

Kirklees Theatre Trust
Consolidated Financial Statements
Year Ended 31 March 2021

Charity registration number: 510693
Company registration number: 1504033

Kirklees Theatre Trust

Financial Statements

Year Ended 31 March 2021

Contents

	Page
Charity Reference and Administrative Details	1
Trustees' Annual Report (Including Directors' Report and Strategic Report)	2-9
Independent Auditor's Report	10-13
Consolidated Statement of Financial Activities (Including Consolidated Income and Expenditure Account)	14-15
Consolidated Balance Sheet	16
Charity Balance Sheet	17
Consolidated and Charity Statement of Cash Flows	18
Notes to the Financial Statements	19-35
Additional information	36
Summary Trading Profit and Loss Account	37
Detailed Trading Profit and Loss Account	38-39

Kirklees Theatre Trust

Charity Reference and Administrative Details

Year Ended 31 March 2021

Charity registration number	510693
Company registration number	1504033
Trustees	G R Adams K L Allison A J Bird G M Chapman H Filloux-Bennett V A Javin B Klinger L E Rawnsley T S Sheldon W Simpson M A Stephen D C D Thompson
Chairman	A J Bird
Secretary	E M Ruhkala
Treasurer	D Hogg
Chief executive officer	H Filloux-Bennett
Registered office	The Lawrence Batley Theatre Queens Square Queen Street Huddersfield HD1 2SP
Auditor	Wheawill & Sudworth Limited Chartered Accountants 35 Westgate Huddersfield HD1 1PA
Bankers	Barclays Bank plc 17 Market Place Huddersfield HD1 2AA

Kirklees Theatre Trust

Trustees' Annual Report (Including Directors Report and Strategic Report)

Year Ended 31 March 2021

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Trustees of the charity

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:

T S Sheldon	G R Adams (appointed 23 March 2021)
A J Bird	H Filloux-Bennett (appointed 1 July 2021)
V A Javin	W Simpson (appointed 27 July 2021)
L E Rawnsley	M A Stephen (appointed 27 July 2021)
D C D Thompson	T C Schmidt (appointed 1 December 2020, resigned 23 March 2021)
K L Allison	
R C Walker (resigned 23 March 2021)	
G M Chapman	
B Klinger	

The charity holds an indemnity insurance policy on behalf of its Trustees. Detail of the cost is included in note 9 to the financial statements.

Structure, governance and management

Kirklees Theatre Trust is a private company limited by guarantee incorporated on 26 June 1980 under the Companies Act, company number 1504033, and registered in England and Wales. It is governed by the Memorandum of Association dated 26 June 1980 and the Articles of Association revised on 10 December 2019. The company is also a registered charity, charity number 510693, and operates on a not for profit basis.

The charity has a dormant subsidiary, Reedmonte Limited, a company limited by shares, registered company number 2947877.

Its registered office and principal operating address is The Lawrence Batley Theatre, Queens Square, Queen Street, Huddersfield, HD1 2SP.

The company is governed by the Board of Trustees ("Board") as Directors of the company. Board members are appointed by the committee by simple majority. Up to three members may be nominated by Kirklees Council with the remainder being independently appointed members, with a maximum in total of 16 members. Representatives of the major funders are invited to attend Board meetings. All Directors give of their time freely and no Director received remuneration during the year. Details of Directors' expenses and related party transactions are disclosed in note 10.

A qualifying indemnity provision (as defined by section 236 of the Companies Act) has been provided to the Trustees.

At the AGM the current Chair of the Board is Andrew Bird and Val Javin is the Vice Chair. Board Members were Laura Eve Rawnsley, Tracy Sheldon, David Charles Douglas Thompson, Karen Louise Allison, Guy Chapman, Billie Klinger, Gemma Ruth Adams, Henry Filloux-Bennett, Williams Simpson and Melanie Ann Stephen.

Kirklees Theatre Trust

Trustees' Annual Report (Including Directors Report and Strategic Report)

Year Ended 31 March 2021

Structure, governance and management (continued)

The Board is responsible for the overall policy and scrutiny of the financial performance of the organisation. The Board ensures the accountability to key funders and stakeholders and is responsible for the appointment of the Chief Executive.

The day to day management of the company is delegated by the Board to the Chief Executive, overseeing the senior management team of General Manager, Head of Finance, Head of Marketing, Joint Heads of Participation, Head of Technical and Facilities and Head of Visitor Experience .

The pay of the key management personnel is reviewed annually by the Board and increased if required. The Trust has been committed to an annual Professional Development Review for all members of staff which sits alongside but independently of any pay increases. A full pay review was undertaken by the Chief Executive and Head of Finance which, following approval by Trustees, was implemented from 1 April 2020 based in part on benchmarking against pay levels at other regional theatres of a similar size.

Objectives and Activities

We are the only theatre serving communities in Kirklees, which covers nearly 160 sq miles. We are responsible for the employment of more than 50 full, part-time and casual members of staff, and we provide volunteering opportunities for over 80 members of the local community, totalling just under 10,000 hours in 2019-20.

The objects for which Kirklees Theatre Trust is established are to promote, maintain, improve and advance education by encouraging and promoting the arts of drama, dance improvisation, mime, film, video, singing and music. The Charity Commission's general guidance on public benefit has been used for reference when compiling this report and in planning future developments and activities.

Following a comprehensive review with staff, volunteers, trustees and funding stakeholders, our organisational vision has now been reviewed. This refreshed vision, implemented from 1 April 2020, is as follows:

Why are we here?

We're here to do our community proud.

We're here to share exciting and entertaining stories.

We're here to build a stronger sense of community in Kirklees.

We're here to encourage creativity, to nurture confidence, and to develop talent.

What are we aiming for?

We want to be the creative heart of Huddersfield.

What makes us tick?

We are friendly and welcoming.

We are accessible, inclusive and diverse.

