

BLACKPOOL GRAND THEATRE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR
THE YEAR ENDED MARCH 31 2023

BLACKPOOL GRAND THEATRE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
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BLACKPOOL GRAND THEATRE TRUST LIMITED
CHAIR'S FOREWORD
FOR THE YEAR ENDED MARCH 31 2023

2022-23 was a year in which we continued to celebrate the return of audiences to Blackpool Grand Theatre who were rewarded with a refreshed programme of onstage work and the benefit of our continued investment in our celebrated heritage asset.

I have been delighted to welcome our new Chief Executive, Adam Knight, who has secured a number of high profile productions for The Grand's stage this year, including the return of West End musicals with highly acclaimed performances of *Beautiful – The Carole King Musical*, *The Rocky Horror Show* and *Titanic The Musical*. It is a fitting tribute to the hard work and commitment of everyone involved that the annual pantomime again saw record attendances returning to see local star Hayley Tamaddon joining Steve Royle in *Sleeping Beauty*, lighting up the stage of Matcham's masterpiece with some welcome festive cheer.

The Grand's team have continued to work tirelessly within a challenging economic climate to ensure the upkeep of the building, systems and services throughout have been maintained, a vitally important task to heritage assets such as ours. 2022-23 has seen investment in new Health & Safety auditors, who have completed a comprehensive review of the management systems and physical premises, including a Fire Risk Assessment and detailed review of evacuation procedures, which I am delighted to report presented very complementary findings highlighting a well-managed and maintained building with a proactive approach to health and safety management. In addition, condition surveys have been conducted for the decorative plaster ceiling, asbestos management and legionella control, requiring remedial work to be undertaken in the latter two cases, which has been completed satisfactorily and with the financial support of The Friends of The Grand. The Quinquennial Building Condition and Structural Survey has been completed, which will support and enable the Trust to plan strategically for future investment and capital fundraising applications. In addition, the executive have been exploring opportunities to review and progress our capital masterplan and have engaged with renowned theatre heritage consultant David Wilmore to guide and shape the approach to future project work in this area.

I have been delighted to welcome new Trustees David Barnett, Mark Cunliffe, Bryan Lindop and Lisa Slack who all bring expertise and enthusiasm to the Board, complementing the skills and experience of our existing Trustees, creating a solid foundation from which to approach the challenges and opportunities of the months and years ahead.

My sincere thanks go to my fellow Trustees for their continued dedication and support, to our colleagues on the Arts & Entertainments Ltd Board who work alongside us to champion our wonderful theatre, to the Committee and members of the Friends of The Grand who continue to provide financial support to the Trust. My grateful thanks go to the incredible management and staff of The Grand who consistently look forward with faith and optimism and, of course, to our community of supporters in Blackpool and beyond without whom we would not be able to achieve our ambitions for the future of our wonderful Matcham theatre.



Roger Lloyd Jones - Chair

BLACKPOOL GRAND THEATRE TRUST LIMITED
ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED MARCH 31 2023

DIRECTORS & TRUSTEES

Roger Lloyd Jones (Chair)
Richard Baguley
David Barnett (Appointed 10/09/22)
Mark D J Cunliffe (Appointed 12/05/22)
John Grady
Zoe Hammond
Bryan Lindop (Appointed 10/09/22)
Amelia K Macpherson
Mark P J Price
Lisa Slack (Appointed 10/09/22)
Michelle J Wiseman

COMPANY SECRETARY

Roger Lloyd Jones

**REGISTERED OFFICE AND
PRINCIPAL PLACE OF BUSINESS**

The Grand Theatre
33 Church Street
Blackpool
Lancashire
FY1 1HT

AUDITORS AND ACCOUNTANTS

HGA Accountants & Financial
Consultants Ltd
t/a Chittenden Horley
Chartered Accountants & Registered
Auditors
The Hyde Park House
Cartwright Street, Newton
Manchester SK14 4EH

BANKERS

National Westminster Bank plc
20 Corporation Street
Blackpool FY1 1EJ

BLACKPOOL GRAND THEATRE TRUST LIMITED

TRUSTEES' AND DIRECTORS' ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31 2023

The trustees present their annual report together with the financial statements of the charity for the year ended March 31 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies act purposes.

REPORTING FRAMEWORK

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), referred to as the Charities SORP (FRS 102) (second edition – October 2019).

