

NORTH EAST THEATRE TRUST LIMITED

England & Wales · Charity number 513771

Details

Other names LIVE THEATRE

Status Registered

Legal form Charitable company

Company number [01697756](#)

Registered 1983-04-25

Register [View on the Charity Commission register](#)

Contact

Address Live Theatre
27 Broad Chare
Newcastle Upon Tyne
NE1 3DQ

Phone 0191 261 2694

Email Info@live.org.uk

Website www.live.org.uk

Activities

Objects: TO PROMOTE, MAINTAIN IMPROVE AND ADVANCE EDUCATION PARTICULARLY BY THE PRODUCTION OF EDUCATIONAL PLAYS AND THE ENCOURAGEMENT OF THE ARTS, INCLUDING THE ART OF DRAMA, BALLET, MUSIC, SINGING, LITERATURE, SCULPTURE AND PAINTING.

Activities: - The production of theatre performances at Live Theatre;- The facilitation of drama and music programmes by other companies;- The organisation and production of education and outreach activities for the public.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Gateshead
- Newcastle Upon Tyne City
- North Tyneside
- Northumberland
- South Tyneside
- Sunderland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,294,167	£2,721,199	£8,122,491	48
2024-03-31	£2,213,091	£2,658,729	£8,549,523	27
2023-03-31	£2,170,534	£2,520,616	£8,995,161	25
2022-03-31	£2,343,903	£2,346,895	£9,345,243	25
2021-03-31	£2,633,451	£1,902,434	£9,013,235	23

Trustees

Name	Role	Appointed
SUSAN BROWN	Chair	2014-01-30
Andrew Peter Fletcher		2025-06-02
Ishtiaq Ahmed Din		2018-12-03
Jacqueline Kell		2020-11-30
James Rhys McKinnell		2016-12-12
John David Holmes		2024-01-18
KATHRYN LUCY HAY WINSKELL OBE		
Lisette Rebecca Auton		2024-12-09
MICHAEL FRANCIS HENRY		2014-01-30
MICHELLE FRANCES PERCY		
Maya Torres		2024-12-09
Nicola Young		2024-12-09
Paul Thomas Henry Shevlin		2018-12-03
SUSAN EMMAS		2014-01-30
Thomas Antony Marton		2024-12-09

NORTH EAST THEATRE TRUST LIMITED

England & Wales - Charity number 513771

Accounts

Charity Registration No. 513771

Company Registration No. 01697756 (England and Wales)

**NORTH EAST THEATRE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

CONSOLIDATED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

NORTH EAST THEATRE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered name	North East Theatre Trust Limited	
Trading name	Live Theatre	
Trustees	S Emmas M F Henry M F Percy K L H Winskell S Brown DL J R McKinnell P T H Shevlin I A Din L R Auton (Appointed 9 December 2024) J D Holmes T A Marton (Appointed 9 December 2024) M Torres (Appointed 9 December 2024) N Young (Appointed 9 December 2024) A P Fletcher (Appointed 2 June 2025)	
Company Secretary	J A Kell	
Charity number	513771	
Company number	01697756	
Registered office	29 Broad Chare Quayside Newcastle upon Tyne NE1 3DQ	
Auditor	Sumer Auditco Limited Unit 2 Gosforth Park Avenue Newcastle upon Tyne NE1 3DQ	
Bankers	Lloyds Bank plc 102 Grey Street Newcastle upon Tyne NE1 6AG	Virgin Money 132-134 Northumberland Street Newcastle upon Tyne NE1 7AG
Solicitors	Womble Bond Dickinson The Spark Draymans Way Newcastle Helix Newcastle upon Tyne NE4 5DE	

NORTH EAST THEATRE TRUST LIMITED

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NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The Trustees present their report and accounts for the year ended 31 March 2025.

The Annual Report sets out how North East Theatre Trust has advanced its charitable objectives during the 2024/25 financial year.

2024/25 was again a challenging year for all in the theatre and cultural sectors. During the year, the Board of Trustees supported the executive team and at 31 March 2025 consider the Charity is in a stable position to continue its activities for the foreseeable future; and that its assets are adequate to meet its obligations as they fall due.

Live's charitable objectives are to promote education through plays and the medium of new writing to enrich the culture and development of our region. The charity must also deliver real benefits to the public, and fulfil the requirements of our funders and partners.

In times of reduced funding opportunities and increasing costs this becomes more difficult each year, but each year the team at Live delivers in spades. In 2024/5 they produced an exciting programme in the theatre with acclaimed in-house productions and innovative visiting companies. Through wider initiatives, thousands of new writers, creatives, children and young people were encouraged to participate and realise the transformative power of theatre.

The focus on ambitious new writing grounded in our North Eastern region is not without risk and the risk is exacerbated when there is less money available to spend on buying theatre tickets. This year the Trustees were kept closely informed as the team worked exceptionally hard to innovate, across all aspects, from the programme selection for in house productions and visiting shows to unique events, agile programming, smart marketing, targeted fundraising, and new outreach and partnerships. The Trustees were also involved in a strategic review which has resulted in improved governance processes and an ambitious Five-Year Business Strategy for growth which provides assurance of continued innovation and improvement in both income generation and social impact, and how these are measured and reported.

The Board of Trustees wish to place on record their huge appreciation for the work of the Co-Chief Executives, who undertook significant new challenges this year, along with the whole team for their continued commitment and dedication, and not least their highly creative responses to challenges that come along. Huge thanks are due also to our team of over 50 volunteers and to the many funders, partners and Friends who enable our work to continue to have significant impact.

I would personally like to thank all Trustees for their commitment too, and the many ways they have individually brought their expertise and experience to bear to support the Co-Chief Executives this year. In particular our thanks go to thank Rhys McKinnell who is stepping down after chairing the Finance and People subgroup over 10 years, and to my deputy, Paul Shevlin, who is also the chair of the Creative Group. Their support in giving time to bring robust challenge and insight has been invaluable to the whole team.

Once more, the small but highly efficient team at Live led by the Co Chief Executives have made a difference – inspiring artists, audiences, young people and city partners to ensure that Live Theatre remains the best at what it does and continues to deliver and thrive, as ambassadors for new playwriting.

Objectives and activities

The objects of the charity are to promote, maintain, improve and advance education, particularly by the production of plays and encouragement of the Arts.

The principal activities of the company planned for the year were:

- the production of theatre performances at Live Theatre and the development of writers, actors and creative talent;
- the facilitation of drama and music programmes by other companies;
- the organisation and production of education and outreach activities for the public.

Through its activities the charity aims to:

- create, present and promote new plays informed by our sense of place;
- develop the skills of writers, performers and theatre practitioners at all stages of their careers;
- develop arts education and participation for children, young people and adults;
- involve all kinds of audiences in our endeavours;
- create sustainable income streams to deliver resources and new programmes.

NORTH EAST THEATRE TRUST LIMITED

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TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The new priorities for 2025/26 could be summarised as:

- continue to develop a diverse body of work to support the creative sector and increase audiences;
- actively seeking other creative partners, as co-producers, to develop additional plays and projects;
- bedding down and consolidating the range of Social Enterprises which create unrestricted funds for the charity;
- actively engaging with a digital infrastructure throughout the group.

Public benefit that is provided by the charity

The Trustees have had due regard to the Charity Commission's guidance on public benefit when determining the Charity's activities. Live Theatre is one of the UK's leading new writing producing theatres, with a long-established national and international reputation.

The Charity provides public benefit through the production of new plays of high artistic quality, the identification and development of creative talent, and the delivery of one of the largest free arts education and participation programmes for children and young people in the region. These activities engage audiences across the North East and beyond.

Achievement and performance

Embedding our vision and purpose

2024/25 has been about putting the vision into action: "A North East that writes its own story and fights for a more creative future." Live Theatre has remained steadfast in its commitment to championing North East voices, supporting writers at all stages of their careers, and ensuring that children and young people can access high-quality creative opportunities.

Advocacy for a creative society has continued to underpin our work, shaping both the artistic programme and the partnerships developed across the region and beyond. We have prioritised according to Live Theatre's values including relevance, inclusion and artistic ambition, ensuring that our work reflects the communities we serve and issues that matter to them.

Artistic programme and creative impact

2024/25 was marked by an ambitious and high-profile artistic programme that demonstrated Live Theatre's continued commitment to new writing, co-production and the amplification of North East voices. We presented 381 ticketed shows over the year and welcomed 18,409 audience members to them.

The first main production of the year was *The Bounds*, a new play by National Theatre's dramaturg Stewart Pringle. For the first time in our history, the play enabled a partnership between Live Theatre and London's leading new writing theatre The Royal Court as part of David Byrne's inaugural season. This co-production represented a significant artistic achievement and reinforced Live Theatre's national standing as a home for new writing.

In the autumn, *Saint Maud*, a new stage adaptation written by Sunderland writer Jessica Andrews, based on the screenplay by Rose Glass. National production company Sonia Friedman Productions enhanced the production with a £15k investment. The production received strong critical acclaim, including a four-star review from *The Guardian*. This production further demonstrated our ability to bring bold contemporary stories to the stage and attract critical attention at a national level.

We were delighted to present *Blitzen on Tyne*, our children's Christmas show, generously supported by the Gillian Dickinson Trust. Co-created with children from St. John's Primary School, Benwell, Newcastle, High Spen Primary School, Gateshead and Northern Counties SEN School, Newcastle and written by Danielle Slade, the production brought young people's ideas and imaginations together to create a warm, wintry theatrical experience for children and families.

The year concluded with *Champion*, a triumphant new play by Middlesbrough playwright Ishy Din, telling a family story inspired by Muhammad Ali's visit to South Shields in the summer of 1977. The production celebrated community, heritage and aspiration, and closed the year on a powerful note that reflected Live Theatre's enduring commitment to stories rooted in the North East. The show proved to be one of our highest selling productions since Covid.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The year also led us obtaining a prestigious Peter Shaffer commission from the National Theatre for our Associate writer Kemi-Bo Jacobs to write a play about abolitionist Frederick Douglass as well as showcase of our second Associate Artist gobscore's new work, Yu Have Already Survived, about their lived experience of homelessness and disability.

Artist development activity was consistent throughout the year with the introduction of 'Live Writes' a new writing showcase which offered opportunities in the year to 28 writers, 28 directors, 71 actors and 20 creatives. The well-regarded Playwriting Course ran, and the 15 participants each produced 50 minute scripts for feedback and further support. 475 writers and creatives attended events organised by Live Theatre to facilitate introductions, opportunities and space to write.

Children, young people and learning

Our work with children and young people remained a central strand of our charitable activity and a key area of public benefit in 2024/25. Youth Theatre activity continued to provide a creative home for over 170 young people, supporting confidence, wellbeing and skills development through sustained engagement with theatre-making.

Live Tales continued to reach large numbers of primary school pupils across the North East with 100 workshops delivered to 2,692 children, embedding creative writing and storytelling within the curriculum and supporting teachers to deliver high-quality creative learning. Building on earlier pilots, Story Inventors was further developed to support KS1 with five workshops delivered and three workshops delivered to SEND pupils, responding to identified gaps in creative provision and access.

Five Playmakers workshops were delivered to KS2 pupils in the year and continued to be delivered in person, maintaining the legacy of a programme originally developed during the pandemic and demonstrating the long-term value of early creative engagement.

52 Volunteers continued to play a vital role in the delivery of this work. Through our ongoing commitment to volunteer development and wellbeing, including activity initiated through the Volunteer Futures project, we strengthened capacity and created meaningful pathways into the cultural workforce.

Live Theatre is committed to ensuring access for all. The building is fully accessible and, while box office income is essential to financial sustainability, a comprehensive range of concessions is offered. Selected complimentary tickets are provided to partners and charities, preview performances are available at reduced prices, and free talks, events and workshops are programmed. Youth Theatre and Live Tales workshops is provided free of charge to schools and individuals, funded through our core funding and some is supported by generous audience members through the Pay It Forward scheme. We continue our efforts to reduce our impact on the environment by using less energy and replacing outdated equipment, we have made a modest impact this year but have an updated environmental plan to implement over future years.

Fundraising activities

During 2024/25 the Charity continued to fundraise in support of the delivery of its charitable objects, against a backdrop of challenging financial conditions across the cultural sector.

Revenue funding received for core, project and education activity included::

Arts Council England (core)	£638,255
The D'Oyly Carte Charitable Trust	£4,000
The Community Foundation	£10,000
John Horseman Trust	£5,000
Gillian Dickinson Trust	£20,000
Garrick Charitable Trust	£5,000
29th May 1961 Charitable Trust	£5,000
R W Mann Trust	£2,000
Finn Family Fund	£1,500
Hays Travel Foundation	£2,666
Noel Coward Foundation	£2,500
The Barbour Foundation	£10,000
Charlotte Aitken Trust	£5,000
Other	£500

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

We remain grateful to Arts Council England and our many trusts and foundations for their continued support and confidence in our charity without this vital support we would not be able to have the impact we do.

Fundraising practices

The Charity does not use commercial participators or professional fundraisers. All fundraising activity has been undertaken by staff. Fundraising complies fully with the Charity Commission's guidance, the Code of Fundraising Practice and relevant legislation. No complaints were received in relation to fundraising activity during the year.

Financial review

2024/25 has remained a challenging year financially, reflecting wider pressures on the sector, rising costs and ongoing economic uncertainty. Live Theatre continued to operate its distinctive financial model, generating earned income through social enterprises and commercial activity to support its charitable aims.

The property and commercial portfolio continued to provide an important income stream, and focused on stabilising performance following the challenges experienced in the previous year. The Co Chief Executives exercised careful financial management, close monitoring of risk and a focus on sustainability to underpin decision-making throughout the year. The decisions made throughout the year are expected to bear fruit in future years, when there is a planned upturn from property income.

The Finance and Personnel Sub-Committee met regularly to review management accounts, assess risk and support the executive team, reporting directly to the Board of Trustees. Alongside this, internal groups continued to ensure that artistic ambition was aligned with organisational capacity and resources.

Group reserves total £8,122,491 (2024: £8,549,523), comprising £6,712,519 of restricted funds, £30,000 of designated funds and £1,379,972 of unrestricted funds. Of the unrestricted funds, £6,585,416 are represented by fixed assets and investment properties, with an associated long-term loan of £5,497,489.

Free reserves (being those unrestricted funds not invested in fixed assets or designated) stood at £292,045 at 31 March 2025 (2024: £387,206). The Trustees' reserves policy aims to hold free reserves equivalent to three months of building overhead and salary costs. While the free reserves position did not increase as planned, the Trustees are satisfied, based on detailed financial projections and sensitivity analysis, that the Group has adequate resources to meet its liabilities as they fall due over the next 12 months. Further detail is provided in the going concern accounting policy in note 1.2.

Arts Council England provided a revenue grant of £638,255 to support core activity. Corporate sponsorship was received from Green Energy Consulting, SV Rutter Ltd and Fenwick Ltd. The Friends Scheme generated £11,864 during the year.

The Group Statement of Financial Activities shows net outgoing resources of unrestricted funds of £427,032 (2024: £442,838) and net outgoing resources of restricted funds of £nil (2024: net incoming £2,800), resulting in net overall outgoing resources of £427,032 (2024: £445,638).

Subsidiary undertakings

Live Trading Limited generated profits of £618,517 (2024: £546,392), which were gifted in full to the Charity at the year end. LiveWorks (Newcastle upon Tyne) Limited generated a loss of £62,819 (2024: loss of £72,165). No distributable profits were available for gifting at the year end.

Risk Management

The Charity is exposed to the usual financial and operational risks faced by organisations of its size and nature. Systems and controls are in place to manage these risks effectively. A risk register is maintained and reviewed regularly, identifying strategic and operational risks together with mitigating actions.

Key risks include:

- Public sector funding: continuing pressure on public investment in culture.
- Cash flow: monitored weekly, with rolling forecasts reviewed monthly.
- Property income: ongoing management of occupancy and rental income across the estate.
- Staffing: succession planning and development to mitigate the impact of the loss of key staff.

All material financial commitments and decisions are reviewed by the Finance & Personnel Sub-Committee and approved by the Board of Trustees.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Structure, governance and leadership

Strong governance remains central to the charity's resilience and effectiveness. The Board of Trustees continued to provide strategic oversight, challenge and support, ensuring that Live Theatre operates in line with its charitable objects and values. Trustees bring a breadth of expertise and a deep commitment to the organisation's mission, and their contribution is invaluable.

Our staff team has continued to demonstrate commitment, creativity and adaptability throughout the year. Investment in staff wellbeing and development remains a priority, recognising that our people are central to delivering impact for artists, audiences and communities.

The Charity is a company limited by guarantee and is governed by its memorandum and articles of association. The Trustees are also directors for the purposes of company law.

The Board of Trustees and the Finance & Personnel Sub-Committee meet quarterly, with F&P meeting more frequently as required. A Creative Group operates in line with Arts Council England requirements to oversee the delivery of National Portfolio Organisation funding and to support artistic decision making.

Board membership and succession planning remain priorities, with a continued focus on strengthening diversity and skills. Four new trustees were appointed at the 2023/24 AGM and Andrew Fletcher was appointed as a Trustee during the year. Ross Elgie resigned during the year, and the Trustees thank him for his significant contribution to the development of Live Theatre.

Senior staff (key management personnel) during the year were:

- Executive Director / Co Chief Executive – Jacqui Kell
- Artistic Director / Co Chief Executive – Jack McNamara

A full list of Trustees serving during the year is set out below:

L R Auton (appointed 9 December 2024)

S Brown DL

I A Din

R M Elgie (resigned 9 December 2025)

S Emmas

A P Fletcher (appointed 2 June 2025)

M F Henry

J D Holmes

J A Kell

T A Marton (appointed 9 December 2024)

J R McKinnell

M F Percy

P T H Shevlin

M Torres (appointed 9 December 2024)

K L H Winskell

N Young (appointed 9 December 2024)

The memorandum and articles of association allow for up to 18 Trustees.

Potential trustees are recruited to the Board in order to satisfy any skill shortfall on the Board or to assist with a specific project. The individuals submit their CVs and are interviewed by the chair and two other Board members. A recommendation is then made to the full Board for their consideration. The recruit is then co-opted as a trustee pending election at the next AGM.

The charity has a long-standing relationship with its key stakeholders: Arts Council England (ACE) and Newcastle City Council. ACE regard North East Theatre Trust as the leading new writing producer in the North East. Newcastle City Council regards the theatre as one of the City's key cultural assets. Both stakeholders can send an observer to attend Board meetings.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The subsidiary company, Live Trading Limited, supports the objectives of the charity by the hiring of Live Theatre facilities, the operation of its bar and the rental and management of the Social Enterprises of North East Theatre Trust gifting surplus income to the charity. Three Board members of North East Theatre Trust are also Board members of Live Trading Limited.

The Board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of North East Theatre Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Sumer Auditco Limited be reappointed as auditor of the company will be proposed at a forthcoming General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

Susan Brown DL

Chair of the Board of Trustees

Date: 26 January 2026

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Opinion

We have audited the financial statements of North East Theatre Trust Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Companies Act 2006, Charities Act 2011, Tax, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include data protection and health and safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Slater (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
Unit 2
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 30 January 2026

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Current financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income from:						
Donations and legacies	3	702,314	-	66,500	768,814	845,482
Charitable activities	4	332,586	-	-	332,586	268,031
Other trading income	5	112,823	-	-	112,823	92,992
Investments	6	927,472	-	-	927,472	856,559
Other income	7	152,472	-	-	152,472	150,027
Total income		2,227,667	-	66,500	2,294,167	2,213,091
Expenditure on:						
Raising funds	8	386,490	-	-	386,490	355,461
Charitable activities	9	1,972,558	-	66,500	2,039,058	2,004,485
Other	11	295,651	-	-	295,651	298,783
Total resources expended		2,654,699	-	66,500	2,721,199	2,658,729
Net (outgoing)/incoming resources before transfers		(427,032)	-	-	(427,032)	(445,638)
Gross transfers between funds		422,465	-	(422,465)	-	-
Net income/(expenditure) for the year/ Net movement in funds		(4,567)	-	(422,465)	(427,032)	(445,638)
Fund balances at 1 April 2024		1,366,339	30,000	7,153,184	8,549,523	8,995,161
Fund balances at 31 March 2025	25	1,361,772	30,000	6,730,719	8,122,491	8,549,523

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £
Donations and legacies	3	700,485	-	144,997	845,482
Charitable activities	4	268,031	-	-	268,031
Other trading income	5	92,992	-	-	92,992
Investments	6	856,559	-	-	856,559
Other income	7	150,027	-	-	150,027
Total income		<u>2,068,094</u>	<u>-</u>	<u>144,997</u>	<u>2,213,091</u>
Expenditure on:					
Raising funds	8	355,461	-	-	355,461
Charitable activities	9	1,856,688	-	147,797	2,004,485
Other	11	298,783	-	-	298,783
Total resources expended		<u>2,510,932</u>	<u>-</u>	<u>147,797</u>	<u>2,658,729</u>
Net (outgoing)/incoming resources before transfers		(442,838)	-	(2,800)	(445,638)
Gross transfers between funds		422,494	-	(422,494)	-
Net income/(expenditure) for the year/ Net movement in funds		(20,344)	-	(425,294)	(445,638)
Fund balances at 1 April 2023		1,386,683	30,000	7,578,478	8,995,161
Fund balances at 31 March 2024	25	<u>1,366,339</u>	<u>30,000</u>	<u>7,153,184</u>	<u>8,549,523</u>

NORTH EAST THEATRE TRUST LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	16		4,812,935		5,192,673
Investment properties	17		8,485,000		8,485,000
			<u>13,297,935</u>		<u>13,677,673</u>
Current assets					
Stock	19	2,945		2,945	
Debtors	20	801,988		864,228	
Cash at bank and in hand		91,101		76,864	
		<u>896,034</u>		<u>944,037</u>	
Creditors: amounts falling due within one year	22	(573,989)		(508,631)	
Net current assets			<u>322,045</u>		<u>435,406</u>
Total assets less current liabilities			<u>13,619,980</u>		<u>14,113,079</u>
Creditors: amounts falling due after more than one year	23		(5,497,489)		(5,563,556)
Net assets			<u><u>8,122,491</u></u>		<u><u>8,549,523</u></u>
Income funds					
Restricted funds	25	6,357,544		6,780,009	
Restricted funds – Fair value reserve		373,175		373,175	
		<u>6,730,719</u>		<u>7,153,184</u>	
Unrestricted designated funds		30,000		30,000	
Unrestricted general funds		1,361,772		1,366,339	
		<u>1,391,772</u>		<u>1,396,339</u>	
			<u><u>8,122,491</u></u>		<u><u>8,549,523</u></u>

The accounts were approved by the Board of Trustees and authorised for issue on 26 January 2026 and are signed on their behalf by;

J R McKinnell
Trustee

S Brown DL
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	16		4,812,935		5,192,673
Investment properties	17		4,485,000		4,485,000
Investments			11		11
			<u>9,297,946</u>		<u>9,677,684</u>
Current assets					
Debtors	20	5,102,388		5,126,482	
Cash at bank and in hand		53,154		52,549	
		<u>5,155,542</u>		<u>5,179,031</u>	
Creditors: amounts falling due within one year	22	<u>(461,310)</u>		<u>(434,258)</u>	
Net current assets			<u>4,694,232</u>		<u>4,744,773</u>
Total assets less current liabilities			<u>13,992,178</u>		<u>14,422,457</u>
Creditors: amounts falling due after more than one year	23		<u>(5,497,489)</u>		<u>(5,563,556)</u>
Net assets			<u>8,494,689</u>		<u>8,858,901</u>
Income funds					
Restricted funds	25	6,357,544		6,780,009	
Restricted funds – Fair value reserve		610,388		610,388	
		<u>6,967,932</u>		<u>7,390,397</u>	
Unrestricted designated funds		30,000		30,000	
Unrestricted general funds		1,496,757		1,438,504	
		<u>1,526,757</u>		<u>1,468,504</u>	
			<u>8,494,689</u>		<u>8,858,901</u>

The accounts were approved by the Board of Trustees and authorised for issue on 26 January 2026 and are signed on their behalf by;

J R McKinnell
Trustee

S Brown DL
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	£	2025 £	£	2024 £
Cash flows from operating activities					
Cash generated/(absorbed) by operations	30		84,565		(13,277)
Investing activities					
Purchase of tangible fixed assets		(8,559)		(34,080)	
Net cash used in investing activities			<u>(8,559)</u>		<u>(34,080)</u>
Financing activities					
Repayment of bank loans		(61,769)		(58,639)	
Net cash used in financing activities			<u>(61,769)</u>		<u>(58,639)</u>
Net increase/(decrease) in cash and cash equivalents			14,237		(105,996)
Cash and cash equivalents at beginning of year			<u>76,864</u>		<u>182,860</u>
Cash and cash equivalents at end of year			<u>91,101</u>		<u>76,864</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

North East Theatre Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Broad Chare, Quayside, Newcastle upon Tyne, NE1 3DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The group and charity is dependent upon continuing grant aid from a number of sources as well as trading surpluses from our social enterprises. The trustees are aware that the current economic climate may have an impact on the availability of such grants and income in the future and hence the continued success of the charity group. The trustees have undertaken a detailed review of the budgets that have been prepared for the next 24 months and the underlying assumptions, as well as the forecast outcome for the current year. As a result of successful applications for funds the trustees are confident that the forecasting used to predict future income (and expenditure) is based on the track record of the company and trends that have been identified as well as credible forecasting using external information and advisers. In terms of trusts and foundations we have carried out some long-term planning to identify a pipeline of trusts and foundations we are eligible to apply for. The trustees have concluded based on available evidence, that there is a reasonable expectation that the group and charity has adequate resources to continue in operational existence for the foreseeable future. As a consequence, the trustees continue to adopt the going concern basis in preparing the financial statements

1.3 Charitable funds

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the Board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets. This is a restricted fixed asset fund representing the written down value of those assets subject to restrictions. The detailed operation of these funds is described under the accounting policy 'Capital grants' above.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (continued)

1.3 Charitable funds (continued)

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Incoming resources are accounted for on a receivable basis deferred as described below where appropriate.

Bank interest is included in the income and expenditure account on a receivable basis.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

The policy for including items within the relevant activity categories of resources expended is as detailed in the report to the trustees.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is based on current accounting standards, the SORP and the reasonable judgement of the trustees.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Over 100 years straight line
Leasehold land and buildings	Over the term of the lease up to a maximum of 20 years straight line
Plant and machinery	15 - 25% reducing balance

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (continued)

1.6 Tangible fixed assets (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

A regular annual review of the likelihood of asset impairment is undertaken.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (continued)

1.15 Capital grants

The board of trustees consider that, in order to comply with the SORP, gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity should be credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

If the related assets are subject to restrictions by the grant making organisation on their use and disposal, then these restrictions are noted in the fixed asset section of these accounts. In such circumstances, the fixed asset fund created is treated as a restricted fixed asset fund. As the related assets are depreciated, then a transfer is made from restricted fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset subject to the restriction. In this year, a sum of £422,465 (2024: £422,494) was transferred from restricted fixed asset funds to unrestricted revenue reserves.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the Statement of Standard Accounting Practice Number 4, such departure is justified on the basis that it is in order to comply with the SORP.

1.16 Taxation

As a registered charity, North East Theatre Trust is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Any trading surplus or capital gain of the subsidiaries, Live Trading Limited and LiveWorks (Newcastle upon Tyne) Limited, not covered by the deed of covenant, are subject to corporation tax. Value Added Tax is recoverable by the group and is therefore excluded from the relevant income and expenditure in the Statement of Financial Activities and tangible fixed assets on the Balance Sheet.

1.17 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies (continued)

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The charity depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

Valuation of investment property

As described in note 15 to the financial statements, the investment property is stated at fair value based on the valuation performed by an independent professional valuer, Knight Frank chartered surveyors, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the property

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and gifts	41,779	-	41,779	6,028
Grants receivable	644,921	66,500	711,421	818,049
Sponsorship	15,614	-	15,614	21,405
	<u>702,314</u>	<u>66,500</u>	<u>768,814</u>	<u>845,482</u>
For the year ended 31 March 2024	<u>700,485</u>	<u>144,997</u>		<u>845,482</u>

4 Charitable activities

	Theatre activities £	Education and participation £	Total 2025 £	Total 2024 £
Charitable income	<u>231,992</u>	<u>100,594</u>	<u>332,586</u>	<u>268,031</u>
For the year ended 31 March 2024				
Unrestricted funds	<u>201,705</u>	<u>66,326</u>		<u>268,031</u>

5 Other trading income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Bar takes	81,062	80,273
Bar and buffet income	816	3,664
Venue hire	30,945	9,055
	<u>112,823</u>	<u>92,992</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

6 Investment income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income	924,596	856,559
Interest receivable	2,876	-
	<u>927,472</u>	<u>856,559</u>

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	13,683	20,027
Theatre tax relief	138,789	130,000
	<u>152,472</u>	<u>150,027</u>

8 Raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<u>Fundraising</u>		
Support costs (note 10)	58,162	55,428
<u>Marketing and publicity</u>		
Support costs (note 10)	48,534	45,591
<u>Trading costs</u>		
Commercial trading operations	272,460	208,389
Rental income bad debt write off	-	41,027
Governance cost	7,334	5,026
	<u>279,794</u>	<u>254,442</u>
	<u>386,490</u>	<u>355,461</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Charitable activities

	Theatre activities	Education and participation	Total 2025	Total 2024
	£	£	£	£
Staff costs	-	-	-	10,871
Production costs	341,503	-	341,503	361,991
Education and participation expenses	-	124,016	124,016	84,259
Cleaning	17,597	15,398	32,995	27,419
IT support costs	25,294	10,527	35,821	31,599
Insurance	27,514	24,075	51,589	52,273
Licences	2,025	1,772	3,797	4,716
Light and heat	95,938	83,946	179,884	185,022
Printing, postage and stationery	1,578	1,381	2,959	3,419
Repairs and maintenance	16,800	14,700	31,500	45,870
Rent, rates and water	37,452	32,770	70,222	65,818
Subscriptions	1,913	1,674	3,587	2,275
Telephone and fax	1,925	1,684	3,609	3,762
Sundries	911	797	1,708	4,269
	<u>570,450</u>	<u>312,740</u>	<u>883,190</u>	<u>883,563</u>
Share of support costs (see note 10)	930,832	213,826	1,144,658	1,114,922
Share of governance costs (see note 10)	7,819	3,391	11,210	6,000
	<u>1,509,101</u>	<u>529,957</u>	<u>2,039,058</u>	<u>2,004,485</u>
Analysis by fund				
Unrestricted funds	1,472,601	499,957	1,972,558	
Restricted funds	36,500	30,000	66,500	
	<u>1,509,101</u>	<u>529,957</u>	<u>2,039,058</u>	
For the year ended 31 March 2024				
Unrestricted funds	1,350,489	506,199		1,856,688
Restricted funds	79,000	68,797		147,797
	<u>1,429,489</u>	<u>574,996</u>		<u>2,004,485</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10 Support costs

	Support costs	Governance costs	Total 2025	Support costs	Governance costs	Total 2024
	£	£	£	£	£	£
Employment costs	682,881	-	682,881	611,220	-	611,220
Other staff costs	4,668	-	4,668	7,659	-	7,659
Depreciation	388,297	-	388,297	420,568	-	420,568
Marketing and publicity	23,110	-	23,110	27,213	-	27,213
Premises	121,444	-	121,444	124,516	-	124,516
General administrative expenses	30,954	-	30,954	25,352	-	25,352
Bad debt	-	-	-	(587)	-	(587)
Audit fees	-	5,000	5,000	-	2,600	2,600
Accountancy	-	3,500	3,500	-	3,400	3,400
Legal and professional	-	2,710	2,710	-	-	-
	<u>1,251,354</u>	<u>11,210</u>	<u>1,262,564</u>	<u>1,215,941</u>	<u>6,000</u>	<u>1,221,941</u>
Analysed between						
Raising funds	106,696	-	106,696	101,019	-	101,019
Charitable activities	1,144,658	11,210	1,155,868	1,114,922	6,000	1,120,922
	<u>1,251,354</u>	<u>11,210</u>	<u>1,262,564</u>	<u>1,215,941</u>	<u>6,000</u>	<u>1,221,941</u>

11 Other expenditure

	Unrestricted funds 2025	Unrestricted funds 2024
	£	£
Financing costs	295,651	298,783
	<u>295,651</u>	<u>298,783</u>

12 Net movement in funds

	2025	2024
	£	£
Net movement in funds is stated after charging/(crediting):		
Fees payable to the company's auditor		
- Audit fees	5,000	2,600
- Non audit fees	3,500	3,400
Depreciation of owned tangible fixed assets	388,297	420,568
Operating lease charges	79,265	79,265
	<u>476,062</u>	<u>532,833</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year in their capacity as trustee. During the year no expenses were paid to trustees (2024: £65).