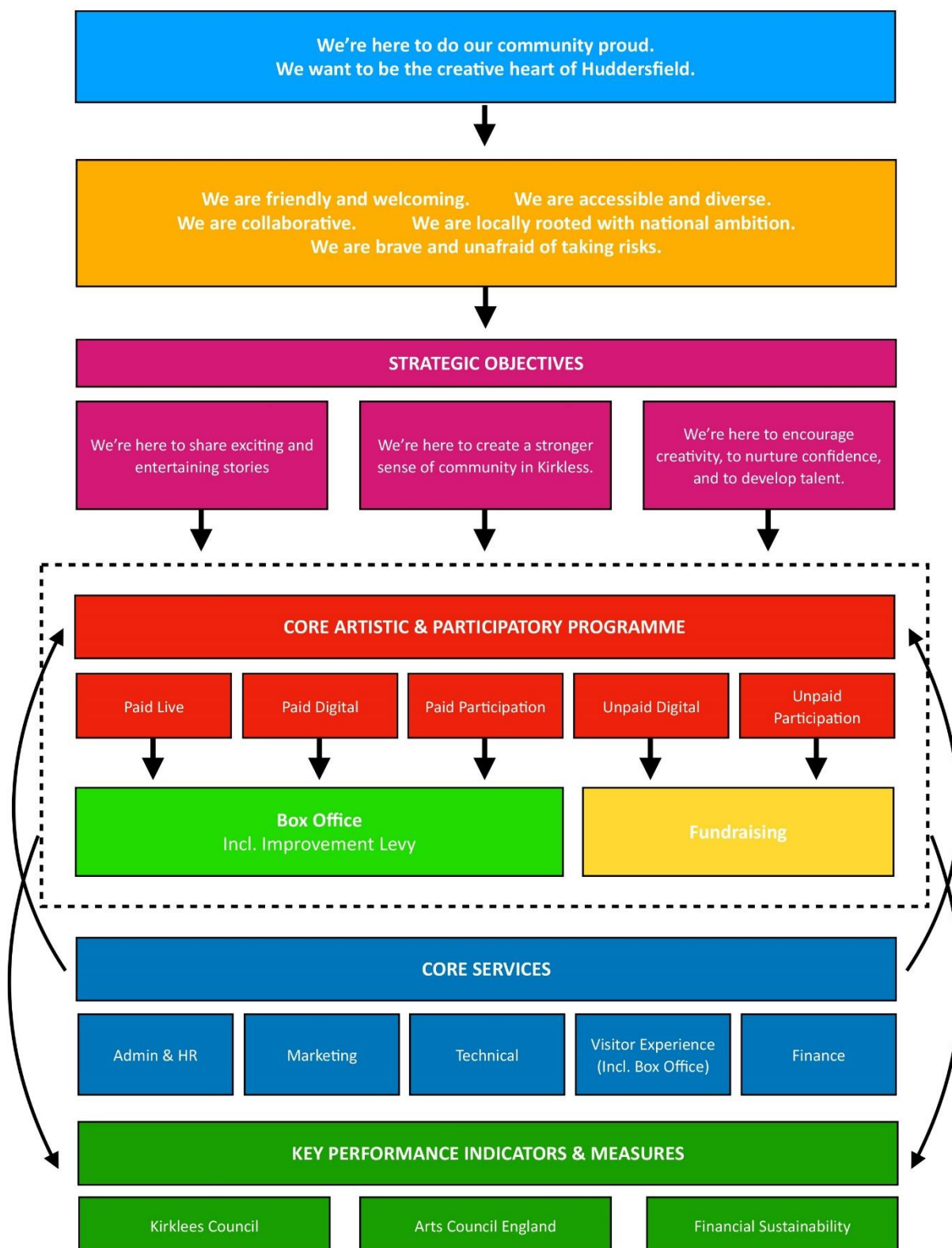
We are collaborative.

We are locally rooted with national ambition.

We are brave and unafraid of taking risks.

Structure, governance and management (continued)

Following the onset of the COVID-19 pandemic we also took the opportunity to create an organisational strategy map which forms the basis of our business planning, as follows:



Strategic Report – Achievements and Performance

As we prepared to enter the financial year 2020-21, we were reflecting on a year of unprecedented change and ambition. In 2019-20, under new leadership and celebrating our 25th year, we saw a 5% increase in attendance across the year, with 72,477 people coming to see something at the theatre, of which 13,267 have been new bookers. We developed our artistic programme, presenting 7 Yorkshire Premieres, 4 world premieres, and 63 performances by 8 incredible local amateur companies, and over 4,100 people participated in creative sessions that we delivered across Kirklees.

Our approved budget and indicative programme for 2020-21 should have seen us reaching 31 March 2021 with a surplus of £16k, allowing us to strengthen our free reserves, which stood at £58k on 1 April 2020. Instead, on Tuesday 17 March 2020, we closed our doors as the live entertainment sector fell victim to the unfolding COVID-19 pandemic. We therefore started the new financial year operating in completely unforeseen circumstances, responding as best as possible to ensure the continued viability of the organisation.

The entirety of the financial year 2020-21 has been framed by our response to the pandemic, and it is a response that has shown the very best of our staff, volunteers and local community. As of 17 March 2020 we were in a position to honour our payroll for two months before becoming insolvent. At the time of writing we are now in the most robust financial position we have ever been in, our profile has been enhanced nationally and internationally like never before, and we have continued to focus on our responsibilities within Huddersfield and Kirklees as an exciting, safe and creative community space; all of this whilst also protecting our full, part time and casual members of staff. Not one member of staff has lost their job as a result of the pandemic, and we have ensured that all of our 40-strong team had their furlough payments topped up to 100% when we were making use of the scheme. We have been able to achieve this not through going in to hibernation but instead by fighting our way out of the situation we found ourselves in – we have not stopped at any point along the way, instead being completely determined to weather the storm.

Since the beginning of the pandemic we have been at the forefront of digital innovation within the sector. Within two weeks of closing our doors we had created LBTv, a completely free to access online platform which was one of the first of its kind within the theatre community. We filled the platform with newly commissioned and created workshops, masterclasses, storytelling sessions and behind the scenes content. LBTv was live for three months and in that time over 20,000 people accessed content or took part in an activity. We were also one of the first theatres in the country to start to offer participatory activities online for young people with a digital Arts Award.

In January 2021 we returned to LBTv to respond to the most recent national lockdown, creating an entire month's worth of free-to-access content to promote positive mental and physical health, working with Company Chameleon, local artists and Netflix Chef's Table-featured Asma Khan to offer workshops, physical warm-ups, sing-alongs and recipes for people to access for every day of the month.

The main thrust of our digital work however has been in creating digital productions. Up until 31 March 2021 we took over £320,000 in total at the box office – split between us, our co-producers and our partner venues across the UK – as well as attracting audiences from over 12,000 households in over 70 countries around the world, all whilst providing paid work for over 100 freelance practitioners and artists as well as over 30 actors. We were also thrilled to be able to work with the likes of Stephen Fry, Joanna Lumley, Derek Jacobi, Alfred Enoch, Sharon D Clarke, Russell Tovey and Celia Imrie. We received over 50 five- and four-star reviews, we were twice named as New York Times Critic's Pick and our 'game changer' (The Telegraph) production of 'What a Carve Up!' was picked in The Guardian's Top 10 Theatre of 2020 and in The Telegraph's Top 50 Cultural Events of 2020.

Kirklees Theatre Trust

Trustees' Annual Report (Including Directors Report and Strategic Report)

Year Ended 31 March 2021

Strategic Report – Achievements and Performance (continued)

As a hub for contemporary dance in Yorkshire we also commissioned Northern Ballet, Studio Wayne McGregor and Gary Clarke Company to create a world premiere triple bill choreographed for and filmed on location at the theatre during lockdown. The Guardian ran a list of Best Theatre to Enjoy at Home throughout the pandemic – we had at least one entry every week and as many as three entries in some weeks, beating both the National Theatre and RSC.