OBJECTIVES AND ACTIVITIES

Charitable objects

The charitable objectives are:

- (1) To preserve for the benefit of the people of the three local authority districts of Blackpool, Fylde and Wyre in Lancashire and of the nation at large, whatever of the English historical, architectural and constructional heritage may exist in and around the said local authority districts aforesaid in the form of buildings (including any building as defined in Section 290(1) of the Town and Country planning Act 1971) of particular beauty or historical, architectural or constructional interest.
- (2) To support the charitable work of Blackpool Grand Theatre (Arts & Entertainments) Limited.

Activities

To further these objectives, we:

- Maintain and improve the Grand Theatre Blackpool
- Preserve the archive material associated with the theatre
- Organise guided tours of the theatre for the public
- Provide equipment for the use of Blackpool Grand Theatre (Arts & Entertainments) Limited

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 01 to have due regard to the public benefit guidance published by the Charity Commission.

The Grand Theatre plays a critical part in making Blackpool a great place to live, work and learn. As well as investing in the upkeep of the Grade II* Listed building, we have grown our commitment to increasing understanding and enthusiasm for the theatre through our programme of heritage tours, talks and work with schools and the community in Blackpool and beyond. This year however, many of these activities have been adapted for digital delivery or paused pending the return of in-person engagement and the live performance programme to resume.

ACHIEVEMENTS AND PERFORMANCE

Blackpool Grand Theatre, like all other theatres in the UK, had been closed from March 2020 to June 2021 due to COVID-19 restrictions. Following re-opening, and under new Chief Executive, Adam Knight, The Grand has invested in engaging industry specific Health & Safety advisors, who have completed a comprehensive audit review of the management systems and physical premises, including undertaking new Fire Risk Assessment and detailed review of evacuation procedures. These audits have highlighted a well-managed and maintained building with a proactive approach to health and safety management from staff.

The Quinquennial Building Condition and Structural Survey has been completed, identifying areas for remedial work and focus of future capital fundraising and investment. In addition, the decorative plaster ceiling, asbestos management and legionella control surveys have been undertaken with the latter two identifying the need to undertake remedial work which has been satisfactorily completed with the grateful financial support of The Friends of The Grand.

2022-23 has seen the welcome return of volunteers to The Grand, which has included the re-introduction of the ever-popular heritage tours. Our thanks go to honorary archivist Gwen Law, who with her team of enthusiastic heritage volunteers, have welcomed hundreds of people to enjoy the stories, history and heritage of our Grade II*, Frank Matcham designed theatre. The Grand was proud to participate again in the nationwide Heritage Open Day project, joining together with many of Blackpool's heritage assets in opening our doors to the public again for free to access tours in September 2022.

**BLACKPOOL GRAND THEATRE TRUST LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2023**

Our sister company, Blackpool Grand Theatre (Arts and Entertainments) Limited, (A&E), was successful in securing a major uplift in three-year Arts Council England National Portfolio Organisation Funding for the period 2023-26. Additionally, A&E have celebrated winning the 2023 UK Theatre Award for Excellence in Arts Education and the Leadership for Growth Award at the 2022 North-West SME Growth and Innovation Awards. In addition, Blackpool Grand Theatre's staff team have been nominated for the prestigious Community Project of the Year Award in The Stage Awards 2022 (in a glittering ceremony at Theatre Royal, Drury Lane) and for the Arts & Culture Award in the 2023 Children & Young People Now Awards, all helping to raise the national profile and highlight the positive impact that our heritage asset continues to make in the communities of Blackpool and beyond.

FINANCIAL REVIEW

Overview

We had a deficit on unrestricted general funds for the year of £27,976 (2021/22 - £19,932). This deficit, along with movements in designated and restricted funds and adjustments for non-cash items mean that actual cash balances have decreased in the year by c£151k.

The decision has been made not to seek a new tenant for one of our shop units but instead to continue to make this available to A&E to provide space for the public-facing box office operation and office accommodation for the sales and marketing team. A&E was unable to pay rent for this space in 2022/23.

Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified
- Preparation of monthly management accounts reviewed at bi-monthly trustee's meetings and
- The implementation of procedures designed to minimise any potential impact on the charity, should those risks materialise

This work has identified that financial sustainability is a major risk for the charity. Mitigation is applied through the implementation of a reserves policy which is kept under review, closely managed and reported in the monthly management accounts. The annual Health & Safety inspection was completed in February 2023 and Blackpool Grand Theatre staff were commended on their professional approach to the management of health and safety.