J A Kell, a trustee during the year, received a gross salary £66,550 (2024: £66,235) during the year in respect of her position as joint Chief Executive Officer. J Kell is a member of the charity's defined contribution scheme. She contributed 3% of salary to the scheme and the charity contributed 3% of salary.

In the year ended 31 March 2024, Ishtiaq A Din, a trustee during the year was commissioned to write a play for the theatre. This was contracted, in writing, using the standard ITC contract, which is consistent with all commissioned writers. A fee of £4,588 (2024: £5,069) for the commission was fully paid at the year end. The performance of The Champion took place in February and March 2025.

All payments to trustees were made accordance with the terms of the memorandum and articles of the charity.

14 Employees

Number of employees

The average monthly number employees during the year was:

	2025	2024
	Number	Number
Charitable activities	40	40
Publicity activities	3	3
Fundraising activities	1	1
Management and administration	4	4
	<hr/>	<hr/>
	48	48
	<hr/>	<hr/>

Employment costs

	2025	2024
	£	£
Wages and salaries	777,810	679,753
Social security costs	60,508	60,183
Other pension costs	20,825	20,685
	<hr/>	<hr/>
	859,143	760,621
	<hr/>	<hr/>

The number of employees whose annual remuneration was more than £60,000

	2025	2024
	£	£
£60,000 - £69,999	2	2
	<hr/>	<hr/>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Employees (continued)

Remuneration of key management personnel

Key management has been determined to be the trustees and two members (2024: 2) of the senior management team.

The remuneration of key management personnel is as follows:

	2025	2024
	£	£
Aggregate compensation	136,675	132,471

15 Subsidiary undertakings included within the group accounts

Live Trading Limited

The name of the subsidiary undertaking is Live Trading Limited, registered in England, company number 03100229. The aggregate amount of the holding company's investment in its subsidiary is £1, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the Board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise engaging in trades similar to the charitable activities of the holding company as well as holding investment properties to earn rentals, and donates its entire taxable trading profit to the holding company by way of deed of covenant.

LiveWorks (Newcastle upon Tyne) Ltd

The name of the subsidiary undertaking is LiveWorks (Newcastle upon Tyne) Limited, registered in England, company number 08981067. The aggregate amount of the holding company's investment in its subsidiary is £10, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the Board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise that holds an investment property to earn rentals.

A summary of the audited accounts of the subsidiaries is as follows:

	2025	2024
	£	£
LiveWorks (Newcastle upon Tyne) Ltd		
Aggregate amount of assets	4,188,029	4,263,111
Aggregate amount of liabilities and provisions	(4,560,216)	(4,572,479)
Aggregate amount of net liabilities	(372,187)	(309,368)
<i>Profit and loss</i>		
Turnover (net of VAT)	281,000	281,000
Expenses (net of VAT)	(343,819)	(353,165)
Net profit	(62,819)	(72,165)
Payments made to holding company	-	-
Net (loss)/profit after donations	(62,819)	(72,165)

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Subsidiary undertakings included within the group accounts (continued)

	2025	2024
	£	£
Live Trading Limited		
Aggregate amount of assets	448,853	476,086
Aggregate amount of liabilities and provisions	(448,852)	(476,085)
	<u>1</u>	<u>1</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	1,208,356	1,146,910
Expenses (net of VAT)	(728,628)	(730,518)
Other operating income (net of VAT)	138,789	130,000
	<u>618,517</u>	<u>546,392</u>
Net profit	618,517	546,392
Payments made to holding company	(618,517)	(546,392)
	<u>-</u>	<u>-</u>
Net profit after distribution	-	-

16 Tangible fixed assets – group and company

	Freehold land and buildings	Leasehold land and buildings	Plant and machinery	Total
	£	£	£	£
Cost				
At 1 April 2024	3,301,838	7,884,234	640,498	11,826,570
Additions	-	5,243	3,316	8,559
	<u>3,301,838</u>	<u>7,889,477</u>	<u>643,814</u>	<u>11,835,129</u>
At 31 March 2025	3,301,838	7,889,477	643,814	11,835,129
Depreciation and impairment				
At 1 April 2024	154,712	5,913,865	565,320	6,633,897
Depreciation charged in the year	18,019	354,544	15,734	388,297
	<u>172,731</u>	<u>6,268,409</u>	<u>581,054</u>	<u>7,022,194</u>
At 31 March 2025	172,731	6,268,409	581,054	7,022,194
Carrying amount				
At 31 March 2025	<u>3,129,107</u>	<u>1,621,068</u>	<u>62,760</u>	<u>4,812,935</u>
At 31 March 2024	<u>3,147,126</u>	<u>1,970,369</u>	<u>75,178</u>	<u>5,192,673</u>

All assets are used for direct charitable purposes and there are no inalienable or heritage assets.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Investment property – group

	2025
	£
Fair value	
At 1 April 2024 and 31 March 2025	8,485,000

Investment property comprises of 5 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2024, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

Investment property – company

	2025
	£
Fair value	
At 1 April 2024 and 31 March 2025	4,485,000

Investment property comprises of 4 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2024, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Financial instruments

	The Group		The Charity	
	2025	2024	2025	2024
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	73,432	55,762	4,905,263	4,979,170
Equity instruments measured at cost less impairment	-	-	11	11
Carrying amount of financial liabilities				
Measured at amortised cost	5,962,306	6,016,897	5,933,039	5,942,524

19 Stocks

	The Group		The Charity	
	2025	2024	2025	2024
	£	£	£	£
Raw materials and consumables	2,945	2,945	-	-

20 Debtors: Amounts falling due within one year:

	The Group		The Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	73,432	55,762	23,148	13,183
Amounts owed by subsidiary undertakings	-	-	4,882,115	4,965,987
Prepayments and accrued income	728,556	808,466	197,125	147,312
	801,988	864,228	5,102,388	5,126,482

21 Loans and overdrafts

	The Group		The Charity	
	2025	2024	2025	2024
	£	£	£	£
Other loans	5,563,556	5,625,325	5,563,556	5,625,325
Payable within one year	66,067	61,769	66,067	61,769
Payable after one year	5,497,489	5,563,556	5,497,489	5,563,556

Interest rates of 5.02% and 8.08% per annum are applied to the loans, with repayments to be made over the remaining 34 years of the loan agreements. The long term loans are secured by fixed charges over the fixed assets of the charity.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

22 Creditors: amounts falling due within one year

	The Group		The Company	
	2025	2024	2025	2024
	£	£	£	£
Other loans	66,067	61,769	66,067	61,769
Other taxation and social security	79,685	55,290	79,685	55,290
Trade creditors	274,247	270,813	244,980	264,849
Other creditors	3,232	3,836	3,232	3,836
Accruals and deferred income	150,758	116,923	67,346	48,514
	<u>573,989</u>	<u>508,631</u>	<u>461,310</u>	<u>434,258</u>

23 Creditors: amounts falling due after more than one year

	The Group		The Company	
	2025	2024	2025	2024
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	5,497,489	5,563,556	5,497,489	5,563,556
	<u>5,497,489</u>	<u>5,563,556</u>	<u>5,497,489</u>	<u>5,563,556</u>

24 Deferred income

	The Group		The Company	
	2025	2024	2025	2024
	£	£	£	£
Other deferred income	86,074	59,559	41,586	23,125
	<u>86,074</u>	<u>59,559</u>	<u>41,586</u>	<u>23,125</u>
Deferred income is included in the financial statements as follows:				
Deferred income is included within:				
Current liabilities	86,074	59,559	41,586	23,125
	<u>86,074</u>	<u>59,559</u>	<u>41,586</u>	<u>23,125</u>
Movements in the year:				
Deferred income at 1 April 2024	59,559	131,952	23,125	41,444
Released from previous periods	(59,559)	(117,410)	(23,125)	(31,986)
Resources deferred in the year	86,074	63,384	41,586	13,667
	<u>86,074</u>	<u>63,384</u>	<u>41,586</u>	<u>13,667</u>
Deferred income at 31 March 2025	86,074	59,559	41,586	23,125
	<u>86,074</u>	<u>59,559</u>	<u>41,586</u>	<u>23,125</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

25 Movement in funds

Current financial year

	Movement in funds				Balance at 31 March 2025 £
	Balance at 1 April 2024 £	Incoming resources £	Outgoing resources £	Transfers between funds £	
<u>Unrestricted funds</u>					
<i>Designated:</i>					
Capital maintenance	30,000	-	-	-	30,000
<i>General:</i>					
Revenue reserves	1,366,339	2,227,667	(2,654,699)	422,465	1,361,772
Total unrestricted funds	1,396,339	2,227,667	(2,654,699)	422,465	1,391,772
<u>Restricted funds</u>					
Capital redevelopment fund (1995-97)	-	-	-	-	-
Capital redevelopment fund (2005-07)	936,760	-	-	(266,451)	670,309
Capital development (Sustain fund)	138,343	-	-	(19,763)	118,580
Capital development (The Schoolhouse)	461,888	-	-	(51,070)	410,818
Capital development (Live Works)	4,767,677	-	-	(51,643)	4,716,034
Capital (Live Theatre)	457,141	-	-	(32,388)	424,803
Education and Participation	-	30,000	(30,000)	-	-
Creative Programme	18,200	36,500	(36,500)	(1,200)	17,000
Fair value reserve	373,175	-	-	-	373,175
Total restricted funds	7,153,184	66,500	(66,500)	(422,465)	6,730,719
Total funds	8,549,523	2,294,167	(2,721,199)	-	8,122,491

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

25 Movement in funds (continued)

Prior financial year

	Movement in funds				Balance at 31 March 2024 £
	Balance at 1 April 2023 £	Incoming resources £	Outgoing resources £	Transfers between funds £	
<u>Unrestricted funds</u>					
<i>Designated:</i>					
Capital maintenance	30,000	-	-	-	30,000
<i>General:</i>					
Revenue reserves	1,386,683	2,068,094	(2,510,932)	422,494	1,366,339
Total unrestricted funds	1,416,683	2,068,094	(2,510,932)	422,494	1,396,339
<u>Restricted funds</u>					
Capital redevelopment fund (1995-97)	89	-	-	(89)	-
Capital redevelopment fund (2005-07)	1,203,211	-	-	(266,451)	936,760
Capital development (Sustain fund)	158,106	-	-	(19,763)	138,343
Capital development (The Schoolhouse)	512,958	-	-	(51,070)	461,888
Capital development (Live Works)	4,819,320	-	-	(51,643)	4,767,677
Capital (Live Theatre)	490,619	-	-	(33,478)	457,141
Education and Participation	-	68,797	(68,797)	-	-
Creative Programme	21,000	76,200	(79,000)	-	18,200
Fair value reserve	610,388	-	-	-	373,175
Total restricted funds	7,578,478	144,997	(147,797)	(422,494)	7,153,184
Total funds	8,995,161	2,213,091	(2,658,729)	-	8,549,523

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

25 Movement in funds (continued)

Capital redevelopment fund (1995-97)

Grants to finance building alterations in 1995 and 1997 were received from Tyne & Wear Development Fund and the European Social Fund. These are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Capital redevelopment fund (2005-07)

Capital grant funding was received to fund the acquisition of a 32 year lease of 29 Broad Chare and to fund the alteration costs to provide a new entrance and foyer, a new entrance into the theatre auditorium, rehearsal and designated writers' spaces, a new cafe space and office accommodation. The grants are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Sustain fund

Live Theatre was awarded a grant by Arts Council England under its Sustain managed fund to enable the charity to develop investment projects to provide additional future sources of income. The grant is released at a rate to match the anticipated economic life of the building alterations undertaken. The grant has a restrictive clause relating to the disposal of the building. The surplus of grant release over depreciation is carried forward until the expiry of the grant restriction.

The Schoolhouse

Arts Council England, through their Renew Fund, with assistance from the European Regional Development Fund, have funded the acquisition and will assist with the development of The Schoolhouse to be a centre for creative activities, and a SME incubator for Live Theatre cultural businesses whilst generating rental income. The grants will be released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions. No further funds were received this year.

Live Works

Grant funding was received from the following organisations, since 2014, to enable a new building to be constructed which will provide further Social Enterprise income and a new creative writing centre, a park and an outdoor stage.

Arts Council England	£2,000,000
The Catherine Cookson Charitable Trust	£300,000
Sir James Knott Trust	£75,000
Garfield Weston Foundation	£200,000
Gillian Dickinson Trust	£200,000
The Monument Trust	£150,000
Department for Communities and Local Government	£2,189,273
The Wolfson Foundation	£50,000
Fidelity UK Foundation	£75,000
Architectural Heritage Fund	£26,100

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

25 Movement in funds (continued)

Education and Participation

The following grant(s) were received as restricted funds in the year.

Community Foundation	£10,000
The John Horseman Trust	£5,000
The 29th May 1961 Charitable Trust	£5,000
The Barbour Foundation	£10,000

Creative Programme

The following grant(s) were received as restricted funds in the year.

Gillian Dickinson Trust	£20,000
Garrick Charitable Trust	£5,000
Charlotte Aitken Trust	£5,000
The D'Oyly Carte Charitable Trust	£4,000
Noel Coward Foundation	£2,500

Designated capital maintenance fund

In the 2018 financial year the trustees had set aside £30,000 from unrestricted reserves in order to meet expected future capital asset improvements. This designated fund does not form part of the charity's unrestricted general funds.

Explanation of the nature of each material transfer between funds

In accordance with the accounting policy relating to capital grants in note 1 above, funds are released to revenue reserves to match the depreciation on the associated assets:

The 1995-97 Capital Redevelopment fund	£89
The 2005-07 Capital Redevelopment fund	£266,451
The 2010-11 Sustain fund	£19,763
The School House fund	£51,070
Live Works	£51,643
Live Theatre	£33,478

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

26 Analysis of group net assets between funds

Current financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2025 are represented by:					
Tangible assets	1,839,033	-	2,973,902	-	4,812,935
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	275,045	30,000	17,000	-	322,045
Long term liabilities	(5,497,489)	-	-	-	(5,497,489)
	<u>1,361,772</u>	<u>30,000</u>	<u>6,357,544</u>	<u>373,175</u>	<u>8,122,491</u>

Prior financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2024 are represented by:					
Tangible assets	1,797,506	-	3,395,167	-	5,192,673
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	387,206	30,000	18,200	-	435,406
Long term liabilities	(5,563,556)	-	-	-	(5,563,556)
	<u>1,366,339</u>	<u>30,000</u>	<u>6,780,009</u>	<u>373,175</u>	<u>8,549,523</u>

27 Financial commitments, guarantees and contingent liabilities

As referred to in note 25 above, the grants receivable from the European Regional Development Fund, Heritage Lottery Fund and Arts Council England are repayable if the charity fails to keep to the terms of the agreements with the grant funders, undergoes a significant change in status, ceases to operate or is declared insolvent within the periods as set out below:

European Regional Development Fund (£892,732) up to 31 March 2026;
 Heritage Lottery Fund (£457,319) up to 31 January 2031;
 Arts Council England (£182,200) up to 22 March 2027;
 European Regional Development Fund (£414,387) up to 31 March 2038;

These agreements are secured by legal charges over the leasehold properties at Trinity Chare, including The Schoolhouse, and Broad Chare, Newcastle upon Tyne.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

28 Related party transactions

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

In the year ended 31 March 2024, Ishtiaq A Din, a trustee during the year was commissioned to write a play for the theatre. The performance of The Champion took place in February and March 2025. This was contracted, in writing, using the standard ITC contract, which is consistent with all commissioned writers. A fee of £4,588 was paid during the current year (2024: £5,069) for the commission, no balance exists at the year end.

29 Operating lease commitments

	2025	2024
	£	£
Within one year	206,224	457,080
Between two and five years	787,711	1,155,907
In over five years	831,749	663,250
	<u>1,825,684</u>	<u>2,276,237</u>

30 Cash generated from operations

	2025	2024
	£	£
Surplus/(deficit) for the year	(427,032)	(445,638)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	388,297	420,568
Movements in working capital:		
Decrease in debtors	62,240	162,054
Increase in creditors	61,060	(150,261)
Cash (absorbed by)/ from operations	<u>84,565</u>	<u>(13,277)</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

31 Parent company's income and expenditure account

The company is required to prepared group accounts under the provision of the Companies Act and has taken advantage of the exemption afforded by section 408 Companies Act 2006 to exclude its individual Statement of Financial Activities from the group accounts.

The net expenditure, after the gain on investments, shown in the individual Statement of Financial Activities of the parent company for the year ended 31 March 2025, and included in the group accounts, is £364,212 (2024: £373,473).

NORTH EAST THEATRE TRUST LIMITED

England & Wales - Charity number 513771

Accounts

Charity Registration No. 513771

Company Registration No. 01697756 (England and Wales)

**NORTH EAST THEATRE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

CONSOLIDATED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NORTH EAST THEATRE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered name	North East Theatre Trust Limited	
Trading name	Live Theatre	
Trustees	S Emmas M F Henry M F Percy K L H Winskell S Brown J R McKinnell P T H Shevlin I A Din J A Kell L R Auton J D Holmes T A Marton M Torres N Young	(Appointed 9 December 2024) (Appointed 18 January 2024) (Appointed 9 December 2024) (Appointed 9 December 2024) (Appointed 9 December 2024)
Charity number	513771	
Company number	01697756	
Registered office	29 Broad Chare Quayside Newcastle upon Tyne NE1 3DQ	
Auditor	Sumer Auditco Limited Unit 2 Gosforth Park Avenue Newcastle upon Tyne NE1 3DQ	
Bankers	Lloyds Bank plc 102 Grey Street Newcastle upon Tyne NE1 6AG Virgin Money 131-135 Northumberland Street Newcastle upon Tyne NE1 7AG	
Solicitors	Womble Bond Dickinson The Spark Draymans Way Newcastle Helix Newcastle upon Tyne NE4 5DE	

NORTH EAST THEATRE TRUST LIMITED

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NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The Annual Report provides a detailed account of the charity's activities throughout the 2023/24 financial year.

This year, we proudly celebrated 50 years of Live Theatre—a milestone that allowed us to reflect on our past while shaping our future. We have emerged with a renewed vision and mission, placing the North East voice and our advocacy for a creative society at the heart of our work.

The need for renewal felt particularly pressing, as several valued arts venues and cultural organisations across the region faced closure. In response, we reaffirmed our commitment to amplifying the voices and stories of our region—championing bold, innovative writers and creatives, and investing in the next generation through our work with children and young people.

Our vision is for “A North East that writes its own story and fights for a more creative future,” and this principle guides everything we do. This year, we launched the North East Playwriting Award—a dedicated playwriting prize for the region—generously supported by the Catherine Cookson Charitable Trust. The award includes a full-length play commission for a North East writer and a studio commission for a young writer aged 16-25.

Our year-long 50th birthday celebrations featured visiting productions, Live Theatre premieres, special readings, and guest appearances to mark this significant anniversary. It is testament to Live Theatre's unique standing that a series of world famous artists took to our stage to celebrate our work, including Sting, Jimmy Nail, Julie Hesmondhalgh, Ross Noble, Toby Jones, Roger Allam, Stewart Lee, Nadine Shah, Sirkka Liisa-Kontinnen, Lee Hall and others. The centrepiece of our 50th-anniversary season was *Cold Buffet*, an epic family comedy by talented North East writer Elijah Young, placing new talent centre stage. We had the unfortunate cancellation of a show during the year with a sunk investment of c£30k, we did however recoup some of this with the introduction of special events and some additional work.

Later in the year, we staged *Three Acts of Love*, a new production exploring the complexities of love through three interconnected stories, starring Imogen Stubbs. Written by three extraordinary female playwrights—Vici Wreford-Sinnott, Laura Lindow, and Naomi Obeng—the play took audiences on a journey from a closing social club to internet fandom, culminating in an animated lecture by a heartbroken heart surgeon.

Thanks to the ongoing support of the Gillian Dickinson Family Trust, we were delighted to present our second (of three) *Wintry Tales* productions. *Wintry Tales: Snow Covered Maps and Mountainous Mayhem* was a brand-new winter show for children, bringing heartwarming stories to life. Written by the acclaimed disabled artist and author Lisette Auton, the stories were created in collaboration with children from five North East schools: Caedmon Community Primary School, Northern Counties and Percy Hedley School, Southwick Community Primary School, and Westgate Hill Primary Academy.

Alongside our main productions, we continued our commitment to talent development through the Elevator Festival in the summer and *Your Voice Your World: North East* in the autumn, showcasing emerging playwriting talent. These events provided a platform for artists and writers presenting work professionally for the first time at Live Theatre, offering audiences an eclectic mix of exciting new pieces. Other artist development opportunities included our Playwriting course, writing residencies and open calls for new plays.

Our work with children and young people remains a strong priority. Our Youth Theatre continues to thrive, while our Live Tales creative writing programme has evolved, supporting over 2,000 Key Stage 2 students in 2023/24 and over 100 schools. Additionally, *Playmakers*, a lockdown initiative encouraging children to explore playwriting, has continued to be delivered in person. We have also piloted 'Story Inventors' with partner schools supporting KS1 and SEND pupils with an aim to develop it further in 2024/25.

Volunteers play a vital role in our youth programmes. Through the Volunteer Futures project, we have collaborated with other cultural venues to enhance volunteer recruitment, training, and well-being, welcoming new volunteers to support Live Tales and Playmakers.

Live Theatre continues to deliver its innovative financial model, using profits from social enterprises to build earned income and support its charitable objectives. During the year our portfolio attained 100% capacity for the first time however towards the end of the year we have also had to account for bad debt from one of our tenants, this has impacted our year end position significantly £41,027.

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Despite financial challenges, we have worked diligently to stabilise our finances, balancing a diverse artistic programme with sound financial management. The Finance and Personnel sub-committee (F&P) meets regularly to review management accounts, assess risks, and oversee financial health, reporting directly to the Board. The Creative Programme Delivery Group also ensures our creative programme matches our ambitions and delivers against targets we have set.

At the end of the 2023/24 financial year, group unrestricted reserves decreased primarily due to a social enterprise tenant going into administration and the subsequent write off of outstanding rent of £41,027. The organisation made £58,639 in repayments against our Newcastle City Council loan, and generated over £550,000 in income from social enterprises.

Live Theatre manages a diverse portfolio of buildings and physical assets, providing a sustainable income stream. We will continue to focus working with our tenants and social enterprises to maximise the returns from these assets to reinvest in our artistic mission.

Our artistic programme will continue to identify and nurture emerging writers, new plays, and young theatre-makers, ensuring a dynamic pipeline of talent for the sector, with a specific focus on the North East. We will invest in new work, partnerships, and creative initiatives—spanning our youth programme, collaborations with Northumbria and Sunderland Universities, co-productions with national and international partners, and engagement with the communities of the North East.

Of course, none of this would be possible without our passionate staff, dedicated Board of Trustees, and the generous financial support from Arts Council England, as well as the many trusts and foundations that believe in our work.

We are excited for the future and look forward to working with our staff, Board, artists, partners and audiences to deliver our refreshed vision and mission placing North East creativity centre stage.

Jacqui Kell and Jack McNamara
Joint Chief Executives

Date: 17 March 2025

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The Trustees present their report and accounts for the year ended 31 March 2024.

The Board is satisfied with the performance of the group and charity following the second year of recovery from the impact of the Covid pandemic and at 31 March 2024 we consider that the charity is in a stable position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

The whole team at Live Theatre continues to deliver our expectations in developing new work, promoting opportunities, supporting the sector and looking after the estate and in this, Live's 50th anniversary year, they have gone above and beyond. It is thanks to their creativity, commitment, and unstinting endeavour that we achieved a brilliant celebration of this incredible landmark, to local and national acclaim.

It was also our tenth year as owners and managers of our estate and we are hugely grateful to those in the team who ensure this operation runs smoothly and profitably.

I was appointed chair towards the end of the 23/24 year and I would like to thank all Trustees who have supported me in the transition from Lucy Winskell, an exceptional chair who brought her vast experience and wisdom to the Board. I am delighted that she agreed to stay on as a trustee and am grateful to her and my deputy chair Paul Shevlin and chair of Finance & Personnel, Rhys McKinnell, and not least our fellow Trustees, who have all given up an enormous amount of time and energy to support the work and provide strong governance to the company.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of the charity are to promote, maintain, improve and advance education, particularly by the production of plays and encouragement of the Arts.

The principal activities of the company planned for the year were:

- the production of theatre performances at Live Theatre and the development of writers, actors and creative talent;
- the facilitation of drama and music programmes by other companies;
- the organisation and production of education and outreach activities for the public.

Through its activities the charity aims to:

- create, present and promote new plays informed by our sense of place;
- develop the skills of writers, performers and theatre practitioners at all stages of their careers;
- develop arts education and participation for children, young people and adults;
- involve all kinds of audiences in our endeavours;
- create sustainable income streams to deliver resources and new programmes.

The new priorities could be summarised as:

- continue to develop a diverse body of work to support the creative sector and increase audiences;
- actively seeking other creative partners, as co-producers, to develop additional plays and projects;
- bedding down and consolidating the range of Social Enterprises which create unrestricted funds for The charity;
- actively engaging with a digital infrastructure throughout the group.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

To further its objectives in 2023/2024 the charity aimed for:

Short term

The immediate goals were:

- to deliver a first class programme of new work including new commissions, new plays and productions;
- to deliver a high quality range of education and participation projects;
- to identify develop and nurture new talent through a range of specific projects;
- to achieve this in partnership with other co-producers and cultural institutions;
- to deliver an exciting 50th anniversary celebration year

Mid to long term

Public sector investment continued to decrease as a result of austerity measures and challenging economic conditions. In response a significant goal was to increase unrestricted resources in the midterm. This included:

- consolidation of Live Theatre's Social Enterprises and maximising the income from them;
- the continuing development of Live Tales, the creative writing project, part of Live Works;
- working with current partners and developing new ones;
- maintaining the buildings owned by Live Theatre in good working order.

We continued to review our priorities with the leadership team across the year. Audience numbers have not yet returned to pre-pandemic levels however a well performing social enterprise portfolio with 97% occupancy has helped balance these challenges. We also developed a successful bid for a new three-year programme of NPO funding.

Public benefit that is provided by the charity

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Live Theatre is one of the leading new writing producing theatres in the UK. It produces new plays that aspire to world class quality, finds and develops creative talent, and runs one of the largest free arts educational programmes for young people in the region. It has an international reputation for this work that involves many and various audiences in the North East and elsewhere around the world.

Details of our activities across the year (including the main programmes, projects, or services provided) that contribute to the achievement of the stated objectives is referred to within the Joint Chief Executives' report where the specifics of the 2023/24 Creative Programme are set out

We continue to pursue strategies to provide access for all. The physical building is completely accessible. Whilst charges for admission to Live Theatre productions are necessary to raise income, there is a comprehensive scheme of concessions, selected complimentary tickets for partners and charities, and free events and talks. Ticket prices are greatly reduced for preview performances and this is welcomed by the freelance creative community. The Pay it Forward scheme continues, and there are no charges made for schools and individuals to access to the Education and Participation programmes.

Summary of main activities of the charity in relation to its objects

- Live Theatre has identified and developed new talent through the production of specific projects and various programmes of work by supporting writers at all stages of their careers to progress and pursue their work;
- Live Theatre has contributed to the cultural economy of the region via all its creative and social enterprise projects;
- the Board and senior management have managed income streams to ensure we have a sustainable business model with our property portfolio cross subsidising our creative activities.
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NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Fundraising activities

In 2023/24 the charity continued its fundraising activities in support of delivery of its objects.

Revenue funds raised for core, project and Education and Participation activities:

Arts Council England (core)	£638,255
The D'oyly Carte Charitable Trust	£4,000
John Ellerman Foundation	£30,000
Backstage Trust	£40,871
RFF Gibson Trust	£24,000
The Community Foundation	£12,850
John Horseman Trust	£5,000
Gillian Dickinson Trust	£20,000
Garrick Charitable Trust	£5,000
John Thaw Foundation	£1,000
Shears Foundation	£5,500
29 th May 1961 Charitable Trust	£5,000
The Rothley Trust	£1,200
Hays Travel Foundation	£5,000
Hadrian Trust	£1,000
The Barbour Foundation	£10,000
Lucy Winskell Fund at the Community Foundation	£797
Charlotte Aitken Trust	£5,000
Other	£3,576

Challenging financial conditions for the sector have been an enduring feature of the year. Live Theatre has been supported by many and thanks are given by the Trustees to those partners, stakeholders, trusts and foundations that have given their unwavering support.

The aim of the organisation since 2008 has been to develop unrestricted income via its social enterprises. Some of this income started in 2011. Live Works is the fourth and largest of these social enterprises, a significant capital project which completed in 2016. We continue to work with our managing agent and our tenants in our buildings to create a positive working relationship to ensure future sustainable income streams

Fundraising practices

The charity and group does not use a commercial participator to raise funds, nor have we engaged volunteers on our behalf/in aid of our charity, during the period relating to this report; all our fundraising has been conducted by Trust staff. Any monies raised directly from the public follow all guidelines set out by the Charity Commission, The Code of Fundraising Practice and English & Welsh law in every respect. There have been no fundraising compliance issues, nor have we received any complaints in relation to our public fundraising during the period relating to this report.

Financial review

Our group reserves total £8,549,523 (2023: £8,995,161) which includes £7,153,184 of restricted funds, £30,000 of designated funds and £1,366,339 of unrestricted funds. Of these unrestricted funds £6,542,689 are held in fixed assets and investment properties, with an associated long-term loan of £5,563,556. Therefore, our free reserves (being those not tied up in fixed assets, designated or restricted funds) stand at £387,206 as at 31 March 2024. The Trustees have a policy in place which notes that the group should aim to hold building overhead and salary costs for a period of three months within free reserves.

The free reserves position at 31 March 2025 is expected to decrease to circa £357,000 although disappointing we were unable to maintain or increase our free reserve position the Trustees are content based on detailed projections and related sensitivity analysis that the group has adequate funds to consider meeting its liabilities as they fall due over the next 12 months. Further details of this are found in the going concern accounting policy in note 1.2

Arts Council England provided a revenue grant of £638,255. This was used to support the core activity of the charity in the delivery of theatre productions, development of writers and the delivery of the education programme.

Corporate sponsorship was received from Green Energy Consulting, SV Rutter Ltd and Fenwick Ltd. The growing Friends Scheme has generated £12,655.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The Group Statement of Financial Activities shows net outgoing resources for the year of unrestricted funds of £442,838 (2023: outgoing resources £369,591), and net realised outgoing resources of restricted funds of £2,800 (2023: incoming resources £19,509), making net overall realised outgoing resources of £445,638 (2023: outgoing resources £350,082).

Financial performance of the charity's subsidiary undertakings

Live Trading Limited generated profits of £546,392 (2023: £637,617) for the financial year. The profits for 2024 were gifted in full to the charity at the year end.

LiveWorks (Newcastle upon Tyne) Limited had generated a loss of £72,165 (2023: profit of £39,093). There were no distributable profits available to be gifted to the charity at the year end.

Risk Management

The charity is open to the usual financial risks of any organisation, and controls are in place to minimise these risks. All material financial commitments and decisions are approved through the Finance & Personnel sub-committee and the main Board of Trustees.

A risk register is maintained by the charity which set out the strategic and operational risks as well as the actions the charity takes to mitigate these. The major risks to the Charity are:

Core funding (Public Sector Support)

The continuing reduction of public sector investment in culture creates a challenging environment in which to operate.

Cash flow

Cash flow is monitored on a weekly basis and a cash flow is forecast forward on a monthly basis.

Live Works

Projected rental income from Live Theatre's properties is not being achieved. Knight Frank, the leading UK and London property agents, have been contracted to market the properties to as wide a market as possible.

Loss of Key Staff

We will continue to grow a strong senior management team to provide short term cover and medium-term recruitment and replacement options.

Structure, governance and management

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The directors of the company are also Trustees of the charity.

Eligibility for membership of the charity and membership of the Board of Trustees is governed by the memorandum and articles of association. There are no restrictions in the governing document on the operation of the charity or on its investment powers, other than those imposed by general charity law.

The Board of Trustees and Finance and Personnel sub-committee meet quarterly – with F&P meeting more regularly. A new committee, the Creative Programme Development Group was established as required by the funding partner Arts Council England to oversee the plan and development of the NPO funding.

Board standing agenda items included reports from F&P and CPDG, the Artistic Programme, risks, and financial accounts. Written reports were prepared for Board on these, with F&P considering and evaluating the financial papers in detail prior to making written recommendations to Board for consideration and approval.