We are more than our digital programme though. On the first day that pubs and restaurants were allowed to open, we created Summer in the Courtyard - we built a stage in our Courtyard space and programmed live music and events alongside food and drink to provide a safe space for people to gather and enjoy each other's company. Initially online but then live, we also produced a regular cabaret show - 'Live from the LBT' - to raise funds for the theatre whilst also providing a stage for emerging artists to perform. We produced a large-scale community production online, in which over 40 members of the local community took part, led by Gyles Brandreth, and we created an adventure box – 'Charlotte Holmes' – that hundreds of children and their families have enjoyed across the country.

Obviously our cross-arts live programme suffered catastrophically as a result of the pandemic but we were able to reschedule over 70% of affected work, and although Kirklees was operating under the highest possible restrictions at every point across the year, whenever we were able to open the building, we did, focusing both on our Courtyard space but also the main house wherever possible. We were also delighted to make our West End debut with a live semi-staged rehearsed reading of 'The Understudy' following its digital production earlier in the year – across two nights in early December 2020 over 1,000 people came to see the production at the Palace Theatre in the West End.

We have been extremely fortunate to receive an incredible level of financial support over the course of the year, which has allowed us not just to keep going but also to keep creating exciting work for our audiences. We have received grants from DCMS through ACE as part of the Emergency Response Fund and then successive Cultural Recovery Fund funding rounds which have allowed us to create work, cover salary and utility costs.

We received a substantial grant from the Weston Culture Fund will allowed us to creative digital and live work as well as supporting the development of our on-site operations. We would like to thank Kirklees Council, Arts Council England and the Weston Culture Fund for their support over the last year, as well as all those who donated so much to help us keep going. We are aware that without this support we simply would not have got through the year or be emerging from the pandemic in such a strong position.

Since 31 March 2021 we have been continuing to navigate the gradually diminishing effects of the pandemic on our operations, and at the time of writing we are open with a full autumn season of work, looking ahead to delivering our annual pantomime following an enforced break (which is performing incredibly strongly at the box office) before an exciting and packed Spring season in 2022.

Trustee Induction and Training

All Trustees are given a complete welcome pack including information on the Organisational Plan, information of the Trust's work and achievements, copies of the Articles of Association, key organisational policies, the Charity Commission's 'The Essential Trustee: What You Need To Know' and a skills and contact audit. All Trustees are also invited to meet the Chief Executive and members of the SMT, and to have a tour of the building.

Kirklees Theatre Trust

Trustees' Annual Report (Including Directors Report and Strategic Report)

Year Ended 31 March 2021

Risk Management

Many Heads of Departments at the Lawrence Batley Theatre have less than three-years' service and so the organisation lacks some management experience, but regular reporting and Trustee interaction with the organisation is in place to mitigate this risk.

Board governance and decision-making is managed through several key documented processes which are reviewed by Board members and further scrutinised by the Finance Sub Committee. These documents and processes including the Financial Authorities, Business Continuity Plan, Profit and Loss breakdown and quarterly management accounts are tailored to the needs of the organisation, and the risks it is exposed to. Creative Scene also had an individual risk register and monitoring process, but at the time of writing the organisation has novated and is now a separate entity. Additional ongoing processes and actions to mitigate risk are detailed in the Organisational Plan. Monitoring and evaluation takes place across the organisation to inform programme, project and service development. Throughout the pandemic decision-making for day-to-day issues was delegated to the Finance Committee, who met with the Chief Executive on a regular basis to address risks as and when they arose.

Financial sustainability continues to be a risk for both the charity and its subsidiary but it should be noted that the organisation leaves the financial year 2020-21 in a more robust financial position than at any point in its history, and at the time of writing that position has been further strengthened following further successful grant applications and stronger than anticipated box office sales. That said, the Trustees and Executive remain in regular contact with Kirklees Council to secure their ongoing financial support, and the Trustees and SMT continue to focus on ways of increasing earned and contributed income.

The Trust's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds to finance the Trust's operations. Due to the nature of the financial instruments there is no exposure to price risk. The approach to managing other risks applicable to the financial instruments concerned is as follows:

- In respect of bank balances, the liquidity risk is managed by maintaining credit balances. The Trust makes use of deposit facilities when funds are available;
- Trade debtors are managed by regular monitoring of amounts outstanding for both time and credit limits; and
- Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet the amounts falling due.

Outside of the COVID-19 pandemic, non-financial risks arising from fire, health and safety of artists and audiences, management of performing rights and food hygiene have also been identified. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

Kirklees Theatre Trust

Trustees' Annual Report (Including Directors Report and Strategic Report)

Year Ended 31 March 2021

Investment Powers

The Trustees are empowered under the Articles of Association to invest in order to maximise income for the furtherance of the Charity's objectives and aims.

Financial Review (including reserves policy)

Results for the year

The charity had a net surplus for the year on the general unrestricted fund of £154,111 (2020: £60,081 deficit), a deficit on the designated property fund of £93,630 and a surplus on restricted funds of £275,307 before transfers to designated funds.

The charity had at the year end a designated reserves fund of £202,495 (2020: £55,495) and restricted funds of £298,356 (2020: £24,852), which represent the unspent balances on specific grants at the year end. These are in addition to general unrestricted funds of £1,689,448 (2020: £1,680,534) and the designated property fund of £1,104,422 (2020: £1,198,052). The general unrestricted and designated property funds represent the value of assets used in the delivery of the charity's purpose.

Reserves policy

The Trustees aspire to retain three months' operating costs in a cash reserve, being approximately £275,000.

Total funds are £3,294,721 (2020: £2,958,933). However these include £2,797,517 (2020: £2,892,153) which can only be realised by disposing of tangible fixed assets which are all committed to the delivery of the trusts purpose.

Trustees' responsibilities

The Trustees (who are also Directors of Kirklees Theatre Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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 2019 (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; and
- Prepare the financial statements on the going concern basis unless it is appropriate 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.

Kirklees Theatre Trust

Trustees' Annual Report (Including Directors Report and Strategic Report)

Year Ended 31 March 2021

Disclosure of information to the auditors

So far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company Directors.

On behalf of the Board

A J Bird
Trustee

7 December 2021

Independent Auditor's Report to the members and trustees of Kirklees Theatre Trust

Opinion

We have audited the financial statements of Kirklees Theatre Trust (the parent charitable company) and its subsidiary (the group) for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities including the Consolidated Summary Income and Expenditure Account, the Consolidated and the Parent Charitable Company Balance Sheet, the Consolidated and the Parent Charitable Company 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditor's Report to the members and trustees of Kirklees Theatre Trust

Other information

The other information comprises the information included in the trustees 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 report. 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 Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- 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.

Independent Auditor's Report to the members and trustees of Kirklees Theatre Trust

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 7, the Trustees (who are also the Directors of the parent 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

We have been appointed under the Companies Act 2006 and Section 151 of the Charities Act 2011 and report in accordance with this act.

