

Company registration number: 01323495

Charity registration number: 506601

Blackpool Grand Theatre Trust Ltd.

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Horne Brooke Shenton
15 Olympic Court Boardmans Way
Whitehills Business Park
Blackpool
FY4 5GU

Blackpool Grand Theatre Trust Ltd.

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Blackpool Grand Theatre Trust Ltd.

Reference and Administrative Details

Charity Registration Number	506601
Company Registration Number	01323495
Registered Office	The charity is incorporated in England and Wales. The Grand Theatre 33 Church Street Blackpool Lancashire FY1 1HT
Independent Examiner	Horne Brooke Shenton 15 Olympic Court Boardmans Way Whitehills Business Park Blackpool FY4 5GU

Blackpool Grand Theatre Trust Ltd.

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 2024.

Chair's foreword for the year ended 31st March 2024

It gives me exceptional pleasure to lead the board of trustees of Blackpool Grand Theatre Trust as we celebrate our 130th anniversary.

Reflecting on the overwhelmingly positive feelings that I took away from our recent board away day, was how lucky we are as an organisation to enjoy the benefits of the talents of all involved in managing, maintaining, and developing The Grand. The creative professionalism and care for others that the whole brilliant team of staff and volunteers embody is what makes our theatre the force to be reckoned with that it assuredly is, and it is a testament to the excellent leadership shown by our Chief Executive, Adam Knight.

With timely work already begun on vital conservation and restoration of key parts of the exterior of the building to protect it from the constant ravages of the elements, this is the perfect opportunity to celebrate all those courageously dynamic and forward-thinking individuals who came together to save the theatre from demolition in 1981 and to subsequently restore its reputation as a place of entertainment excellence.

I wish to make especial mention of the outstanding work of The Friends of The Grand and heritage volunteers, and to my predecessor, Roger Lloyd Jones, who contributed so much during his time as Chair to unceasingly enhancing The Grand's illustrious reputation and who continues to generously support the work of the Charity.

In the summer, we were all shocked and saddened to learn of the sudden death of former Chief Executive, Ruth Eastwood, who gave so much to the development of the Charity and securing the future of The Grand. We extend our deepest condolences to her partner, Roger McCann, to her family, and friends.

To all those involved in creating and maintaining this vibrant cultural stronghold for education and the arts, firmly rooting it within the heart of our community, we owe an enormous debt of gratitude.

As trustees, we are the custodians of one of the nation's most historic and architecturally significant theatres, a responsibility we take very seriously. In this, our 130th year, we pledge to tirelessly and steadfastly pursue our aims to continually protect and preserve the architectural heritage of our beautiful building to ensure future generations can continue to enjoy it.

More significantly in the longer term, we aim to regenerate, revitalise, connect, and repurpose some of the ancillary parts of the site to ensure The Grand is fit and able to play its part in our modern society with pride and confidence, just as Frank Matcham would have envisioned!

The cultural arts are life enhancing and they are for everyone, and so our theatre must reflect this by being fully accessible, dynamically enabling and with enhanced levels of comfort to ensure that everyone in our community can visit it, participate in it, and connect with it.

Our rich heritage is something to celebrate and be proud of, and to build on and continue this remarkable journey, the Trust's watchful eye is firmly on the future.

Bryan Lindop
Chair

Blackpool Grand Theatre Trust Ltd.

Trustees' Report

Objectives and activities

Objects and aims

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.

Objectives, strategies and activities

To further these objectives, we:

- Maintain and improve the Grand Theatre Blackpool
- Preserve and 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 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.

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.

Achievements and performance

Throughout the year, Blackpool Grand Theatre Trust Ltd sought to further develop the Capital Masterplan, written for the Theatre by architect Paddy Dillon (2019), and the Conservation Plan, written by Dr David Wilmore for Theatresearch (2019). This work involved detailed discussions between Chief Executive Adam Knight, Deputy Chief Executive Colin Johnston, and Dr David Wilmore and included research trips to Darlington Hippodrome, Stockton Globe, Newcastle Theatre Royal and the Tyne Theatre & Opera House. With the support of Trustees, the Chief Executive and Deputy CEO have been working to develop a phased approach to the realisation of the masterplan, and the development of Phase 1 to RIBA Stage One, in preparation for future funding applications.