Strengthening the diversity and skill set of the Board was a priority, underlining our Governance progress and mirroring the progress made in the diversity of our work. A recruitment campaign for new Trustees resulted in the appointment of John Holmes, Maya Torres, Tom Marton, Nic Young and Lisette Auton, to join the Board from March 2024. Robin Cantrill Fenwick and Brenna Hobson resigned during the year and the Trustees are grateful for the outstanding contribution both made to the development of Live Theatre over several years of service. Paul Shevlin was appointed Vice Chair, a new position on the Live Board.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Senior staff (key management personnel) to whom the Board of Trustees delegated the day to day management of the charity during 2023/24 year were:

Executive Director/Joint Chief Executive	-	Jacqui Kell
Artistic Director/Joint Chief Executive	-	Jack McNamara

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

S Emmas	
M F Henry	
M F Percy	
K L H Winskell	
S Brown	
J R McKinnell	
B Hobson	(Resigned 3 June 2024)
R S Cantrill-Fenwick	(Resigned 5 March 2024)
P T H Shevlin	
I A Din	
R M Elgie	
J A Kell	
L R Auton	(Appointed 9 December 2024)
J D Holmes	(Appointed 18 January 2024)
T A Marton	(Appointed 9 December 2024)
M Torres	(Appointed 9 December 2024)
N Young	(Appointed 9 December 2024)

The memorandum and articles of association allow for up to 18 trustees.

Potential Trustees are suggested to the Board in order to satisfy any skill shortfall on the Board or to assist with a specific project. The individuals submit their CVs and are interviewed by the chair and two other Board members. A recommendation is then made to the full Board for their consideration. The recruit is then co-opted as a trustee pending election at the next AGM.

The charity has a long standing relationship with its key stakeholders: Arts Council England (ACE) and Newcastle City Council. ACE regard North East Theatre Trust as the leading new writing producer in the North East. Newcastle City Council regards the theatre as one of the City's key cultural assets. Both stakeholders can send an observer to attend Board meetings.

The subsidiary company, Live Trading Limited, supports the objectives of the charity by the hiring of Live Theatre facilities, the operation of its bar and the rental and management of the Social Enterprises of North East Theatre Trust gifting surplus income to the charity. Three Board members of North East Theatre Trust are also Board members of Live Trading Limited.

The Board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of North East Theatre Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Sumer Auditco Limited be reappointed as auditor of the company will be proposed at a forthcoming General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

A word from the Chair of Trustees

On behalf of my Board I would like to thank the whole team at Live Theatre, who have delivered above and beyond despite the ongoing challenges faced by everyone working in the arts sector and particularly the theatre industry. Not only were the priorities met in new productions, artist development programmes, work for children and young people, but the team also delivered a truly memorable 50th anniversary year – a fitting celebration of the past and the future of a world-renowned regional institution. They also achieved 100% occupation on the estate this year for the first time, again in really challenging circumstances.

In a year of universal uncertainty and austerity as everyone continued to rebuild after the pandemic, the Live staff were making a difference, inspiring artists, audiences and young people. We are in awe of their resilience, creativity and most of all their huge professionalism and thank them for all their efforts to ensure that Live Theatre continues not only to survive, but thrive, flying the flag for new playwriting everywhere.

The Trustees' report was approved by the Board of Trustees.

Susan Brown DL

Trustee

Date: 17 March 2025

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Opinion

We have audited the financial statements of North East Theatre Trust Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Companies Act 2006, Charities Act 2011, Tax, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include data protection and health and safety legislation.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Slater (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
Unit 2
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 19 March 2025

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Current financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income from:						
Donations and legacies	3	700,485	-	144,997	845,482	852,406
Charitable activities	4	268,031	-	-	268,031	187,932
Other trading income	5	92,992	-	-	92,992	77,925
Investments	6	856,559	-	-	856,559	832,131
Other income	7	150,027	-	-	150,027	220,140
Total income		<u>2,068,094</u>	<u>-</u>	<u>144,997</u>	<u>2,213,091</u>	<u>2,170,534</u>
Expenditure on:						
Raising funds	8	355,461	-	-	355,461	265,697
Charitable activities	9	1,856,688	-	147,797	2,004,485	1,952,799
Other	11	298,783	-	-	298,783	302,120
Total resources expended		<u>2,510,932</u>	<u>-</u>	<u>147,797</u>	<u>2,658,729</u>	<u>2,520,616</u>
Net (outgoing)/incoming resources before transfers		(442,838)	-	(2,800)	(445,638)	(350,082)
Gross transfers between funds		422,494	-	(422,494)	-	-
Net income/(expenditure) for the year/ Net movement in funds		<u>(20,344)</u>	<u>-</u>	<u>(425,294)</u>	<u>(445,638)</u>	<u>(350,082)</u>
Fund balances at 1 April 2023		<u>1,386,683</u>	<u>30,000</u>	<u>7,578,478</u>	<u>8,995,161</u>	<u>9,345,243</u>
Fund balances at 31 March 2024	25	<u>1,366,339</u>	<u>30,000</u>	<u>7,153,184</u>	<u>8,549,523</u>	<u>8,995,161</u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £
Donations and legacies	3	677,264	-	175,142	852,406
Charitable activities	4	187,932	-	-	187,932
Other trading income	5	77,925	-	-	77,925
Investments	6	832,131	-	-	832,131
Other income	7	220,140	-	-	220,140
Total income		<u>1,995,392</u>	<u>-</u>	<u>175,142</u>	<u>2,170,534</u>
Expenditure on:					
Raising funds	8	265,697	-	-	265,697
Charitable activities	9	1,797,166	-	155,633	1,952,799
Other	11	302,120	-	-	302,120
Total resources expended		<u>2,364,983</u>	<u>-</u>	<u>155,633</u>	<u>2,520,616</u>
Net (outgoing)/incoming resources before transfers		(369,591)	-	19,509	(350,082)
Gross transfers between funds		422,421	-	(422,421)	-
Net income/(expenditure) for the year/ Net movement in funds		52,830	-	(402,912)	(350,082)
Fund balances at 1 April 2022		1,333,853	30,000	7,981,390	9,345,243
Fund balances at 31 March 2023	25	<u>1,386,683</u>	<u>30,000</u>	<u>7,578,478</u>	<u>8,995,161</u>

NORTH EAST THEATRE TRUST LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	16		5,192,673		5,579,161
Investment properties	17		8,485,000		8,485,000
			<u>13,677,673</u>		<u>14,064,161</u>
Current assets					
Stock	19	2,945		2,945	
Debtors	20	864,228		1,026,282	
Cash at bank and in hand		76,864		182,860	
			<u>944,037</u>	<u>1,212,087</u>	
Creditors: amounts falling due within one year	22	(508,631)		(628,838)	
Net current assets			<u>435,406</u>	<u>583,249</u>	
Total assets less current liabilities			14,113,079		14,647,410
Creditors: amounts falling due after more than one year	23		(5,563,556)		(5,652,249)
Net assets			<u>8,549,523</u>		<u>8,995,161</u>
Income funds	25				
Restricted funds		6,780,009		7,205,303	
Restricted funds – Fair value reserve		373,175		373,175	
			<u>7,153,184</u>	<u>7,578,478</u>	
Unrestricted designated funds		30,000		30,000	
Unrestricted general funds		1,366,339		1,386,683	
			<u>1,396,339</u>	<u>1,416,683</u>	
			<u>8,549,523</u>	<u>8,995,161</u>	

The accounts were approved by the Board of Trustees and authorised for issue on 17 March 2025 and are signed on their behalf by;

J R McKinnell
Trustee

S Brown
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		5,192,673		5,579,161
Investment properties	17		4,485,000		4,485,000
Investments			11		11
			<u>9,677,684</u>		<u>10,064,172</u>
Current assets					
Debtors	20	5,126,482		5,180,873	
Cash at bank and in hand		52,549		94,208	
		<u>5,179,031</u>		<u>5,275,081</u>	
Creditors: amounts falling due within one year	22	(434,258)		(454,630)	
Net current assets			<u>4,744,773</u>		<u>4,820,451</u>
Total assets less current liabilities			14,422,457		14,884,623
Creditors: amounts falling due after more than one year	23		(5,563,556)		(5,652,249)
Net assets			<u>8,858,901</u>		<u>9,232,374</u>
Income funds	25				
Restricted funds		6,780,009		7,205,303	
Restricted funds – Fair value reserve		610,388		610,388	
		<u>7,390,397</u>		<u>7,815,691</u>	
Unrestricted designated funds		30,000		30,000	
Unrestricted general funds		1,438,504		1,386,683	
		<u>1,468,504</u>		<u>1,416,683</u>	
			<u>8,858,901</u>		<u>9,232,374</u>

The accounts were approved by the Board of Trustees and authorised for issue on 17 March 2025 and are signed on their behalf by;

J R McKinnell
Trustee

S Brown
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	£	2024 £	£	2023 £
Cash flows from operating activities					
Cash absorbed by operations	30		(13,277)		(340,388)
Investing activities					
Purchase of tangible fixed assets		(34,080)		(78,102)	
Net cash used in investing activities			(34,080)		(78,102)
Financing activities					
Repayment of bank loans		(58,639)		(77,426)	
Net cash used in financing activities			(58,639)		(77,426)
Net increase/(decrease) in cash and cash equivalents			(105,996)		(495,916)
Cash and cash equivalents at beginning of year			182,860		678,776
Cash and cash equivalents at end of year			76,864		182,860

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

North East Theatre Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Broad Chare, Quayside, Newcastle upon Tyne, NE1 3DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The group and charity is dependent upon continuing grant aid from a number of sources as well as trading surpluses from our social enterprises. The trustees are aware that the current economic climate may have an impact on the availability of such grants and income in the future and hence the continued success of the charity group. The trustees have undertaken a detailed review of the budgets that have been prepared for the next 24 months and the underlying assumptions, as well as the forecast outcome for the current year. As a result of successful applications for funds the trustees are confident that the forecasting used to predict future income (and expenditure) is based on the track record of the company and trends that have been identified as well as credible forecasting using external information and advisers. In terms of trusts and foundations we have carried out some long-term planning to identify a pipeline of trusts and foundations we are eligible to apply for. The trustees have concluded based on available evidence, that there is a reasonable expectation that the group and charity has adequate resources to continue in operational existence for the foreseeable future. As a consequence, the trustees continue to adopt the going concern basis in preparing the financial statements

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the Board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets. This is a restricted fixed asset fund representing the written down value of those assets subject to restrictions. The detailed operation of these funds is described under the accounting policy 'Capital grants' above.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

1.3 Charitable funds (continued)

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Incoming resources are accounted for on a receivable basis deferred as described below where appropriate.

Except as described under the 'Deferred income' accounting policy all grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Bank interest is included in the income and expenditure account on a receivable basis.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

The policy for including items within the relevant activity categories of resources expended is as detailed in the report to the trustees.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is based on current accounting standards, the SORP and the reasonable judgement of the trustees.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Over 100 years straight line
Leasehold land and buildings	Over the term of the lease up to a maximum of 20 years straight line
Plant and machinery	15 - 25% reducing balance

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

1.6 Tangible fixed assets (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

A regular annual review of the likelihood of asset impairment is undertaken.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

1.15 Capital grants

The board of trustees consider that, in order to comply with the SORP, gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity should be credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

If the related assets are subject to restrictions by the grant making organisation on their use and disposal, then these restrictions are noted in the fixed asset section of these accounts. In such circumstances, the fixed asset fund created is treated as a restricted fixed asset fund. As the related assets are depreciated, then a transfer is made from restricted fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset subject to the restriction. In this year, a sum of £422,494 (2023: £422,421) was transferred from restricted fixed asset funds to unrestricted revenue reserves.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the Statement of Standard Accounting Practice Number 4, such departure is justified on the basis that it is in order to comply with the SORP.

1.16 Taxation

As a registered charity, North East Theatre Trust is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Any trading surplus or capital gain of the subsidiaries, Live Trading Limited and LiveWorks (Newcastle upon Tyne) Limited, not covered by the deed of covenant, are subject to corporation tax. Value Added Tax is recoverable by the group and is therefore excluded from the relevant income and expenditure in the Statement of Financial Activities and tangible fixed assets on the Balance Sheet.

1.17 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The charity depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

Valuation of investment property

As described in note 15 to the financial statements, the investment property is stated at fair value based on the valuation performed by an independent professional valuer, Knight Frank chartered surveyors, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the property

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and gifts	6,028	-	6,028	13,988
Grants receivable	673,052	144,997	818,049	824,973
Sponsorship	21,405	-	21,405	13,445
	<u>700,485</u>	<u>144,997</u>	<u>845,482</u>	<u>852,406</u>
For the year ended 31 March 2023	<u>677,264</u>	<u>175,142</u>		<u>852,406</u>

4 Charitable activities

	Theatre activities £	Education and participation £	Total 2024 £	Total 2023 £
Charitable income	<u>201,705</u>	<u>66,326</u>	<u>268,031</u>	<u>187,932</u>
For the year ended 31 March 2023				
Unrestricted funds	<u>159,557</u>	<u>28,375</u>		<u>187,932</u>

5 Other trading income

	Unrestricted funds 2024 £	Unrestrict funds 2023 £
Bar takes	80,273	62,609
Bar and buffet income	3,664	5,936
Venue hire	9,055	9,380
	<u>92,992</u>	<u>77,925</u>

6 Investment income

	Unrestricted funds 2024 £	Unrestrict funds 2023 £
Rental income	856,559	832,131
	<u>856,559</u>	<u>832,131</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Other income

	Unrestricted funds 2024 £	Unrestrict funds 2023 £
Other income	20,027	17,586
Theatre tax relief	130,000	202,554
	<hr/>	<hr/>
	150,027	220,140
	<hr/>	<hr/>

8 Raising funds

	Unrestricted funds 2024 £	Unrestrict funds 2023 £
<u>Fundraising</u>		
Support costs (note 10)	55,428	30,137
	<hr/>	<hr/>
<u>Marketing and publicity</u>		
Support costs (note 10)	45,591	39,026
	<hr/>	<hr/>
<u>Trading costs</u>		
Commercial trading operations	208,389	191,246
Rental income bad debt write off	41,027	-
Governance cost	5,026	5,288
	<hr/>	<hr/>
	254,442	196,534
	<hr/>	<hr/>
	355,461	265,697
	<hr/>	<hr/>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Charitable activities

	Theatre activities	Education and participation	Total 2024	Total 2023
	£	£	£	£
Staff costs	-	10,871	10,871	25,000
Production costs	361,991	-	361,991	377,024
Education and participation expenses	-	84,259	84,259	67,123
Cleaning	14,624	12,795	27,419	22,403
IT support costs	22,725	8,874	31,599	24,990
Insurance	27,879	24,394	52,273	44,856
Licences	-	4,716	4,716	2,454
Light and heat	98,678	86,344	185,022	135,326
Printing, postage and stationery	1,823	1,596	3,419	2,679
Repairs and maintenance	24,464	21,406	45,870	46,736
Rent, rates and water	35,102	30,716	65,818	70,132
Subscriptions	1,213	1,062	2,275	10,010
Telephone and fax	2,006	1,756	3,762	3,568
Sundries	2,277	1,992	4,269	2,663
	<u>592,782</u>	<u>290,781</u>	<u>883,563</u>	<u>834,964</u>
Share of support costs (see note 10)	832,393	282,529	1,114,922	1,109,820
Share of governance costs (see note 10)	4,314	1,686	6,000	8,015
	<u>1,429,489</u>	<u>574,996</u>	<u>2,004,485</u>	<u>1,952,799</u>
Analysis by fund				
Unrestricted funds	1,350,489	506,199	1,856,688	
Restricted funds	79,000	68,797	147,797	
	<u>1,429,489</u>	<u>574,996</u>	<u>2,004,485</u>	
For the year ended 31 March 2023				
Unrestricted funds	1,461,814	335,352		1,797,166
Restricted funds	67,170	88,463		155,633
	<u>1,528,984</u>	<u>423,815</u>		<u>1,952,799</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Support costs

	Support costs	Governance costs	Total 2024	Support costs	Governance costs	Total 2023
	£	£	£	£	£	£
Employment costs	611,220	-	611,220	597,917	-	597,917
Other staff costs	7,659	-	7,659	8,109	-	8,109
Depreciation	420,568	-	420,568	415,656	-	415,656
Marketing and publicity	27,213	-	27,213	29,588	-	29,588
Premises	124,516	-	124,516	106,485	-	106,485
General administrative expenses	25,352	-	25,352	21,228	-	21,228
Bad debt	(587)	-	(587)	-	-	-
Audit fees	-	2,600	2,600	-	2,600	2,600
Accountancy	-	3,400	3,400	-	5,350	5,350
Trustees' expenses	-	-	-	-	65	65
	<u>1,215,941</u>	<u>6,000</u>	<u>1,221,941</u>	<u>1,178,983</u>	<u>8,015</u>	<u>1,186,998</u>
Analysed between						
Raising funds	101,019	-	101,019	69,163	-	69,163
Charitable activities	1,114,922	6,000	1,120,922	1,109,820	8,015	1,117,835
	<u>1,215,941</u>	<u>6,000</u>	<u>1,221,941</u>	<u>1,178,983</u>	<u>8,015</u>	<u>1,186,998</u>

11 Other expenditure

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Financing costs	<u>298,783</u>	<u>302,120</u>

12 Net movement in funds

	2024	2023
	£	£
Net movement in funds is stated after charging/(crediting):		
Fees payable to the company's auditor		
- Audit fees	2,600	2,600
- Non audit fees	3,400	5,350
Depreciation of owned tangible fixed assets	420,568	415,656
Operating lease charges	<u>79,265</u>	<u>79,265</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year in their capacity as trustee. During the year no expenses were paid to trustees (2023: £65).

J A Kell, a trustee during the year, received a gross salary £66,235 (2023: £64,615) during the year in respect of her position as joint Chief Executive Officer. J Kell is a member of the charity's defined contribution scheme. She contributed 3% of salary to the scheme and the charity contributed 3% of salary.

Ishtiaq A Din, a trustee during the year was commissioned to write a play for the theatre. This was contracted, in writing, using the standard ITC contract, which is consistent with all commissioned writers. A fee of £5,069 for the commission was fully paid at the year end. The play Champion is scheduled for live production in February and March 2025.

All payments to trustees were made accordance with the terms of the memorandum and articles of the charity.

14 Employees

Number of employees

The average monthly number employees during the year was:

	2024 Number	2023 Number
Charitable activities	19	15
Publicity activities	3	2
Fundraising activities	1	2
Management and administration	4	6
	<hr/> 27	<hr/> 25

Employment costs

	2024 £	2023 £
Wages and salaries	679,753	673,170
Social security costs	60,183	49,170
Other pension costs	20,685	16,631
	<hr/> 760,621	<hr/> 738,971

The full time equivalent of staff was 27 (2023: 25).

There were no employees whose annual remuneration was more than £60,000.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14 Employees (continued)

Remuneration of key management personnel

Key management has been determined to be the trustees and two members (2023: 2) of the senior management team.

The remuneration of key management personnel is as follows:

	2024	2023
	£	£
Aggregate compensation	132,471	129,225

15 Subsidiary undertakings included within the group accounts

Live Trading Limited

The name of the subsidiary undertaking is Live Trading Limited, registered in England, company number 03100229. The aggregate amount of the holding company's investment in its subsidiary is £1, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the Board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise engaging in trades similar to the charitable activities of the holding company as well as holding investment properties to earn rentals, and donates its entire taxable trading profit to the holding company by way of deed of covenant.

LiveWorks (Newcastle upon Tyne) Limited

The name of the subsidiary undertaking is LiveWorks (Newcastle upon Tyne) Limited, registered in England, company number 08981067. The aggregate amount of the holding company's investment in its subsidiary is £10, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the Board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise that holds an investment property to earn rentals.

A summary of the audited accounts of the subsidiaries is as follows:

	2024	2023
	£	£
LiveWorks (Newcastle upon Tyne) Limited		
Aggregate amount of assets	4,263,111	4,443,331
Aggregate amount of liabilities and provisions	(4,572,479)	(4,680,534)
Aggregate amount of net liabilities	(309,368)	(237,203)
<i>Profit and loss</i>		
Turnover (net of VAT)	281,000	281,000
Expenses (net of VAT)	(353,165)	(241,907)
Net profit	(72,165)	39,093
Payments made to holding company	-	(39,093)
Net (loss)/profit after donations	(72,165)	-

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Subsidiary undertakings included within the group accounts (continued)

	2024 £	2023 £
Live Trading Limited		
Aggregate amount of assets	476,086	484,815
Aggregate amount of liabilities and provisions	(476,085)	(484,814)
	<u>1</u>	<u>1</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	1,146,910	1,157,856
Expenses (net of VAT)	(730,518)	(722,793)
Other operating income (net of VAT)	130,000	202,554
	<u>546,392</u>	<u>637,617</u>
Net profit	546,392	637,617
Payments made to holding company	(546,392)	(637,617)
	<u>-</u>	<u>-</u>
Net profit after donations	-	-

16 Tangible fixed assets – group and company

	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £	Total £
Cost				
At 1 April 2023	3,294,615	7,865,001	632,874	11,792,490
Additions	7,223	19,233	7,624	34,080
	<u>3,301,838</u>	<u>7,884,234</u>	<u>640,498</u>	<u>11,826,570</u>
Depreciation and impairment				
At 1 April 2023	125,985	5,576,415	510,929	6,213,329
Depreciation charged in the year	28,727	337,450	54,391	420,568
	<u>154,712</u>	<u>5,913,865</u>	<u>565,320</u>	<u>6,633,897</u>
Carrying amount				
At 31 March 2024	<u>3,147,126</u>	<u>1,970,369</u>	<u>75,178</u>	<u>5,192,673</u>
At 31 March 2023	<u>3,168,630</u>	<u>2,288,586</u>	<u>121,945</u>	<u>5,579,161</u>

All assets are used for direct charitable purposes and there are no inalienable or heritage assets.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 Investment property – group

	2024
	£
Fair value	
At 1 April 2023 and 31 March 2024	8,485,000

Investment property comprises of 5 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2023, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

Investment property – company

	2024
	£
Fair value	
At 1 April 2023 and 31 March 2024	4,485,000

Investment property comprises of 4 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2023, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Financial instruments

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	55,762	58,613	4,979,170	4,996,548
Equity instruments measured at cost less impairment	-	-	11	11
Carrying amount of financial liabilities				
Measured at amortised cost	6,016,897	6,239,644	5,942,524	6,065,436

19 Stocks

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Raw materials and consumables	2,945	2,945	-	-

20 Debtors: Amounts falling due within one year:

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	55,762	58,613	13,183	13,613
Amounts owed by subsidiary undertakings	-	-	4,965,987	4,982,935
Prepayments and accrued income	808,466	967,669	147,312	184,325
	864,228	1,026,282	5,126,482	5,180,873

21 Loans and overdrafts

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Other loans	5,625,325	5,683,964	5,625,325	5,683,964
Payable within one year	61,769	31,715	61,769	31,715
Payable after one year	5,563,556	5,652,249	5,563,556	5,652,249

Interest rates of 5.02% and 8.08% per annum are applied to the loans, with repayments to be made over the remaining 34 years of the loan agreements. The long term loans are secured by fixed charges over the fixed assets of the charity.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

22 Creditors: amounts falling due within one year

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Other loans	61,769	31,715	61,769	31,715
Other taxation and social security	55,290	41,443	55,290	41,443
Trade creditors	270,813	370,603	264,849	291,903
Other creditors	3,836	3,521	3,836	3,521
Accruals and deferred income	116,923	181,556	48,514	86,048
	<u>508,631</u>	<u>628,838</u>	<u>434,258</u>	<u>454,630</u>

23 Creditors: amounts falling due after more than one year

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	<u>5,563,556</u>	<u>5,652,249</u>	<u>5,563,556</u>	<u>5,652,249</u>

24 Deferred income

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Other deferred income	<u>59,559</u>	<u>131,952</u>	<u>23,125</u>	<u>41,444</u>
Deferred income is included in the financial statements as follows:				
Deferred income is included within:				
Current liabilities	<u>59,559</u>	<u>131,952</u>	<u>23,125</u>	<u>41,444</u>
Movements in the year:				
Deferred income at 1 April 2023	131,952	138,007	41,444	42,311
Released from previous periods	(117,410)	(6,055)	(31,986)	(867)
Resources deferred in the year	<u>63,384</u>	<u>-</u>	<u>13,667</u>	<u>-</u>
Deferred income at 31 March 2024	<u>59,559</u>	<u>131,952</u>	<u>23,125</u>	<u>41,444</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Movement in funds

Current financial year

	Movement in funds				Balance at 31 March 2024 £
	Balance at 1 April 2023 £	Incoming resources £	Outgoing resources £	Transfers between funds £	
<u>Unrestricted funds</u>					
<i>Designated:</i>					
Capital maintenance	30,000	-	-	-	30,000
<i>General:</i>					
Revenue reserves	1,386,683	2,068,094	(2,510,932)	422,494	1,366,339
Total unrestricted funds	1,416,683	2,068,094	(2,510,932)	422,494	1,396,339
<u>Restricted funds</u>					
Capital redevelopment fund (1995-97)	89	-	-	(89)	-
Capital redevelopment fund (2005-07)	1,203,211	-	-	(266,451)	936,760
Capital development (Sustain fund)	158,106	-	-	(19,763)	138,343
Capital development (The Schoolhouse)	512,958	-	-	(51,070)	461,888
Capital development (Live Works)	4,819,320	-	-	(51,643)	4,767,677
Capital (Live Theatre)	490,619	-	-	(33,478)	457,141
Education and Participation	-	68,797	(68,797)	-	-
Creative Programme	21,000	76,200	(79,000)	-	18,200
Fair value reserve	373,175	-	-	-	373,175
Total restricted funds	7,578,478	144,997	(147,797)	(422,494)	7,153,184
Total funds	8,995,161	2,213,091	(2,658,729)	-	8,549,523

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Movement in funds (continued)

Prior financial year

	Movement in funds				Balance at 31 March 2023 £
	Balance at 1 April 2022 £	Incoming resources £	Outgoing resources £	Transfers between funds £	
<u>Unrestricted funds</u>					
<i>Designated:</i>					
Capital maintenance	30,000	-	-	-	30,000
<i>General:</i>					
Revenue reserves	1,333,853	1,995,392	(2,364,983)	422,421	1,386,683
Total unrestricted funds	1,363,853	1,995,392	(2,364,983)	422,421	1,416,683
<u>Restricted funds</u>					
Capital redevelopment fund (1995-97)	105	-	-	(16)	89
Capital redevelopment fund (2005-07)	1,469,662	-	-	(266,451)	1,203,211
Capital development (Sustain fund)	177,869	-	-	(19,763)	158,106
Capital development (The Schoolhouse)	564,028	-	-	(51,070)	512,958
Capital development (Live Works)	4,870,963	-	-	(51,643)	4,819,320
Capital (Live Theatre)	525,588	679	(2,170)	(33,478)	490,619
Education and Participation	-	63,463	(63,463)	-	-
Creative Programme	-	111,000	(90,000)	-	21,000
Fair value reserve	373,175	-	-	-	373,175
Total restricted funds	7,981,390	175,142	(155,633)	(422,421)	7,578,478
Total funds	9,345,243	2,170,534	(2,520,616)	-	8,995,161

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Movement in funds (continued)

Capital redevelopment fund (1995-97)

Grants to finance building alterations in 1995 and 1997 were received from Tyne & Wear Development Fund and the European Social Fund. These are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Capital redevelopment fund (2005-07)

Capital grant funding was received to fund the acquisition of a 32 year lease of 29 Broad Chare and to fund the alteration costs to provide a new entrance and foyer, a new entrance into the theatre auditorium, rehearsal and designated writers' spaces, a new cafe space and office accommodation. The grants are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Sustain fund

Live Theatre was awarded a grant by Arts Council England under its Sustain managed fund to enable the charity to develop investment projects to provide additional future sources of income. The grant is released at a rate to match the anticipated economic life of the building alterations undertaken. The grant has a restrictive clause relating to the disposal of the building. The surplus of grant release over depreciation is carried forward until the expiry of the grant restriction.

The Schoolhouse

Arts Council England, through their Renew Fund, with assistance from the European Regional Development Fund, have funded the acquisition and will assist with the development of The Schoolhouse to be a centre for creative activities, and a SME incubator for Live Theatre cultural businesses whilst generating rental income. The grants will be released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions. No further funds were received this year.

Live Works

Grant funding was received from the following organisations, since 2014, to enable a new building to be constructed which will provide further Social Enterprise income and a new creative writing centre, a park and an outdoor stage.

Arts Council England	£2,000,000
The Catherine Cookson Charitable Trust	£300,000
Sir James Knott Trust	£75,000
Garfield Weston Foundation	£200,000
Gillian Dickinson Trust	£200,000
The Monument Trust	£150,000
Department for Communities and Local Government	£2,189,273
The Wolfson Foundation	£50,000
Fidelity UK Foundation	£75,000
Architectural Heritage Fund	£26,100

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Movement in funds (continued)

Education and Participation

The following grant(s) were received as restricted funds in the year.

Community Foundation	£10,000
The John Horseman Trust	£5,000
John Thaw Foundation	£1,000
The Shears Foundation	£5,500
The 29th May 1961 Charitable Trust	£5,000
Backstage Trust	£25,871
Hays Travel Foundation	£5,000
Hadrian Trust	£1,000
The D'Oyly Carte Charitable Trust	£4,000
Lady Betty & Sir Laurance Martin via Community Foundation	£2,850
Other	£3,576

Creative Programme

The following grant(s) were received as restricted funds in the year.

Gillian Dickinson Trust	£20,000
Garrick Charitable Trust	£5,000
John Ellerman	£30,000
Backstage Trust	£15,000
Charlotte Aitken Trust	£5,000
The Rothley Trust	£1,200

Designated capital maintenance fund

In the 2018 financial year the trustees had set aside £30,000 from unrestricted reserves in order to meet expected future capital asset improvements. This designated fund does not form part of the charity's unrestricted general funds.

Explanation of the nature of each material transfer between funds

In accordance with the accounting policy relating to capital grants in note 1 above, funds are released to revenue reserves to match the depreciation on the associated assets:

The 1995-97 Capital Redevelopment fund	£89
The 2005-07 Capital Redevelopment fund	£266,451
The 2010-11 Sustain fund	£19,763
The School House fund	£51,070
Live Works	£51,643
Live Theatre	£33,478

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

26 Analysis of group net assets between funds

Current financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2024 are represented by:					
Tangible assets	1,797,506	-	3,395,167	-	5,192,673
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	387,206	30,000	18,200	-	435,406
Long term liabilities	(5,563,556)	-	-	-	(5,563,556)
	<u>1,366,339</u>	<u>30,000</u>	<u>6,780,009</u>	<u>373,175</u>	<u>8,549,523</u>

Prior financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	1,761,500	-	3,817,661	-	5,579,161
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	532,249	30,000	21,000	-	583,249
Long term liabilities	(5,652,249)	-	-	-	(5,652,249)
	<u>1,386,683</u>	<u>30,000</u>	<u>7,205,303</u>	<u>373,175</u>	<u>8,995,161</u>

27 Financial commitments, guarantees and contingent liabilities

As referred to in note 25 above, the grants receivable from the European Regional Development Fund, Heritage Lottery Fund and Arts Council England are repayable if the charity fails to keep to the terms of the agreements with the grant funders, undergoes a significant change in status, ceases to operate or is declared insolvent within the periods as set out below:

European Regional Development Fund (£892,732) up to 31 March 2026;
Heritage Lottery Fund (£457,319) up to 31 January 2031;
Arts Council England (£182,200) up to 22 March 2027;
European Regional Development Fund (£414,387) up to 31 March 2038;

These agreements are secured by legal charges over the leasehold properties at Trinity Chare, including The Schoolhouse, and Broad Chare, Newcastle upon Tyne.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

28 Related party transactions

The charity has received donations from one of its subsidiaries, £nil was received from Liveworks (Newcastle upon Tyne) Ltd (2023: £39,092), and £546,392 was received from Live Trading Limited (2023: £637,617).

Live Trading Limited was recharged wages and salary costs by North East Theatre Trust Limited, totalling £138,530 (2023: £116,055).

At the year end the charity was due a balance of £4,556,689 from Liveworks (Newcastle upon Tyne) Ltd (2023: £4,670,329), on which interest of £350,881 was charged (2023: £239,366). The charity was also owed a balance of £409,298 from Live Trading Limited (2023: £312,606), on which no interest was charged.

During the year the charity received £797 from the Lucy Winskell Fund at Community Foundation Serving Tyne & Wear and Northumberland (2023: £825). Lucy Winskell is a trustee of the charity and also of Community Foundation.

Ishtiaq A Din, a trustee during the year was commissioned to write a play for the theatre. This was contracted, in writing, using the standard ITC contract, which is consistent with all commissioned writers. A fee of £5,069 for the commission was fully paid at the year end. The play Champion is scheduled for live production in February and March 2025.

29 Operating lease commitments

	2024	2023
	£	£
Within one year	73,000	73,000
Between two and five years	365,000	365,000
In over five years	456,250	529,250
	<u>894,250</u>	<u>967,250</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

30 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	(445,638)	(350,082)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	420,568	415,656
Movements in working capital:		
(Increase)/decrease in stock	-	432
(Increase) in debtors	162,054	(434,407)
Decrease in creditors	(150,261)	28,013
Cash (absorbed by)/ from operations	<u>(13,277)</u>	<u>(340,388)</u>

31 Parent company's income and expenditure account

The company is required to prepared group accounts under the provision of the Companies Act and has taken advantage of the exemption afforded by section 408 Companies Act 2006 to exclude its individual Statement of Financial Activities from the group accounts.