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 is 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the group and parent charitable company considered the risk of acts by Management and the Trustees which were contrary to applicable laws and regulations, including fraud. We made enquiries of the Trustees to obtain further understanding of risks of non-compliance.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding known or suspected instances of non-compliance with laws and regulations;
- review of minutes of the Trustees' Board meetings throughout the year; and
- obtaining an understanding of the control environment in place to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Independent Auditor's Report to the members and trustees of Kirklees Theatre Trust

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

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 and to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. . Our audit work has been undertaken so that we might state to the charitable company's members and its Trustees 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 and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

35 Westgate
Huddersfield
HD1 1PA

7 December 2021

Helen Solomons (Senior Statutory Auditor)

For and on behalf of Wheawill & Sudworth Limited, Statutory Auditor

Wheawill & Sudworth Limited is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Kirklees Theatre Trust

Consolidated Statement of Financial Activities (Including Consolidated Income and Expenditure Account)

Year Ended 31 March 2021

		Unrestricted funds	Designated property fund	Designated reserves fund	ACE CP&P Restricted funds	Other Restricted funds	Total	2020 Total £
	Note	£	£	£	£	£		£
Income:								
Donations	2	675,343	-	-	-	7,881	683,224	235,779
Charitable activities	3	320,161	-	-	409,270	340,507	1,069,938	1,396,043
Other trading activities	4	20,897	-	-	-	-	20,897	154,709
Other income	4	243,192	-	-	-	-	243,192	-
Investments	5	587	-	-	-	-	587	1,706
Total income		1,260,180	-	-	409,270	348,388	2,017,838	1,788,237
Expenditure on:								
Charitable activities	6	740,781	93,630	-	409,270	73,062	1,316,743	1,882,419
Raising funds		7,402	-	-	-	19	7,421	-
Other expenditure	6	357,886	-	-	-	-	357,886	61,241
Total expenditure		1,106,069	93,630	-	409,270	73,081	1,682,050	1,943,660
Net income/(expenditure)		154,111	(93,630)	-	-	275,307	335,788	(155,423)
Transfers between funds		(145,197)	-	147,000	-	(1,803)	-	-
Net movement in funds	19	8,914	(93,630)	147,000	-	273,504	335,788	(155,423)
Reconciliation of funds:								
Total funds brought forward	19	1,680,534	1,198,052	55,495	-	24,852	2,958,933	3,114,356
Total funds carried forward	19	1,689,448	1,104,422	202,495	-	298,356	3,294,721	2,958,933

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 19 to 35 form part of these financial statements.

Kirklees Theatre Trust

Consolidated Statement of Financial Activities (Including Consolidated Income and Expenditure Account) (continued)

Year Ended 31 March 2020

		Unrestricted funds	Designated renewals funds	Designated property fund	Designated contingency fund	Designated development fund	Designated reserves fund	ACE CP&P Restricted funds	Other Restricted funds	Total
Income:										
Donations	2	228,269	-	-	-	-	-	-	7,510	235,779
Charitable activities	3	943,106	-	-	-	-	-	420,492	32,445	1,396,043
Other trading activities	4	154,709	-	-	-	-	-	-	-	154,709
Investments	5	1,706	-	-	-	-	-	-	-	1,706
Total income		1,327,790	-	-	-	-	-	420,492	39,955	1,788,237
Expenditure on:										
Charitable activities	6	1,326,630	-	93,630	-	-	-	420,492	41,667	1,882,419
Other expenditure	6	61,241	-	-	-	-	-	-	-	61,241
Total expenditure		1,387,871	-	93,630	-	-	-	420,492	41,667	1,943,660
Net (expenditure)		(60,081)	-	(93,630)	-	-	-	-	(1,712)	(155,423)
Transfers between funds		61,610	(16,809)	-	(77,686)	(16,000)	55,495	-	(6,610)	-
Net movement in funds	19	1,529	(16,809)	(93,630)	(77,686)	(16,000)	55,495	-	(8,322)	(155,423)
Reconciliation of funds:										
Total funds brought forward	19	1,679,005	16,809	1,291,682	77,686	16,000	-	-	33,174	3,114,356
Total funds carried forward	19	1,680,534	-	1,198,052	-	-	55,495	-	24,852	2,958,933

Kirklees Theatre Trust

Consolidated Balance Sheet

Year Ended 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	2,797,517	2,892,153
		<hr/> 2,797,517	<hr/> 2,892,153
Current assets			
Stocks	14	5,497	6,243
Debtors	15	194,511	70,394
Cash at bank and in hand		679,752	423,239
		<hr/> 879,760	<hr/> 499,876
Creditors: amounts falling due within one year	16	(382,556)	(433,096)
Net current assets		<hr/> 497,204	<hr/> 66,780
Total assets less current liabilities		<hr/> 3,294,721	<hr/> 2,958,933
Net assets		<hr/> 3,294,721	<hr/> 2,958,933
Charity Funds			
Restricted funds	19	298,356	24,852
Unrestricted funds	19	2,996,365	2,934,081
Total charity funds	19	<hr/> 3,294,721	<hr/> 2,958,933

The financial statements were approved and authorised for issue by the Board on 7 December 2021.

Signed on behalf of the board of Trustees

A J Bird, Trustee

The notes on pages 19 to 35 form part of these financial statements.

Company registration number: 1504033

Kirklees Theatre Trust

Charity Balance Sheet

Year Ended 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	2,797,517	2,892,153
Investments	13	1	1
		<hr/>	<hr/>
		2,797,518	2,892,154
Current assets			
Stocks	14	5,497	6,243
Debtors	15	194,576	70,459
Cash at bank and in hand		679,687	423,174
		<hr/>	<hr/>
		879,760	499,876
Creditors: amounts falling due within one year	16	(382,556)	(433,096)
		<hr/>	<hr/>
Net current assets		497,204	66,780
		<hr/>	<hr/>
Total assets less current liabilities		3,294,722	2,958,934
		<hr/>	<hr/>
Net assets		3,294,722	2,958,934
		<hr/>	<hr/>
Charity funds			
Restricted funds	19	298,356	24,852
Unrestricted funds	19	2,996,366	2,934,082
		<hr/>	<hr/>
Total charity funds	19	3,294,722	2,958,934
		<hr/>	<hr/>

The financial statements were approved and authorised for issue by the Board on 7 December 2021.

Signed on behalf of the board of Trustees

A J Bird, Trustee

The notes on pages 19 to 35 form part of these financial statements.