All retail units have been let to tenants, with Blackpool Grand Theatre (Arts & Entertainments) Ltd retaining use of the unit 43-45 Church Street for the provision of a prominent street facing, step-free, box office facility and office accommodation for the marketing and sales team members.

Blackpool Grand Theatre Trust Ltd.

Trustees' Report

Financial review

We had a deficit on unrestricted general funds for the year of £17,267 (2022/23 - £27,976). This deficit, along with movements in designated and restricted funds and adjustments for non-cash items mean that actual cash balances have increased in the year by c£147k.

Policy on 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 £2,775 (2023 £20,042), 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 £80,566 (2023 - £102,835), 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 £1,838,632 (2023 - £1,883,904).

In total designated funds at the year-end totalled £1,919,198 (2023 - £1,986,739).

Principal funding sources

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

Investment policy and objectives

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.

Plans for future periods

Current and recent funding applications have been made to Arts Council England/DCMS Cultural Development Fund Round 4, the Foyle Foundation major grants scheme, and The Theatres Trust small grants programme. The Charity has been successful in receiving offers of grant awards from The Theatres Trust and the Foyle Foundation, which further the ambitions of the capital masterplan.

Blackpool Grand Theatre (Arts & Entertainments) Ltd have been successful in securing £450k Arts Council England Capital Investment Funding for works to secure and make watertight the external envelope of the Frank Matcham designed heritage asset. These works will see the completion of long overdue replacement of the slate roof to the north elevation (above the administration offices), repointing and replacing brickwork to the west elevation, repairing and restoring the stone façade of the corner elevation, painting and replacing window frames and conducting major repairs to the Dome. The works will also see the restoration of the Theatre's golden "pineapple finial" to the top of the Dome and the recreation of a historic lit "GRAND" sign. Blackpool Grand Theatre Trust Ltd will be donating match funding to this project, delivering on agreement from the "family" of Grand Theatre charities to support the scope of these Arts Council England funded restoration works.

Blackpool Grand Theatre Trust Ltd.

Trustees' Report

Trustees are exploring, in conversation with The Grand's senior leadership team and honorary archivist, avenues for future fundraising including opportunities to monetise elements of the Charity's archive through the creation of limited lines of merchandise and through the development of an enhanced offer of animated theatre heritage tours.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis in preparing the financial statements

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Richard Baguley
	David Barnett
	Mark Cunliffe
	John Grady
	Zoe Hammond
	Bryan Lindop
	Roger Lloyd Jones (Resigned 16 October 2024)
	Amelia MacPherson
	Mark Price
	Lisa Slack
	Michelle Wiseman

Structure, governance and management

Nature of governing document

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

Governance arrangements and trustee succession

In January 2024, Roger Lloyd Jones, stepped down from the position of Chair, to which he had dedicated many years in service of the Charity. To support the handover to new Chair, Bryan Lindop, and the continuity of corporate history, it was agreed that Roger Lloyd Jones would remain a Trustee for a period of six months before retiring from the Board entirely. Trustees, Management and Staff of Blackpool Grand Theatre Trust Ltd wish Roger a fond farewell and thank him for his many years of support and for his generous donations to the Charity.

A joint Board Away Day has been held with Trustees representatives of the "family" of Grand charities (Trust, Arts & Entertainments and Friends of The Grand) to explore together the strategic direction of the Theatre for the period 2025-2030, with the aim of informing business planning and future fundraising.

Blackpool Grand Theatre Trust Ltd.

Trustees' Report

Recruitment and appointment of trustees

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 be appointed as alternative to act on their behalf.