The net expenditure, after the gain on investments, shown in the individual Statement of Financial Activities of the parent company for the year ended 31 March 2024, and included in the group accounts, is £373,473 (2023: £350,082).

NORTH EAST THEATRE TRUST LIMITED

England & Wales - Charity number 513771

Accounts

Charity Registration No. 513771

Company Registration No. 01697756 (England and Wales)

NORTH EAST THEATRE TRUST LIMITED
CONSOLIDATED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

NORTH EAST THEATRE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered name North East Theatre Trust Limited

Trading name Live Theatre

Trustees S Emmas
M F Henry
M F Percy
K L H Winskell
S Brown
J R McKinnell
B Hobson
R S Cantrill-Fenwick
P T H Shevlin
I A Din
R M Elgie
J A Kell

Charity number 513771

Company number 01697756

Registered office 29 Broad Chare
Quayside
Newcastle upon Tyne
NE1 3DQ

Telephone 0191 261 2694

Auditor Sumer Auditco Limited
The Beehive, Beehive Ring Road
London Gatwick Airport
Gatwick
United Kingdom
RH6 0PA

Bankers Lloyds Bank plc
102 Grey Street
Newcastle upon Tyne
NE99 1SL

Virgin Money
131-135 Northumberland Street
Newcastle upon Tyne
NE1 7AG

NORTH EAST THEATRE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors

DWF LLP
2nd Floor
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

NORTH EAST THEATRE TRUST LIMITED

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NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Introduction

The Annual Report notes in detail the activities of the charity throughout the 2022/23 financial year.

This is our second report as Joint Chief Executive's and the first full year Jack developed the artistic programme, of which there is more detail below.

Although the pandemic was over, difficult economic and social conditions persisted which put a strain on our resources as well as our audiences. Like others in the sector, we found that audiences were reticent to return in the same numbers as pre-Covid. Research showed this was primarily due to two main factors; changing habits following the national lockdowns and concerns about the cost of living. Armed with this information we considered our approach to the artistic programme and our ticket pricing. We kept ticket prices at pre-Covid levels and continued to offer concession tickets starting at £6. All of our children and young people's work and talent development activity remained free to access.

None of this would have been possible without support from our various funders and stakeholders to whom we are extremely grateful. These are set out in detail in the Chairs report.

We were delighted to find out during the year we were to continue to be an Arts Council National Portfolio Organisation for the period 2023-2026 securing essential resource to allow us to be a driving force for new writing in England.

Artistic Programme

The pandemic continued to influence our lives and the effects of Covid on the cultural and theatre sectors had been devastating, with the freelance and independent sector bearing the brunt. The aim of the 2022 season was to ensure every voice was heard. There was an urgency to bring people together, physically and otherwise, to reinstate our sense of community and fight against the isolation too many had faced.

We wanted to create opportunities for artists and offer our audiences a feast for the senses, the mind and the emotions. Our first main house production was *We Are The Best*, which offered a joyous burst of energy and offered rising star Rebecca Glendinning-Laycock the opportunity to write a full length, main house production. Three young, local actors were also given their professional acting debuts. The year ended with the premiere of *One-Off* an autobiographical play written by Ric Renton of his experiences in Durham Prison and how he was saved by creativity. We also produced our first play for children in a very long time. *Wintry Tales* was built on the exceptional work of our Live Tales creative writing programme for school children and was co-created with children and award winning writer Rory Malarky. Like Live Tales, *Wintry Tales* put children and young people at the heart of the creative process. *Wintry Tales* will make a return in 2023.

To enhance our programme we curated a mini-festival of radical ideas *Make Hope Possible* which explored how we can reshape society to be better, kinder and brighter. We presented Selina Thompson exhibition *Race Cards* and welcomed The Lawnmowers to perform their show *Retake, Remake*. We were also thrilled to present some inspiring visiting theatre from exceptional theatre companies like Paines Plough and Forced Entertainment.

We continue to prioritise our artist development work and it has gone from strength to strength in recent years with an ever more increasing range and number of artists working with us. The main parts of the programme are the annual Elevator Festival, open script reading windows, the Introduction to Playwriting course, Your Voice North East (previously 10 minutes to....) and our bursary programmes.

In 2022/23 we offered four artist development opportunities:

- Your Voice North East – a short play competition
- Live Theatre Elevator Bursaries – an open call for bursaries for plays to be presented at the Elevator Festival
- Open Script Submissions
- Live Playwriting Course

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Your Voice North East – 88 submissions were received for this short play competition and eight plays were selected and given micro-commissions, overall the project engaged 21 freelance artists of which 20 were new to Live Theatre. The following plays were produced for Your Voice North East:

Frubes, Crème Eggs and Massive Slags by Lydia Brickland

The Southern Side of the Wall by Miles Kinsley

Do You Know Who We Are? by Lizzie Lovejoy

Labels by Fleur Nixon

Wyrn by Nic O'Keeffe

On The Edge by Susannah Ronnie

Your Future Cabaret Show by Jenni Winter

Tenure by Jack Young

Live Theatre Bursaries – 91 applications were received for a bursary. We awarded three full bursaries to Emma Roxburgh and her theatre ensemble of six female artists called *Georgian Shore*, Reece Connolly writer of *Ghosts of Metroland* and Vivek Nityananda's *I Dream Of Teresa May*. We have also awarded two seed bursaries to Henry Lawrence and Jack Young.

Open Script Submissions – 67 script submissions were received during the open window. All were read and feedback given.

Introduction to Playwriting Course – We received 48 applications for the ten week Live Playwriting course. We offered 17 places and the other 31 were offered a one off introduction session led by writer, dramaturg and director Luke Barnes.

Children and Young People's Work

Our Children and Young People's work is an important component of Live Theatre's work and we have been delivering this for over 25 years now. The pandemic disproportionately affected children and young people's lives and we have found demand for our services are high especially Youth Theatre. In 2023/23 we had 163 young people aged between 10-25 years attend weekly term time sessions. Feedback from parents has helped us understand the 'hidden' impact of Live Youth Theatre.

'After the chaos of the last 2 years and the disruption to the lives of all young people, I am so grateful that Live Theatre survived and that my daughter can access this wonderful opportunity. She has really struggled at times with anxiety over the last couple of years like many young people. The Youth Theatre has been a constant for her - sometimes it was challenging to keep her engaged, sometimes it felt scary for her to come, but it has also been a bit of a safe haven to be around other like-minded peers at times when school has felt really challenging. Thank you to everyone involved in keeping the Youth Theatre going in these challenging times!'

In addition to Youth Theatre we run Summer Artist in Residence (AIR) programmes. In July 2022 we delivered four residencies over two weeks, to 90 young people. Working with four regional artists these week long residencies saw young people developing their skills in Writing for Comedy, Creating a Play (which explored themes related to the environment), Film Making and Musical Theatre.

From September 2022 to March 2023 we delivered Live Tales creative writing workshops to 1,281 Key Stage 2 school children. Using the Live Tales model we also created *Wintry Tales* our first production for children in a long time. We worked with three schools and 11 homeschooled children to co-create six tales with award winning writer Rory Malarky.

During lockdown we created Playmakers to encourage children to think about writing a play script. We have started delivering this in person this year and have delivered 11 workshops with schools.

Our volunteers who support our children and young people's work are very important to us. We are working with other cultural venues on a project called 'Volunteer Futures' to better recruit and invest in training, health and well-being and have recruited 17 new volunteers to help with Live Tales and Playmakers delivery.

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Financial viability

Live Theatre continued with its innovative financial model using the profits from social enterprises to build earned income and contribute to the charitable objectives of Live Theatre. The ongoing relationship with our restaurant partners (four separate venues) has been particularly successful

Despite the difficult year we continue to make progress to stabilise our finances and balance a diverse and successful artistic programme with prudent financial management using effective financial controls, monitoring and reporting mechanisms.

Finance and Personnel sub-committee (F&P) meet regularly to consider the management accounts, risk and overall financial health of the company as well as people matters. The F&P reports in writing to the Board at each meeting ensuring it is clear whether the board is being asked to make a decision or not.

At the end of the 2022/23 financial year group unrestricted reserves had been increased in line with forecasts due primarily to balancing all of our income streams and charitable activities of Live Theatre.

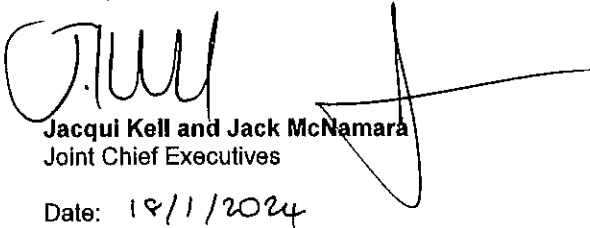
At the end of the 2022/23 financial year the group ended with a net surplus of £52,830 to unrestricted funds. We made £77,426 of repayments against our Newcastle City Council capital loan. Over £600,000 of income was derived from Live Theatre's social enterprises.

Future Plans

The charity now has a range of buildings and physical assets that create a substantial and sustainable income for Live Theatre. Over the next few years we will continue to concentrate on consolidating these assets to make as much return as possible from them to reinvest into our mission.

The artistic programme will continue to identify and invest in aspiring writers, new plays and young companies and artists to keep the pipeline of new theatre flowing for the sector. It will include new work, initiatives and projects by our creative team led and influenced by Artistic Director Jack McNamara; in the Children and Young People's programme, in the way we develop our partnership with the University of Northumbria and the University of Sunderland, with co-producers and national and international producers, and with the changing face of the communities of the North East.

We are excited about how Live Theatre develops in the coming year and look forward to working with our staff team, board, artists and audiences to deliver our refreshed vision and mission.



Jacqui Kell and Jack McNamara
Joint Chief Executives

Date: 14/1/2024

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The trustees present their report and accounts for the year ended 31 March 2023.

The board of trustees are satisfied with the performance of the group and charity following a year where we set out to recover from Covid and enforced lockdowns year and at 31 March 2023 we consider that the charity is in a stable position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations. The Team at Live Theatre continues deliver our expectations in developing new work, promoting opportunities, supporting the sector and looking after the estate but always aim to go above and beyond. As ever I am full of admiration for my fellow trustees who have given up an enormous amount of time and energy to support the work and provide strong governance to the company.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 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 (FRS 102) (effective 1 January 2015)".

Objectives and activities

The objects of the charity are to promote, maintain, improve and advance education, particularly by the production of plays and encouragement of the Arts.

The principal activities of the company planned for the year were:

- the production of theatre performances at Live Theatre and the development of writers, actors and creative talent;
- the facilitation of drama and music programmes by other companies;
- the organisation and production of education and outreach activities for the public.

Through its activities the charity aims to:

- create, present and promote new plays informed by our sense of place;
- develop the skills of writers, performers and theatre practitioners at all stages of their careers;
- develop arts education and participation for children, young people and adults;
- involve all kinds of audiences in our endeavours;
- create sustainable income streams to deliver resources and new programmes.

The new priorities could be summarised as:

- embedding a new leadership team into the organisation;
- ensure strong post-Covid recovery;
- actively seeking other creative partners, as co-producers, to develop additional plays and projects;
- bedding down and consolidating the range of Social Enterprises which create unrestricted funds for the charity;
- actively engaging with a digital infrastructure throughout the group.

To further its objectives in 2022/2023 the charity aimed for:

Short term

The immediate goals were:

- to regroup and recover from the Covid-19 pandemic
- to deliver a first class programme of new work including new commissions, new plays and productions;
- to deliver a high quality range of education and participation projects;
- to identify develop and nurture new talent through a range of specific projects;
- to achieve this in partnership with other co-producers and cultural institutions;

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Mid to long term

Public sector investment continues to decrease as a result of austerity measures and challenging economic conditions. In response a significant goal is to increase unrestricted resources in the midterm. This will include:

- consolidation of Live Theatre's Social Enterprises and maximising the income from them;
- the continuing development of Live Tales, the creative writing project, part of Live Works;
- working with current partners and developing new ones;
- maintaining the buildings owned by Live Theatre in good working order.

We continue to review our priorities under a new leadership team adjusting as needs be. Audience numbers have not yet returned to pre-pandemic levels however a well performing social enterprise portfolio with 97% occupancy has helped balance these challenges. We also benefited from an extension year of NPO funding whilst also developing plans for a new three-year programme.

Public benefit that is provided by the charity

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities charity should undertake.

Live Theatre is one of the leading new writing producing theatres in the UK. It produces new plays of world class quality, finds and develops creative talent, and runs one of the largest free arts education programmes in the region. It has an international reputation for this work that involves many and various audiences in the North East and elsewhere around the world.

Details of our activities across the year (including its main programmes, projects, or services provided) that contribute to the achievement of the stated objectives is referred to within the Joint Chief Executive's report where they set out the specifics of the 2022/23 Creative Programme.

The charity continues to pursue strategies to provide access for all to its work. The physical building has been made accessible to all. Whilst charges for admission to the Live Theatre Productions are made for financial reasons, there is a comprehensive scheme of concessions, selected complimentary tickets for partners and charities and free events and talks. We have also introduced a Pay it Forward scheme. There are no charges made for access to the Education and Participation programmes.

Summary of main activities of the charity in relation to its objects

- Live Theatre has identified and developed new talent through the production of specific projects and various programmes of work by supporting writers at all stages of their careers to progress and pursue their work;
- Live Theatre has contributed to the cultural economy of the region via all its creative and social enterprise projects;
- the board and senior management have managed income streams to ensure we have a sustainable business model with our property portfolio cross subsidising our creative activities.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Fundraising activities

In 2022/23 the charity continued its fundraising activities in support of delivery of its objects.

Revenue funds raised for core, project and Education and Participation activities:

Arts Council England (core)	£638,255
Idlewild Trust	£5,000
The D'oyly Carte Charitable Trust	£4,000
John Ellerman Foundation	£30,000
Hadrian Trust	£1,000
Newcastle Culture Investment Fund (NCIF)	£10,000
Backstage Trust	£25,000
RFF Gibson Trust	£3,000
John D Fund at The Community Foundation	£2,963
John Horseman Trust	£5,000
Gillian Dickinson Trust	£20,000
Garrick Charitable Trust	£5,000
RW Mann Trust	£2,000
John Thaw Foundation	£1,000
Shears Foundation	£5,000
29 th May 1961 Charitable Trust	£5,000
Esmée Fairbairn Foundation (TASK Grant)	£7,500
Lucy Winskell Fund at the Community Foundation	£825
Catherine Cookson Charitable Trust	£21,000

The challenging financial conditions for the sector have been an enduring feature of the year. Live Theatre has been supported by many and thanks are given by the Trustees to those partners, stakeholders, trusts and foundations that have given their unwavering support.

The aim of the organisation since 2008 has been to develop unrestricted income via its social enterprises. Some of this income started in 2011. Live Works is the fourth and largest of these social enterprises, a significant capital project which completed in 2016 and has since created new funds to support the charity. We continue to work with our managing agent and our tenants in our buildings to create a positive working relationship to ensure future sustainable income streams.

Fundraising practices

The charity and group does not use a commercial participator to raise funds, nor have we engaged volunteers on our behalf/in aid of our charity, during the period relating to this report; all our fundraising has been conducted by Trust staff. Any monies raised directly from the public follow all guidelines set out by the Charity Commission, The Code of Fundraising Practice and English & Welsh law in every respect. There have been no fundraising compliance issues, nor have we received any complaints in relation to our public fundraising during the period relating to this report.

Financial review

Our group reserves total £8,995,161 which includes £7,578,478 of restricted funds, £30,000 of designated funds and £1,386,683 of unrestricted funds. Of these unrestricted funds £6,506,683 are held in fixed assets and investment properties, with an associated long-term loan of £5,652,249. Therefore, our free reserves (being those not tied up in fixed assets, designated or restricted funds) stand at £532,249 as at 31 March 2023. The Trustees have a policy in place which notes that the group should aim to hold building overhead and salary costs for a period of three months within free reserves.

The free reserves position at 31 March 2024, is expected to increase to circa £550,000, supporting the longer term strategy explained above. The Trustees are pleased to note the improved position on free reserves which will support our long term vision. Trustees are content based on these detailed projections and related sensitivity analysis that the group has adequate funds to consider meeting its liabilities as they fall due over the next 12 months. Further details of this are found in the going concern accounting policy in note 1.2.

Arts Council England provided a revenue grant of £638,255. This was used to support the core activity of the charity in the delivery of theatre productions, development of writers and the delivery of the education programme.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Corporate sponsorship was received from Green Energy Consulting. The growing Friends Scheme has generated £8,210.

The Group Statement of Financial Activities shows net outgoing resources for the year of unrestricted funds of £369,591 (2022: outgoing resources £429,396), and net realised incoming resources of restricted funds of £19,509 (2022: net realised incoming resources of £761,404), making net overall realised outgoing resources of £350,082 (2022: net overall realised incoming resources of £332,008).

The total reserves at the year end stand at £8,995,161 (2022: £9,345,243).

Financial performance of the charity's subsidiary undertakings

Live Trading Limited generated profits of £637,617 (2022: £289,445) for the financial year. The profits for 2023 were gifted to the charity at the year end £637,617 (2022: £289,445).

LiveWorks (Newcastle upon Tyne) Limited had generated a profit of £39,093 (2022: £334,451 in which £412,213 revaluation loss was recognised). £39,093 (2022: £159,451) was gifted to the charity at the year end.

Risk Management

The charity is open to the usual financial risks of any organisation, and controls are in place to minimise these risks. All material financial commitments and decisions are approved through the Finance & Personnel sub-committee and the main Board of Trustees.

A risk register is maintained by the charity which set out the strategic and operational risks as well as the actions the charity takes to mitigate these. The major risks to the Charity are:

Core funding (Public Sector Support)

The continuing reduction of public sector investment in culture creates a challenging environment in which to operate.

Cash flow

Cash flow is monitored on a weekly basis and a cash flow is forecast forward on a monthly basis.

Live Works

Projected rental income from Live Theatre's properties is not being achieved. Knight Frank, the leading UK and London property agents, have been contracted to market the properties to as wide a market as possible.

Loss of Key Staff

We will continue to grow a strong senior management team to provide short term cover and medium-term recruitment and replacement options.

Structure, governance and management

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The directors of the company are also trustees of the charity.

Eligibility for membership of the charity and membership of the board of trustees is governed by the memorandum and articles of association. There are no restrictions in the governing document on the operation of the charity or on its investment powers, other than those imposed by general charity law.

The Board of Trustees and Finance and Personnel sub-committee met quarterly – with F&P meeting more regularly. Standing agenda items included monitoring and reporting KPI's, Artistic Programme, Creative Case, risks, and financial accounts. Written reports were prepared for Board on these, with F&P considering and evaluating the financial papers in detail prior to making written recommendations to Board for consideration and approval.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Strengthening the diversity and skill set of the Board was a priority through the year, underlining our Governance progress and mirroring the progress made in the diversity of our work. A recruitment campaign for new trustees is planned for 2023/24

Senior staff (key management personnel) to whom the Board of Trustees delegated the day to day management of the charity during 2022/23 year were:

Executive Director/Joint Chief Executive	-	Jacqui Kell
Artistic Director/Joint Chief Executive	-	Jack McNamara

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

S Emmas
M F Henry
M F Percy
S M Wilson (resigned 28 November 2022)
K L H Winskell
S Brown
J R McKinnell
B Hobson
L Robson (resigned 28 November 2022)
R S Cantrill-Ferwick
P T H Shevlin
I A Din
R M Elgie
J A Kell

The memorandum and articles of association allow for up to 18 trustees.

Potential trustees are suggested to the board in order to satisfy any skill shortfall on the board or to assist with a specific project. The individuals submit their CVs and are interviewed by the chair and two other board members. A recommendation is then made to the full board for their consideration. The recruit is then co-opted as a trustee pending election at the next AGM.

The charity has a long standing relationship with its key stakeholders: Arts Council England (ACE) and Newcastle City Council. ACE regard North East Theatre Trust as the leading new writing producer in the North East. Newcastle City Council regards the theatre as one of the City's key cultural assets. Both stakeholders can send an observer to attend board meetings.

The subsidiary company, Live Trading Limited, supports the objectives of the charity by the hiring of Live Theatre facilities, the operation of its bar and the rental and management of the Social Enterprises of North East Theatre Trust gifting surplus income to the charity. Three board members of North East Theatre Trust are also board members of Live Trading Limited.

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Statement of trustees' responsibilities

The trustees, who are also the directors of North East Theatre Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

RMT Accountants & Business Advisors Ltd were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting. Sumer Auditco Limited were appointed auditor to the Group and parent company by the directors following the transfer to it of the audit client base of RMT Accountants and Business Advisors Ltd in April 2023. In accordance with section 485 of the Companies Act 2006, a resolution to confirm the re-appointment of Sumer Auditco Limited, as auditors of the Group and parent company will be proposed at the forthcoming Annual General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

A word from the Chair of Trustees

As I do every year as Chair of the Board of Trustees, I pick up the required reporting language of the annual report and accounts and confirm that the Board is satisfied with performance. Again, this is something of an understatement. Despite difficulties in the sector, we were forthright and brave in our approach to overcoming the difficulties of a post-Covid world. Jack has put down his stamp on the artistic programme and we celebrated being together again many times throughout the year. I am though, as ever, hugely appreciative of everybody's efforts that allow this to happen – our customer service and box office team offer excellent service throughout, the Operations Team work behind the scenes to ensure the cogs keep turning, the children and young people's team have stepped up even further, recognising the impact the pandemic has had on young people's lives, and our creative and technical team continue to deliver the most professional and high quality experience imaginable. I want to thank the staff team, on behalf of the board, for their hard work, resilience and good humour during this time.

Finally, I would like to thank my fellow trustees who have offered me, the Executive team and the staff team continued support during this year. I value their judgement, counsel and humour enormously. Susan Wilson has stepped down as a trustee after many years valuable service, she will be missed for her insight, enthusiasm and wisdom, but I have no doubt we will see her regularly as a Best Friend of Live Theatre. After our 50th anniversary year, I will step down as Chair and hand the reigns over, but I'd like to place on record how immensely proud I am to be involved in Live Theatre and to have been trusted with its leadership during the trickiest of times. I have had the privilege of working with the most talented people - our staff past and present, our trustees, again past and present, engaging with our supporters, seeing the outstanding work of actors, writers' musicians, technicians, the list goes on. I've loved spending time getting to know our audiences, and sharing ideas and reactions to the work. Particularly rewarding has been the positive impact we have had on sometimes very young peoples' lives. I have learnt from you all, thank you. I have no doubt that having emerged successfully Live Theatre will go from strength to strength putting the voices of the north east centre stage and amplifying them locally, regionally, nationally and hopefully, once again, internationally.

The trustees' report was approved by the Board of Trustees.


K L Winkell LL OBE
Trustee

Date: 18/11/2024

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Opinion

We have audited the financial statements of North East Theatre Trust Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Companies Act 2006, Charities Act 2011, Tax, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include data protection and health and safety legislation.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Slater (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
The Beehive, Beehive Ring Road
Gatwick
RH6 0PA

Dated: 29/1/24

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income from:						
Donations and legacies	3	677,264	-	175,142	852,406	1,426,987
Charitable activities	4	187,932	-	-	187,932	114,480
Other trading income	5	77,925	-	-	77,925	44,800
Investments	6	832,131	-	-	832,131	717,904
Other income		220,140	-	-	220,140	39,732
Total income		1,995,392	-	175,142	2,170,534	2,343,903
Expenditure on:						
Raising funds	7	265,697	-	-	265,697	270,906
Charitable activities	8	1,797,166	-	155,633	1,952,799	1,783,895
Other	14	302,120	-	-	302,120	292,094
Total resources expended		2,364,983	-	155,633	2,520,616	2,346,895
Net gains on investments	13	-	-	-	-	335,000
Net (outgoing)/incoming resources before transfers		(369,591)	-	19,509	(350,082)	332,008
Gross transfers between funds	23	422,421	-	(422,421)	-	-
Net income/(expenditure) for the year/ Net movement in funds		52,830	-	(402,912)	(350,082)	332,008
Fund balances at 1 April 2022	23	1,333,853	30,000	7,981,390	9,345,243	9,013,235
Fund balances at 31 March 2023	23	1,386,683	30,000	7,578,478	8,995,161	9,345,243

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:						
Donations and legacies	3	958,044	-	468,943	1,426,987	2,089,144
Charitable activities	4	114,480	-	-	114,480	36,602
Other trading income	5	44,800	-	-	44,800	4,234
Investments	6	717,904	-	-	717,904	503,221
Other income		39,732	-	-	39,732	250
Total income		1,874,960	-	468,943	2,343,903	2,633,451
Expenditure on:						
Raising funds	7	270,906	-	-	270,906	239,660
Charitable activities	8	1,741,356	-	42,539	1,783,895	1,355,519
Other	14	292,094	-	-	292,094	307,255
Total resources expended		2,304,356	-	42,539	2,346,895	1,902,434
Net gains on investments	13	-	-	335,000	335,000	-
Net (outgoing)/incoming resources before transfers		(429,396)	-	761,404	332,008	731,017
Gross transfers between funds	23	419,204	-	(419,204)	-	-
Net income/(expenditure) for the year/ Net movement in funds		(10,192)	-	342,200	332,008	731,017
Fund balances at 1 April 2021	23	1,344,045	30,000	7,639,190	9,013,235	8,282,218
Fund balances at 31 March 2022	23	1,333,853	30,000	7,981,390	9,345,243	9,013,235

NORTH EAST THEATRE TRUST LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2023


	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	16		5,579,161		5,916,715
Investment properties	15		8,485,000		8,485,000
			<u>14,064,161</u>		<u>14,401,715</u>
Current assets					
Stock			2,945		3,377
Debtors	19		1,026,282		591,873
Cash at bank and in hand			182,860		678,776
			<u>1,212,087</u>		<u>1,274,026</u>
Creditors: amounts falling due within one year	21		<u>(628,838)</u>		<u>(599,804)</u>
Net current assets			<u>583,249</u>		<u>674,222</u>
Total assets less current liabilities			<u>14,647,410</u>		<u>15,075,937</u>
Creditors: amounts falling due after more than one year	22		<u>(5,652,249)</u>		<u>(5,730,694)</u>
Net assets			<u>8,995,161</u>		<u>9,345,243</u>
Income funds	23				
Restricted funds			7,205,303		7,608,215
Restricted funds – Fair value reserve			373,175		373,175
Unrestricted designated funds			30,000		30,000
Unrestricted general funds			1,386,683		1,333,853
			<u>8,995,161</u>		<u>9,345,243</u>


NORTH EAST THEATRE TRUST LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2023

The accounts were approved by the Board of Trustees and authorised for issue on 18/1/2024 and are signed on their behalf by;


J R McKinnell
Trustee


K L Winskell
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		5,579,161		5,916,715
Investment properties	15		4,485,000		4,485,000
Investments			11		11
			<u>10,064,172</u>		<u>10,401,726</u>
Current assets					
Debtors	19	5,180,873		5,027,885	
Cash at bank and in hand		94,208		345,807	
			<u>5,275,081</u>		<u>5,373,692</u>
Creditors: amounts falling due within one year	21	<u>(454,630)</u>		<u>(462,268)</u>	
Net current assets			<u>4,820,451</u>		<u>4,911,424</u>
Total assets less current liabilities			<u>14,884,623</u>		<u>15,313,150</u>
Creditors: amounts falling due after more than one year	22		<u>(5,652,249)</u>		<u>(5,730,694)</u>
Net assets			<u>9,232,374</u>		<u>9,582,456</u>
Income funds					
Restricted funds			7,205,303		7,608,215
Restricted funds – Fair value reserve			610,388		610,388
Unrestricted designated funds			30,000		30,000
Unrestricted general funds			1,386,683		1,333,853
			<u>9,232,374</u>		<u>9,582,456</u>

NORTH EAST THEATRE TRUST LIMITED

COMPANY BALANCE SHEET


AS AT 31 MARCH 2023

The accounts were approved by the Board of Trustees and authorised for issue on 18/1/2024 and are signed on their behalf by;

J R McKinnell
Trustee



K L Winkell
Trustee



Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	29		(340,388)		77,847
Investing activities					
Purchase of tangible fixed assets		(78,102)		(385,233)	
Interest received		-		-	
Net cash used in investing activities			<u>(78,102)</u>		<u>(385,233)</u>
Financing activities					
Repayment of bank loans		(77,426)		(76,620)	
Net cash used in financing activities			<u>(77,426)</u>		<u>(76,620)</u>
Net increase/(decrease) in cash and cash equivalents			<u>(495,916)</u>		<u>(384,006)</u>
Cash and cash equivalents at beginning of year			<u>678,776</u>		<u>1,062,782</u>
Cash and cash equivalents at end of year			<u>182,860</u>		<u>678,776</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

North East Theatre Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Broad Chare, Quayside, Newcastle upon Tyne, NE1 3DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The group and charity is dependent upon continuing grant aid from a number of sources as well as trading surpluses from our social enterprises. The trustees are aware that the current economic climate may have an impact on the availability of such grants and income in the future and hence the continued success of the charity group. The trustees have undertaken a detailed review of the budgets that have been prepared for the next 24 months and the underlying assumptions, as well as the forecast outcome for the current year. As a result of successful applications for funds from the trustees are confident that the forecasting used to predict future income (and expenditure) is based on the track record of the company and trends that have been identified as well as credible forecasting using external information and advisers. In terms of trusts and foundations we have carried out some long-term planning to identify a pipeline of trusts and foundations we are eligible to apply for. The trustees have concluded based on available evidence, that there is a reasonable expectation that the group and charity has adequate resources to continue in operational existence for the foreseeable future. As a consequence, the trustees continue to adopt the going concern basis in preparing the financial statements

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets. This is a restricted fixed asset fund representing the written down value of those assets subject to restrictions. The detailed operation of these funds is described under the accounting policy 'Capital grants' above.

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Incoming resources are accounted for on a receivable basis deferred as described below where appropriate.

Except as described under the 'Deferred income' accounting policy all grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Investment Income

Bank interest is included in the income and expenditure account on a receivable basis.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

The policy for including items within the relevant activity categories of resources expended is as detailed in the report to the trustees.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is based on current accounting standards, the SORP and the reasonable judgement of the trustees.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Over 100 years straight line
Leasehold land and buildings	Over the term of the lease up to a maximum of 20 years straight line
Plant and machinery	15 - 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

A regular annual review of the likelihood of asset impairment is undertaken.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

1.14 Capital grants

The board of trustees consider that, in order to comply with the SORP, gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity should be credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

If the related assets are subject to restrictions by the grant making organisation on their use and disposal, then these restrictions are noted in the fixed asset section of these accounts. In such circumstances, the fixed asset fund created is treated as a restricted fixed asset fund. As the related assets are depreciated, then a transfer is made from restricted fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset subject to the restriction. In this year, a sum of £422,421 (2022: £419,204) was transferred from restricted fixed asset funds to unrestricted revenue reserves.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the Statement of Standard Accounting Practice Number 4, such departure is justified on the basis that it is in order to comply with the SORP.

1.15 Taxation

As a registered charity, North East Theatre Trust is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Any trading surplus or capital gain of the subsidiaries, Live Trading Limited and LiveWorks (Newcastle upon Tyne) Limited, not covered by the deed of covenant, are subject to corporation tax. Value Added Tax is recoverable by the group and is therefore excluded from the relevant income and expenditure in the Statement of Financial Activities and tangible fixed assets on the Balance Sheet.

1.16 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies (continued)

Assessing Indicators of Impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The charity depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

Valuation of investment property

As described in note 15 to the financial statements, the investment property is stated at fair value based on the valuation performed by an independent professional valuer, Knight Frank chartered surveyors, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the property

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and gifts	13,988	-	13,988	4,154
Grants receivable	649,831	175,142	824,973	1,411,023
Sponsorship	13,445	-	13,445	11,810
	<u>677,264</u>	<u>175,142</u>	<u>852,406</u>	<u>1,426,987</u>
For the year ended 31 March 2022	<u>958,044</u>	<u>468,943</u>		<u>1,426,987</u>

In March 2020 the Government introduced the Coronavirus Job Retention Scheme which allowed employers to put staff on temporary leave and reclaim between 60% to 80% of the employees' payroll costs. During the year to 31 March 2023 the group claimed £nil (2022: £145,071). In addition, the Government had also introduced a number of Covid-19 business support grants, for which the group was eligible, and received a total of £nil (2022: £38,667).