Principal funding sources

The Grand Theatre Trust Ltd generates income through rent received, through the support of the Friends of the Grand and by fundraising from Trusts and Foundations.

Investment policy and review

The trustees, having regard to the liquidity requirements of the charity and its reserves policy, have operated a policy of keeping available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index.

Reserves

Free reserves

Reserves are needed to bridge the gap between spending and receiving of resources; to sustain the charity over the next twelve months; and to cover emergency repairs and other expenditure. The trustees consider that the ideal level of free reserves (unrestricted funds not invested in fixed assets or otherwise designated) at the year-end would be in the region of £50,000.

Free reserves at the year-end were £20,042 (2022 £48,018), below the target figure.

Designated funds

The trustees have established a policy of designating a sum equivalent to the charge made for the use of equipment by A&E net of additions in the year, to create a fund to purchase future equipment for use by A&E. Although A&E can ask for specific equipment to be purchased the decision whether to do so or not remains with the trustees of this charity. At the year end the balance on this designated fund stood at £102,835 (2022 - £193,226), which the trustees judged would be adequate to meet any reasonable requests for assistance in the immediate future.

In accordance with the SoRP, the trustees have set up a designated fund to represent the investment of unrestricted funds in fixed assets (including heritage assets) and against which depreciation is being charged and additions credited. At the year end the balance on this designated fund stood at £1,883,904 (2022 - £1,894,575).

In total designated funds at the year end totalled £2,006,781 (2022 - £2,135,819).

Going concern

There are no issues to note and the Trustees believe that the accounts are properly prepared on the going concern basis.

**BLACKPOOL GRAND THEATRE TRUST LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2023**

FUTURE PLANS

Following the re-opening of The Grand and the commencement in post of new Chief Executive, Adam Knight, in May 2022, the executive has been focused on the outcome of the Quinquennial Review and its influence on the phasing of the Capital Masterplan. An application has been made to Arts Council England's 2023 Capital Funding Programme with a focus on roof replacement and remedial works to the west wall. The outcome of the application is anticipated to be received in April 2024. In parallel, The Grand is considering an application to the National Lottery Heritage Fund for a developmental grant and is working with renowned theatre heritage consultant, David Wilmore of Theatresearch, to identify opportunities and to scope the shape of this potential grant application. In addition, Blackpool Grand Theatre Trust Ltd is working with sister charities Blackpool Grand Theatre (Arts & Entertainments) Ltd and The Friends of The Grand and has established a Fundraising Committee to strategically align fundraising activities, priorities and targets.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee governed by its memorandum and articles of association dated July 29 1977 as amended by special resolutions dated June 20 1993, November 27 2007 and November 7 2018. It is a registered charity with the Charity Commission.

Members of the company

The maximum number of members is currently set at forty but the Board may from time to time register an increase or decrease in the number. There are four classes of member in addition to a President or Vice President (if appointed):

- Appointed members - individuals who shall be aged 18 years or older or organisations admitted to membership by the Directors on written application to the Board.
- Former directors of the charity, who can retain their membership for a period that matches their years of service as a Director up to a maximum of eight years.
- Life members, being members of the company on the register as at October 31 1993.
- Persons serving as current directors of the charity, who become members on being appointed as directors if not already members.

Appointment of trustees/directors

Nominated trustees/directors

The Friends of the Grand have the right to nominate one director. The other Directors are appointed

Appointed trustees/directors

An appointments panel constituted in accordance with the Articles appoints up to 15 trustees/directors for a period of four years, the Board having the power to fill a casual vacancy for the remaining period that the person replaced would have served.

Co-opted trustees/directors

The Board may co-opt up to two persons to serve as directors/trustees for a period not exceeding four years and they may renew the appointment for a further period not exceeding four years.

A nominating body has the power to appoint a deputy but appointed and co-opted trustees/directors cannot appoint an alternate to act on their behalf.

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, content of the Memorandum and Articles, the committee and decision-making process, the business plan and recent financial performance of the charity. During the induction day they meet key staff and other trustees.

Trustees are encouraged to attend appropriate external training events where these will facilitate the understanding of their role. All trustees will have the opportunity to attend an external "refresher" on an annual basis.

Organisation

The Board administers the charity and meets every two months. The charity does not employ any staff itself but has an agreement with A&E who provide the services of their General Manager and Finance Manager to whom the trustees delegate responsibility for the day to day management of the charity.