Induction and training of trustees

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 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.

Organisational structure

The Board administers the charity and meets every three 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 who the trustees delegate responsibility for the day to day management of the charity.

Relationships with related parties

Blackpool Grand Theatre (Arts & Entertainments) Ltd

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.

Friends of the Grand

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.

Risk management

During the year, the Trustees have undertaken an externally facilitated risk workshop, informing a full revision and update of the Charity's strategic risk register. The Trustee's risk management strategy comprises:

- Annual review of the risks the Charity may face.
- The establishment and review of systems and procedures to mitigate those risks identified.
- The Charity undertakes a detailed programme of annual inspections and associated planned preventative maintenance works designed to control and mitigate risks identified.

Blackpool Grand Theatre Trust Ltd.

Trustees' Report

- Competent persons advice is provided, in partnership with Blackpool Grand Theatre (Arts & Entertainments) Ltd by RB Health and Safety Solutions Ltd - a leading industry wide expert in the field of health and safety for theatre and production - who also conduct annual health and safety audit and fire risk assessment of the premises.
- The implementation of procedures designed to minimise any potential impact on the Charity, should those risks materialise.
- Implementation of a reserves and investment policy which is kept under regular review, closely managed and reported through preparation of monthly management accounts which are reviewed at quarterly Trustee board meetings.

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.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

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.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the accounting policies in the financial statements.

Statement of trustees' responsibilities

The trustees (who are also the directors of Blackpool Grand Theatre Trust Ltd. 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".

Blackpool Grand Theatre Trust Ltd.

Trustees' Report

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
- 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 14 November 2024 and signed on its behalf by:

.....
Bryan Lindop
Trustee

Blackpool Grand Theatre Trust Ltd.

Independent Examiner's Report to the trustees of Blackpool Grand Theatre Trust Ltd. (‘the Company’)

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

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 ICAEW, which is one of the listed bodies.

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

1. accounting records were not kept in respect of Blackpool Grand Theatre Trust Ltd. 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.

.....
Deborah Walsh BA FCA
ICAEW

15 Olympic Court Boardmans Way
Whitehills Business Park
Blackpool
FY4 5GU

14 November 2024

Blackpool Grand Theatre Trust Ltd.

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	2,319	240,043	242,362	64,196
Charitable activities	4	55,000	2,178	57,178	40,836
Other trading activities	5	82,480	-	82,480	71,275
Investment income	6	10,126	4,657	14,783	3,285
Total income		<u>149,925</u>	<u>246,878</u>	<u>396,803</u>	<u>179,592</u>
Expenditure on:					
Raising funds	7	(20,715)	(24,000)	(44,715)	(26,975)
Charitable activities	8	<u>(229,561)</u>	<u>(36,417)</u>	<u>(265,978)</u>	<u>(356,205)</u>
Total expenditure		<u>(250,276)</u>	<u>(60,417)</u>	<u>(310,693)</u>	<u>(383,180)</u>
Net (expenditure)/income		(100,351)	186,461	86,110	(203,588)
Transfers between funds		<u>15,543</u>	<u>(15,543)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(84,808)	170,918	86,110	(203,588)
Reconciliation of funds					
Total funds brought forward		<u>2,006,781</u>	<u>539,355</u>	<u>2,546,136</u>	<u>2,749,724</u>
Total funds carried forward	20	<u><u>1,921,973</u></u>	<u><u>710,273</u></u>	<u><u>2,632,246</u></u>	<u><u>2,546,136</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 20.

The notes on pages 14 to 28 form an integral part of these financial statements.

Blackpool Grand Theatre Trust Ltd.