4 Charitable activities

	Theatre activities £	Education and participation £	Total 2023 £	Total 2022 £
Charitable income	<u>159,557</u>	<u>28,375</u>	<u>187,932</u>	<u>114,480</u>
Analysis by fund				
Unrestricted funds	<u>159,557</u>	<u>28,375</u>	<u>187,932</u>	
For the year ended 31 March 2022				
Unrestricted funds	<u>85,814</u>	<u>28,666</u>		<u>114,480</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Other trading income

	Unrestricted funds £	Total 2023 £	Total 2022 £
Bar takes	62,609	62,609	35,710
Bar and buffet income	5,936	5,936	1,234
Venue hire	9,380	9,380	7,856
	<u>77,925</u>	<u>77,925</u>	<u>44,800</u>
For the year ended 31 March 2022	<u>44,800</u>		<u>44,800</u>

6 Investment income

	Unrestricted funds £	Total 2023 £	Total 2022 £
Rental income	832,131	832,131	717,904
Bank interest receivable	-	-	-
	<u>832,131</u>	<u>832,131</u>	<u>717,904</u>
For the year ended 31 March 2022	<u>717,904</u>		<u>717,904</u>

7 Raising funds

	2023 £	2022 £
<u>Fundraising</u>		
Support costs (note 9)	<u>30,137</u>	<u>32,325</u>
<u>Marketing and publicity</u>		
Support costs (note 9)	<u>39,026</u>	<u>44,500</u>
<u>Trading costs</u>		
Commercial trading operations	191,246	188,568
Governance cost	5,288	5,513
	<u>196,534</u>	<u>194,081</u>
	<u>265,697</u>	<u>270,906</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

	Theatre activities	Education and participation	Total 2023	Total 2022
	£	£	£	£
Staff costs	-	25,000	25,000	-
Production costs	377,024	-	377,024	316,414
Education and participation expenses	-	67,123	67,123	69,284
Cleaning	11,948	10,455	22,403	43,337
IT support costs	18,881	6,109	24,990	50,611
Insurance	23,923	20,933	44,856	44,719
Licences	2,454	-	2,454	4,534
Light and heat	72,174	63,152	135,326	63,487
Printing, postage and stationery	1,429	1,250	2,679	4,300
Repairs and maintenance	24,926	21,810	46,736	71,177
Rent, rates and water	37,404	32,728	70,132	62,895
Subscriptions	5,339	4,671	10,010	4,877
Telephone and fax	1,903	1,665	3,568	5,292
Sundries	1,419	1,244	2,663	3,238
	<u>578,824</u>	<u>256,140</u>	<u>834,964</u>	<u>744,165</u>
Share of support costs (see note 9)	943,347	166,473	1,109,820	1,030,616
Share of governance costs (see note 9)	6,813	1,202	8,015	9,114
	<u>1,528,984</u>	<u>423,815</u>	<u>1,952,799</u>	<u>1,783,895</u>
Analysis by fund				
Unrestricted funds	1,461,814	335,352	1,797,166	
Restricted funds	67,170	88,463	155,633	
	<u>1,528,984</u>	<u>423,815</u>	<u>1,952,799</u>	
For the year ended 31 March 2022				
Unrestricted funds	1,299,078	442,278		1,741,356
Restricted funds	5,940	36,599		42,539
	<u>1,305,018</u>	<u>478,877</u>		<u>1,783,895</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs	Governance costs	Total 2023	Support costs	Governance costs	Total 2022
	£	£	£	£	£	£
Employment costs	597,917	-	597,917	533,227	-	533,227
Other staff costs	8,109	-	8,109	6,705	-	6,705
Depreciation	415,656	-	415,656	415,458	-	415,458
Marketing and publicity	29,588	-	29,588	19,992	-	19,992
Premises	106,485	-	106,485	94,363	-	94,363
General administrative expenses	21,228	-	21,228	37,696	-	37,696
Audit fees	-	2,600	2,600	-	2,600	2,600
Accountancy	-	5,350	5,350	-	5,900	5,900
Trustees' expenses	-	65	65	-	614	614
	<u>1,178,983</u>	<u>8,015</u>	<u>1,186,998</u>	<u>1,107,441</u>	<u>9,114</u>	<u>1,116,555</u>
Analysed between						
Raising funds	69,163	-	69,163	76,825	-	76,825
Charitable activities	<u>1,109,820</u>	<u>8,015</u>	<u>1,117,835</u>	<u>1,030,616</u>	<u>9,114</u>	<u>1,039,730</u>
	<u>1,178,983</u>	<u>8,015</u>	<u>1,186,998</u>	<u>1,107,441</u>	<u>9,114</u>	<u>1,116,555</u>

10 Net movement in funds

2023

£

2022

£

Net movement in funds is stated after charging/(crediting):

Fees payable to the company's auditor		
- Audit fees	2,600	2,600
- Non audit fees	5,350	5,900
Depreciation of owned tangible fixed assets	415,656	415,458
Operating lease charges	79,265	82,725
	<u>415,656</u>	<u>415,458</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Trustees

	2023 £	2022 £
<i>The amount of travel expenses paid to trustees was:</i>		
J A Kell	<u>65</u>	<u>362</u>
<i>Remuneration payable to trustees or connected persons:</i>		
J A Kell	<u>56,100</u>	<u>55,000</u>
<i>Employer's National Insurance contributions on above remuneration:</i>		
J A Kell	<u>6,829</u>	<u>6,369</u>
<i>Pension contributions relating to trustees or connected persons:</i>		
J A Kell	<u>1,683</u>	<u>1,650</u>

J A Kell is a member of the charity's defined contribution scheme. She contributed 3% of salary to the scheme and the charity contributed 3% of salary.

No other trustees received any remuneration during the year or in the previous year.

All payments to trustees were made in accordance with the terms of the memorandum and articles of the charity.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees

Number of employees

The average monthly number employees during the year was:

	2023	2022
	Number	Number
Charitable activities	15	15
Publicity activities	2	2
Fundraising activities	2	2
Management and administration	6	6
	<hr/>	<hr/>
	25	25
	<hr/>	<hr/>

Employment costs

	2023	2022
	£	£
Wages and salaries	652,836	599,412
Social security costs	49,170	47,032
Other pension costs	16,633	21,883
	<hr/>	<hr/>
	718,639	668,327
	<hr/>	<hr/>

The number of employees whose annual remuneration was £60,000 or more were:

	2023	2022
	Number	Number
£60,000 - £69,999	<hr/>	<hr/>
	-	-

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Net gains/(losses) on investments

	2023 £	2022 £
Fair value gain on investment properties	-	335,000

14 Other expenditure

	2023 £	2022 £
Financing costs	302,120	292,094

15 Investment property - group

	2023 £
Fair value	
At 1 April 2022	8,485,000
Fair value adjustment	-
At 31 March 2023	8,485,000

Investment property comprises of 5 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2022, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

Investment property - company

	2023 £
Fair value	
At 1 April 2022	4,485,000
Fair value adjustment	-
At 31 March 2023	4,485,000

Investment property comprises of 4 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2022, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Tangible fixed assets - group

	Freehold land and buildings	Leasehold land and buildings	Plant and machinery	Total
	£	£	£	£
Cost				
At 1 April 2022	3,294,615	7,820,415	599,358	11,714,388
Additions	-	44,586	33,516	78,102
At 31 March 2023	<u>3,294,615</u>	<u>7,865,001</u>	<u>632,874</u>	<u>11,792,490</u>
Depreciation and impairment				
At 1 April 2022	108,038	5,223,648	465,987	5,797,673
Depreciation charged in the year	17,947	352,767	44,942	415,656
At 31 March 2023	<u>125,985</u>	<u>5,576,415</u>	<u>510,929</u>	<u>6,213,329</u>
Carrying amount				
At 31 March 2023	<u>3,168,630</u>	<u>2,288,586</u>	<u>121,945</u>	<u>5,579,161</u>
At 31 March 2022	<u>3,186,577</u>	<u>2,596,767</u>	<u>133,371</u>	<u>5,916,715</u>

All assets are used for direct charitable purposes and there are no inalienable or heritage assets.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Tangible fixed assets (continued) - company

	Freehold land and buildings	Leasehold land and buildings	Plant and machinery	Total
	£	£	£	£
Cost				
At 1 April 2022	3,294,615	7,820,415	599,358	11,714,388
Additions	-	44,586	33,516	78,102
At 31 March 2023	3,294,615	7,865,001	632,874	11,792,490
Depreciation and impairment				
At 1 April 2022	108,038	5,223,648	465,987	5,797,673
Depreciation charged in the year	17,947	352,767	44,942	415,656
At 31 March 2023	125,985	5,576,415	510,929	6,213,329
Carrying amount				
At 31 March 2023	3,168,630	2,288,586	121,945	5,579,161
At 31 March 2022	3,186,577	2,596,767	133,371	5,916,715

All assets are used for direct charitable purposes and there are no inalienable or heritage assets.

17 Subsidiary undertakings included within the group accounts

Live Trading Limited

The name of the subsidiary undertaking is Live Trading Limited, registered in England, company number 03100229. The aggregate amount of the holding company's investment in its subsidiary is £1, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise engaging in trades similar to the charitable activities of the holding company as well as holding investment properties to earn rentals, and donates its entire taxable trading profit to the holding company by way of deed of covenant.

LiveWorks (Newcastle upon Tyne) Limited

The name of the subsidiary undertaking is LiveWorks (Newcastle upon Tyne) Limited, registered in England, company number 08981067. The aggregate amount of the holding company's investment in its subsidiary is £10, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise that holds an investment property to earn rentals.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Subsidiary undertakings included within the group accounts (continued)

A summary of the audited accounts of the subsidiaries is as follows:

	2023 £	2022 £
LiveWorks (Newcastle upon Tyne) Limited		
Aggregate amount of assets	4,443,331	4,477,702
Aggregate amount of liabilities and provisions	<u>(4,680,534)</u>	<u>(4,714,905)</u>
Aggregate amount of net liabilities	<u>(237,203)</u>	<u>(237,203)</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	281,000	314,554
Expenses (net of VAT)	(241,907)	(155,103)
Other gains	-	175,000
Net profit	39,093	334,451
Payments made to holding company	<u>(39,093)</u>	<u>(159,451)</u>
Net profit after donations	<u>-</u>	<u>175,000</u>
	2023 £	2022 £
		as restated
Live Trading Limited		
Aggregate amount of assets	484,815	228,006
Aggregate amount of liabilities and provisions	<u>(484,814)</u>	<u>(228,005)</u>
Aggregate amount of funds	<u>1</u>	<u>1</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	1,157,856	771,924
Expenses (net of VAT)	(722,793)	(515,076)
Other operating income (net of VAT)	<u>202,554</u>	<u>32,597</u>
Net profit	637,617	289,445
Payments made to holding company	<u>(637,617)</u>	<u>(289,445)</u>
Net profit/(loss) after donations	<u>-</u>	<u>-</u>

Prior period adjustment

The 2022 comparative figures have been restated to recognise the omission of income and expenditure in the profit and loss account in respect of productions taking place within the year ended 31 March 2022.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Financial Instruments

	Group £	2023 Company £	Group £	2022 Company £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	<u>58,613</u>	<u>4,996,548</u>	<u>7,664</u>	<u>4,797,167</u>
Equity instruments measured at cost less impairment	<u>-</u>	<u>11</u>	<u>-</u>	<u>11</u>
Carrying amount of financial liabilities				
Measured at amortised cost	<u>6,239,644</u>	<u>6,065,436</u>	<u>6,277,527</u>	<u>6,139,989</u>

19 Debtors

	Group £	2023 Company £	Group £	2022 Company £
Amounts falling due within one year:				
Trade debtors	58,613	13,613	7,664	-
Amounts due from subsidiary undertakings	-	4,982,935	-	4,797,167
Prepayments and accrued income	<u>967,669</u>	<u>184,325</u>	<u>584,209</u>	<u>230,718</u>
	<u>1,026,282</u>	<u>5,180,873</u>	<u>591,873</u>	<u>5,027,885</u>

20 Loans and overdrafts

	Group £	2023 Company £	Group £	2022 Company £
Other loans	<u>5,683,964</u>	<u>5,683,964</u>	<u>5,761,390</u>	<u>5,761,390</u>
Payable within one year	31,715	31,715	30,696	30,696
Payable after one year	<u>5,652,249</u>	<u>5,652,249</u>	<u>5,730,694</u>	<u>5,730,694</u>

Interest rates of 5.02% and 8.08% per annum are applied to the loans, with repayments to be made over the remaining 36 years of the loan agreements. The long term loans are secured by fixed charges over the fixed assets of the charity.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Creditors: amounts falling due within one year

	Notes	Group £	2023 Company £	Group £	2022 Company £
Other loans	20	31,715	31,715	30,696	30,696
Other taxation and social security		41,443	41,443	52,972	52,972
Trade creditors		370,603	291,903	294,176	257,334
Other creditors		3,521	3,521	4,484	4,484
Accruals and deferred income		<u>181,556</u>	<u>86,048</u>	<u>217,476</u>	<u>116,782</u>
		<u>628,838</u>	<u>454,630</u>	<u>599,804</u>	<u>462,268</u>

Deferred income is included in the financial statements as follows:

	Group £	2023 Company £	Group £	2022 Company £
Brought forward	138,007	42,311	239,164	82,939
Released in the year	(6,055)	(867)	(112,328)	(40,628)
Deferred in the year	-	-	11,171	-
Carried forward	<u>131,952</u>	<u>41,444</u>	<u>138,007</u>	<u>42,311</u>

Deferred income consists largely of rental income in respect of the Group's social enterprise and is released to the SOFA when the rent period for which the deferred income relates to has ended.

22 Creditors: amounts falling due after more than one year

	Notes	Group £	2023 Company £	Group £	2022 Company £
Other loans	20	<u>5,652,249</u>	<u>5,652,249</u>	<u>5,730,694</u>	<u>5,730,694</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Movement in funds

Current financial year

	Movement in funds					Balance at 31 March 2023 £
	Balance at 1 April 2022	Incoming resources	Outgoing resources	Transfers between funds	Fair value gains and losses	
	£	£	£	£		
<u>Unrestricted funds</u>						
<i>Designated:</i>						
Capital maintenance	30,000	-	-	-	-	30,000
<i>General:</i>						
Revenue reserves	1,333,853	1,995,392	(2,364,983)	422,421	-	1,386,683
Total unrestricted funds	1,363,853	1,995,392	(2,364,983)	422,421	-	1,416,683
<u>Restricted funds</u>						
Capital redevelopment fund (1995-97)	105	-	-	(16)	-	89
Capital redevelopment fund (2005-07)	1,469,662	-	-	(266,451)	-	1,203,211
Capital development (Sustain fund)	177,869	-	-	(19,763)	-	158,106
Capital development (The Schoolhouse)	564,028	-	-	(51,070)	-	512,958
Capital development (Live Works)	4,870,963	-	-	(51,643)	-	4,819,320
Capital (Live Theatre)	525,588	679	(2,170)	(33,478)	-	490,619
Education and Participation	-	63,463	(63,463)	-	-	-
Creative Programme	-	111,000	(90,000)	-	-	21,000
Fair value reserve	373,175	-	-	-	-	373,175
Total restricted funds	7,981,390	175,142	(155,633)	(422,421)	-	7,578,478
Total funds	9,345,243	2,170,534	(2,520,616)	-	-	8,995,161

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Movement in funds (continued)

Prior financial year

	Movement in funds					Fair value gains and losses	Balance at 31 March 2022
	Balance at 1 April 2021	Incoming resources	Outgoing resources	Transfers between funds			
	£	£	£	£	£		
<u>Unrestricted funds</u>							
<i>Designated:</i>							
Capital maintenance	30,000	-	-	-	-	-	30,000
<i>General:</i>							
Revenue reserves	1,344,045	1,874,960	(2,304,356)	419,204	-	-	1,333,853
Total unrestricted funds	1,374,045	1,874,960	(2,304,356)	419,204	-	-	1,363,853
<u>Restricted funds</u>							
Capital redevelopment fund (1995-97)	123	-	-	(18)	-	-	105
Capital redevelopment fund (2005-07)	1,736,113	-	-	(266,451)	-	-	1,469,662
Capital development (Sustain fund)	197,632	-	-	(19,763)	-	-	177,869
Capital development (The Schoolhouse)	615,098	-	-	(51,070)	-	-	564,028
Capital development (Live Works)	4,922,606	-	-	(51,643)	-	-	4,870,963
Capital (Live Theatre)	99,824	463,943	(7,920)	(30,259)	-	-	525,588
Education and Participation	29,619	5,000	(34,619)	-	-	-	-
Fair value reserve	38,175	-	-	-	335,000	-	373,175
Total restricted funds	7,639,190	468,943	(42,539)	(419,204)	335,000	-	7,981,390
Total funds	9,013,235	2,343,903	(2,346,895)	-	335,000	-	9,345,243

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Movement in funds (continued)

Capital redevelopment fund (1995-97)

Grants to finance building alterations in 1995 and 1997 were received from Tyne & Wear Development Fund and the European Social Fund. These are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Capital redevelopment fund (2005-07)

Capital grant funding was received to fund the acquisition of a 32 year lease of 29 Broad Chare and to fund the alteration costs to provide a new entrance and foyer, a new entrance into the theatre auditorium, rehearsal and designated writers' spaces, a new cafe space and office accommodation. The grants are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Sustain fund

Live Theatre was awarded a grant by Arts Council England under its Sustain managed fund to enable the charity to develop investment projects to provide additional future sources of income. The grant is released at a rate to match the anticipated economic life of the building alterations undertaken. The grant has a restrictive clause relating to the disposal of the building. The surplus of grant release over depreciation is carried forward until the expiry of the grant restriction.

The Schoolhouse

Arts Council England, through their Renew Fund, with assistance from the European Regional Development Fund, have funded the acquisition and will assist with the development of The Schoolhouse to be a centre for creative activities, and a SME incubator for Live Theatre cultural businesses whilst generating rental income. The grants will be released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions. No further funds were received this year.

Live Works

Grant funding was received from the following organisations, since 2014, to enable a new building to be constructed which will provide further Social Enterprise income and a new creative writing centre, a park and an outdoor stage.

Arts Council England	£2,000,000
The Catherine Cookson Charitable Trust	£300,000
Sir James Knott Trust	£75,000
Garfield Weston Foundation	£200,000
Gillian Dickinson Trust	£200,000
The Monument Trust	£150,000
Department for Communities and Local Government	£2,189,273
The Wolfson Foundation	£50,000
Fidelity UK Foundation	£75,000
Architectural Heritage Fund	£26,100

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Movement in funds (continued)

Education and Participation

The following grant(s) were received as restricted funds in the year.

Newcastle culture Investment Fund (NCIF)	£10,000
Backstage Trust	£25,000
John D Fund at The Community Foundation	£2,963
John Horseman Trust	£5,000
John Thaw Foundation	£1,000
Shears Foundation	£5,000
29 th May 1961 Charitable Trust	£5,000
Esmée Fairbairn Foundation (TASK Grant)	£7,500
R W Mann Trust	£2,000

Capital (Live Theatre)

The following grant(s) were received as restricted funds in the year.

Arts Council – Kickstart Fund	£679
-------------------------------	------

Creative Programme

The following grant(s) were received as restricted funds in the year.

The D'Oyly Carte Charitable Trust	£4,000
Idlewild Trust	£5,000
John Ellerman Foundation	£30,000
Hadrian Trust	£1,000
Gillian Dickinson Trust	£20,000
Garrick Charitable Trust	£5,000
Catherine Cookson Charitable Trust	£21,000
Regional Theatre Young Director Scheme	£25,000

Designated capital maintenance fund

In the 2018 financial year the trustees had set aside £30,000 from unrestricted reserves in order to meet expected future capital asset improvements. This designated fund does not form part of the charity's unrestricted general funds.

Explanation of the nature of each material transfer between funds

In accordance with the accounting policy relating to capital grants in note 1 above, funds are released to revenue reserves to match the depreciation on the associated assets:

The 1995-97 Capital Redevelopment fund	£16
The 2005-07 Capital Redevelopment fund	£266,451
The 2010-11 Sustain fund	£19,763
The School House fund	£51,070
Live Works	£51,643
Live Theatre	£33,478

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Analysis of net assets between funds

Current financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	1,761,500	-	3,817,661	-	5,579,161
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	532,249	30,000	21,000	-	583,249
Long term liabilities	(5,652,249)	-	-	-	(5,652,249)
	<u>1,386,683</u>	<u>30,000</u>	<u>7,205,303</u>	<u>373,175</u>	<u>8,995,161</u>

24 Analysis of net assets between funds (continued)

Prior financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:					
Tangible assets	1,748,512	-	4,168,203	-	5,916,715
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	570,852	30,000	73,370	-	674,222
Long term liabilities	(5,730,694)	-	-	-	(5,730,694)
	<u>1,333,853</u>	<u>30,000</u>	<u>7,608,215</u>	<u>373,175</u>	<u>9,345,243</u>

25 Financial commitments, guarantees and contingent liabilities

As referred to in note 23 above, the grants receivable from the European Regional Development Fund, Heritage Lottery Fund and Arts Council England are repayable if the charity fails to keep to the terms of the agreements with the grant funders, undergoes a significant change in status, ceases to operate or is declared insolvent within the periods as set out below:

European Regional Development Fund (£892,732) up to 31 March 2026;
 Heritage Lottery Fund (£457,319) up to 31 January 2031;
 Arts Council England (£182,200) up to 22 March 2027;
 European Regional Development Fund (£414,387) up to 31 March 2038;

These agreements are secured by legal charges over the leasehold properties at Trinity Chare, including The Schoolhouse, and Broad Chare, Newcastle upon Tyne.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

26 Related party transactions

The charity has received donations from both its subsidiaries, £39,092 was received from Liveworks (Newcastle upon Tyne) Ltd (2022: £159,451), and £637,617 was received from Live Trading Limited (2022: £289,445).

Live Trading Limited, a subsidiary, was recharged wages and salary costs by North East Theatre Trust Limited, and totalled £116,055 (2022: £128,327).

At the year end the charity was due a balance of £4,670,329 from Liveworks (Newcastle upon Tyne) Ltd (2022: £4,704,700), on which interest of £239,366 was charged (2022: £152,324). The charity was also owed a balance of £312,606 from Live Trading Limited (2022: £92,467), on which no interest was charged.

During the year the charity received £825 from the Lucy Winskell Fund at Community Foundation Serving Tyne & Wear and Northumberland (2022: £1,248). Lucy Winskell is a trustee of the charity and also of Community Foundation Serving Tyne & Wear and Northumberland.

Remuneration of key management personnel

The remuneration of key management personnel (listed on page 8) is as follows.

	2023	2022
	£	£
Aggregate compensation	129,225	90,053

27 Subsidiaries

These financial statements are separate from the group financial statements for North East Theatre Trust Limited.

Separate financial statements are required to be prepared by law. Consolidated financial statements for the North East Theatre Trust Limited Group are prepared and publicly available from Companies House and the Charity Commission.

Details of the charity's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
LiveWorks (Newcastle upon Tyne) Ltd	Capital management	Ordinary	100.00	
Live Trading Limited	Commercial operations	Ordinary	100.00	

The investments in subsidiaries are all stated at cost.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

28 Operating lease commitments

	2023 £	2022 £
Within one year	73,000	73,000
Between two and five years	365,000	365,000
In over five years	529,250	602,250
	<u>967,250</u>	<u>1,040,250</u>

29 Cash generated from operations

	2023 £	2022 £
Surplus/(deficit) for the year	(350,082)	332,008
Adjustments for:		
Investment income recognised in profit or loss	-	-
Fair value gains on investment properties	-	(335,000)
Depreciation and impairment of tangible fixed assets	415,656	415,458
Movements in working capital:		
(Increase)/decrease in stock	432	(1,527)
(Increase) in debtors	(434,407)	(93,935)
Decrease in creditors	28,013	(239,157)
Cash (absorbed by)/ from operations	<u>(340,388)</u>	<u>77,847</u>

30 Parent company's income and expenditure account

The company is required to prepared group accounts under the provision of the Companies Act and has taken advantage of the exemption afforded by section 408 Companies Act 2006 to exclude its individual Statement of Financial Activities from the group accounts.

The net expenditure, after the gain on investments, shown in the individual Statement of Financial Activities of the parent company for the year ended 31 March 2023, and included in the group accounts, is £350,082 (2022: £157,008 income).

NORTH EAST THEATRE TRUST LIMITED

England & Wales - Charity number 513771

Accounts

Charity Registration No. 513771

Company Registration No. 01697756 (England and Wales)

NORTH EAST THEATRE TRUST LIMITED
CONSOLIDATED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

NORTH EAST THEATRE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered name	North East Theatre Trust Limited
Trading name	Live Theatre
Trustees	S Emmas M F Henry M F Percy S M Wilson K L H Winskell S Brown J R McKinnell B Hobson L Robson R S Cantrill-Fenwick P T H Shevlin I A Din R M Elgie J A Kell (Appointed 1 April 2021)
Charity number	513771
Company number	01697756
Registered office	29 Broad Chare Quayside Newcastle upon Tyne NE1 3DQ
Telephone	0191 261 2694
Auditor	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG
Bankers	Lloyds Bank plc 102 Grey Street Newcastle upon Tyne NE99 1SL Virgin Money 131-135 Northumberland Street Newcastle upon Tyne NE1 7AG
Solicitors	DWF LLP 2nd Floor Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ

NORTH EAST THEATRE TRUST LIMITED

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NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Introduction

The Annual Report notes in detail the activities of the charity throughout the 2021/22 financial year.

This is our first report as Joint Chief Executive's. We were delighted to reopen our doors to audiences in September 2021 with a 'Back to Live' programme of work focussing on new and emerging talent.

Although our building was closed during the pandemic we continued to create new stories and work with artists and young people. We found new ways to do things and new ways to reach audiences. However, reopening was a special moment because Live Theatre is much more than just a building. It's a place where people share stories that matter to them and connect with one another.

Despite difficult economic and financial conditions we have been able to sustain the company during the pandemic and we are extremely grateful to our varied funders. We were pleased to receive support from the Culture Recovery Fund administered by Arts Council England on behalf of DCMS as well as benefiting from government support schemes including the Job Retention Scheme and business grants via Newcastle City Council as a business rates payer. We have received invaluable support from trusts and foundations that continue to support and fund our work, many of them long terms supporters. Our thanks go to them all, for capital support; Wolfson Foundation, Theatres Trust and the Foyle Foundation and for revenue support; Esmée Fairbairn Foundation, Garfield Weston Foundation, John Ellerman Foundation and Sir James Knott Trust. We also thank our stakeholders Arts Council England.

Artistic Programme

As the impact of the pandemic became clearer and the realisation the effects of Covid on the cultural and theatre sectors would be devastating, with the freelance and independent sector bearing the brunt. We recognised that this risked the loss of new and emerging voices as well as early and mid-career artists. As a result we began to develop a creative programme for the year that worked within the challenges of post lockdown times with continued Covid restrictions but offered opportunities for the freelance and independent sector.

We were clear about the aims of this programme which was to create a highly visible programme of investment and development in theatre projects and artists, demonstrating Live Theatre is active, accessible and open. The 'Back to Live' programme also aimed to clearly communicate Live's value as a cultural organisation during a period of uncertainty and sectoral change. We hoped to communicate the clear message that we were investing now to ensure a future for theatre in the region.

This aim was to be carried out with a focus on creating opportunities for artists with regards to the crisis within the cultural freelance sector while maintaining Live Theatres diverse voice and artist representation. As well as an understanding of how to enable affirmative action in response to Black Lives Matter and culture wide calls for structural change.

Live's artist development work 'Elevator' has gone from strength to strength in recent years with an ever more increasing range and number of artists working with us. The main parts of the programme are the annual Elevator Festival, open script reading windows, the Introduction to Playwriting course, Your Voice North East (previously 10 minutes to....)....and our bursary programmes.

Previous years progress in our 'Elevator Programme' illustrates our commitment to developing the artform. The continued investment, supported in particular by the John Ellerman Foundation, and allocation of resources has seen the number of undiscovered and emerging playwrights and theatre practitioners that we have nurtured increase significantly with applications for participation from writers, actors, directors, designers, technicians and theatre makers from a broad geographic area. Although the pandemic caused us to rethink how we delivered our talent development programme it did not halt it.

In 2021/22 we offered four artist development opportunities:

- Your Voice North East – a short play competition
- Live Theatre Elevator Bursaries – an open call for bursaries for plays to be presented at the Elevator Festival
- Open Script Submissions
- Live Playwriting Course

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Your Voice North East – 95 submissions were received for this short play competition and seven plays were selected and given micro-commissions, overall the project engaged 28 freelance artists of which 12 were new to Live Theatre and 26 were North East artists. The following plays were produced for Your Voice North East:

Pints by Ellie Carroll

The Big Welcome by Vivek Nityananda

It Takes Two by Becci Sharrock

Black Dark by Aimee Shields

Once a Dunstoner, Always a Dunstoner by Holly Readshaw

Through The Hurricane by Nick Tennant

Networking by Catherine O'Neill

Live Theatre Bursaries – 95 applications were received for a bursary. The original intention was to award ten Live Bursaries of £2,000 each. However, having reviewed the applications and rethinking how we could use our resources to support as many freelance artists and new ideas as possible it was decided to split the bursaries into two tiers; Full Bursaries and Seed Bursaries. Eight Full Bursaries and five Seed Bursaries were awarded, thirteen in total and three more than originally planned.

Open Script Submissions - 282 script submissions were received during the open window. All were read and feedback given.

Introduction to Playwrighting Course – We received 64 applications for the Live Playwrighting 10 weeks, and 21 participated in the course which was a hybrid version of part in-person, and part online delivery.

Children and Young People's Work

It is recognised nationally and internationally national lockdowns and Covid related restrictions throughout the year has had a negative impact on children and on young people. To counter some of the isolation they were experiencing and feeling we took both the Youth Theatre and Live Tales programme online.

We established the Youth Theatre Reconnection Collection a ten-week online term. We established six groups and there were over 100 participants. We continued with the online delivery until Summer 2021 reopening for in person sessions for the new academic year of 2021/22. We did continue to offer online sessions for one group in the first term but found young people wanted to reconnect in person.

We continued to offer Live Tales sessions online as we found schools were more reluctant to plan out of school activities as well as open our Creative Writing centres back up for in-person sessions in Newcastle and Sunderland.

Our volunteers who support our children and young people's work are very important to us. We have worked with a core group of 16 volunteers with creative catch ups to counteract any isolation they were feeling and when able we have instigated in person sessions, it has meant when we were back to delivering in-person Live Tales sessions the volunteers were fully training and engaged.

Financial viability

Live Theatre continued with its innovative financial model using the profits from social enterprises to build earned income and contribute to the charitable objectives of Live Theatre. The ongoing relationship with our restaurant partners (four separate venues) has been particularly successful

Despite the difficult year we continue to make progress to stabilise our finances and balance a diverse and successful artistic programme with prudent financial management using effective financial controls, monitoring and reporting mechanisms.

Finance and Personnel sub-committee (F&P) meet regularly to consider the management accounts, risk and overall financial health of the company as well as people matters. The F&P reports in writing to the Board at each meeting ensuring it is clear whether the board is being asked to make a decision or not.

At the end of the 2021/22 financial year group unrestricted reserves had been increased in line with forecasts due primarily to accessing the Job Retention Scheme, Cultural Recovery Fund and balancing all of our income streams and charitable activities of Live Theatre.

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

We continued to pay artists and freelance staff fairly – based on the Independent Theatre Council rates of pay Live Theatre pays slightly higher than this. In addition, we pay all members of staff (including casual) at least the National Living Wage.

We have continued to invest in the estate and used the enforced closedown to start the capital project to improve our impact on the environment as well as improve access and visibility of the theatre.

At the end of the 2021/22 financial year the group ended with a net deficit of £10,192 to unrestricted funds. We made £76,620 of repayments against our Newcastle City Council capital loan. Over £500,000 of income was derived from Live Theatre's social enterprises.

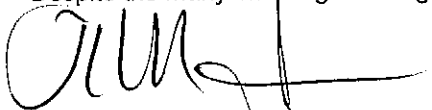
Future Plans

The charity now has a range of buildings and physical assets that create a substantial and sustainable income for Live Theatre. Over the next few years we will continue to concentrate on consolidating these assets to make as much return as possible from them to reinvest into our mission. This will support the charity as the effects of the pandemic materialise in the coming years.

The capital project funded via the ACE small capital grants scheme, Wolfson Foundation Theatre's Trust and Foyle Foundation is substantially complete and has resulted in a better environment for creative teams, audiences, staff and all visitors.

The artistic programme will continue to identify and invest in aspiring writers, new plays and young companies and artists to keep the pipeline of new theatre flowing for the sector. It will include new work, initiatives and projects by our creative team led and influenced by Artistic Director Jack McNamara; in the Children and Young People's programme, in the way Live Theatre utilises digital channels, in the way it develops its partnership with the University of Northumbria and the University of Sunderland, with co-producers and national and international producers, and with the changing face of the communities of the North East.

Despite the many challenges facing the sector we are excited about what the future holds for Live Theatre.