Company registration number: 1504033

Kirklees Theatre Trust

Consolidated and Charity Statement of Cash Flows

Year Ended 31 March 2021

		Group		Charity	
	Note	2021 £	2020 £	2021 £	2020 £
Cash flow from operating activities	21	280,569	(25,868)	280,569	(25,868)
Interest paid		-	-	-	-
Net cash flow from operating activities		<u>280,569</u>	<u>(25,868)</u>	<u>280,569</u>	<u>(25,868)</u>
Cash flow from investing activities					
Payments to acquire tangible fixed assets		(24,643)	(38,665)	(24,643)	(38,665)
Interest received		587	1,706	587	1,706
Net cash flow from investing activities		<u>(24,056)</u>	<u>(36,959)</u>	<u>(24,056)</u>	<u>(36,959)</u>
Net increase/(decrease) in cash and cash equivalents		256,513	(62,827)	256,513	(62,827)
Cash and cash equivalents at 1 April 2020		423,239	486,066	423,174	486,001
Cash and cash equivalents at 31 March 2021		<u>679,752</u>	<u>423,239</u>	<u>679,687</u>	<u>423,174</u>
Cash and cash equivalents consists of:					
Cash at bank and in hand		679,752	423,239	679,687	423,174
Cash and cash equivalents at 31 March 2021		<u>679,752</u>	<u>423,239</u>	<u>679,687</u>	<u>423,174</u>

The notes on pages 19 to 35 form part of these financial statements.

1 Summary of significant accounting policies

(a) General information and basis of preparation

Kirklees Theatre Trust is a registered charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees report.

The charity constitutes a public benefit entity as defined by FRS 102. 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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The financial statements consolidate the results of the charity and its wholly owned subsidiary Reedmonte Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006 and section 24 of the SORP (FRS 102).

The charity has availed itself of Paragraph 4(1) of Schedule 1 of The Large & Medium Companies and Groups (Accounts and Directors' Report) Regulations 2008 and adopted the Companies Act formats to reflect the special nature of the charity's activities.

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

(b) Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

1 Summary of significant accounting policies (continued)

(c) Income recognition (continued)

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Income from trading activities includes gross income generated by trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Net income from the sale of ice creams and programmes etc is included as income raised from charitable activities.

The charity receives grants in respect of its charitable activities. Income from grants whether 'capital' or 'income' grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met (see note 18).

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably.

Interest income is recognised using the effective interest method.

Other income includes income such as gains on disposals of tangible fixed assets.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the cost of commercial trading and their associated support costs;
- Expenditure on charitable activities includes the cost of performances, projects and other educational activities undertaken to further the purpose of the charity and their associated support costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads and other overheads have been allocated pro rata to staff cost basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 7.

1 Summary of significant accounting policies (continued)

(f) Tangible fixed assets

Tangible fixed assets are stated at cost. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold improvements	50 years
Fixtures and fittings	20 to 25 years
Equipment	5 to 12 years

(g) Investments

Investments in subsidiaries are measured at cost less impairment.

(h) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

(i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(k) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity contributes to a defined contribution plan for the benefit of its employees, the assets of which are held separately from those of the charity. Contributions are expensed as they become payable.

Termination payments are accounted for in the period in which they are agreed by all parties.

(m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

1 Summary of significant accounting policies (continued)

(n) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trust's business activities together with the factors likely to affect its future performance and development are detailed in the Trustees' Report. It is the view of the Trustees that the Trust is well placed to manage its business risks successfully. This is evidenced in the financial statements, cash flow and liquidity position as stated in this Trustees' report. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2 Income from donations

	2021 £	2020 £
Grants	624,057	203,593
Other donations	55,367	28,686
Sponsorship	3,800	3,500
	<u>683,224</u>	<u>235,779</u>

Income from donations was £683,224 (2020: £235,779) of which £7,881 (2020: £7,510) was attributable to restricted funds and £675,343 (2020: £228,269) was attributable to unrestricted funds.

Grants of £203,593 (2020: £203,593) and £373,225 (2020: £0) were received from Kirklees Council and the Arts Council respectively.

Grants of £44,621 (2020: nil) were received in relation to the local authority business support grants.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of these are in the annual report. In accordance with FRS 102 and the charity SORP (FRS 102) the economic contribution of general volunteers is not recognised in the accounts.

3 Income from charitable activities

	2021 £	2020 £
ACE general funding	151,264	148,531
Box office and outside lets	141,166	667,299
Project overheads & administration	32,312	38,699
Income from merchandise/programmes/exhibitions	436	24,231
Rental income	2,528	9,042
Grant funded projects - ACE CP&P	409,270	420,492
- Theatre for Tomorrow	24,612	-
- Garfield Weston	237,500	-
- Catalyst Evolve	-	38,237
- Bienalle	1,500	-
- AYP fund	7,790	-
- Awards for All	245	7,445
- Our Conversation	5,000	5,000
- Evoke	59,000	20,000
- Theatre Trust	4,860	-
Theatre tax relief	(7,545)	17,067
	<u>1,069,938</u>	<u>1,396,043</u>

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

3 Income from charitable activities (continued)

Income from charitable activities was £1,069,938 (2020: £1,396,043) of which £749,777 (2020: £452,937) was attributable to restricted funds and £320,161 (2020: £943,106) was attributable to unrestricted funds.

Box office and outside lets comprises the income from in house production ticket sales and third party theatre lettings.

4 Income from other trading activities and other income

	2021 £	2020 £
Income from other trading activities:		
Bars and catering	20,897	154,709

Income from other trading activities was £20,897 (2020: £154,709) all of which was attributable to unrestricted funds.

	2021 £	2020 £
Other income:		
Coronavirus Job Retention Scheme	243,192	-

Other income of £243,192 (2020: £Nil) was all attributable to unrestricted funds.

5 Income from investments

	2021 £	2020 £
Interest from bank and other short term deposits	587	1,706

Income from investment was £587 (2020: £1,706) all of which was attributable to unrestricted funds.

6 Analysis of expenditure on charitable activities, raising funds and other.

	Box office & outside lets £	Project overheads & administration £	Rental income £	Grant funded projects £	Support costs £	2021 Total £
Programme costs	172,898	-	-	7,757	-	180,655
Direct project expenses	3,420	27,209	-	234,906	-	265,535
Staff costs	174,299	-	-	211,744	172,494	558,537
Administration expenses	82,202	-	-	-	58,190	140,392
Premises costs	-	-	-	-	41,176	41,176
Rental property expenditure	-	-	4,803	-	-	4,803
Depreciation	24,933	-	-	716	93,630	119,279
Donations	6,366	-	-	-	-	6,366
Total	464,118	27,209	4,803	455,123	365,490	1,316,743

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

6 Analysis of expenditure on charitable activities, raising funds and other (continued)

	Box office & outside lets	Project overheads & administration	Rental income	Grant funded projects	Support costs	2020 Total
	£	£	£	£	£	£
Programme costs	417,867	-	-	3,000	-	420,867
Direct project expenses	426	38,099	-	242,891	-	281,416
Staff costs	462,189	-	-	178,169	152,025	792,383
Administration expenses	147,846	-	-	-	50,394	198,240
Premises costs	-	-	-	-	68,638	68,638
Rental property expenditure	-	-	4,802	-	-	4,802
Depreciation	22,443	-	-	-	93,630	116,073
Total	1,050,771	38,099	4,802	424,060	364,687	1,882,419

Expenditure on charitable activities was £1,316,743 (2020: £1,882,419) of which £482,332 (2020: £462,159) was attributable to restricted funds and £834,411 (2020: £1,420,260) was attributable to unrestricted funds.