(Registration number: 01323495)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	1,054,764	1,113,884
Heritage assets	14	<u>1,159,779</u>	<u>1,181,369</u>
		<u>2,214,543</u>	<u>2,295,253</u>
Current assets			
Debtors	15	59,087	53,457
Investments	16	172	172
Cash at bank and in hand	17	<u>461,455</u>	<u>314,393</u>
		520,714	368,022
Creditors: Amounts falling due within one year	18	<u>(53,011)</u>	<u>(67,139)</u>
Net current assets		<u>467,703</u>	<u>300,883</u>
Total assets less current liabilities		2,682,246	2,596,136
Creditors: Amounts falling due after more than one year	19	<u>(50,000)</u>	<u>(50,000)</u>
Net assets		<u>2,632,246</u>	<u>2,546,136</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	20	710,273	539,355
Unrestricted income funds			
Unrestricted funds		<u>1,921,973</u>	<u>2,006,781</u>
Total funds	20	<u>2,632,246</u>	<u>2,546,136</u>

For the financial year ending 31 March 2024 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 notes on pages 14 to 28 form an integral part of these financial statements.

Blackpool Grand Theatre Trust Ltd.

(Registration number: 01323495)
Balance Sheet as at 31 March 2024

The financial statements on pages 10 to 28 were approved by the trustees, and authorised for issue on 14 November 2024 and signed on their behalf by:

.....
Bryan Lindop
Trustee

The notes on pages 14 to 28 form an integral part of these financial statements.

Blackpool Grand Theatre Trust Ltd.

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income/(expenditure)		86,110	(203,588)
Adjustments to cash flows from non-cash items			
Depreciation		116,999	137,015
Investment income		<u>(14,783)</u>	<u>(3,285)</u>
		188,326	(69,858)
Working capital adjustments			
Increase in debtors	15	(5,631)	(13,633)
(Decrease)/increase in creditors	18	<u>(14,128)</u>	<u>19,229</u>
Net cash flows from operating activities		<u>168,567</u>	<u>(64,262)</u>
Cash flows from investing activities			
Interest received		14,783	3,285
Acquisitions of tangible assets		<u>(36,288)</u>	<u>(90,906)</u>
Net cash flows from investing activities		<u>(21,505)</u>	<u>(87,621)</u>
Net increase/(decrease) in cash and cash equivalents		147,062	(151,883)
Cash and cash equivalents at 1 April		<u>314,393</u>	<u>466,276</u>
Cash and cash equivalents at 31 March		<u><u>461,455</u></u>	<u><u>314,393</u></u>

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

The notes on pages 14 to 28 form an integral part of these financial statements.

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

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

The address of its registered office is:

The Grand Theatre

33 Church Street

Blackpool

Lancashire

FY1 1HT

These financial statements were authorised for issue by the trustees on 14 November 2024.

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

Blackpool Grand Theatre Trust Ltd. 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.

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.

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

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

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

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.

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.

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.

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 £1,000.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

Heritage assets

Assets held for their historical heritage contribution to culture, in accordance with the objectives of the charity, are classified as heritage assets in the financial statements.

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 and fittings.

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
Land and buildings	2% - 5% straight line
Furniture and equipment	5% - 33% straight line
Stage equipment	10% - 20% straight line
Heritage assets	2% straight line

Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

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.

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.

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

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.

Financial instruments

Classification

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

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

Recognition and measurement

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

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

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

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

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	-	240,043	240,043
Donations from individuals	2,319	-	2,319
	<u>2,319</u>	<u>240,043</u>	<u>242,362</u>
	Unrestricted funds General £	Restricted funds £	Total 2023 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	-	63,300	63,300
Donations from individuals	896	-	896
	<u>896</u>	<u>63,300</u>	<u>64,196</u>

4 Income from charitable activities

	Unrestricted funds		Restricted funds	Total
	Designated	General		2024
	£	£	£	£
Preservation of The Grand Theatre	<u>40,000</u>	<u>15,000</u>	<u>2,178</u>	<u>57,178</u>
		Unrestricted funds		
		Designated	Restricted funds	Total
		£	£	2023
				£
Preservation of The Grand Theatre		<u>40,000</u>	<u>836</u>	<u>40,836</u>