Jacquell Kell and Jack McNamara
Joint Chief Executives

Date: 28th November 2022

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The trustees present their report and accounts for the year ended 31 March 2022.

The board of trustees are satisfied with the performance of the group and charity during another difficult year and at 31 March 2022 we consider that the charity is in a stable position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations. The Team at Live Theatre continues to go above and beyond expectations in developing new work, promoting opportunities, supporting the sector and looking after the estate. They have been supported throughout the year by my fellow trustees who have given up an enormous amount of time and energy to support the work and provide strong governance in uncertain times.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 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 (FRS 102) (effective 1 January 2015)".

Objectives and activities

The objects of the charity are to promote, maintain, improve and advance education, particularly by the production of plays and encouragement of the Arts.

The principal activities of the company planned for the year were:

- the production of theatre performances at Live Theatre and the development of writers, actors and creative talent;
- the facilitation of drama and music programmes by other companies;
- the organisation and production of education and outreach activities for the public.

Through its activities the charity aims to:

- create, present and promote new plays informed by our sense of place;
- develop the skills of writers, performers and theatre practitioners at all stages of their careers;
- develop arts education and participation for children, young people and adults;
- involve all kinds of audiences in our endeavours;
- create sustainable income streams to deliver resources and new programmes.

The new priorities could be summarised as:

- embedding a new leadership team into the organisation;
- ensure strong post-Covid recovery;
- actively seeking other creative partners, as co-producers, to develop additional plays and projects;
- bedding down and consolidating the range of Social Enterprises which create unrestricted funds for the charity;
- actively engaging with a digital infrastructure throughout the group.

To further its objectives in 2021/22, the charity aimed for:

Short term

The immediate goals were:

- to regroup and recover from the Covid-19 pandemic
- to deliver a first class programme of new work including new commissions, new plays and productions;
- to deliver a high quality range of education and participation projects;
- to identify develop and nurture new talent through a range of specific projects;
- to achieve this in partnership with other co-producers and cultural institutions;

Mid to long term

Public sector investment continues to decrease as a result of austerity measures and challenging economic conditions. In response a significant goal is to increase unrestricted resources in the midterm. This will include:

- consolidation of Live Theatre's Social Enterprises and maximising the income from them;
- the continuing development of Live Tales, the creative writing project, part of Live Works;

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

- working with current partners and developing new ones;
- maintaining the buildings owned by Live Theatre in good working order.

We continue to review our priorities under a new leadership team adjusting as needs be. Audience numbers have not yet returned to pre-pandemic levels however a well performing social enterprise portfolio with 97% occupancy has helped balance these challenges. We also benefited from an extension year of NPO funding whilst also developing plans for a new three-year programme.

Public benefit that is provided by the charity

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities charity should undertake.

Live Theatre is one of the leading new writing producing theatres in the UK. It produces new plays of world class quality, finds and develops creative talent, and runs one of the largest free arts education programmes in the region. It has an international reputation for this work that involves many and various audiences in the North East and elsewhere around the world.

Details of our activities across the year (including its main programmes, projects, or services provided) that contribute to the achievement of the stated objectives is referred to in detail within the Joint Chief Executive's report where they sets out the specifics of the 2021/22 Creative Programme.

The charity continues to pursue strategies to provide access for all to its work. The physical building has been made accessible to all. Whilst charges for admission to the Live Theatre Productions are made for financial reasons, there is a comprehensive scheme of concessions, selected complimentary tickets for partners and charities and free events and talks. We have also introduced a Pay it Forward scheme. There are no charges made for access to the Education and Participation programmes.

Summary of main activities of the charity in relation to its objects:

- Live Theatre has identified and developed new talent through the production of specific projects and various programmes of work by supporting writers at all stages of their careers to progress and pursue their work;
- Live Theatre has contributed to the cultural economy of the region via all its creative and social enterprise projects;
- the board and senior management have researched and devised new methods of deriving and diversifying income to support the charity;

A Programme of Change has diversified the charity's income streams, ultimately resulting in making more theatre and devising more projects that inspire an increasing number of adults, young people and children to acquire skills that raise their aspiration and potential, contribute to closing the region's skills gap, and make a positive contribution towards a creative, equal and just society.

Although volunteering opportunities were more limited than pre-pandemic, creative based sessions to engage with our volunteers happened early in the year before in-person volunteering was active again.

Achievements and performance

Despite the clear constraints the trustees are pleased with the achievements Live Theatre has accomplished this year which includes:

- 13 plays produced
- 85 creatives engaged in producing these staged shows
- 536 playwrights engaged in our creative opportunities programmes
- 282 scripts submitted to our open submission programme
- 95 Bursary submissions
- 13 Bursaries awarded
- 21 artists took part in online scriptwriting course
- 86 days of R&D space provided to 235 creative freelancers with an in-kind cost of £61,340
- 16 freelance theatre facilitators employed through the CYP programme overall
- 125 young people involved weekly Youth Theatre
- 2,029 school children worked with through Live Tales

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Fundraising activities

In 2021/22 the charity continued its fundraising activities in support of delivery of its objects.

Revenue funds raised for core, project and Education and Participation activities:

Arts Council England (core)	£638,255
Garfield Weston Foundation	£249,000
Esmée Fairbairn Foundation	£50,000
John Ellerman Foundation	£30,000
Sir James Knott Trust	£5,000
The Lucy Winkell Fund at Community Foundation	£1,248

A Capital development scheme progressed using funds raised from the ACE Small Capital Scheme, Wolfson Foundation and Theatres Trust.

The continued public sector cutbacks and the uncertainties around Brexit make for a challenging landscape for any charity and made even more challenging by Covid-19. This environment also affects the support gained from Trusts and Foundations as applications face a more competitive environment. Despite this Live Theatre has been supported by many during this difficult year and thanks are given by the Trustees to those partners, stakeholders, trusts and foundations that have given their unwavering support. We have also benefited greatly from government support and without Culture Recovery Funding and the Job Retention Scheme it would have been impossible to see a way out of the pandemic for the company.

The aim of the organisation since 2008 has been to develop unrestricted income via its social enterprises. Some of this income started in 2011. Live Works is the fourth and largest of these social enterprises, a significant capital project which completed in 2016 and has since created new funds to support the charity. We continue to work with our managing agent and our tenants in our buildings to create a positive working relationship to ensure future sustainable income streams. 2021/22 has also been a difficult year for many of our tenants especially those operating in the hospitality industry but we continue to work with and supported them in their reopening after the national lockdown.

Fundraising practices

The charity and group does not use a commercial participator to raise funds, nor have we engaged volunteers on our behalf/in aid of our charity, during the period relating to this report; all our fundraising has been conducted by Trust staff. Any monies raised directly from the public follow all guidelines set out by the Charity Commission, The Code of Fundraising Practice and English & Welsh law in every respect. There have been no fundraising compliance issues, nor have we received any complaints in relation to our public fundraising during the period relating to this report.

Financial review

Our group reserves total £9,345,243, which includes £7,981,390 of restricted funds, £30,000 of designated funds and £1,333,853 of unrestricted funds. Of these unrestricted funds £6,493,695 are held in fixed assets and investment properties, with an associated long-term loan of £5,730,694. Therefore, our free reserves (being those not tied up in fixed assets, designated or restricted funds) stand at £570,852 as at 31 March 2022. The Trustees have a policy in place which notes that the group should aim to hold building overhead and salary costs for a period of three months within free reserves.

As explained on page 1, the year ended 31 March 2022 has continued to be impacted operationally by Covid-19. It has also been a challenging year financially for our sector and stakeholders. The free reserves position at 31 March 2023, is expected to decrease to c.£500k, this is due primarily to escalating energy costs and lower audience numbers early in the 2022/23 season. The availability of free reserves will support a challenging 2022/23 as Live Theatre and the sector seeks to rebuild confidence and audiences. Trustees are content based on these detailed projections and related sensitivity analysis that the group has adequate funds to consider meeting its liabilities as they fall due over the next 12 months. Further details of this are found in the going concern accounting policy in note 1.2.

Arts Council England provided a revenue grant of £638,255. This was used to support the core activity of the charity in the delivery of theatre productions, development of writers and the delivery of the education programme.

Corporate sponsorship was received from Green Energy Consulting. The growing Friends Scheme has generated £8,210.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The Group Statement of Financial Activities shows net outgoing resources for the year of unrestricted funds of £429,396 (2021: incoming resources £706,320), and net realised incoming resources of restricted funds of £761,404 (2021: net realised incoming resources of £24,967), making net overall realised incoming resources of £332,008 (2021: net overall realised incoming resources of £731,017).

The total reserves at the year end stand at £9,345,243 (2021: £9,013,235).

Financial performance of the charity's subsidiary undertakings

Live Trading Limited generated profits of £289,445 (2021: £125,997) for the financial year. The profits for 2022 were gifted to the charity at the year end £289,445 (2021: £125,997).

LiveWorks (Newcastle upon Tyne) Limited had generated a profit of £334,451 in which £175,000 revaluation gain was recognised (2021: £79,245). £159,451 (2021: £79,245) was gifted to the charity at the year end.

Risk Management

The charity is open to the usual financial risks of any organisation, and controls are in place to minimise these risks. All material financial commitments and decisions are approved through the Finance & Personnel sub-committee and the main Board of Trustees.

A risk register is maintained by the charity which set out the strategic and operational risks as well as the actions the charity takes to mitigate these. The major risks to the Charity are:

Covid-19

Ongoing restrictions, audience reticence, company infection during show run, reduced income streams could cause longer term issues to the running of the company.

Core funding (Public Sector Support)

The continuing reduction of public sector investment in culture creates a challenging environment in which to operate.

Cash flow

Cash flow is monitored on a daily basis and a cash flow is forecast forward on a weekly basis.

Live Works

Projected rental income from Live Theatre's properties is not being achieved. Knight Frank, the leading UK and London property agents, have been contracted to market the properties to as wide a market as possible.

Loss of Key Staff

We will continue to grow a strong senior management team to provide short term cover and medium-term recruitment and replacement options. The Executive Team succession plan is now complete with the successful appointment in December 2020 of Jacqui Kell as Executive Director & Joint Chief Executive and in April 2021 of Jack McNamara as Artistic Director & Joint Chief Executive.

Structure, governance and management

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The directors of the company are also trustees of the charity.

Eligibility for membership of the charity and membership of the board of trustees is governed by the memorandum and articles of association. There are no restrictions in the governing document on the operation of the charity or on its investment powers, other than those imposed by general charity law.

The Board of Trustees and Finance and Personnel sub-committee met bi-monthly – with F&P meeting more regularly. Standing agenda items included monitoring and reporting KPI's, Artistic Programme, Creative Case, risks, and financial accounts. Written reports were prepared for Board on these, with F&P considering and evaluating the financial papers in detail prior to making written recommendations to Board for consideration and approval.

The Board took time out in September 2021, to undertake training, consider the strategic direction of Live Theatre, and review mission, vision and values, sustainability, resilience and financial strategy. This work was also picked up during bi-monthly Board meetings as well as post year end.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Strengthening the diversity and skill set of the Board was a priority through the year, underlining our Governance progress and mirroring the progress made in the diversity of our work.

The board of trustees has continued to meet regularly throughout the year supporting the executive team and the wider staff team during this difficult period. Members of the Finance and Personnel Committee have, in particular, dedicated much time supporting the development of sustainable budgets for the short and medium term leaving no stone unturned in this pursuit. Trustees involved in the recruitment of the new leadership team also spent a significant amount of time on this with a huge amount of interest nationally for both roles culminating in the appointment of Jack in May 2021 who started work with Live Theatre in August 2021.

Senior staff (key management personnel) to whom the Board of Trustees delegated the day to day management of the charity during 2021/22 year were:

Executive Director/Joint Chief Executive	-	Jacqui Kell
Artistic Director/Joint Chief Executive	-	Jack McNamara

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

S Emmas
M F Henry
M F Percy
S M Wilson
K L H Winskell
S Brown
J R McKinnell
B Hobson
L Robson
R S Cantrill-Fenwick
P T H Shevlin
I A Din
R M Elgie
J Kell

The memorandum and articles of association allow for up to 18 trustees.

Potential trustees are suggested to the board in order to satisfy any skill shortfall on the board or to assist with a specific project. The individuals submit their CVs and are interviewed by the chair and two other board members. A recommendation is then made to the full board for their consideration. The recruit is then co-opted as a trustee pending election at the next AGM.

The charity has a long standing relationship with its key stakeholders: Arts Council England (ACE) and Newcastle City Council. ACE regard North East Theatre Trust as the leading new writing producer in the North East. Newcastle City Council regards the theatre as one of the City's key cultural assets. Both stakeholders can send an observer to attend board meetings.

The subsidiary company, Live Trading Limited, supports the objectives of the charity by the hiring of Live Theatre facilities, the operation of its bar and the rental and management of the Social Enterprises of North East Theatre Trust gifting surplus income to the charity. Three board members of North East Theatre Trust are also board members of Live Trading Limited.

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Statement of trustees' responsibilities

The trustees, who are also the directors of North East Theatre Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

RMT Accountants & Business Advisors Ltd were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

A word from the Chair of Trustees

This year, I as I did last year, I pick up the required reporting language of the annual report and accounts, and confirm that the Board is satisfied with performance. Again this is something of an understatement. This year we emerged from lockdown to incredible difficult trading and operating conditions for all of the sector. Despite this the team has pulled together to deliver a creative programme that was rooted in our values and supported new and emerging writers as well as offering our returning audiences strong, local stories that entertained and challenged perceptions. I want to thank the staff team, on behalf of the board, for their hard work, resilience and good humour during difficult times.

Finally, I would like to thank my fellow trustees who have offered me, the Executive team and the staff team continued support during this year and have dedicated many hours of time guiding the group through another difficult year. I look forward to working with them further in 2022/23.

The trustees' report was approved by the Board of Trustees.


K L Winkell
Trustee

Date: 28th November 2022

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Opinion

We have audited the financial statements of North East Theatre Trust Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Companies Act 2006, Charities Act 2011, Tax, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include data protection and health and safety legislation.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

S.D. 

.....
Stephen Slater (Senior Statutory Auditor)
for and on behalf of RMT Accountants & Business Advisors Ltd
Statutory Auditor
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 28/11/2022

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:						
Donations and legacies	3	958,044	-	468,943	1,426,987	2,089,144
Charitable activities	4	114,480	-	-	114,480	36,602
Other trading income	5	44,800	-	-	44,800	4,234
Investments	6	717,904	-	-	717,904	503,221
Other income		39,732	-	-	39,732	250
Total Income		1,874,960	-	468,943	2,343,903	2,633,451
Expenditure on:						
Raising funds	7	270,906	-	-	270,906	239,660
Charitable activities	8	1,741,356	-	42,539	1,783,895	1,355,519
Other	14	292,094	-	-	292,094	307,255
Total resources expended		2,304,356	-	42,539	2,346,895	1,902,434
Net gains on investments	13	-	-	335,000	335,000	-
Net (outgoing)/incoming resources before transfers		(429,396)	-	761,404	332,008	731,017
Gross transfers between funds	23	419,204	-	(419,204)	-	-
Net income/(expenditure) for the year/ Net movement in funds		(10,192)	-	342,200	332,008	731,017
Fund balances at 1 April 2021	23	1,344,045	30,000	7,639,190	9,013,235	8,282,218
Fund balances at 31 March 2022	23	1,333,853	30,000	7,981,390	9,345,243	9,013,235

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:						
Donations and legacies	3	2,064,447	-	24,697	2,089,144	850,642
Charitable activities	4	36,602	-	-	36,602	219,321
Other trading income	5	4,234	-	-	4,234	106,005
Investments	6	503,221	-	-	503,221	667,902
Other income		250	-	-	250	12,360
Total Income		2,608,754	-	24,697	2,633,451	1,856,230
Expenditure on:						
Raising funds	7	239,660	-	-	239,660	253,973
Charitable activities	8	1,355,519	-	-	1,355,519	1,792,444
Other	14	307,255	-	-	307,255	224,462
Total resources expended		1,902,434	-	-	1,902,434	2,270,879
Net gains on investments	13	-	-	-	-	38,175
Net outgoing resources before transfers		706,320	-	24,697	731,017	(376,474)
Gross transfers between funds	23	399,947	-	(399,947)	-	-
Net income/(expenditure) for the year/ Net movement in funds		1,106,267	-	(375,250)	731,017	(376,474)
Fund balances at 1 April 2020	23	237,778	30,000	8,014,440	8,282,218	8,658,692
Fund balances at 31 March 2021	23	1,344,045	30,000	7,639,190	9,013,235	8,282,218

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH EAST THEATRE TRUST LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	16		5,916,715		5,946,940
Investment properties	15		8,485,000		8,150,000
			<u>14,401,715</u>		<u>14,096,940</u>
Current assets					
Stock		3,377		1,850	
Debtors	19	591,873		497,938	
Cash at bank and in hand		678,776		1,062,782	
		<u>1,274,026</u>		<u>1,562,570</u>	
Creditors: amounts falling due within one year	21	(599,804)		(906,645)	
Net current assets			<u>674,222</u>		<u>655,925</u>
Total assets less current liabilities			<u>15,075,937</u>		<u>14,752,865</u>
Creditors: amounts falling due after more than one year	22		(5,730,694)		(5,739,630)
Net assets			<u>9,345,243</u>		<u>9,013,235</u>
Income funds	23				
Restricted funds			7,608,215		7,601,015
Restricted funds – Fair value reserve			373,175		38,175
Unrestricted designated funds			30,000		30,000
Unrestricted general funds			1,333,853		1,344,045
			<u>9,345,243</u>		<u>9,013,235</u>

The accounts were approved by the Board of Trustees and authorised for issue on 28/11/2022 and are signed on their behalf by;


J R McKinnell
 Trustee


K L Winkell
 Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

COMPANY BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		5,916,715		5,946,940
Investment properties	15		4,485,000		4,325,000
Investments			11		11
			<u>10,401,726</u>		<u>10,271,951</u>
Current assets					
Debtors	19	5,027,885		4,864,169	
Cash at bank and in hand		345,807		743,904	
		<u>5,373,692</u>		<u>5,608,073</u>	
Creditors: amounts falling due within one year	21	<u>(462,268)</u>		<u>(714,946)</u>	
Net current assets			<u>4,911,424</u>		<u>4,893,127</u>
Total assets less current liabilities			<u>15,313,150</u>		<u>15,165,078</u>
Creditors: amounts falling due after more than one year	22		<u>(5,730,694)</u>		<u>(5,739,630)</u>
Net assets			<u>9,582,456</u>		<u>9,425,448</u>
Income funds					
Restricted funds			7,608,215		7,601,015
Restricted funds – Fair value reserve			610,388		450,388
Unrestricted designated funds			30,000		30,000
Unrestricted general funds			1,333,853		1,344,045
			<u>9,582,456</u>		<u>9,425,448</u>

The accounts were approved by the Board of Trustees and authorised for issue on 28/11/2022 and are signed on their behalf by;



J R McKinnell
Trustee



K L Winkell
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	£	2022 £	£	2021 £
Cash flows from operating activities					
Cash generated from operations	29		77,847		928,914
Investing activities					
Purchase of tangible fixed assets		(385,233)		(99,994)	
Interest received		-		97	
Net cash used in investing activities			<u>(385,233)</u>		<u>(99,897)</u>
Financing activities					
Repayment of bank loans		(76,620)		(4,629)	
Net cash used in financing activities			<u>(76,620)</u>		<u>(4,629)</u>
Net increase/(decrease) in cash and cash equivalents			<u>(384,006)</u>		<u>824,388</u>
Cash and cash equivalents at beginning of year			<u>1,062,782</u>		<u>238,394</u>
Cash and cash equivalents at end of year			<u>678,776</u>		<u>1,062,782</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

North East Theatre Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Broad Chare, Quayside, Newcastle upon Tyne, NE1 3DQ.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 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 of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets. This is a restricted fixed asset fund representing the written down value of those assets subject to restrictions. The detailed operation of these funds is described under the accounting policy 'Capital grants' above.

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Incoming resources are accounted for on a receivable basis deferred as described below where appropriate.

Except as described under the 'Deferred income' accounting policy all grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Investment income

Bank interest is included in the income and expenditure account on a receivable basis.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

The policy for including items within the relevant activity categories of resources expended is as detailed in the report to the trustees.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is based on current accounting standards, the SORP and the reasonable judgement of the trustees.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Over 100 years straight line
Leasehold land and buildings	Over the term of the lease up to a maximum of 20 years straight line
Plant and machinery	15 - 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

A regular annual review of the likelihood of asset impairment is undertaken.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.8 Fixed asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

1.11 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

1.14 Capital grants

The board of trustees consider that, in order to comply with the SORP, gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity should be credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

If the related assets are subject to restrictions by the grant making organisation on their use and disposal, then these restrictions are noted in the fixed asset section of these accounts. In such circumstances, the fixed asset fund created is treated as a restricted fixed asset fund. As the related assets are depreciated, then a transfer is made from restricted fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset subject to the restriction. In this year, a sum of £399,947 (2020: £399,026) was transferred from restricted fixed asset funds to unrestricted revenue reserves.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the Statement of Standard Accounting Practice Number 4, such departure is justified on the basis that it is in order to comply with the SORP.

1.15 Taxation

As a registered charity, North East Theatre Trust is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Any trading surplus or capital gain of the subsidiaries, Live Trading Limited and LiveWorks (Newcastle upon Tyne) Limited, not covered by the deed of covenant, are subject to corporation tax. Value Added Tax is recoverable by the group and is therefore excluded from the relevant income and expenditure in the Statement of Financial Activities and tangible fixed assets on the Balance Sheet.

1.16 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Assessing Indicators of Impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The charity depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

Valuation of Investment property

As described in note 15 to the financial statements, the investment property is stated at fair value based on the valuation performed by an independent professional valuer, Knight Frank chartered surveyors, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the property

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and gifts	4,154	-	4,154	2,980
Grants receivable	942,080	468,943	1,411,023	2,069,514
Sponsorship	11,810	-	11,810	16,650
	<u>958,044</u>	<u>468,943</u>	<u>1,426,987</u>	<u>2,089,144</u>
For the year ended 31 March 2021	<u>2,064,447</u>	<u>24,697</u>		<u>2,089,144</u>

In March 2020 the Government introduced the Coronavirus Job Retention Scheme which allowed employers to put staff on temporary leave and reclaim between 60% to 80% of the employees' payroll costs. During the year to 31 March 2022 the group claimed £145,071 (2021: £393,517). In addition, the Government had also introduced a number of Covid-19 business support grants, for which the group was eligible, and received a total of £38,667 (2021: £139,278).

4 Charitable activities

	Theatre activities £	Education and participation £	Total 2022 £	Total 2021 £
Charitable income	85,814	28,666	114,480	36,602
Analysis by fund				
Unrestricted funds	<u>85,814</u>	<u>28,666</u>	<u>114,480</u>	
For the year ended 31 March 2021				
Unrestricted funds	<u>13,602</u>	<u>23,000</u>		<u>36,602</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Other trading income

	Unrestricted funds £	Total 2022 £	Total 2021 £
Bar takes	35,710	35,710	-
Bar and buffet income	1,234	1,234	-
Venue hire	7,856	7,856	4,234
	<u>44,800</u>	<u>44,800</u>	<u>4,234</u>
For the year ended 31 March 2021	<u>4,234</u>		<u>4,234</u>

6 Investment income

	Unrestricted funds £	Total 2022 £	Total 2021 £
Rental income	717,904	717,904	503,124
Bank interest receivable	-	-	97
	<u>717,904</u>	<u>717,904</u>	<u>503,221</u>
For the year ended 31 March 2021	<u>503,221</u>		<u>503,221</u>

7 Raising funds

	2022 £	2021 £
<u>Fundraising</u>		
Support costs	<u>32,325</u>	<u>45,004</u>
<u>Marketing and publicity</u>		
Support costs	<u>44,500</u>	<u>44,863</u>
<u>Trading costs</u>		
Commercial trading operations	188,568	144,767
Governance cost	5,513	5,026
	<u>194,081</u>	<u>149,793</u>
	<u>270,906</u>	<u>239,660</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities

	Theatre activities	Education and participation	Total 2022	Total 2021
	£	£	£	£
Production costs	316,414	-	316,414	114,215
Education and participation expenses	-	69,284	69,284	23,966
Cleaning	23,113	20,224	43,337	5,941
IT support costs	42,940	7,671	50,611	36,113
Insurance	23,850	20,869	44,719	39,304
Licences	4,534	-	4,534	1,841
Light and heat	33,859	29,628	63,487	33,322
Printing, postage and stationery	2,293	2,007	4,300	1,239
Repairs and maintenance	37,961	33,216	71,177	31,891
Rent, rates and water	33,544	29,351	62,895	60,353
Subscriptions	2,601	2,276	4,877	4,593
Telephone and fax	2,822	2,470	5,292	8,453
Sundries	1,727	1,511	3,238	2,060
	<u>525,658</u>	<u>218,507</u>	<u>744,165</u>	<u>363,291</u>
Share of support costs (see note 9)	772,528	258,088	1,030,616	988,328
Share of governance costs (see note 9)	6,832	2,282	9,114	3,900
	<u>1,305,018</u>	<u>478,877</u>	<u>1,783,895</u>	<u>1,355,519</u>
Analysis by fund				
Unrestricted funds	1,299,078	442,278	1,741,356	
Restricted funds	5,940	36,599	42,539	
	<u>1,305,018</u>	<u>478,877</u>	<u>1,783,895</u>	
For the year ended 31 March 2021				
Unrestricted funds	772,932	582,587		1,355,519
	<u>772,932</u>	<u>582,587</u>		<u>1,355,519</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Employment costs	533,227	-	533,227	598,221
Other staff costs	6,705	-	6,705	21,275
Depreciation	415,458	-	415,458	372,702
Marketing and publicity	19,992	-	19,992	14,431
Premises	94,363	-	94,363	56,418
General administrative expenses	37,696	-	37,696	15,148
Audit fees	-	2,600	2,600	2,600
Accountancy	-	5,900	5,900	1,300
Trustees' expenses	-	614	614	-
	<u>1,107,441</u>	<u>9,114</u>	<u>1,116,555</u>	<u>1,082,095</u>
Analysed between				
Fundraising	76,825	-	76,825	89,867
Charitable activities	1,030,616	9,114	1,039,730	992,228
	<u>1,107,441</u>	<u>9,114</u>	<u>1,116,555</u>	<u>1,082,095</u>

10 Net movement in funds

	2022	2021
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor		
- Audit fees	2,600	2,600
- Non audit fees	5,900	1,300
Depreciation of owned tangible fixed assets	415,458	372,702
Operating lease charges	82,725	79,265
	<u>415,458</u>	<u>372,702</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Trustees

	2022 £	2021 £
<i>The amount of travel expenses paid to trustees was:</i>		
J P Beirne	-	-
J A Kell	<u>362</u>	<u>-</u>
<i>Remuneration payable to trustees or connected persons:</i>		
J P Beirne	-	60,947
J A Kell	<u>55,000</u>	<u>-</u>
<i>Employer's National Insurance contributions on above remuneration:</i>		
J P Beirne	-	7,197
J A Kell	<u>6,369</u>	<u>-</u>
<i>Pension contributions relating to trustees or connected persons:</i>		
J P Beirne	-	1,828
J A Kell	<u>1,650</u>	<u>-</u>

J A Kell is a member of the charity's defined contribution scheme. She contributed 3% of salary to the scheme and the charity contributed 3% of salary. J P Beirne was a member of the scheme until his resignation as a trustee on 31 March 2021.

No other trustees received any remuneration during the year or in the previous year.

All payments to trustees were made in accordance with the terms of the memorandum and articles of the charity.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Employees

Number of employees

The average monthly number employees during the year was:

	2022 Number	2021 Number
Charitable activities	15	14
Publicity activities	2	2
Fundraising activities	2	2
Management and administration	6	5
	<u>25</u>	<u>23</u>

Employment costs

	2022 £	2021 £
Wages and salaries	599,412	644,786
Social security costs	47,032	49,663
Other pension costs	21,883	17,007
	<u>668,327</u>	<u>711,456</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2022 Number	2021 Number
£60,000 - £69,999	<u>-</u>	<u>1</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Net gains/(losses) on investments

	2022 £	2021 £
Fair value gain on investment properties	335,000	-

14 Other expenditure

	2022 £	2021 £
Financing costs	292,094	307,255

15 Investment property - group

	2022 £
Fair value	
At 1 April 2021	8,150,000
Fair value adjustment	335,000
At 31 March 2022	8,485,000

Investment property comprises of 5 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2022, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

Investment property - company

	2022 £
Fair value	
At 1 April 2021	4,325,000
Fair value adjustment	160,000
At 31 March 2022	4,485,000

Investment property comprises of 4 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2022, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Tangible fixed assets - group

	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £	Total £
Cost				
At 1 April 2021	3,294,615	7,435,182	599,358	11,329,155
Additions	-	385,233	-	385,233
At 31 March 2022	<u>3,294,615</u>	<u>7,820,415</u>	<u>599,358</u>	<u>11,714,388</u>
Depreciation and impairment				
At 1 April 2021	90,091	4,870,881	421,243	5,382,215
Depreciation charged in the year	17,947	352,767	44,744	415,458
At 31 March 2022	<u>108,038</u>	<u>5,223,648</u>	<u>465,987</u>	<u>5,797,673</u>
Carrying amount				
At 31 March 2022	<u>3,186,577</u>	<u>2,596,767</u>	<u>133,371</u>	<u>5,916,715</u>
At 31 March 2021	<u>3,204,524</u>	<u>2,564,301</u>	<u>178,115</u>	<u>5,946,940</u>

All assets are used for direct charitable purposes and there are no inalienable or heritage assets.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Tangible fixed assets (continued) - company

	Freehold land and buildings	Leasehold land and buildings	Plant and machinery	Total
	£	£	£	£
Cost				
At 1 April 2021	3,294,615	7,435,182	599,358	11,329,155
Additions	-	385,233	-	385,233
At 31 March 2022	3,294,615	7,820,415	599,358	11,714,388
Depreciation and impairment				
At 1 April 2021	90,091	4,870,881	421,243	5,382,215
Depreciation charged in the year	17,947	352,767	44,744	415,458
At 31 March 2022	108,038	5,223,648	465,987	5,797,673
Carrying amount				
At 31 March 2022	3,186,577	2,596,767	133,371	5,916,715
At 31 March 2021	3,204,524	2,564,301	178,115	5,946,940

All assets are used for direct charitable purposes and there are no inalienable or heritage assets.

17 Subsidiary undertakings included within the group accounts

Live Trading Limited

The name of the subsidiary undertaking is Live Trading Limited, registered in England, company number 03100229. The aggregate amount of the holding company's investment in its subsidiary is £1, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise engaging in trades similar to the charitable activities of the holding company as well as holding investment properties to earn rentals, and donates its entire taxable trading profit to the holding company by way of deed of covenant.