Other expenditure relates to costs associated with trading activities in the parent charitable company of £8,516 (2020: £61,241) and staffing costs related to employees furloughed under the Coronavirus Job Retention Scheme of £349,370 (2020: £nil) and is solely attributable to unrestricted funds.

7 Allocation of support costs

The trust identifies the cost of its support functions which are not separately identifiable to a specific income stream. The remaining support costs are apportioned to the charitable activities undertaken.

8 Governance costs

	2021 £	2020 £
Auditor's remuneration – statutory audit	7,000	6,500

All of the above costs are attributable to unrestricted funds and included within support costs.

9 Net income/(expenditure) for the year

Net expenditure is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	119,279	116,073
Operating lease rentals	11,029	11,574
Trustees indemnity insurance	1,521	1,267

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

10 Trustees' and key management personnel remuneration, expenses and related party transactions

A trustee, H Filloux-Bennett received remuneration and other employee benefits in the year totalling £51,394 (2020: £45,138) and royalty payments of £1,619 (2020: £Nil). Arden & Moore Limited, a company in which the partner of H Filloux-Bennett has significant control, was paid £991 (2020: £nil) relating to programming costs.

Make a Noise Limited, a company in which a trustee G Chapman has significant control was paid £3,420 (2020: £nil) relating to programming costs.

No other trustees received or waived any remuneration during the year (2020: £Nil).

The total amount of employee benefits received by key management personnel is £51,394 (2020: £62,071). The Trust considers its key management personnel comprise the Chief Executive Officer and deputy Director (in 2020).

No Trustees are accruing pension arrangements.

The Trustees did not have any trustee expenses reimbursed during the year (2020 - £Nil).

During the year the Trustees made donations totalling £1,413 (2020: £226).

11 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2021 Number	2021 FTE	2020 Number	2020 FTE
Raising funds	1	1	3	1
Charitable activities	59	21	60	21
	60	22	63	22

The total staff costs and employees benefits were as follows:

Group and charity	2021 £	2020 £
Wages and salaries (including termination payment of £3,000 (2020: £4,000)	819,384	718,522
Social security	57,410	45,736
Defined contribution pension costs	15,646	13,576
	892,440	777,834

No employees earned more than £60,000.in the year (2020 – £60,000).

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

12 Tangible fixed assets – Group and Charity

	Leasehold Improvements £	Fixtures, fittings and equipment £	Total £
Cost or valuation:			
At 1 April 2020	4,681,519	2,060,631	6,742,150
Additions	20,923	3,720	24,643
At 31 March 2021	<u>4,702,442</u>	<u>2,064,351</u>	<u>6,766,793</u>
Depreciation:			
At 1 April 2020	1,869,918	1,980,079	3,849,997
Charge for the year	94,049	25,230	119,279
At 31 March 2021	<u>1,963,967</u>	<u>2,005,309</u>	<u>3,969,276</u>
Net book value:			
At 31 March 2021	<u>2,738,475</u>	<u>59,042</u>	<u>2,797,517</u>
At 31 March 2020	<u>2,811,601</u>	<u>80,552</u>	<u>2,892,153</u>

13 Fixed asset investments

The charity holds 1 Ordinary share of £1 in its wholly owned subsidiary company Reedmonte Limited, company number 2947877, which is incorporated in England and Wales. The registered office address is Legal Services, Civic Centre 1, High Street, Huddersfield, HD1 2NF. This is the only share allotted, called up and fully paid. The activities and results of this company, which was dormant from 1 April 2017, which are included in this consolidation, are shown below:

	2021 £	2020 £
Turnover	-	-
Cost of sales and administration costs	-	-
Interest receivable	-	-
Other operating income	-	-
Net profit	-	-
Amount gift aided to the charity	-	-
Retained in the subsidiary	-	-
The assets and liabilities of the subsidiary were:		
Current assets	65	65
Current (liabilities)	(65)	(65)
Total net assets	-	-
Aggregate share capital and reserves	-	-

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

14 Stocks

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Goods for resale	<u>5,497</u>	<u>6,243</u>	<u>5,497</u>	<u>6,243</u>

All stock held is for resale.

15 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	44,669	26,616	44,669	26,616
Amounts owed by subsidiary undertakings	-	-	65	65
Prepayments	43,516	26,242	43,516	26,242
Accrued income	97,717	17,536	97,717	17,536
Other taxation and social security	8,609	-	8,609	-
	<u>194,511</u>	<u>70,394</u>	<u>194,576</u>	<u>70,459</u>

16 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	59,940	221,923	59,940	221,923
Deferred income on advance bookings	48,891	43,339	48,891	43,339
Other creditors	43,646	2,106	43,646	2,106
Other taxation and social security	14,652	13,976	14,652	13,976
Accruals	60,146	29,289	60,146	29,289
Deferred income	155,281	122,463	155,281	122,463
	<u>382,556</u>	<u>433,096</u>	<u>382,556</u>	<u>433,096</u>

17 Leases – Group and Charity

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than one year	4,513	6,080
Later than one and not later than five years	8,468	12,978
Later than five years	79	110
	<u>13,060</u>	<u>19,168</u>

Lease payments recognised as an expense during the year totalled £11,029 (2020: £11,574).

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

18 Deferred income – Group and Charity

	Under 1 year £	Total £
At 1 April 2020	165,802	165,802
Additions during the year	325,547	325,547
Amounts released to income	(287,177)	(287,177)
At 31 March 2021	204,172	204,172

Income has been deferred which has been received in advance for project funding and ticket sales.

19 Fund reconciliation

Unrestricted funds - group

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Unrestricted	1,680,534	1,260,180	(1,106,069)	(145,197)	1,689,448
Designated property fund	1,198,052	-	(93,630)	-	1,104,422
Designated reserves fund	55,495	-	-	147,000	202,495
	2,934,081	1,260,180	(1,199,699)	1,803	2,996,365

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Unrestricted	1,679,005	1,327,790	(1,387,871)	61,610	1,680,534
Designated renewals fund	16,809	-	-	(16,809)	-
Designated property fund	1,291,682	-	(93,630)	-	1,198,052
Designated contingency fund	77,686	-	-	(77,686)	-
Designated development fund	16,000	-	-	(16,000)	-
Designated reserves fund	-	-	-	55,495	55,495
	3,081,182	1,327,790	(1,481,501)	6,610	2,934,081