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

5 Income from other trading activities

	Unrestricted funds General £	Total 2024 £
Property rental income	82,354	82,354
Other income from other trading activities	126	126
	<u>82,480</u>	<u>82,480</u>
	Unrestricted funds General £	Total 2023 £
Property rental income	71,275	71,275
	<u>71,275</u>	<u>71,275</u>

6 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Interest receivable and similar income;			
Interest receivable on bank deposits	10,126	4,657	14,783
	<u>10,126</u>	<u>4,657</u>	<u>14,783</u>
	Unrestricted funds General £		Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	3,285		3,285
	<u>3,285</u>		<u>3,285</u>

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

7 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Restricted funds £	Total 2024 £
Other direct costs of generating voluntary income		24,000	24,000

b) Costs of trading activities

	Note	Unrestricted funds General £	Total 2024 £
Property rental income costs		3,654	3,654
Allocated support costs	9	17,061	17,061
		20,715	20,715

	Note	Unrestricted funds General £	Total 2023 £
Property rental income costs		7,559	7,559
Allocated support costs	9	19,416	19,416
		26,975	26,975

	Direct costs £	Allocated support costs £	Total 2024 £
Costs of generating donations and legacies	24,000	-	24,000
Costs of trading activities	3,654	17,061	20,715
	27,654	17,061	44,715

	Direct costs £	Allocated support costs £	Total 2023 £
Costs of trading activities	9,787	19,416	29,203

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

8 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total
	Designated	General	2024
	£	£	£
Preservation of The Grand Theatre	<u>81,561</u>	<u>148,000</u>	<u>265,978</u>
	Unrestricted funds	Restricted funds	Total
	Designated	General	2023
	£	£	£
Preservation of The Grand Theatre	<u>111,498</u>	<u>130,308</u>	<u>356,205</u>

	Activity undertaken directly	Activity support costs	2024
	£	£	£
Preservation of The Grand Theatre	<u>187,417</u>	<u>78,561</u>	<u>265,978</u>
	Activity undertaken directly	Activity support costs	2023
	£	£	£
Preservation of The Grand Theatre	<u>283,159</u>	<u>73,046</u>	<u>356,205</u>

9 Analysis of support costs

Support costs allocated to raising funds

	Administration costs	Finance costs	Governance costs	Total
	£	£	£	2024
	£	£	£	£
Costs of trading activities	<u>14,728</u>	<u>183</u>	<u>2,150</u>	<u>17,061</u>
	Administration costs	Finance costs	Governance costs	Total
	£	£	£	2023
	£	£	£	£
Costs of trading activities	<u>14,846</u>	<u>21</u>	<u>2,321</u>	<u>17,188</u>

Support costs allocated to charitable activities

	Administration costs	Finance costs	Governance costs	Total
	£	£	£	2024
	£	£	£	£
Preservation of The Grand Theatre	<u>76,228</u>	<u>183</u>	<u>2,150</u>	<u>78,561</u>
	Administration costs	Finance costs	Governance costs	Total
	£	£	£	2023
	£	£	£	£
Preservation of The Grand Theatre	<u>70,704</u>	<u>21</u>	<u>2,321</u>	<u>73,046</u>

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

Basis of allocation

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).

10 Net incoming/outgoing resources

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

	2024 £	2023 £
Audit fees	-	4,642
Independent examination fees	4,300	-
Depreciation of fixed assets	<u>116,999</u>	<u>137,016</u>