LiveWorks (Newcastle upon Tyne) Limited

The name of the subsidiary undertaking is LiveWorks (Newcastle upon Tyne) Limited, registered in England, company number 08981067. The aggregate amount of the holding company's investment in its subsidiary is £10, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise that holds an investment property to earn rentals.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Subsidiary undertakings included within the group accounts (continued)

A summary of the audited accounts of the subsidiaries is as follows:

	2022 £	2021 £
LiveWorks (Newcastle upon Tyne) Limited		
Aggregate amount of assets	4,477,702	4,002,318
Aggregate amount of liabilities and provisions	<u>(4,714,905)</u>	<u>(4,414,521)</u>
Aggregate amount of net liabilities	<u>(237,203)</u>	<u>(412,203)</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	314,554	233,747
Expenses (net of VAT)	(155,103)	(154,502)
Other gains	<u>175,000</u>	<u>-</u>
Net profit /(loss)	334,451	79,245
Payments made to holding company	<u>(159,451)</u>	<u>(79,245)</u>
Net profit/(loss) after donations	<u>175,000</u>	<u>-</u>
Live Trading Limited		
Aggregate amount of assets	228,006	328,670
Aggregate amount of liabilities and provisions	<u>(228,005)</u>	<u>(328,669)</u>
Aggregate amount of funds	<u>1</u>	<u>1</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	448,150	273,611
Expenses (net of VAT)	(191,302)	(147,614)
Other operating income (net of VAT)	<u>32,597</u>	<u>-</u>
Net profit	289,445	125,997
Payments made to holding company	<u>(289,445)</u>	<u>(125,997)</u>
Net profit/(loss) after donations	<u>-</u>	<u>-</u>

18 Financial instruments

	Group £	2022 Company £	Group £	2021 Company £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	<u>7,664</u>	<u>4,797,167</u>	<u>75,889</u>	<u>4,577,841</u>
Equity instruments measured at cost less impairment	<u>-</u>	<u>11</u>	<u>-</u>	<u>11</u>
Carrying amount of financial liabilities				
Measured at amortised cost	<u>6,277,527</u>	<u>6,139,989</u>	<u>6,644,756</u>	<u>6,453,057</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Debtors

	Group £	2022 Company £	Group £	2021 Company £
Amounts falling due within one year:				
Trade debtors	7,664	-	75,889	26,349
Amounts due from subsidiary undertakings	-	4,797,167	-	4,551,492
Prepayments and accrued income	<u>584,209</u>	<u>230,718</u>	<u>422,049</u>	<u>286,328</u>
	<u>591,873</u>	<u>5,027,885</u>	<u>497,938</u>	<u>4,864,169</u>

20 Loans and overdrafts

	Group £	2022 Company £	Group £	2021 Company £
Other loans	<u>5,761,390</u>	<u>5,761,390</u>	<u>5,838,010</u>	<u>5,838,010</u>
Payable within one year	30,696	30,696	98,380	98,380
Payable after one year	<u>5,730,694</u>	<u>5,730,694</u>	<u>5,739,630</u>	<u>5,739,630</u>

Interest rates of 5.02% and 8.08% per annum are applied to the loans, with repayments to be made over the remaining 36 years of the loan agreements. The long term loans are secured by fixed charges over the fixed assets of the charity.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Creditors: amounts falling due within one year

	Notes	Group £	2022 Company £	Group £	2021 Company £
Other loans	20	30,696	30,696	98,380	98,380
Other taxation and social security		52,972	52,972	1,519	1,519
Trade creditors		294,176	257,334	224,041	194,072
Other creditors		4,484	4,484	5,069	4,469
Accruals and deferred income		<u>217,476</u>	<u>116,782</u>	<u>577,636</u>	<u>416,5062</u>
		<u>599,804</u>	<u>462,268</u>	<u>906,645</u>	<u>714,946</u>

Deferred income is included in the financial statements as follows:

	Group £	2022 Company £	Group £	2021 Company £
Brought forward	239,164	82,939	484,582	251,151
Released in the year	(112,328)	(40,628)	(245,418)	(168,212)
Deferred in the year	<u>11,171</u>	<u>-</u>	<u>-</u>	<u>-</u>
Carried forward	<u>138,007</u>	<u>42,311</u>	<u>239,164</u>	<u>82,939</u>

Deferred income consists largely of rental income in respect of the Group's social enterprise and is released to the SOFA when the rent period for which the deferred income relates to has ended.

22 Creditors: amounts falling due after more than one year

	Notes	Group £	2022 Company £	Group £	2021 Company £
Other loans	20	<u>5,730,694</u>	<u>5,730,694</u>	<u>5,739,630</u>	<u>5,739,630</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Movement in funds

Current financial year

	Movement in funds					Balance at 31 March 2022 £
	Balance at 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers between funds £	Fair value gains and losses	
<u>Unrestricted funds</u>						
<i>Designated:</i>						
Capital maintenance	30,000	-	-	-	-	30,000
<i>General:</i>						
Revenue reserves	1,344,045	1,874,960	(2,304,356)	419,204	-	1,333,853
Total unrestricted funds	1,374,045	1,874,960	(2,304,356)	419,204	-	1,363,853
<u>Restricted funds</u>						
Capital redevelopment fund (1995-97)	123	-	-	(18)	-	105
Capital redevelopment fund (2005-07)	1,736,113	-	-	(266,451)	-	1,469,662
Capital development (Sustain fund)	197,632	-	-	(19,763)	-	177,869
Capital development (The Schoolhouse)	615,098	-	-	(51,070)	-	564,028
Capital development (Live Works)	4,922,606	-	-	(51,643)	-	4,870,963
Capital (Live Theatre)	99,824	463,943	(7,920)	(30,259)	-	525,588
Education and Participation	29,619	5,000	(34,619)	-	-	-
Fair value reserve	38,175	-	-	-	335,000	373,175
Total restricted funds	7,639,190	468,943	(42,539)	(419,204)	335,000	7,981,390
Total funds	9,013,235	2,343,903	(2,346,895)	-	335,000	9,345,243

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Movement in funds (continued)

Prior financial year

	Balance at		Movement in funds		Fair value gains and losses	Balance at
	1 April 2020	Incoming resources	Outgoing resources	Transfers between funds		
	£	£	£	£		£
<u>Unrestricted funds</u>						
<i>Designated:</i>						
Capital maintenance	30,000	-	-	-	-	30,000
<i>General:</i>						
Revenue reserves	237,778	2,608,754	(1,902,434)	399,947	-	1,344,045
Total unrestricted funds	267,778	2,608,754	(1,902,434)	399,947	-	1,374,045
<u>Restricted funds</u>						
Capital redevelopment fund (1995-97)	145	-	-	(22)	-	123
Capital redevelopment fund (2005-07)	2,002,564	-	-	(266,451)	-	1,736,113
Capital development (Sustain fund)	217,396	-	-	(19,764)	-	197,632
Capital development (The Schoolhouse)	666,168	-	-	(51,070)	-	615,098
Capital development (Live Works)	4,974,249	-	-	(51,643)	-	4,922,606
Capital (Live Theatre)	108,243	2,578	-	(10,997)	-	99,824
Education and Participation	7,500	22,119	-	-	-	29,619
Fair value reserve	38,175	-	-	-	-	38,175
Total restricted funds	8,014,440	24,697	-	(399,947)	-	7,639,190
Total funds	8,282,218	2,633,451	(1,902,434)	-	-	9,013,235

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Movement in funds (continued)

Capital redevelopment fund (1995-97)

Grants to finance building alterations in 1995 and 1997 were received from Tyne & Wear Development Fund and the European Social Fund. These are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Capital redevelopment fund (2005-07)

Capital grant funding was received to fund the acquisition of a 32 year lease of 29 Broad Chare and to fund the alteration costs to provide a new entrance and foyer, a new entrance into the theatre auditorium, rehearsal and designated writers' spaces, a new cafe space and office accommodation. The grants are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Sustain fund

Live Theatre was awarded a grant by Arts Council England under its Sustain managed fund to enable the charity to develop investment projects to provide additional future sources of income. The grant is released at a rate to match the anticipated economic life of the building alterations undertaken. The grant has a restrictive clause relating to the disposal of the building. The surplus of grant release over depreciation is carried forward until the expiry of the grant restriction.

The Schoolhouse

Arts Council England, through their Renew Fund, with assistance from the European Regional Development Fund, have funded the acquisition and will assist with the development of The Schoolhouse to be a centre for creative activities, and a SME incubator for Live Theatre cultural businesses whilst generating rental income. The grants will be released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions. No further funds were received this year.

Live Works

Grant funding was received from the following organisations, since 2014, to enable a new building to be constructed which will provide further Social Enterprise income and a new creative writing centre, a park and an outdoor stage.

Arts Council England	£2,000,000
The Catherine Cookson Charitable Trust	£300,000
Sir James Knott Trust	£75,000
Garfield Weston Foundation	£200,000
Gillian Dickinson Trust	£200,000
The Monument Trust	£150,000
Department for Communities and Local Government	£2,189,273
The Wolfson Foundation	£50,000
Fidelity UK Foundation	£75,000
Architectural Heritage Fund	£26,100

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Movement in funds (continued)

Education and Participation

The following grant(s) were received as restricted funds in the year.

Samares Investments Limited	£5,000
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Capital (Live Theatre)

The following grant(s) were received as restricted funds in the year.

Arts Council – Fit for 50	£298,918
Arts Council – Kickstart Fund	£84,935
T&F - The Foyle Foundation	£20,000
UHY Hacker Young Wolfson Foundation (fit for 50)	£50,000
NCC - Baltic Chambers	£10,090

Designated capital maintenance fund

In the 2018 financial year the trustees had set aside £30,000 from unrestricted reserves in order to meet expected future capital asset improvements. This designated fund does not form part of the charity's unrestricted general funds.

Explanation of the nature of each material transfer between funds

In accordance with the accounting policy relating to capital grants in note 1 above, funds are released to revenue reserves to match the depreciation on the associated assets:

The 1995-97 Capital Redevelopment fund	£18
The 2005-07 Capital Redevelopment fund	£266,451
The 2010-11 Sustain fund	£19,763
The School House fund	£51,070
Live Works	£51,643
Live Theatre	£30,259

24 Analysis of net assets between funds

Current financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:					
Tangible assets	1,748,512	-	4,168,203	-	5,916,715
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	570,852	30,000	73,370	-	674,222
Long term liabilities	(5,730,694)	-	-	-	(5,730,694)
	<u>1,333,853</u>	<u>30,000</u>	<u>7,608,215</u>	<u>373,175</u>	<u>9,345,243</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

24 Analysis of net assets between funds (continued)

Prior financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:					
Tangible assets	1,780,718	-	4,166,222	-	5,946,940
Investment property	4,709,229	-	3,402,596	38,175	8,150,000
Current assets	593,728	30,000	32,197	-	655,925
Long term liabilities	(5,739,630)	-	-	-	(5,739,630)
	<u>1,344,045</u>	<u>30,000</u>	<u>7,601,015</u>	<u>38,175</u>	<u>9,013,235</u>

25 Financial commitments, guarantees and contingent liabilities

As referred to in note 23 above, the grants receivable from the European Regional Development Fund, Heritage Lottery Fund and Arts Council England are repayable if the charity fails to keep to the terms of the agreements with the grant funders, undergoes a significant change in status, ceases to operate or is declared insolvent within the periods as set out below:

European Regional Development Fund (£892,732) up to 31 March 2026;
 Heritage Lottery Fund (£457,319) up to 31 January 2031;
 Arts Council England (£182,200) up to 22 March 2027;
 European Regional Development Fund (£414,387) up to 31 March 2038;

These agreements are secured by legal charges over the leasehold properties at Trinity Chare, including The Schoolhouse, and Broad Chare, Newcastle upon Tyne.

26 Related party transactions

The charity has received donations from both its subsidiaries, £159,451 was received from Liveworks (Newcastle upon Tyne) Ltd (2021: £79,245), and £289,445 was received from Live Trading Limited (2021: £125,997).

Live Trading Limited, a subsidiary, was recharged wages and salary costs by North East Theatre Trust Limited, and totalled £128,327 (2021: £112,776).

At the year end the charity was due a balance of £4,704,700 from Liveworks (Newcastle upon Tyne) Ltd (2021: £4,403,812), on which interest of £152,324 was charged (2021: £152,324). The charity was also owed a balance of £92,467 from Live Trading Limited (2021: £147,680), on which no interest was charged.

During the year the charity received £1,248 from the Lucy Winskell Fund at Community Foundation Serving Tyne & Wear and Northumberland. Lucy Winskell is a trustee of the charity and also of Community Foundation Serving Tyne & Wear and Northumberland.

Remuneration of key management personnel

The remuneration of key management personnel (listed on page 9) is as follows.

	2022	2021
	£	£
Aggregate compensation	<u>90,053</u>	<u>138,344</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

27 Subsidiaries

These financial statements are separate from the group financial statements for North East Theatre Trust Limited.

Separate financial statements are required to be prepared by law. Consolidated financial statements for the North East Theatre Trust Limited Group are prepared and publicly available from Companies House and the Charity Commission.

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
LiveWorks (Newcastle upon Tyne) Ltd	Capital management	Ordinary	100.00	
Live Trading Limited	Commercial operations	Ordinary	100.00	

The investments in subsidiaries are all stated at cost.

28 Operating lease commitments

	2022 £	2021 £
Within one year	73,000	73,000
Between two and five years	365,000	365,000
In over five years	602,250	675,250
	<u>1,040,250</u>	<u>1,113,250</u>

29 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	332,008	731,017
Adjustments for:		
Investment income recognised in profit or loss	-	(97)
Fair value gains on investment properties	(335,000)	-
Depreciation and impairment of tangible fixed assets	415,458	372,702
Movements in working capital:		
(Increase)/decrease in stock	(1,527)	138
(Increase) in debtors	(93,935)	(69,406)
Decrease in creditors	(239,157)	(105,440)
Cash generated from/(absorbed by) operations	<u>77,847</u>	<u>928,914</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

30 Parent company's income and expenditure account

The company is required to prepared group accounts under the provision of the Companies Act and has taken advantage of the exemption afforded by section 408 Companies Act 2006 to exclude its individual Statement of Financial Activities from the group accounts.

The net income, after the gain on investments, shown in the Individual Statement of Financial Activities of the parent company for the year ended 31 March 2022, and included in the group accounts, is £157,008 (2021: £731,018).

NORTH EAST THEATRE TRUST LIMITED

England & Wales - Charity number 513771

Accounts

Charity Registration No. 513771

Company Registration No. 01697756 (England and Wales)

NORTH EAST THEATRE TRUST LIMITED
CONSOLIDATED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NORTH EAST THEATRE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered name	North East Theatre Trust Limited
Trading name	Live Theatre
Trustees	P M Callaghan S Emmas M F Henry M F Percy S M Wilson K L H Winskell S Brown J R McKinnell B Hobson L Robson R S Cantrill-Fenwick P T H Shevlin I A Din R M Elgie
Charity number	513771
Company number	01697756
Registered office	29 Broad Chare Quayside Newcastle upon Tyne NE1 3DQ
Telephone	0191 261 2694
Auditor	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG
Bankers	Lloyds Bank plc 102 Grey Street Newcastle upon Tyne NE99 1SL Virgin Money 131-135 Northumberland Street Newcastle upon Tyne NE1 7AG
Solicitors	DWF LLP 2nd Floor Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ

NORTH EAST THEATRE TRUST LIMITED

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NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Introduction

The Annual Report notes in detail the activities of the charity throughout the 2020/21 financial year.

This is my first report as Executive Director/Joint Chief Executive with Jack McNamara joining as Artistic Director/Joint Chief Executive in August 2021. Jim Beirne MBE left the company in March 2021 after 21 years as Chief Executive. During this time Jim transformed the company and its fortunes, developing with the Board of Trustees, its innovative business model of developing social enterprises and using property to create profit for purpose thus ensuring the continued creative output for the theatre.

It has been the strangest of years as the doors of Live Theatre were closed to live audiences for the duration of the 2020/21 financial year due to the global pandemic caused by Covid-19. We closed on 16th March 2020 when the UK went into lockdown and cultural organisations such as Live Theatre were closed to the public and not able to reopen until the summer of 2021. However, although our doors were closed we continued to develop work and ideas to support the sector. We launched Livewired, our online, digital programme in October 2020 and moved our Children and Young People's programme online of which we give details of both later.

Despite this we have been able to sustain the company during this time and have made use of a number of government support schemes as well as receiving invaluable support from trusts and foundations including the Esmee Fairbairn Foundation and The Garfield Weston Culture Fund. The majority of our staff team were furloughed using the government's Job Retention Scheme which we used throughout the year including when we had the ability to flexibly furlough team members which enabled us to develop our work. We were also pleased to receive support from the Culture Recovery Fund administered by Arts Council England on behalf of DCMS as well as grants via Newcastle City Council as a business rate payer.

As well as emergency support we have received throughout the year we remain extremely grateful to those trusts and foundations that continue to support and fund our work, many of them long term supporters. Our thanks go to them all, for capital support; Wolfson Foundation, Theatres Trust and the Foyle Foundation and for revenue support; Esmee Fairbairn Foundation, John Ellerman Foundation, The Shears Foundation, The Squires Foundation, Sir James Knott Trust and many more. We also thank our stakeholders Arts Council England and Newcastle Cultural Investment Fund

Artistic Programme

When the pandemic struck we were mid-way through our Elevator Festival, our showcase for new and emerging creative talent in the region with work just about to be presented to audiences. Despite not being able to present to a live audience all of the shows were performed and filmed for the benefit of the creative teams and companies involved.

We were forced to cancel our Spring/Summer 2020 season in Spring 2020, which was already selling well, and as the impact of the pandemic became clearer and that the effects of Covid on the cultural and theatre sectors would be devastating, with the freelance and independent sector would bear the brunt. We recognised that this risked the loss of new and emerging voices as well as early and mid-career artists. As a result we began to develop a creative programme for the year that worked within the challenges of national lockdowns and post lockdown times with continued Covid restrictions but offered opportunities for the freelance and independent sector.

We were clear about the aims of this programme which was to create a highly visible programme of investment and development in theatre projects and artists, demonstrating Live Theatre is active, accessible and open. This programme of work also aimed to clearly communicate Live's value as a cultural organisation during a period of uncertainty and sectoral change. We hoped to communicate the clear message that we were investing now to ensure a future for theatre in the region.

This aim was to be carried out with a focus on creating opportunities for artists with regards to the crisis within the cultural freelance sector while maintaining Live Theatres diverse voice and artist representation. As well as an understanding of how to enable affirmative action in response to Black Lives Matter and culture wide calls for structural change.

Live's artist development work 'Elevator' has gone from strength to strength in recent years with an ever more increasing range and number of artists working with us. The main parts of the programme are the annual Elevator Festival, open script reading windows, the Introduction to Playwriting course, 10 Minutes to....and our bursary programmes.

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Previous years progress in our 'Elevator Programme' illustrates our commitment to developing the artform. The continued investment, supported in particular by the John Ellerman Foundation, and allocation of resources has seen the number of undiscovered and emerging playwrights and theatre practitioners that we have nurtured increase significantly with applications for participation from writers, actors, directors, designers, technicians and theatre makers from a broad geographic area. Although the pandemic caused us to rethink how we delivered our talent development programme it did not halt it.

In the first three months of the national lockdown (April – June 2020) we offered three artist development opportunities through an extended period in order to make the opportunities more accessible.

Aimed at emerging to early career artists the three individual programmes were:

- 10 Minutes toCall Home – a short play competition
- Live Theatre Bursaries – an open call for bursaries of £2,000 to go towards an innovative approach to new plays
- Open Script Submissions

10 Mins to....Call Home – 301 submissions were received for this short play competition and ten plays were selected and given micro-commissions, overall the project engaged 35 freelance artists of which over half were new to Live Theatre and over three quarters were North East artists. Nine of the plays were produced and distributed digitally, one play remains in development. The online distribution of the plays accelerated our foray into digital work and we launched Livewired our digital programme of work. We will continue to develop and grow this work. The following plays were produced for 10 Minutes to...Call Home

Writer	Play
Mandi Chivasa	Amai Vangu (My Mother)
Benjamin Storey	Gutter weeds
Ellen McNally	Off Peak
John Hickman	Blyth Spirit
Nail McCarthy	Star Fish
Sarah Tarbit	Invisible Boundaries
Rebecca Glendening	Sheltered
Olu Alakija	Watching and waiting
Gobscure	You can't start a revolution sitting on your arse

The digitally released plays have had over 24,000 views so far on You Tube alone and were positively received on social media. The critical response was also positive including a review in The Guardian by Mark Fisher who stated "this is the Newcastle upon Tyne theatre doing what it knows best; championing new playwrights and testing out new ideas on stage. This is theatre; we just happen to be watching it online." A huge benefit for the online work is the new and emerging artists work received a far greater reach than if only presented within the theatre.

Live Theatre Bursaries – 201 applications were received for a bursary. The original intention was to award ten Live Bursaries of £2,000 each. however, having reviewed the applications and rethinking how we could use our resources to support as many freelance artists and new ideas as possible it was decided to split the bursaries into two tiers; Full Bursaries and Seed Bursaries. Eight Full Bursaries and six Seed Bursaries were awarded, fourteen in total and four more than originally planned.

Open Script Submissions - 302 script submissions were received during the open window. All were read and feedback given.

Further Creative Opportunities

We successfully took our Introduction to Playwriting Course online and this was held for ten weeks in Winter 2020. There were 30 successful applicants and it was facilitated by a wide range of theatre practitioners. The online nature of the programme allowed for this broader range of facilitators.

Following the success of 10 Minutes to.....Call Home, as part of our Livewired programme, we then went on to develop and produce the Five Plays of Christmas.

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Writer	Play
1.	My Door
2.	Those Yet to Come
3.	End of Term Show
4.	The Whale washed Up On Christmas Eve
5.	Skeletons in Cullercoats

Again, this work attained a far greater reach for the artists than would have presenting in the theatre, with so far 25,822 views online.

A reopening programme was also devised during this time focussing on new and emerging artists and reopening planned for September 2021.

Children and Young People's Work

It is recognised nationally and internationally national lockdowns and Covid related restrictions throughout the year has had a negative impact on children and on young people. To counter some of the isolation they were experiencing and feeling we took both the Youth Theatre and Live Tales programme online.

We established the Youth Theatre Reconnection Collection a ten-week online term. We established six groups and there were over 100 participants. Once this was established, we continued with the online delivery for a further two terms online.

We also developed our online offer for Live Tales. First of all we developed Winter Tales, four CPD sessions for teachers. We worked with seven teachers/schools to support them to create full illustrated stories. In total 190 pupils were engaged in this programme.

We also established a trial for an online Play Makers programme – an online schools programme focussing more on playwrighting. We worked with five schools, over five sessions and engaged 96 pupils. This pilot programme led to a further 44 workshops with 1,223 pupils from 27 different schools delivered by six freelance facilitators.

Alongside this our volunteers who support our children and young people's work are very important to us. We have worked with a core group of 16 volunteers with creative catch ups to counteract any isolation they were feeling over the year and these continue.

Financial viability

Live Theatre continued with its innovative financial model using the profits from social enterprises to build earned income and contribute to the charitable objectives of Live Theatre. The ongoing relationship with our restaurant partners (four separate venues) has been particularly successful including the opening of the new pub and music venue Charts adding a healthy new source of income. Although the pandemic has negatively impacted some of our income from these sources this year due to them being closed for several months we were successful in securing Culture Recovery Fund to negate some of the impact of this.

Despite the difficult year we continue to make progress to stabilise our finances and balance a diverse and successful artistic programme with prudent financial management using effective financial controls, monitoring and reporting mechanisms.

Finance and Personnel sub-committee (F&P) meet regularly to consider the management accounts, risk and overall financial health of the company as well as people matters. The F&P reports in writing to the Board at each meeting ensuring it is clear whether the board is being asked to make a decision or not.

At the end of the 2020/21 financial year group unrestricted reserves had been increased in line with forecasts due primarily to accessing the Job Retention Scheme and Cultural Recovery Fund. The four-year grant from the Esmee Fairbairn Foundation (secured in early 2018) continued supporting the financial resilience and charitable activities of Live Theatre.

We continued to pay artists and freelance staff fairly – based on the Independent Theatre Council rates of pay Live Theatre pays slightly higher than this. When shows were cancelled due to the pandemic we honoured all of our obligations to freelance artists. In addition, we pay all members of staff (including casual) at least the National Living Wage.

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

We have continued to invest in the estate and have used the enforced closedown to start the capital project to improve our impact on the environment as well as improve access and visibility of the theatre. We have explored new sources of income to exploit our physical assets and through 2020/21 during the Covid-19 pandemic we worked with major stakeholders and Trust and Foundations to secure Live Theatre's viability during 2020/21 and beyond.

Although, we were once again successful in attracting support from a range of trusts and foundations for a number of areas of our work including the social enterprise model, talent development and the Children and Young People's programme, this area is proving more competitive and we are finding it takes a longer period of time to secure the funding.

At the end of the 2020/21 financial year the group ended with a net income of £1,106,267 to unrestricted funds. We made £4,629 of repayments against our Newcastle City Council capital loan. Over £500,000 of income was derived from Live Theatre's social enterprises.

Management and Governance

The Board of Trustees and Finance and Personnel sub-committee met bi-monthly – with F&P meeting more regularly. Standing agenda items included monitoring and reporting KPI's, Artistic Programme, Creative Case, risks, and financial accounts. Written reports were prepared for Board on these, with F&P considering and evaluating the financial papers in detail prior to making written recommendations to Board for consideration and approval.

The Board took time out in May 2020, to undertake training, consider the strategic direction of Live Theatre, and review mission, vision and values, sustainability, resilience and financial strategy. This work was also picked up during bi-monthly Board meetings as well as post year end.

Strengthening the diversity and skill set of the Board was a priority through the year, underlining our Governance progress and mirroring the progress made in the diversity of our work.

The board of trustees has continued to meet regularly throughout the year supporting the executive team and the wider staff team during this difficult period. Members of the Finance and Personnel Committee have, in particular, dedicated much time supporting the development of sustainable budgets for the short and medium term leaving no stone unturned in this pursuit. Trustees involved in the recruitment of the new leadership team also spent a significant amount of time on this with a huge amount of interest nationally for both roles culminating in the appointment of Jack in spring 2020. Trustee members of the Creative Sub-group of the board also spent time supporting the Creative Team and their work following the departure of Joe Douglas, Artistic Director in November 2020.

Future Plans

The charity now has a range of buildings and physical assets that create a substantial and sustainable income for Live Theatre. Over the next few years we will continue to concentrate on consolidating these assets to make as much return as possible from them to reinvest into our mission. This will support the charity as the effects of the pandemic materialise in the coming years.

The capital project funded via the ACE small capital grants scheme, Wolfson Foundation Theatre's Trust and Foyle Foundation will be completed during 2021/22 which will result in a better environment for creative teams, audiences, staff and all visitors.

The artistic programme will continue to identify and invest in aspiring writers, new plays and young companies and artists to keep the pipeline of new theatre flowing for the sector. It will include new work, initiatives and projects led and influenced by our new Artistic Director Jack McNamara; in the Children and Young People's programme, in the way Live Theatre utilises digital channels, in the way it develops its partnership with the University of Northumbria and the University of Sunderland, with co-producers and national and international producers, and with the changing face of the communities of the North East.

Despite the many challenges facing the sector we are excited about what the future holds for Live Theatre.

Jacqui Kell

Executive Director/Joint Chief Executive

Date: 25 January 2022

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and accounts for the year ended 31 March 2021.

The board of trustees are satisfied with the performance of the group and charity during this incredibly difficult year and the position at 31 March 2021 and consider that the charity is in a stable position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations. We have nothing but admiration for the team at Live Theatre who with the ongoing support of the Board of Trustees has overcome this immensely difficult and trying year. Despite the many hurdles faced they have continued to support the sector, deliver online work as well as to stabilise the company – this is a huge achievement and the efforts required can not be underestimated.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 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 (FRS 102) (effective 1 January 2015)".

Objectives and activities

The objects of the charity are to promote, maintain, improve and advance education, particularly by the production of plays and encouragement of the Arts.

The principal activities of the company planned for the year were:

- the production of theatre performances at Live Theatre and the development of writers, actors and creative talent;
- the facilitation of drama and music programmes by other companies;
- the organisation and production of education and outreach activities for the public.

Through its activities the charity aims to:

- create, present and promote new plays informed by our sense of place;
- develop the skills of writers, performers and theatre practitioners at all stages of their careers;
- develop arts education and participation for children, young people and adults;
- involve all kinds of audiences in our endeavours;
- create sustainable income streams to deliver resources and new programmes.

The new priorities could be summarised as:

- embedding a new leadership team into the organisation;
- ensure strong post-Covid recovery;
- actively seeking other creative partners, as co-producers, to develop additional plays and projects;
- bedding down and consolidating the range of Social Enterprises which create unrestricted funds for the charity;
- actively engaging with a digital infrastructure throughout the group.

To further its objectives in 2020/21, the charity aimed for:

Short term

The immediate goals were:

- to deliver a first class programme of new work including new commissions, new plays and productions;
- to deliver a high quality range of education and participation projects;
- to identify develop and nurture new talent through a range of specific projects;
- to achieve this in partnership with other co-producers and cultural institutions;
- to develop the Live Theatre website and CRM system to maximise box office income and fundraising;
- implement Live Theatre's succession plan for senior officers and Board members.

Mid to long term

Public sector investment continues to decrease as a result of the economic recession. In response a significant goal is to increase unrestricted resources in the midterm. This will include:

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- consolidation of Live Theatre's Social Enterprises and maximising the income from them;
- the continuing development of Live Tales, the creative writing project, part of Live Works;
- working with current partners and developing new ones;
- maintaining the buildings owned by Live Theatre in good working order.

However, as a result of Covid-19 many of these plans had to be reviewed and deferred whilst the sector as a whole dealt with the impact of Covid-19, national lockdowns, restrictions in place and not being physically open for the whole of the 2020/21 financial year. As a result the Trustees along with the Executive Team dealt with, throughout the year, the ongoing challenges presented and in this year dealt with immediate priorities amending plans and responding accordingly to deliver a primarily online, digital creative programme, supported the freelance sector, and secured financial and other support to sustain the company. We have reset our business plan accordingly to factor in an additional year of NPO funding from ACE.

Public benefit that is provided by the charity

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities charity should undertake.

Live Theatre is one of the leading new writing producing theatres in the UK. It produces new plays of world class quality, finds and develops creative talent, and runs one of the largest free arts education programmes in the region. It has an international reputation for this work that involves many and various audiences in the North East and elsewhere around the world.

Details of our activities across the year (including its main programmes, projects, or services provided) that contribute to the achievement of the stated objectives is referred to in detail within the Chief Executive's report where she sets out the specifics of the Covid-19 restricted 2020/21 Creative Programme.

The charity continues to pursue strategies to provide access for all to its work. The physical building has been made accessible to all. Whilst charges for admission to the Live Theatre Productions are made for financial reasons, there is a comprehensive scheme of concessions, selected complimentary tickets for partners and charities and free events and talks. There are no charges made for access to the Education and Participation programmes.

Summary of main activities of the charity in relation to its objects

- Live Theatre has identified and developed new talent through the production of specific projects and various programmes of work by supporting writers at all stages of their careers to progress and pursue their work;
- Live Theatre has contributed to the cultural economy of the region via all its creative and social enterprise projects;
- the board and senior management have researched and devised new methods of deriving and diversifying income to support the charity;
- new partnerships were created with international cultural producers.

Live Theatre has completed an innovative ten-year Programme of Change focussed on the creation and realisation of capital assets and succession planning. The Programme of Change has diversified the charity's income streams, ultimately resulting in making more theatre and devising more projects that inspire an increasing number of adults, young people and children to acquire skills that raise their aspiration and potential, contribute to closing the region's skills gap, and make a positive contribution towards a creative, equal and just society.

Although volunteering opportunities were limited during 2020/21 active, creative based sessions to engage with our volunteers happened throughout the year – in part due to the feelings of isolation the volunteers were experiencing.

Achievements and performance

Despite the clear constraints the trustees are pleased with the achievements Live Theatre has accomplished this year which includes:

- 14 plays produced and distributed digitally
 - 35 + creatives engaged in producing these staged shows
 - Circa 50,000 views of plays online
 - 776 playwrights engaged in our creative opportunities programmes
 - 302 scripts submitted to our open submission programme
 - 201 Bursary submissions
 - 14 Bursaries awarded
-

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- 30 artists took part in online scriptwriting course
- 39 days of R&D space provided to 68 creative freelancers with an in-kind cost of £24,850.
- 6 + freelance theatre facilitators employed through the CYP programme overall
- 101 young people involved weekly Youth Theatre
- Four Winter Tales CPD sessions engaging 7 teachers/schools
- 190 pupils engaged with Winter Tales
- Five schools pilot online Playmakers programme, engaged 96 pupils
- 44 additional Playmakers workshops, 1,223 pupils from 27 schools
- 57 schools worked with through Live Tales

Fundraising activities

In 2020/21 the charity continued its fundraising activities in support of delivery of its objects.

Revenue funds raised for core, project and Education and Participation activities:

Arts Council England (core)	£626,723
Esmée Fairbairn Foundation	£100,000
Newcastle Cultural Investment Fund	£10,000
John Ellerman Foundation	£30,000
The Squires Foundation	£15,000
Sir James Knott Trust	£5,000
The Shears Foundation	£5,000
The Lucy Winskell Fund at Community Foundation	£2,119

A Capital development scheme progressed using funds raised from the ACE Small Capital Scheme, Wolfson Foundation and Theatres Trust.

The continued public sector cutbacks and the uncertainties around Brexit make for a challenging landscape for any charity and made even more challenging by Covid-19. This environment also affects the support gained from Trusts and Foundations as applications face a more competitive environment. Despite this Live Theatre has been supported by many during this difficult year and thanks are given by the Trustees to those partners, stakeholders, trusts and foundations that have given their unwavering support. We have also benefited greatly from government support and without Culture Recovery Funding and the Job Retention Scheme it would have been impossible to see a way out of the pandemic for the company.

The aim of the organisation since 2008 has been to develop unrestricted income via its social enterprises. Some of this income started in 2011. Live Works is the fourth and largest of these social enterprises, a significant capital project which completed in 2016 and has since created new funds to support the charity. We are pleased to report during 2020/21 our current tenant has extended their lease by a further five years. We continue to work with our managing agent and our tenants in our buildings to create a positive working relationship to ensure future sustainable income streams. 2020/21 has also been a difficult year for many of our tenants especially those operating in the hospitality industry but we continue to work with and supported them in their reopening after the national lockdown.

Fundraising practices

The charity and group does not use a commercial participator to raise funds, nor have we engaged volunteers on our behalf/in aid of our charity, during the period relating to this report; all our fundraising has been conducted by Trust staff. Any monies raised directly from the public follow all guidelines set out by the Charity Commission, The Code of Fundraising Practice and English & Welsh law in every respect. There have been no fundraising compliance issues, nor have we received any complaints in relation to our public fundraising during the period relating to this report.