Co-operation with other organisations/charities

In accordance with its objectives, the charity works closely with Blackpool Grand Theatre (Arts & Entertainments) Ltd (A&E) the charity to whom it rents the theatre under a formal lease. The Trustees seek to respond positively to requests to provide specific items of equipment for use in the theatre.

**BLACKPOOL GRAND THEATRE TRUST LIMITED
TRUSTEES' AND DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED MARCH 31 2023**

The charity is supported by the Friends of the Grand an unincorporated charity which raises funds through events and donations for the preservation of the building and the acquisition of equipment.

Related parties

None of the trustees receive any remuneration or other benefits for their services.

Details of transactions with A&E and the Friends are given in the notes to the accounts.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

STATEMENT OF DISCLOSURE TO AUDITORS


We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

SMALL COMPANY PROVISIONS AND APPROVAL

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Trustees and signed on its behalf by:



Roger Lloyd Jones – Director

Date:

22 - 1 - 24

**AUDITORS' REPORT
TO THE MEMBERS OF BLACKPOOL GRAND THEATRE TRUST LIMITED
FOR THE YEAR ENDED MARCH 31 2023**

Opinion

We have audited the financial statements of Blackpool Grand Theatre Trust Limited (the 'charitable company') for the year ended March 31 2023 which comprise Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report². Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**AUDITORS' REPORT
TO THE MEMBERS OF BLACKPOOL GRAND THEATRE TRUST LIMITED
FOR THE YEAR ENDED MARCH 31 2023**

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the directors and other management, and from our commercial knowledge and experience of the charitable sector in general and theatres in particular;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statement to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing the financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to the actual and potential litigation claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

No instances of material non-compliance were identified.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**AUDITORS' REPORT
TO THE MEMBERS OF BLACKPOOL GRAND THEATRE TRUST LIMITED
FOR THE YEAR ENDED MARCH 31 2023**

Use of our report

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

Naveed Ahmad

For and on behalf of:

HGA Accountants & Financial Consultants Ltd t/a Chittenden Horley
Chartered Accountants and Statutory Auditors

The Hyde Park House
Cartwright Street, Newton
Manchester SK14 4EH

Date:



BLACKPOOL GRAND THEATRE TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account)
FOR THE YEAR ENDED MARCH 31 2023

		Unrestricted Funds				
	Notes	General Funds	Designated Funds	Restricted Funds	Total 2023	Total 2022
		£	£	£	£	£
INCOME						
Donations	2	896	-	63,300	64,196	76,856
Charitable activities	3	-	40,000	836	40,836	86,115
Other trading activities	4	71,275	-	-	71,275	76,504
Investment income - bank interest	5	3,285	-	-	3,285	1,258
TOTAL INCOME		<u>75,456</u>	<u>40,000</u>	<u>64,136</u>	<u>179,592</u>	<u>240,733</u>
EXPENDITURE						
Raising funds	6	26,976	-	-	26,976	21,151
Expenditure on charitable activities	7	130,307	111,498	114,399	356,204	261,589
TOTAL EXPENDITURE		<u>157,283</u>	<u>111,498</u>	<u>114,399</u>	<u>383,180</u>	<u>282,740</u>
Unrealised loss on current asset investments		-	-	-	-	-
NET INCOME/(EXPENDITURE)						
BEFORE TRANSFERS		(81,827)	(71,498)	(50,263)	(203,588)	(42,007)
Transfers between funds		<u>53,851</u>	<u>(29,564)</u>	<u>(24,287)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>(27,976)</u>	<u>(101,062)</u>	<u>(74,550)</u>	<u>(203,588)</u>	<u>(42,007)</u>
TOTAL FUNDS:						
BROUGHT FORWARD	17	<u>48,018</u>	<u>2,087,801</u>	<u>613,905</u>	<u>2,749,724</u>	<u>2,791,731</u>
CARRIED FORWARD	17	<u>20,042</u>	<u>1,986,739</u>	<u>539,355</u>	<u>2,546,136</u>	<u>2,749,724</u>

The notes on pages 13 to 22 form part of these financial statements.