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

19 Fund reconciliation (continued)

Restricted funds - group

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Garfield Weston	-	237,500	(15,754)	-	221,746
Biennale	-	1,500	(889)	-	611
CP & P Phase II/111	-	409,270	(409,270)	-	-
AYP fund	-	7,790	(2,704)	-	5,086
Awards for All	2,533	245	(2,778)	-	-
Here & Now	3,000	5,000	(1,000)	-	7,000
We are IVE	17,212	59,000	(40,294)	-	35,918
Programme Fund	252	-	-	-	252
Children & Young People's Fund	140	-	-	-	140
Theatre Renewal Fund	1,715	-	-	-	1,715
Charlotte Holmes	-	4,700	(2,912)	(1,788)	-
Theatre for Tomorrow	-	27,793	(1,905)	-	25,888
Theatre Trust fund	-	4,860	(4,845)	(15)	-
	24,852	757,658	(482,351)	(1,803)	298,356
	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Reaching Communities	9,995	-	(9,995)	-	-
CP & P Phase II/111	-	420,492	(420,492)	-	-
Catalyst Evolve	18,122	-	(18,060)	(62)	-
Awards for all	-	7,445	(4,912)	-	2,533
Here & Now	-	5,000	(2,000)	-	3,000
We are IVE	-	20,000	(2,788)	-	17,212
Programme Fund	252	-	-	-	252
Children & Young People's Fund	140	-	-	-	140
Theatre Renewal Fund	1,665	50	-	-	1,715
Christmas Angels Fund	-	7,460	(912)	(6,548)	-
Developing Music Fund	3,000	-	(3,000)	-	-
	33,174	460,447	(462,159)	(6,610)	24,852

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

19 Fund reconciliation (continued)

Unrestricted funds - charity

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Unrestricted	1,680,535	1,260,180	(1,106,069)	(145,197)	1,689,449
Designated property fund	1,198,052	-	(93,630)	-	1,104,422
Designated reserves fund	55,495	-	-	147,000	202,495
	<u>2,934,082</u>	<u>1,260,180</u>	<u>(1,199,699)</u>	<u>1,803</u>	<u>2,996,366</u>

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Unrestricted	1,679,006	1,327,790	(1,387,871)	61,610	1,680,535
Designated renewals fund	16,809	-	-	(16,809)	-
Designated property fund	1,291,682	-	(93,630)	-	1,198,052
Designated contingency fund	77,686	-	-	(77,686)	-
Designated development fund	16,000	-	-	(16,000)	-
Designated reserves fund	-	-	-	55,495	55,495
	<u>3,081,183</u>	<u>1,327,790</u>	<u>(1,481,501)</u>	<u>6,610</u>	<u>2,934,082</u>

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

19 Fund reconciliation (continued)

Restricted funds - charity

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Weston Culture fund	-	237,500	(15,754)	-	221,746
Biennale	-	1,500	(889)	-	611
CP & P Phase II/111	-	409,270	(409,270)	-	-
AYP fund	-	7,790	(2,704)	-	5,086
Awards for All	2,533	245	(2,778)	-	-
Here & Now	3,000	5,000	(1,000)	-	7,000
We are IVE	17,212	59,000	(40,294)	-	35,918
Programme Fund	252	-	-	-	252
Children & Young People's Fund	140	-	-	-	140
Theatre Renewal Fund	1,715	-	-	-	1,715
Charlotte Holmes	-	4,700	(2,912)	(1,788)	-
Theatre for Tomorrow	-	27,793	(1,905)	-	25,888
Theatre Trust Fund	-	4,860	(4,845)	(15)	-
	24,852	757,658	(482,351)	(1,803)	298,356
	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Reaching Communities	9,995	-	(9,995)	-	-
CP & P Phase II/111	-	420,492	(420,492)	-	-
Catalyst Evolve	18,122	-	(18,060)	(62)	-
Awards for All	-	7,445	(4,912)	-	2,533
Here & Now	-	5,000	(2,000)	-	3,000
We are IVE	-	20,000	(2,788)	-	17,212
Programme Fund	252	-	-	-	252
Children & Young People's Fund	140	-	-	-	140
Theatre Renewal Fund	1,665	50	-	-	1,715
Christmas Angels Fund	-	7,460	(912)	(6,548)	-
Developing Music Fund	3,000	-	(3,000)	-	-
	33,174	460,447	(462,159)	(6,610)	24,852

19 Fund reconciliation (continued)

Fund descriptions

a) Unrestricted funds

The general funds are available for the use at the discretion of the charity in furtherance of the general objectives as detailed in the Trustees report.

b) Designated funds

The designated property fund represents the reclassification of the net book value of assets purchased using restricted funds into a designated property fund.

The designated reserves fund represents monies allocated by the Trustees towards running and staff costs.

c) Restricted funds

The CP & P Fund is made up of grants received to fund the Creative Scenes project, a project which is primarily funded by Arts Council England, to create production, presentation, development and infrastructure working alongside local organisations and people.

The Awards for All Fund is made up of a grant received from the Lottery Community fund to support work with adopted children.

The Weston Culture Fund is made up of a grant received from the Garfield Weston Foundation for programme/project subsidies and capital purchases.

The AYP Fund is made up of a grant received from the Ironmongers Company to support work with adopted children.

The Charlotte Holmes Fund is made up of donations to provide access to online programming for local disadvantaged children.

The Theatre for Tomorrow Fund is made up of donations from the public and small grants to fund capital renewal project for 2021.

The Theatre Trust Fund is made up of a grant from the Theatres Trust to provide PPE and other covid support costs.

The Biennale Fund is made up of a grant from The Children Arts School to support community projects.

The Here & Now Fund is made up of a grant received from the National Lottery to fund the Our Conversation Project.

The We are IVE Fund is made up of various grants received to fund the Evoke project.

The Programme Fund is made up of donations from the public to support the theatres dance, drama and opera events.

The Children & Young People's Fund is made up of donations from the public to ensure that local children and young people have access to the arts.

The Theatre Renewal Fund is made up of donations from the public towards a comprehensive renewal programme for the theatre.

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

20 Analysis of group net assets between funds

Group	Unrestricted funds £	Designated funds £	Restricted funds £	2021 Total £
Fixed assets	1,671,699	1,104,422	21,396	2,797,517
Cash & current investments	79,550	202,495	397,707	679,752
Other current assets / (liabilities)	(61,801)	-	(120,747)	(182,548)
Total	1,689,448	1,306,917	298,356	3,294,721

	Unrestricted funds £	Designated funds £	Restricted funds £	2020 Total £
Fixed assets	1,694,101	1,198,052	-	2,892,153
Cash & current investments	235,700	55,495	132,044	423,239
Other current assets / (liabilities)	(249,267)	-	(107,192)	(356,459)
Total	1,680,534	1,253,547	24,852	2,958,933

Charity	Unrestricted funds £	Designated funds £	Restricted funds £	2021 Total £
Fixed assets	1,671,700	1,104,422	21,396	2,797,518
Cash & current investments	79,485	202,495	397,707	679,687
Other current assets /(liabilities)	(61,736)	-	(120,747)	(182,483)
Total	1,689,449	1,306,917	298,356	3,294,722

