26,243	(21,886)	-	6,407
OpenGate	14,808	-	(14,808)	-	-
Other restricted funds	1,356	-	-	(1,356)	-
Total restricted	61,214	26,243	(66,852)	-	20,605
Total funds	622,906	449,455	(707,692)	-	364,669

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted					
<i>General</i>					
General unrestricted funds	234,908	848,534	(569,441)	(195,000)	319,001
<i>Designated</i>					
Relocation	17,691	-	-	195,000	212,691
Rebuilding Better project	30,000	-	-	-	30,000
Total unrestricted	282,599	848,534	(569,441)	-	561,692

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2023

19 Funds (continued)

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Restricted					
Production costs	-	43,000	-	-	43,000
Organisational sustainability	2,050	-	-	-	2,050
OpenGate	8,308	9,500	(3,000)	-	14,808
Other restricted funds	1,356	-	-	-	1,356
Total restricted	11,714	52,500	(3,000)	-	61,214
Total funds	294,313	901,034	(572,441)	-	622,906

20 Analysis of net assets between funds

	Unrestricted			Total funds
	General £	Designated £	Restricted £	£
Tangible fixed assets	1,810	-	-	1,810
Current assets	266,390	115,991	20,605	402,986
Current liabilities	(40,128)	-	-	(40,128)
Total net assets	228,072	115,991	20,605	364,668

	Unrestricted			Total funds
	General £	Designated £	Restricted £	£
Tangible fixed assets	3,628	-	-	3,628
Current assets	368,167	242,690	61,214	672,071
Current liabilities	(52,793)	-	-	(52,793)
Total net assets	319,002	242,690	61,214	622,906

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2023**

21 Analysis of net funds

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	406,264	(406,264)	-
Net debt	406,264	(406,264)	-

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	213,395	192,869	406,264
Net debt	213,395	192,869	406,264