BLACKPOOL GRAND THEATRE TRUST LIMITED
BALANCE SHEET
AS AT MARCH 31 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible Assets	11		1,092,295		1,138,404
Heritage assets	12		<u>1,202,959</u>		<u>1,202,959</u>
			2,295,254		2,341,363
CURRENT ASSETS					
Debtors	13	53,457		39,824	
Investments	14	172		172	
Cash at Bank and in Hand		<u>314,393</u>		<u>466,276</u>	
		368,022		506,272	
CREDITORS					
Amounts falling due in one year	15	<u>67,140</u>		<u>47,911</u>	
NET CURRENT ASSETS					
			<u>300,882</u>		<u>458,361</u>
			2,596,136		2,799,724
CREDITORS					
Amounts falling due in more than one year	16		50,000		50,000
NET ASSETS					
			<u>2,546,136</u>		<u>2,749,724</u>
FUNDS					
Unrestricted	17				
General funds		20,042		48,018	
Designated funds		<u>1,986,739</u>		<u>2,087,801</u>	
			2,006,781		2,135,819
Restricted	17		<u>539,355</u>		<u>613,905</u>
TOTAL FUNDS			<u>2,546,136</u>		<u>2,749,724</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 13 to 22 form part of these financial statements.

Approved by the Board of Directors and authorised for issue on:



Roger Lloyd Jones – Director

Company registration number: 01323495

BLACKPOOL GRAND THEATRE TRUST LIMITED
STATEMENT OF CASH FLOWS
AS AT MARCH 31 2023

		2023	2022
	notes	£	£
Cash generated from operating activities	19	<u>(64,262)</u>	<u>117,787</u>
Cashflows from investing activities			
Interest and dividends		3,285	1,258
Purchase of tangible fixed assets		(90,906)	(15,982)
Proceeds of sale of investments		-	-
Cash provided by/(used in) investing activities		<u>(87,621)</u>	<u>(14,724)</u>
Cashflows from financing activities			
Proceeds from new borrowings		-	-
Repayment of borrowing		-	-
Cash used in financing activities		<u>-</u>	<u>-</u>
Increase/(decrease) in cash & cash equivalents in the year		(151,883)	103,063
Cash and cash equivalents brought forward		466,276	363,213
Cash and cash equivalents carried forward		<u>314,393</u>	<u>466,276</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		314,393	466,276
		<u>314,393</u>	<u>466,276</u>

Movements in net debt

There were no movements in net debt in either year.

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared: under the historic cost convention; in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1 2019 (second edition – October 2019); FRS102; and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS102.

The functional currency is £ sterling.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There were no material judgements or key sources of uncertainty.

Income recognition

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 income receivable can be measured reliably. The following applies to particular types of income:

Grants, whether of a capital or revenue nature, are recognised when the charity has entitlement to the funds, any performance conditions have been met and it is probable that the income will be received.

Donations from individuals and other bodies (not being of the nature of a grant) are recognised when receivable.

Legacies are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the case of gifts that are neither cash nor financial assets tradable on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Earned income is measured at the fair value of the consideration received or receivable for services and goods supplied, net of discounts and VAT.

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

Deferred income

Income is only deferred and included in creditors when:

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded

Expenditure and irrecoverable VAT

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

Costs of raising funds including those associated with fundraising activities, managing investments and commercial trading by the subsidiary company.

Charitable activities costs of undertaking the work of the charity.

The charity is registered for VAT and is able to recover some of the input tax charged as it relates to VATable supplies. Costs are stated net of VAT were charged and irrecoverable VAT is included as a separate charge either within direct costs or support costs as appropriate.

Allocation of support costs

Support costs are those functions which assist the work of the charity either by supporting the delivery of charitable activities or by supporting the generation of funds. They include management charges, office and other cost and professional fees. The basis of allocations is set out in note 8.

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

1 ACCOUNTING POLICIES (continued)

Functional fixed assets

Individual fixed assets costing more than £1,000 are capitalised at cost and are depreciated over their estimated useful lives on a straight-line basis as set out below.

Heritage Assets

Assets held for their historical, architectural and constructional heritage contribution to culture, in accordance with objectives of the charity, are classified as heritage assets in the accounts.

The Trust capitalises heritage properties at their purchase price plus any restoration costs to restore them to their former condition and bring them back into use. Any further preservation costs are charged to the statement of financial activities when carried out.

Heritage assets consist of the Grade II* listed Blackpool Grand Theatre and associated buildings and fixtures & fittings.

Depreciation rates

All assets are depreciated on a straight-line basis at the following rates:

Freehold land and buildings	20 – 50 years
Fixtures & fittings	3 – 20 years
Stage equipment	10 – 20 years
Other equipment	4 – 10 years

The cost of the land, not subject to depreciation, included in the balance sheet is £100,000.

Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Cash at bank and in hand

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

Creditors and provisions

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

Financial instruments

The charity has only basic financial instruments which are initially recorded at cost, and with the exception of investments (as set out above) subsequently measured at their settlement value.

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
2 DONATIONS						
Donations:						
Legacies	-	-	-	-	-	-
The Friends of the Grand	-	63,300	63,300	-	65,000	65,000
126 donations - other	-	-	-	-	50	50
Individual donations	896	-	896	11,806	-	11,806
	<u>896</u>	<u>63,300</u>	<u>64,196</u>	<u>11,806</u>	<u>65,050</u>	<u>76,856</u>

3 INCOME FROM CHARITABLE ACTIVITIES

	2023				2022
	General	Designated	Restricted	Total	Total
	£	£	£	£	£
<i>Capital project</i>					
Ministry of Housing, Communities & Local Government					
Historic England	-	-	-	-	-
	-	-	-	-	-
<i>Other charitable income</i>					
Theatre rents	-	40,000	-	40,000	86,115
Theatre tours	-	-	836	836	-
	-	<u>40,000</u>	<u>836</u>	<u>40,836</u>	<u>86,115</u>

	2022			
	General	Designated	Restricted	Total
	£	£	£	£
<i>Capital project</i>				
Historic England	-	-	-	-
	-	-	-	-
<i>Other charitable income</i>				
Theatre rents	48,115	40,000	-	86,115
	<u>48,115</u>	<u>40,000</u>	<u>-</u>	<u>86,115</u>

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
4 OTHER TRADING INCOME						
Property rental income	71,275	-	71,275	75,504	-	76,504
	<u>71,275</u>	<u>-</u>	<u>71,275</u>	<u>75,504</u>	<u>-</u>	<u>76,504</u>

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
5 INVESTMENT INCOME						
Interest	3,285	-	3,285	1,258	-	1,258
Dividends	-	-	-	-	-	-
	<u>3,285</u>	<u>-</u>	<u>3,285</u>	<u>1,258</u>	<u>-</u>	<u>1,258</u>

6 COSTS OF RAISING FUNDS

Costs of rental and room hire

Establishment costs	7,121	-	7,121	2,928	-	2,928
Professional costs	2,228	-	2,228	-	-	-
Other costs	438	-	438	702	-	702
Support costs	17,188	-	17,188	17,521	-	17,521
Total	<u>26,976</u>	<u>-</u>	<u>26,976</u>	<u>21,151</u>	<u>-</u>	<u>21,151</u>

7 CHARITABLE EXPENDITURE

Establishment costs	62,022	73,283	135,305	39,921	15,714	55,635
Other charitable expenditure	9,921	918	10,839	-	375	375
Capital project	-	-	-	-	-	-
Depreciation	137,015	-	137,015	146,015	-	146,015
Support costs	68,285	4,760	73,045	54,804	4,760	59,564
Depreciation to restricted funds	(35,438)	35,438	-	(33,629)	33,629	-
	<u>241,805</u>	<u>114,399</u>	<u>356,204</u>	<u>207,111</u>	<u>54,478</u>	<u>261,589</u>

Depreciation of £101,577 (2021/22 £112,511) was charged to designated funds.

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

8 SUPPORT & GOVERNANCE COSTS	2023			2022		
	Fundraising	Charitable	Total	Fundraising	Charitable	Total
<i>Support costs</i>	£	£	£	£	£	£
Management charge	7,127	62,985	70,112	12,262	54,304	66,566
Office and other costs	156	156	312	368	368	736
Total support costs	7,283	63,140	70,424	12,630	54,672	67,302
<i>Governance</i>						
Audit and accountancy fees	2,321	2,321	4,642	2,113	2,113	4,226
Consultancy and legal fees	7,584	7,584	15,169	2,779	2,779	5,558
	9,905	9,905	19,810	4,892	4,892	9,784
	17,188	73,045	90,234	17,522	59,564	77,086

Costs that can be wholly attributed to either support or governance are allocated directly to those functions, and other costs are allocated either on the basis of the estimation of time spent (by the external management team) or consumption of resources (office costs).

9 NET INCOMING RESOURCES AFTER TRANSFERS	2023	2022
This is stated after charging/(crediting):	£	£
Auditors fees		
Report	2,652	2,235
Accountancy	1,990	1,990
Depreciation charged on functional fixed assets	137,015	124,550
Depreciation charged on heritage assets	21,590	21,590

10 STAFF INFORMATION

a Staff costs

The charity does not employ its own staff. Management and administration services are provided by the charity Blackpool Grand Theatre (Arts & Entertainments) Ltd, for which it charges a management fee.

b Key management personal

The key management personal comprise the trustees, who do not receive any remuneration for their services.