	Unrestricted funds £	Designated funds £	Restricted funds £	2020 Total £
Fixed assets	1,694,102	1,198,052	-	2,892,154
Cash & current investments	235,635	55,495	132,044	423,174
Other current assets /(liabilities)	(249,202)	-	(107,192)	(356,394)
Total	1,680,535	1,253,547	24,852	2,958,934

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

21 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Net income / (expenditure) for year	335,788	(155,423)	335,788	(155,423)
Interest receivable	(587)	(1,706)	(587)	(1,706)
Depreciation of tangible fixed assets	119,279	116,073	119,279	116,073
(Increase)/decrease in stock	746	160	746	160
(Increase)/decrease in debtors	(124,117)	111,448	(124,117)	111,448
(Increase)/decrease in creditors	(50,540)	(96,420)	(50,540)	(96,420)
Net cash flow from operating activities	280,569	(25,868)	280,569	(25,868)

22 Analysis of changes in net debt

Group	At 1 April 2020	Cash flows	At 31 March 2021
Cash at bank and in hand	423,239	256,513	679,752
Group	At 1 April 2019	Cash flows	At 31 March 2020
Cash at bank and in hand	486,066	(62,827)	423,239
Charity	At 1 April 2020	Cash flows	At 31 March 2021
Cash at bank and in hand	423,174	256,513	679,687
Charity	At 1 April 2019	Cash flows	At 31 March 2020
Cash at bank and in hand	486,001	(62,827)	423,174

23 Pensions and other post-retirement benefits

The charity operates defined contribution pension plans for its employees. The assets of the scheme are held separately from those of the Trust in independently administered funds. The pension cost charges represents contributions payable by the Trust to the fund. The amount recognised as an expense in the period was £15,646 (2020 - £13,576). Contributions totalling £2,991 (2020: £2,106) were outstanding at the year end.

The defined contribution liability is allocated to unrestricted funds.

24 Capital Commitments

At the year end, the charity had capital commitments totalling £Nil (2020: £Nil).

Kirklees Theatre Trust

Notes to the Consolidated Financial Statements

Year Ended 31 March 2021

25 Related party transactions

The company is managed by a board which, at 31 March 2021, comprised 1 representative of Kirklees Council (KMC) and 8 representatives of the local community.

KMC provides an annual revenue grant to the company which amounted to £203,593 in the year ended 31 March 2021 (2020 - £203,593). KMC also provided Covid-19 Business Support Grants to the company which amounted to £44,622 in the year ended 31 March 2021 (2020: Nil).

Kirklees Theatre Trust occupies a building which is leased by KMC and sub-let to the Trust at a peppercorn rental. Kirklees Theatre Trust receives professional support from KMC Strategic Finance for an annual charge of £Nil (2020 - £Nil).

The Trust is controlled by the Trustees. No one Trustee has ultimate control.

ADDITIONAL INFORMATION

The additional information, which comprises of the summary trading profit and loss account and the detailed trading profit and loss account of unrestricted reserves before transfers, has been prepared from the accounting records of the company. While it is unaudited and does not form part of the statutory financial statements, it should be read in conjunction with them.

Kirklees Theatre Trust**Summary Trading Profit and Loss Account****Year ended 31 March 2021**

	2021 £	2020 £
Income	1,267,138	1,309,017
Expenses	<u>(1,081,136)</u>	<u>(1,365,428)</u>
Surplus / (deficit) on operations	186,002	(56,411)
Depreciation	<u>(24,933)</u>	<u>(22,443)</u>
Net surplus / (deficit)	161,069	(78,854)
Interest receivable	587	1,706
Surplus / (deficit) for the financial year before taxation	<u>161,656</u>	<u>(77,148)</u>
Theatre tax relief	(7,545)	17,067
Surplus / (deficit) for the financial year after taxation	<u><u>154,111</u></u>	<u><u>(60,081)</u></u>

Kirklees Theatre Trust

Detailed Trading Profit and Loss Account

Year ended 31 March 2021

	2021		2020	
	£	£	£	£
Income:				
Box office	132,778		522,243	
Sponsorship/fund raising	47,486		21,176	
		180,264		543,419
Outside lets	8,388		145,056	
Bars/catering	20,897		154,709	
Profit on confectionery/merchandise/ices	230		20,715	
Programme sales/exhibitions	206		3,516	
Corporate sponsorship	3,800		3,500	
Grant funded projects	-		38,237	
Project income	32,312		38,699	
Rental income	2,528		9,042	
		68,361		413,474
Government Grant Covid Funding	287,813		-	
OFCOM	2,618		-	
Arts Council England	524,489		148,531	
Kirklees Council	203,593		203,593	
		1,018,513		352,124
Total income		1,267,138		1,309,017
Expenditure				
Raising Funds		(7,402)		-
Bars/catering		(8,516)		(61,241)
Programme costs				
Programme costs	172,898		417,867	
Project costs	3,420		426	
		(176,318)		(418,293)
Staff costs				
Coronavirus Gross Salaries	328,613		-	
Management	100,069		81,747	
Front of house	44,424		66,902	
Box office	14,728		36,902	
Technical	24,103		96,026	
Marketing	48,537		56,697	
Finance & Administration	53,740		64,387	
Cleaning	8,303		27,881	
Casual wages	16,042		107,962	
Pensions	10,825		9,532	
Education & outreach	4,709		32,505	
Employer's National Insurance	42,070		33,673	
		(696,163)		(614,214)
Carried forward		378,739		215,269

Kirklees Theatre Trust

Detailed Trading Profit and Loss Account

Year ended 31 March 2021

	2021		2020	
	£	£	£	£
Brought forward		378,739		215,269
Administrative expenses				
Office/stationery/postage	7,493		6,813	
Telephone and internet	5,586		7,439	
Marketing	28,915		75,409	
Box office	4,917		12,535	
ICT	11,818		5,406	
Training	3,075		3,383	
Uniforms	20		5,152	
Licences	1,288		2,449	
Cleaning materials	5,765		6,511	
Maintenance	25,790		33,980	
Travel/hospitality	3,254		12,286	
Bank and credit card charges	4,483		6,949	
Sundry & subscriptions	2,274		1,038	
Audit and accountancy and other professional fees	17,268		15,255	
Recruitment	280		3,800	
Bad debts written off	23		(323)	
(Over)/under bankings	-		(3)	
Coronavirus costs	15,558		161	
Relocation expenses	2,585		-	
		(140,392)		(198,240)
Premises costs				
Gas	8,289		14,636	
Electricity	23,857		41,508	
Rates and water	1,918		5,740	
Insurance	7,112		6,754	
6-8 Queen Street	4,803		4,802	
		(45,979)		(73,440)
Surplus/(loss) from operations		192,368		(56,411)
Donations		(6,366)		-
Depreciation		(24,933)		(22,443)
Net surplus (deficit) before interest receivable		<u>161,069</u>		<u>(78,854)</u>