11 Trustees remuneration and expenses

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

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

12 Taxation

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

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Other tangible fixed asset £	Total £
Cost				
At 1 April 2023	1,711,671	1,257,810	274,939	3,244,420
Additions	<u>-</u>	<u>26,245</u>	<u>10,043</u>	<u>36,288</u>
At 31 March 2024	<u>1,711,671</u>	<u>1,284,055</u>	<u>284,982</u>	<u>3,280,708</u>
Depreciation				
At 1 April 2023	845,100	1,042,393	243,042	2,130,535
Charge for the year	<u>57,622</u>	<u>32,103</u>	<u>5,684</u>	<u>95,409</u>
At 31 March 2024	<u>902,722</u>	<u>1,074,496</u>	<u>248,726</u>	<u>2,225,944</u>
Net book value				
At 31 March 2024	<u>808,949</u>	<u>209,559</u>	<u>36,256</u>	<u>1,054,764</u>
At 31 March 2023	<u>866,571</u>	<u>215,417</u>	<u>31,897</u>	<u>1,113,885</u>

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

14 Heritage assets

	Buildings £	Total £
Cost		
At 1 April 2023	<u>1,428,146</u>	<u>1,428,146</u>
At 31 March 2024	<u>1,428,146</u>	<u>1,428,146</u>
Depreciation		
At 1 April 2023	246,777	246,777
Charge for the year	<u>21,590</u>	<u>21,590</u>
At 31 March 2024	<u>268,367</u>	<u>268,367</u>
Net book value		
At 31 March 2024	<u><u>1,159,779</u></u>	<u><u>1,159,779</u></u>

15 Debtors

	2024 £	2023 £
Trade debtors	38,984	31,913
Prepayments	20,103	18,350
VAT recoverable	-	3,194
	<u><u>59,087</u></u>	<u><u>53,457</u></u>

16 Current asset investments

	2024 £	2023 £
Listed other shares	22	22
Unlisted other investments	<u>150</u>	<u>150</u>
	<u><u>172</u></u>	<u><u>172</u></u>

17 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	9,958	10,000
Short-term deposits	<u>451,497</u>	<u>304,393</u>
	<u><u>461,455</u></u>	<u><u>314,393</u></u>

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

18 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	2,322	8,002
Other taxation and social security	284	-
Other creditors	25,637	47,945
Accruals	24,768	11,192
	<u>53,011</u>	<u>67,139</u>

19 Creditors: amounts falling due after one year

	2024	2023
	£	£
Other loans	<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 Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

20 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
General fund	20,042	109,925	(168,716)	41,524	2,775
<i>Designated</i>					
Equipment purchase fund for A&E	102,835	40,000	-	(62,269)	80,566
Investment in fixed assets	1,883,904	-	(81,560)	36,288	1,838,632
	<u>1,986,739</u>	<u>40,000</u>	<u>(81,560)</u>	<u>(25,981)</u>	<u>1,919,198</u>
Total unrestricted funds	<u>2,006,781</u>	<u>149,925</u>	<u>(250,276)</u>	<u>15,543</u>	<u>1,921,973</u>
Restricted funds					
Theatre Enhancement Fund	5,580	-	(407)	-	5,173
Theatre Heritage Fund	19,645	2,178	(572)	-	21,251
Friends of the Grand	9,844	244,700	(24,000)	(15,543)	215,001
Friends of the Grand 125 Appeal	12,500	-	-	(12,500)	-
125 Appeal Fund	80,436	-	-	12,500	92,936
Arts Council England Capital Grants	411,350	-	(35,438)	-	375,912
Total restricted funds	<u>539,355</u>	<u>246,878</u>	<u>(60,417)</u>	<u>(15,543)</u>	<u>710,273</u>
Total funds	<u>2,546,136</u>	<u>396,803</u>	<u>(310,693)</u>	<u>-</u>	<u>2,632,246</u>