11 TANGIBLE FIXED ASSETS

	Land & Buildings	Furniture & equipment	Stage Equipment	Total
Cost	£	£	£	£
As at April 1 2022	1,711,671	1,256,169	328,076	3,295,916
Additions	-	90,906	-	90,906
Disposals	-	(67,313)	(75,089)	(142,402)
As at March 31 2023	1,711,671	1,279,762	252,987	3,244,420
Depreciation				
As at April 1 2022	787,477	1,056,474	313,561	2,157,512
Provided	79,213	54,147	3,655	137,015
Disposals	-	(67,313)	(75,089)	(142,402)
As at March 31 2023	866,690	1,043,308	242,127	2,152,125
Net Book Value				
As at March 31 2023	844,981	236,454	10,860	1,092,295
As at March 31 2022	924,194	199,695	14,515	1,138,404

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

12 HERITAGE ASSETS

	Land & Buildings	Total
Cost	£	£
As at April 1 2022	1,428,146	1,428,146
As at March 31 2023	1,428,146	1,428,146
Depreciation		
As at April 1 2022	225,187	225,187
Provided	21,590	21,590
As at March 31 2023	246,777	246,777
Net Book Value		
As at March 31 2022	1,181,369	1,181,369
As at March 31 2021	1,202,959	1,202,959

The five year financial summary of heritage asset transactions is as follows:

	2018/19	2019/20	2020/21	2021/22	2022/23
	£	£	£	£	£
Land and buildings acquisitions	-	-	-	-	-

	2023	2022
	£	£
13 DEBTORS		
Trade debtors	31,914	23,850
VAT refundable	3,193	-
Prepayments	18,350	15,974
	<u>53,457</u>	<u>39,824</u>

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

14 CURRENT ASSET INVESTMENTS

Listed other shares	22	22
Unlisted investments	150	150
	<u>172</u>	<u>172</u>

The listed investments are listed on a recognised stock exchange.

Values b/f	22	22
Disposals in year	-	-
Gains/loss on revaluations	-	-
Value at year end	<u>22</u>	<u>22</u>

Cost	<u>60</u>	<u>60</u>
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15 CREDITORS falling due within one year

Trade creditors	8,002	964
Accruals	28,924	9,976
Other taxation and social security	-	7,451
Other creditor - Blackpool Grand Theatre (Arts & Entertainments) Ltd	9,684	-
Deferred income	20,530	29,520
	<u>67,140</u>	<u>47,911</u>

16 CREDITORS due in more than one year

Debenture loan	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

The debenture loan from Blackpool Council is secured by a first fixed charge over the freehold land and buildings and other assets of the company.

The loan is interest free, and is repayable if the theatre ceases to be used by the charitable company in accordance with its principal objectives, or if at any time the theatre or part of it is sold or leased to a company for a term exceeding twenty-one years.

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

17 STATEMENT OF FUNDS

	2021/22				2022/23			
	01/04/2021	Income	Expenditure	Gains/losses	31/03/2022	01/04/2022	Income	Expenditure
	£	£	£	£	£	£	£	£
Unrestricted funds:								
General fund	28,086	135,683	(115,751)	-	48,018	75,456	(157,283)	53,851
Designated funds:								
Equipment purchase fund for A&E	164,556	40,000	-	(11,330)	193,226	40,000	(9,921)	(120,470)
Investment in fixed assets	1,991,104	-	(112,511)	15,982	1,894,575	-	(101,577)	90,906
	2,183,746	175,683	(228,262)	4,652	2,135,819	115,456	(268,781)	24,287
Restricted Funds:								
Revenue fund:								
Flower fund	6,220	-	(375)	-	5,845	-	(265)	-
Theatre Heritage fund	19,462	-	-	-	19,462	836	(653)	-
Friends of the Grand	9,000	65,000	(20,474)	(4,652)	48,874	63,300	(78,043)	(24,287)
Friends of Grand - 125 Appeal	12,500	-	-	-	12,500	-	-	-
125 Appeal Donations	64,380	50	-	-	64,430	-	-	16,006
Capital project grants	16,006	-	-	-	16,006	-	-	(16,006)
	127,568	65,050	(20,849)	(4,652)	167,117	64,136	(78,961)	(24,287)
Capital grants expended								
Arts Council England	480,417	-	(33,629)	-	446,788	-	(35,438)	-
	480,417	-	(33,629)	-	446,788	-	(35,438)	-
Total restricted funds	607,985	65,050	(54,478)	(4,652)	613,905	64,136	(114,399)	(24,287)
	2,791,731	240,733	(282,740)	-	2,749,724	179,592	(383,180)	-
								2,546,136

6

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

17 STATEMENT OF FUNDS (continued)

Designated funds

Equipment purchase fund for A&E

The trustees have established a policy of designating a sum equivalent to the charge made for the use of equipment by A&E, net of additions in the year, to create a fund to purchase future equipment for use by A&E. Although A&E can ask for specific equipment to be purchased the decision whether to do so or not remains with the trustees of this charity.

Investment in fixed assets

The value of fixed assets, including heritage assets, not represented by capital grants expended is transferred to the designated fund investment in other fixed assets, and depreciation on those assets is charged to this fund each year.

Capital Grants expended

Restricted grants used to purchase fixed assets where there are continuing restrictions, but against which related depreciation is charged. When the restrictions have been met in full, the balance is transferred to unrestricted funds.

Other restricted funds

Flower fund To provide flowers in the theatre

Theatre Heritage fund To preserve and catalogue the archives

125 Appeal Funds raised for the next capital refurbishment marking the 125th anniversary.

18 ANALYSIS OF COMPANY NET ASSETS BETWEEN FUNDS

Fund balances at March 31 2023 are represented by:-

	Unrestricted funds		Restricted	
	General	Designated	Funds	Total
	£	£	£	£
Fixed assets (functional and heritage)		1,894,575	446,788	2,395,254
Net Current assets	88,018	193,226	167,117	300,882
Creditors falling due in more than one year	(50,000)	-	-	(50,000)
	<u>48,018</u>	<u>2,087,801</u>	<u>613,905</u>	<u>2,546,136</u>

Fund balances at March 31 2022 are represented by:-

Fixed assets (functional and heritage)		1,991,104	680,417	2,341,363
Net Current assets	78,686	164,556	127,568	452,361
Creditors falling due in more than one year	(50,000)	-	-	(50,000)
	<u>28,686</u>	<u>2,155,660</u>	<u>807,985</u>	<u>2,749,724</u>

19 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income/(expenditure)	(203,638)	(42,007)
Add back depreciation	137,015	140,140
Deduct relevant income shown in investing activities	(3,285)	(1,255)
Add back unrealised loss on investments	-	-
Decreases/increases in debtors	(13,633)	5,045
Increase/(decrease) in creditors	19,229	9,864
Net cash generated from/(used in) operating activities	<u>(64,282)</u>	<u>117,757</u>

BLACKPOOL GRAND THEATRE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2023

20 CONSTITUTION

The Company is limited by guarantee and does not have a share capital. In the event of the Company being wound up the members are committed to contributing £1 each.

21 TAXATION

The Company is a registered charity and is entitled to claim annual exemption from UK corporation tax.

22 CAPITAL COMMITMENTS

There were no capital commitments authorised and contracted for at the end of the year (2022 £Nil).

23 RELATED PARTY TRANSACTIONS AND CONTROLLING PARTY

The charity has no controlling party. The members, who appoint the trustees, are independent of each other and no individual has a significant proportion of the voting rights.

The Friends of the Grand

The Friends of the Grand (a registered charity) have the right to appoint one trustee and were represented during the year by Mr Grady. During the year they made donations to the Trust totalling £63,300 towards major repair costs as part of the ongoing capital project (2021 - £65,000).

Blackpool Grand Theatre (Arts and Entertainments) Ltd (A&E)

A&E is a registered charity and is the company that operates the Grand Theatre. There is a lease in place between the Trust and A&E, in respect of the theatre. This provides for a basic rent of £40,000 pa with an additional payment based on 1% of the unrestricted surplus of A&E, after its free reserves reach £250,000 and after providing for a £20,000 allocation to its programme reserve.

In addition A&E provides management services to the Trust (which employs no staff of its own).

During the year Trust had the following transactions with the A&E:

Rent and hire charges to A&E	40,000	55,115
Management charges to the Trust	70,112	55,555
Amount due (to)/from the A&E at the year end	-	-

There are no other related party transactions which are required to be disclosed.