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
<i>General</i>					
General fund	48,018	75,456	(157,283)	53,851	20,042
<i>Designated</i>					
Equipment purchase fund for A&E	193,226	40,000	(9,921)	(120,470)	102,835
Investment in fixed assets	<u>1,894,575</u>	<u>-</u>	<u>(101,577)</u>	<u>90,906</u>	<u>1,883,904</u>
	<u>2,087,801</u>	<u>40,000</u>	<u>(111,498)</u>	<u>(29,564)</u>	<u>1,986,739</u>
Total unrestricted funds	<u>2,135,819</u>	<u>115,456</u>	<u>(268,781)</u>	<u>24,287</u>	<u>2,006,781</u>
Restricted					
Theatre Enhancement Fund	5,845	-	(265)	-	5,580
Theatre Heritage Fund	19,462	836	(653)	-	19,645
Friends of the Grand	48,874	63,300	(78,043)	(24,287)	9,844
Friends of the Grand 125 Appeal	12,500	-	-	-	12,500
125 Appeal Fund	64,430	-	-	16,006	80,436
Capital Project Grants	16,006	-	-	(16,006)	-
Arts Council England Capital Grants	<u>446,788</u>	<u>-</u>	<u>(35,438)</u>	<u>-</u>	<u>411,350</u>
Total restricted funds	<u>613,905</u>	<u>64,136</u>	<u>(114,399)</u>	<u>(24,287)</u>	<u>539,355</u>
Total funds	<u>2,749,724</u>	<u>179,592</u>	<u>(383,180)</u>	<u>-</u>	<u>2,546,136</u>

The specific purposes for which the funds are to be applied are as follows:

Restricted funds

Theatre Enhancement Fund	To provide enhancements to the theatre for patron enjoyment
Theatre Heritage Fund	To preserve and catalogue the archives
Friends of The Grand	Funds received from Friends of the Grand for future capital expenditure
Friends of The Grand 125 Appeal	Donation from Friends of the Grand in response to the 125 Appeal campaign
125 Appeal Fund	Funds raised for future capital refurbishment marking the 125th anniversary.
Arts Council England Capital Grants	Represents the funds invested in restricted fixed assets

Designated funds

Equipment purchase fund for A&E	Funds designated by the trustees to purchase future equipment for use by A&E
Investments in fixed assets	Represents the funds invested in unrestricted fixed assets

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

21 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 March 2024
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	678,852	375,913	1,054,765
Heritage assets	-	1,159,779	-	1,159,779
Current assets	105,787	80,567	334,360	520,714
Current liabilities	(53,012)	-	-	(53,012)
Creditors over 1 year	(50,000)	-	-	(50,000)
Total net assets	<u>2,775</u>	<u>1,919,198</u>	<u>710,273</u>	<u>2,632,246</u>

	Unrestricted funds		Restricted funds	Total funds at 31 March 2023
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	702,535	411,350	1,113,885
Heritage assets	-	1,181,369	-	1,181,369
Current assets	137,182	102,835	128,005	368,022
Current liabilities	(67,140)	-	-	(67,140)
Creditors over 1 year	(50,000)	-	-	(50,000)
Total net assets	<u>20,042</u>	<u>1,986,739</u>	<u>539,355</u>	<u>2,546,136</u>

22 Related party transactions

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.

During the year the charity made the following related party transactions:

The Friends of the Grand

The Friends of the Grand are a registered charity who have the right to appoint one trustee to the board of Blackpool Grand Theatre Trust Limited. They were represented during the year by Mr J Grady.

During the year the Friends of the Grand made donations to the Trust totalling £240,043, £230,000 of which is held in a restricted fund towards major repair costs as part of the ongoing capital project (2023 - £63,300). Interest earned of £4,657, on the balance held, is credited to the restricted fund.

At the balance sheet date the amount due to/from The Friends of the Grand was £Nil (2023 - £Nil).

Blackpool Grand Theatre Trust Ltd.

Notes to the Financial Statements for the Year Ended 31 March 2024

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. Additional rents are charged for the box office premises at Church Street, within the footprint of the theatre.

During the year, the Trust charity charged the A&E charity rent of £55,000 (2023: £40,000).

In addition A&E provides management services to the Trust, which employs no staff of its own. During the year, the A&E charity charged the Trust for management fees of £77,971 (2023: £70,110).

At the balance sheet date the amount due to/from Blackpool Grand Theatre (Arts and Entertainments) Ltd (A&E) was £Nil (2023 - £Nil).