Financial review

Our group reserves total £9,013,235, which includes £7,639,190 of restricted funds, £30,000 of designated funds and £1,344,045 of unrestricted funds. Of these unrestricted funds £6,489,947 are held in fixed assets and investment properties, with an associated long-term loan of £5,739,630. Therefore, our free reserves (being those not tied up in fixed assets, designated or restricted funds) stand at £593,728 as at 31 March 2021. The Trustees have a policy in place which notes that the group should aim to hold building overhead and salary costs for a period of three months within free reserves. The position at the end of March 2021 is a free reserves figure higher than expected due to funds being required to support us in 2021/22 which will diminish this figure.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

As explained on page 1, the year ended 31 March 2021 has been significantly impacted operationally by Covid-19. It has also been a challenging year financially for our sector and stakeholders. However due to mitigating actions taken by the executive team and successful funding bids, the group does expect an improvement in the free reserves position at 31 March 2022, supporting the longer term strategy explained above. The Trustees are pleased to note the improving position on free reserves and given the positive outturn this financial year and the plans in place for 2021/22 we have used this information to assess our going concern assumption. Trustees are content based on these detailed projections and related sensitivity analysis that the group has adequate funds to consider meeting its liabilities as they fall due over the next 12 months. Further details of this are found in the going concern accounting policy in note 1.2.

Arts Council England provided a revenue grant of £626,723 and Newcastle Culture Investment Fund provided a grant of £10,000. Both grants were used to support the core activity of the charity in the delivery of theatre productions, development of writers and the delivery of the education programme.

We have benefited substantially this year, receiving additional support from funding bodies and the government, including Culture Recovery Fund grant of £429,769 provided by Arts Council England and £249,000 provided by Garfield Western Foundation. A total of £393,517 was received through the Job Retention Scheme as well as £139,278 of business support grants provided by Newcastle City Council.

Corporate sponsorship was received from Kilfrost Limited. The growing Friends Scheme has generated £9,150.

The Group Statement of Financial Activities shows net incoming resources for the year of unrestricted funds of £706,320 (2020: outgoing resources £375,320), and net realised incoming resources of restricted funds of £24,967 (2020: net realised outgoing resources of £39,329), making net overall realised incoming resources of £731,017 (2020: net overall realised outgoing resources of £376,474).

The total reserves at the year end stand at £9,013,235 (2020: £8,282,218).

Financial performance of the charity's subsidiary undertakings

Live Trading Limited generated profits of £125,997 (2020: £381,141) for the financial year. The profits for 2021 were gifted to the charity at the year end (2020: £816,950).

LiveWorks (Newcastle upon Tyne) Limited had generated a profit of £79,245 (2020: loss of £332,993 in which £412,213 revaluation loss was recognised). £79,245 (2020: £12,227) was gifted to the charity at the year end.

Risk Management

The charity is open to the usual financial risks of any organisation, and controls are in place to minimise these risks. All material financial commitments and decisions are approved through the Finance & Personnel sub-committee and the main Board of Trustees.

A risk register is maintained by the charity which set out the strategic and operational risks as well as the actions the charity takes to mitigate these. The major risks to the Charity are:

Covid-19

Ongoing restrictions, audience reticence, reduced income streams could cause longer term issues to the running of the company.

Core funding (Public Sector Support)

The continuing reduction of public sector investment in culture creates a challenging environment in which to operate.

Cash flow

Cash flow is monitored on a daily basis and a cash flow is forecast forward on a weekly basis.

Live Works

Projected rental income from Live Theatre's properties is not being achieved. Knight Frank, the leading UK and London property agents, have been contracted to market the properties to as wide a market as possible.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Loss of Key Staff

We will continue to grow a strong senior management team to provide short term cover and medium-term recruitment and replacement options. There has been a succession plan in place for a number of years and the stalled recruitment of a new CEO in March 2021 because of Covid-19, was restarted in the autumn, with the successful appointment in December 2020 of Jacqui Kell as Executive Director & Joint Chief Executive. The recruitment of a new Artistic Director & Joint Chief Executive concluded in April 2021 with the appointment of Jack McNamara (who started with the company in August 2021).

Structure, governance and management

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The directors of the company are also trustees of the charity.

Eligibility for membership of the charity and membership of the board of trustees is governed by the memorandum and articles of association. There are no restrictions in the governing document on the operation of the charity or on its investment powers, other than those imposed by general charity law.

Senior staff (key management personnel) to whom the Board of Trustees delegated the day to day management of the charity during 2020/21 year were:

Chief Executive	Jim Beirne
Operations Director	Jacqui Kell (then Executive Director/Joint CEO from 1st March 2021)
Artistic Director	Joe Douglas (resigned November 2020)

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

P M Callaghan
S Emmas
M F Henry
M F Percy
S M Wilson
K L H Winskell
S Brown
J P Beirne (Resigned 31 March 2021)
J R McKinnell
B Hobson
L Robson
R S Cantrill-Fenwick
P T H Shevlin
I A Din
R M Elgie

The memorandum and articles of association allow for up to 18 trustees.

Potential trustees are suggested to the board in order to satisfy any skill shortfall on the board or to assist with a specific project. The individuals submit their CVs and are interviewed by the chair and two other board members. A recommendation is then made to the full board for their consideration. The recruit is then co-opted as a trustee pending election at the next AGM.

The board, who meet bi-monthly, administers the charity. There is a Finance & Personnel sub-committee that meets bi-monthly and various other sub-committees covering performance and other topics that meet on an ad hoc basis. Detailed written board reports and an agenda are prepared by the officers of the charity and circulated in advance of meetings. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity.

The charity has a long standing relationship with its key stakeholders: Arts Council England (ACE) and Newcastle City Council. ACE regard North East Theatre Trust as the leading new writing producer in the North East. Newcastle City Council regards the theatre as one of the City's key cultural assets. Both stakeholders can send an observer to attend board meetings.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The subsidiary company, Live Trading Limited, supports the objectives of the charity by the hiring of Live Theatre facilities, the operation of its bar and the rental and management of the Social Enterprises of North East Theatre Trust gifting surplus income to the charity. Three board members of North East Theatre Trust are also board members of Live Trading Limited.

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Statement of trustees' responsibilities

The trustees, who are also the directors of North East Theatre Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

RMT Accountants & Business Advisors Ltd were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

A word from the Chair of Trustees

The opening words of the annual report and accounts, using the usual reporting language of such documents, say that the Board is satisfied with performance: something of an understatement. Despite an incredibly difficult and challenging year the Board of Trustees is full of admiration and praise for and gratitude to the executive team and all our staff who have worked so hard in this last year and achieved so much despite the adverse circumstances. On behalf of the board, I thank them all.

The Trustees began a succession strategy several years ago and this year in question was always planned to be the final stage in that planned transition. The original intention of that succession plan was for Jim Beirne MBE to step down as Chief Executive in March 2019 after more than twenty years of strong and successful leadership. Instead, to provide stability and continued leadership during such a challenging time Jim agreed to continue in post for an additional year. We therefore finally said goodbye to Jim in March 2021 with much sadness and huge gratitude for everything he has achieved over the many years. We also said goodbye to our Artistic Director Joe Douglas who returned to Scotland during this difficult pandemic year, and we wish him well. Joe's departure did allow us to rethink our leadership structure and we therefore adopted the joint chief executive leadership model now common practice in the sector. The board were delighted to confirm Jacqui Kell as Executive Director/Joint Chief Executive and to welcome Jack McNamara as Artistic Director/Join Chief Executive.

Finally, I must thank my fellow trustees who have offered me, the Executive team and the staff team unwavering support during this year and have dedicated many hours of time guiding the group through this difficult year. I look forward to working with them further in 2021/22.

The trustees' report was approved by the Board of Trustees.

K L Winskell

Trustee

Date: 25 January 2022

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Opinion

We have audited the financial statements of North East Theatre Trust Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Companies Act 2006, Charities Act 2011, Tax, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include data protection and health and safety legislation.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Stephen Slater (Senior Statutory Auditor)
for and on behalf of RMT Accountants & Business Advisors Ltd
Statutory Auditor
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 27 January 2022

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:						
Donations and legacies	3	2,064,447	-	24,697	2,089,144	850,642
Charitable activities	4	36,602	-	-	36,602	219,321
Other trading income	5	4,234	-	-	4,234	106,005
Investments	6	503,221	-	-	503,221	667,902
Other income		250	-	-	250	12,360
Total income		2,608,754	-	24,697	2,633,451	1,856,230
Expenditure on:						
Raising funds	7	239,660	-	-	239,660	253,973
Charitable activities	8	1,355,519	-	-	1,355,519	1,792,444
Other	14	307,255	-	-	307,255	224,462
Total resources expended		1,902,434	-	-	1,902,434	2,270,879
Net gains on investments	13	-	-	-	-	38,175
Net incoming resources before transfers		706,320	-	24,697	731,017	(376,474)
Gross transfers between funds	23	399,947	-	(399,947)	-	-
Net income/(expenditure) for the year/ Net movement in funds		1,106,267	-	(375,250)	731,017	(376,474)
Fund balances at 1 April 2020	23	237,778	30,000	8,014,440	8,282,218	8,658,692
Fund balances at 31 March 2021	23	1,344,045	30,000	7,639,190	9,013,235	8,282,218

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income from:						
Donations and legacies	3	766,049	-	84,593	850,642	1,050,718
Charitable activities	4	219,321	-	-	219,321	284,880
Other trading income	5	106,005	-	-	106,005	129,880
Investments	6	667,902	-	-	667,902	722,932
Other income		12,360	-	-	12,360	8,212
Total income		1,771,637	-	84,593	1,856,230	2,196,622
Expenditure on:						
Raising funds	7	253,973	-	-	253,973	360,463
Charitable activities	8	1,668,522	-	123,922	1,792,444	1,899,861
Other	14	224,462	-	-	224,462	225,930
Total resources expended		2,146,957	-	123,922	2,270,879	2,486,254
Net gains on investments	13	-	-	38,175	38,175	-
Net outgoing resources before transfers		(375,320)	-	(1,154)	(376,474)	(289,632)
Gross transfers between funds	23	399,026	-	(399,026)	-	-
Net income/(expenditure) for the year/ Net movement in funds		23,706	-	(400,180)	(376,474)	(289,632)
Fund balances at 1 April 2019	23	214,072	30,000	8,414,620	8,658,692	8,658,692
Fund balances at 31 March 2020	23	237,778	30,000	8,014,440	8,282,218	8,658,692

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH EAST THEATRE TRUST LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	16		5,946,940		6,219,648
Investment properties	15		8,150,000		8,150,000
			<u>14,096,940</u>		<u>14,369,648</u>
Current assets					
Stock		1,850		1,988	
Debtors	19	497,938		428,532	
Cash at bank and in hand		1,062,782		238,394	
		<u>1,562,570</u>		<u>668,914</u>	
Creditors: amounts falling due within one year	21	(906,645)		(963,871)	
Net current (liabilities)/assets			<u>655,925</u>		<u>(294,957)</u>
Total assets less current liabilities			14,752,865		14,074,691
Creditors: amounts falling due after more than one year	22		(5,739,630)		(5,792,473)
Net assets			<u>9,013,235</u>		<u>8,282,218</u>
Income funds	23				
Restricted funds			7,601,015		7,976,265
Restricted funds – Fair value reserve			38,175		38,175
Unrestricted designated funds			30,000		30,000
Unrestricted general funds			1,344,045		237,778
			<u>9,013,235</u>		<u>8,282,218</u>

The accounts were approved by the Board of Trustees and authorised for issue on 25 January 2022 and are signed on their behalf by;

P M Callaghan
Trustee

K L Winskell
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

COMPANY BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		5,946,940		6,219,648
Investment properties	15		4,325,000		4,325,000
Investments			11		11
			<u>10,271,951</u>		<u>10,544,659</u>
Current assets					
Debtors	19	4,864,169		4,491,401	
Cash at bank and in hand		<u>743,904</u>		<u>213,895</u>	
		5,608,073		4,705,296	
Creditors: amounts falling due within one year	21	<u>(714,946)</u>		<u>(763,052)</u>	
Net current assets			<u>4,893,127</u>		<u>3,942,244</u>
Total assets less current liabilities			15,165,078		14,486,903
Creditors: amounts falling due after more than one year	22		<u>(5,739,630)</u>		<u>(5,792,473)</u>
Net assets			<u><u>9,425,448</u></u>		<u><u>8,694,430</u></u>
Income funds					
Restricted funds			7,601,015		7,976,265
Restricted funds – Fair value reserve			450,388		450,388
Unrestricted designated funds			30,000		30,000
Unrestricted general funds			<u>1,344,045</u>		<u>237,777</u>
			<u>9,425,448</u>		<u>8,694,430</u>

The accounts were approved by the Board of Trustees and authorised for issue on 25 January 2022 and are signed on their behalf by;

P M Callaghan
Trustee

K L Winskell
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	£	2021 £	£	2020 £
Cash flows from operating activities					
Cash generated from operations	28		928,914		266,171
Investing activities					
Purchase of tangible fixed assets		(99,994)		(334,179)	
Interest received		97		-	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(99,897)		(334,179)
Financing activities					
Repayment of bank loans		(4,629)		(30,986)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(4,629)		(30,986)
Net increase/(decrease) in cash and cash equivalents			824,388		(98,994)
Cash and cash equivalents at beginning of year			238,394		337,388
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			1,062,782		238,394
			<u> </u>		<u> </u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

North East Theatre Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Broad Chare, Quayside, Newcastle upon Tyne, NE1 3DQ.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account the potential impact of Covid-19 to ensure that cashflow is positively managed and the impact to the charity's operations are mitigated. The trustees have concluded that the going concern assumption is appropriate in preparing these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets. This is a restricted fixed asset fund representing the written down value of those assets subject to restrictions. The detailed operation of these funds is described under the accounting policy 'Capital grants' above.

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Incoming resources are accounted for on a receivable basis deferred as described below where appropriate.

Except as described under the 'Deferred income' accounting policy all grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Investment income

Bank interest is included in the income and expenditure account on a receivable basis.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

The policy for including items within the relevant activity categories of resources expended is as detailed in the report to the trustees.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is based on current accounting standards, the SORP and the reasonable judgement of the trustees.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Over 100 years straight line
Leasehold land and buildings	Over the term of the lease up to a maximum of 20 years straight line
Plant and machinery	15 - 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

A regular annual review of the likelihood of asset impairment is undertaken.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities..

Freehold land and buildings and Leasehold land and buildings initially measured at cost, that meet the definition of investment property above have been reclassified as investment property and are measured at fair value at the reporting end date. During the year five properties were reclassified as investment properties. The net gain on revaluation is treated as a separate restricted reserve.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.14 Capital grants

The board of trustees consider that, in order to comply with the SORP, gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity should be credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

If the related assets are subject to restrictions by the grant making organisation on their use and disposal, then these restrictions are noted in the fixed asset section of these accounts. In such circumstances, the fixed asset fund created is treated as a restricted fixed asset fund. As the related assets are depreciated, then a transfer is made from restricted fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset subject to the restriction. In this year, a sum of £399,947 (2020: £399,026) was transferred from restricted fixed asset funds to unrestricted revenue reserves.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the Statement of Standard Accounting Practice Number 4, such departure is justified on the basis that it is in order to comply with the SORP.

1.15 Taxation

As a registered charity, North East Theatre Trust is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Any trading surplus or capital gain of the subsidiaries, Live Trading Limited and LiveWorks (Newcastle upon Tyne) Limited, not covered by the deed of covenant, are subject to corporation tax. Value Added Tax is recoverable by the group and is therefore excluded from the relevant income and expenditure in the Statement of Financial Activities and tangible fixed assets on the Balance Sheet.

1.16 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and gifts	2,980	-	2,980	3,662
Grants receivable	2,044,817	24,697	2,069,514	832,635
Sponsorship	16,650	-	16,650	14,345
	<u>2,064,447</u>	<u>24,697</u>	<u>2,089,144</u>	<u>850,642</u>
For the year ended 31 March 2020	<u>766,049</u>	<u>84,593</u>		<u>850,642</u>

In March 2020 the Government introduced the Coronavirus Job Retention Scheme which allowed employers to put staff on temporary leave and reclaim between 60% to 80% of the employees' payroll costs. During the year to 31 March 2021 the group claimed £393,517. In addition, the Government had also introduced a number of Covid-19 business support grants, for which the group was eligible, and received a total of £139,278.

The group had also received emergency funding from Arts Council England and Garfield Western Foundation, totalling £678,768, to support the charity during its closure.

4 Charitable activities

	Theatre activities £	Education and participation £	Total 2021 £	Total 2020 £
Charitable income	<u>13,602</u>	<u>23,000</u>	<u>36,602</u>	<u>219,321</u>
Analysis by fund				
Unrestricted funds	<u>13,602</u>	<u>23,000</u>	<u>36,602</u>	
For the year ended 31 March 2020				
Unrestricted funds	<u>165,600</u>	<u>53,721</u>		<u>219,321</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Other trading income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Bar and buffet income	-	-	79,352
Venue hire	4,234	4,234	26,653
	<u>4,234</u>	<u>4,234</u>	<u>106,005</u>
For the year ended 31 March 2020	<u>106,005</u>		<u>106,005</u>

6 Investment income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Rental income	503,124	503,124	667,891
Bank interest receivable	97	97	11
	<u>503,221</u>	<u>503,221</u>	<u>667,902</u>
For the year ended 31 March 2020	<u>667,902</u>		<u>667,902</u>

7 Raising funds

	2021 £	2020 £
<u>Fundraising</u>		
Support costs	45,004	46,064
	<u>45,004</u>	<u>46,064</u>
<u>Marketing and publicity</u>		
Support costs	44,863	46,700
	<u>44,863</u>	<u>46,700</u>
<u>Trading costs</u>		
Commercial trading operations	144,767	156,196
Governance cost	5,026	5,013
	<u>149,793</u>	<u>161,209</u>
	<u>239,660</u>	<u>253,973</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Charitable activities

	Theatre activities	Education and participation	Total 2021	Total 2020
	£	£	£	£
Production costs	114,215	-	114,215	302,628
Education and participation expenses	-	23,966	23,966	61,355
Cleaning	3,168	2,773	5,941	34,336
IT support costs	31,179	4,934	36,113	39,153
Equipment leasing	-	-	-	2,019
Insurance	20,962	18,342	39,304	37,464
Licences	1,841	-	1,841	3,147
Light and heat	17,772	15,550	33,322	62,378
Printing, postage and stationery	661	578	1,239	3,585
Repairs and maintenance	17,008	14,883	31,891	61,358
Rent, rates and water	32,188	28,165	60,353	63,425
Subscriptions	2,450	2,143	4,593	5,385
Telephone and fax	4,508	3,945	8,453	8,627
Sundries	1,099	961	2,060	5,130
	<u>247,051</u>	<u>116,240</u>	<u>363,291</u>	<u>689,990</u>
Share of support costs (see note 9)	523,814	464,514	988,328	1,091,008
Share of governance costs (see note 9)	2,067	1,833	3,900	11,446
	<u>772,932</u>	<u>582,587</u>	<u>1,355,519</u>	<u>1,792,444</u>
Analysis by fund				
Unrestricted funds	772,932	582,587	1,355,519	
Restricted funds	-	-	-	
	<u>772,932</u>	<u>582,587</u>	<u>1,355,519</u>	
For the year ended 31 March 2020				
Unrestricted funds	1,315,975	352,547		1,668,522
Restricted funds	7,242	116,680		123,922
	<u>1,323,217</u>	<u>469,227</u>		<u>1,792,444</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Employment costs	598,221	-	598,221	627,621
Other staff costs	21,275	-	21,275	15,978
Depreciation	372,702	-	372,702	375,744
Marketing and publicity	14,431	-	14,431	39,710
Premises	56,418	-	56,418	98,119
General administrative expenses	15,148	-	15,148	26,600
Audit fees	-	2,600	2,600	6,900
Accountancy	-	1,300	1,300	4,313
Trustees' expenses	-	-	-	5,246
	<u>1,078,195</u>	<u>3,900</u>	<u>1,082,095</u>	<u>1,200,231</u>
Analysed between				
Fundraising	89,867	-	89,867	97,777
Charitable activities	988,328	3,900	992,228	1,102,454
	<u>1,078,195</u>	<u>3,900</u>	<u>1,082,095</u>	<u>1,200,231</u>

10 Net movement in funds

	2021	2020
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor		
- Audit fees	6,900	6,900
- Non audit fees	2,013	4,313
Depreciation of owned tangible fixed assets	372,702	375,744
Operating lease charges	79,265	81,988
	<u> </u>	<u> </u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Trustees

	2021 £	2020 £
<i>The amount of travel expenses paid to trustees was:</i>		
J P Beirne	<u>-</u>	<u>5,246</u>
<i>Remuneration payable to trustees or connected persons:</i>		
J P Beirne	<u>60,947</u>	<u>60,947</u>
<i>Employer's National Insurance contributions on above remuneration:</i>		
J P Beirne	<u>7,197</u>	<u>7,219</u>
<i>Pension contributions relating to trustees or connected persons:</i>		
J P Beirne	<u>1,828</u>	<u>1,828</u>

J P Beirne was a member of the charity's defined contribution scheme. He contributed 3% of his salary to the scheme. The charity had also contributed 3% of his salary.

All payments to trustees were made in accordance with the terms of the memorandum and articles of the charity.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Employees

Number of employees

The average monthly number employees during the year was:

	2021	2020
	Number	Number
Charitable activities	14	14
Publicity activities	2	3
Fundraising activities	2	2
Management and administration	5	6
	<u>23</u>	<u>25</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	644,786	677,905
Social security costs	49,663	46,040
Other pension costs	17,007	17,368
	<u>711,456</u>	<u>741,313</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021	2020
	Number	Number
£60,000 - £69,999	<u>1</u>	<u>1</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Net gains/(losses) on investments

	2021 £	2020 £
Fair value gain on investment properties	-	38,175

14 Other expenditure

	2021 £	2020 £
Financing costs	307,255	224,462

15 Investment property - group

	2021 £
Fair value At 1 April 2020 and 31 March 2021	8,150,000

Investment property comprises of 5 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in November 2019, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

Investment property - company

	2021 £
Fair value At 1 April 2020 and 31 March 2021	4,325,000

Investment property comprises of 4 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in November 2019, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties were reviewed by the Trustees during the year and conclude that the fair value of the properties remains appropriate.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Tangible fixed assets - group

	Freehold land and buildings	Leasehold land and buildings	Plant and machinery	Total
	£	£	£	£
Cost				
At 1 April 2020	3,294,615	7,435,182	499,364	11,229,161
Additions	-	-	99,994	99,994
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	3,294,615	7,435,182	599,358	11,329,155
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment				
At 1 April 2020	72,144	4,537,376	399,993	5,009,513
Depreciation charged in the year	17,947	333,505	21,250	372,702
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	90,091	4,870,881	421,243	5,382,215
	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount				
At 31 March 2021	3,204,524	2,564,301	178,115	5,946,940
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	3,222,471	2,897,806	99,371	6,219,648
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All assets are used for direct charitable purposes and there are no inalienable or heritage assets..

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Tangible fixed assets (continued) - company

	Freehold land and buildings	Leasehold land and buildings	Plant and machinery	Total
	£	£	£	£
Cost				
At 1 April 2020	3,294,615	7,435,182	499,364	11,229,161
Additions	-	-	99,994	99,994
At 31 March 2021	3,294,615	7,435,182	599,358	11,329,155
Depreciation and impairment				
At 1 April 2020	72,144	4,537,376	399,993	5,009,513
Depreciation charged in the year	17,947	333,505	21,250	372,702
At 31 March 2021	90,091	4,870,881	421,243	5,382,215
Carrying amount				
At 31 March 2021	3,204,524	2,564,301	178,115	5,946,940
At 31 March 2020	3,222,471	2,897,806	99,371	6,219,648

All assets are used for direct charitable purposes and there are no inalienable or heritage assets.

17 Subsidiary undertakings included within the group accounts

Live Trading Limited

The name of the subsidiary undertaking is Live Trading Limited, registered in England, company number 03100229. The aggregate amount of the holding company's investment in its subsidiary is £1, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise engaging in trades similar to the charitable activities of the holding company, and donates its entire taxable trading profit to the holding company by way of deed of covenant.

LiveWorks (Newcastle upon Tyne) Limited

The name of the subsidiary undertaking is LiveWorks (Newcastle upon Tyne) Limited, registered in England, company number 08981067. The aggregate amount of the holding company's investment in its subsidiary is £10, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise assisting in the construction of the new LiveWorks building.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Subsidiary undertakings included within the group accounts (continued)

A summary of the audited accounts of the subsidiaries is as follows:

	2021 £	2020 £
LiveWorks (Newcastle upon Tyne) Limited		
Aggregate amount of assets	4,002,318	3,953,973
Aggregate amount of liabilities and provisions	<u>(4,414,521)</u>	<u>(4,366,176)</u>
Aggregate amount of net liabilities	<u>(412,203)</u>	<u>(412,203)</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	233,747	233,748
Expenses (net of VAT)	(154,502)	(154,528)
Other losses	<u>-</u>	<u>(412,213)</u>
Net profit/(loss)	79,245	(332,993)
Payments made to holding company	<u>(79,245)</u>	<u>(12,227)</u>
Net profit/(loss) after donations	<u>-</u>	<u>(345,220)</u>
Live Trading Limited		
Aggregate amount of assets	328,670	279,487
Aggregate amount of liabilities and provisions	<u>(328,669)</u>	<u>(279,486)</u>
Aggregate amount of funds	<u>1</u>	<u>1</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	273,611	540,146
Expenses (net of VAT)	<u>(147,614)</u>	<u>(159,005)</u>
Net profit	125,997	381,141
Payments made to holding company	<u>(125,997)</u>	<u>(816,950)</u>
Net profit/(loss) after donations	<u>-</u>	<u>(435,809)</u>

18 Financial instruments

	Group £	2021 Company £	Group £	2020 Company £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	<u>75,889</u>	<u>4,577,841</u>	<u>37,190</u>	<u>4,359,820</u>
Equity instruments measured at cost less impairment	<u>-</u>	<u>11</u>	<u>-</u>	<u>11</u>
Carrying amount of financial liabilities				
Measured at amortised cost	<u>6,644,756</u>	<u>6,453,057</u>	<u>6,700,593</u>	<u>6,499,774</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Debtors

	Group £	2021 Company £	Group £	2020 Company £
Amounts falling due within one year:				
Trade debtors	75,889	26,349	37,190	3,349
Amounts due from subsidiary undertakings	-	4,551,492	-	4,356,471
Prepayments and accrued income	<u>422,049</u>	<u>286,328</u>	<u>391,342</u>	<u>131,581</u>
	<u>497,938</u>	<u>4,864,169</u>	<u>428,532</u>	<u>4,491,401</u>

20 Loans and overdrafts

	Group £	2021 Company £	Group £	2020 Company £
Other loans	<u>5,838,010</u>	<u>5,838,010</u>	<u>5,842,639</u>	<u>5,842,639</u>
Payable within one year	98,380	98,380	50,166	50,166
Payable after one year	<u>5,739,630</u>	<u>5,739,630</u>	<u>5,792,473</u>	<u>5,792,473</u>

Interest rates of 5.02% and 8.08% per annum are applied to the loans, with repayments to be made over the remaining 37 years of the loan agreements. The long term loans are secured by fixed charges over the fixed assets of the charity.

21 Creditors: amounts falling due within one year

	Notes	Group £	2021 Company £	Group £	2020 Company £
Other loans	20	98,380	98,380	50,166	50,166
Other taxation and social security		1,519	1,519	55,751	55,751
Trade creditors		224,041	194,072	218,318	182,456
Other creditors		5,069	4,469	6,810	86,977
Accruals and deferred income		<u>577,636</u>	<u>416,506</u>	<u>632,826</u>	<u>387,702</u>
		<u>906,645</u>	<u>714,946</u>	<u>963,871</u>	<u>763,052</u>

22 Creditors: amounts falling due after more than one year

	Notes	Group £	2021 Company £	Group £	2020 Company £
Other loans	20	<u>5,739,630</u>	<u>5,739,630</u>	<u>5,792,473</u>	<u>5,792,473</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Movement in funds

Current financial year

	Movement in funds				Fair value gains and losses	Balance at 31 March 2021 £
	Balance at 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers between funds £		
<u>Unrestricted funds</u>						
<i>Designated:</i>						
Capital maintenance	30,000	-	-	-	-	30,000
<i>General:</i>						
Revenue reserves	237,778	2,608,754	(1,902,434)	399,947	-	1,344,045
Total unrestricted funds	267,778	2,608,754	(1,902,434)	399,947	-	1,374,045
<u>Restricted funds</u>						
Capital redevelopment fund (1995-97)	145	-	-	(22)	-	123
Capital redevelopment fund (2005-07)	2,002,564	-	-	(266,451)	-	1,736,113
Capital development (Sustain fund)	217,396	-	-	(19,764)	-	197,632
Capital development (The Schoolhouse)	666,168	-	-	(51,070)	-	615,098
Capital development (Live Works)	4,974,249	-	-	(51,643)	-	4,922,606
Capital (Live Theatre)	108,243	2,578	-	(10,997)	-	99,824
Education and Participation	7,500	22,119	-	-	-	29,619
Fair value reserve	38,175	-	-	-	-	38,175
Total restricted funds	8,014,440	24,697	-	(399,947)	-	7,639,190
Total funds	8,282,218	2,633,451	(1,902,434)	-	-	9,013,235

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Movement in funds (continued)

Prior financial year

	Balance at Incoming		Movement in funds		Fair value gains and losses	Balance at 31 March 2020
	1 April 2019	resources	Outgoing resources	Transfers between funds		
	£	£	£	£		£
<u>Unrestricted funds</u>						
<i>Designated:</i>						
Capital maintenance	30,000	-	-	-	-	30,000
<i>General:</i>						
Revenue reserves	214,072	1,771,637	(2,146,957)	399,026	-	237,778
Total unrestricted funds	244,072	1,771,637	(2,146,957)	399,026	-	267,778
<u>Restricted funds</u>						
Capital redevelopment fund (1995-97)	171	-	-	(26)	-	145
Capital redevelopment fund (2005-07)	2,269,015	-	-	(266,451)	-	2,002,564
Capital development (Sustain fund)	237,159	-	-	(19,763)	-	217,396
Capital development (The Schoolhouse)	717,238	-	-	(51,070)	-	666,168
Capital development (Live Works)	5,025,892	-	-	(51,643)	-	4,974,249
Capital (Live Theatre)	110,870	7,446	-	(10,073)	-	108,243
Education and Participation	54,275	77,147	(123,922)	-	-	7,500
Fair value reserve	-	-	-	-	38,175	38,175
Total restricted funds	8,414,620	84,593	(123,922)	(399,026)	38,175	8,014,440
Total funds	8,658,692	1,856,230	(2,270,789)	-	38,175	8,282,218

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Movement in funds (continued)

Capital redevelopment fund (1995-97)

Grants to finance building alterations in 1995 and 1997 were received from Tyne & Wear Development Fund and the European Social Fund. These are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Capital redevelopment fund (2005-07)

Capital grant funding was received to fund the acquisition of a 32 year lease of 29 Broad Chare and to fund the alteration costs to provide a new entrance and foyer, a new entrance into the theatre auditorium, rehearsal and designated writers' spaces, a new cafe space and office accommodation. The grants are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Sustain fund

Live Theatre was awarded a grant by Arts Council England under its Sustain managed fund to enable the charity to develop investment projects to provide additional future sources of income. The grant is released at a rate to match the anticipated economic life of the building alterations undertaken. The grant has a restrictive clause relating to the disposal of the building. The surplus of grant release over depreciation is carried forward until the expiry of the grant restriction.

The Schoolhouse

Arts Council England, through their Renew Fund, with assistance from the European Regional Development Fund, have funded the acquisition and will assist with the development of The Schoolhouse to be a centre for creative activities, and a SME incubator for Live Theatre cultural businesses whilst generating rental income. The grants will be released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions. No further funds were received this year.

Live Works

Grant funding was received from the following organisations, since 2014, to enable a new building to be constructed which will provide further Social Enterprise income and a new creative writing centre, a park and an outdoor stage.

Arts Council England	£2,000,000
The Catherine Cookson Charitable Trust	£300,000
Sir James Knott Trust	£75,000
Garfield Weston Foundation	£200,000
Gillian Dickinson Trust	£200,000
The Monument Trust	£150,000
Department for Communities and Local Government	£2,189,273
The Wolfson Foundation	£50,000
Fidelity UK Foundation	£75,000
Architectural Heritage Fund	£26,100

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Movement in funds (continued)

Education and Participation

The following grant(s) were received as restricted funds in the year.

The Lucy Winskell Fund at the Community Foundation	£2,119
Samares Investments Limited	£5,000
The Squires Foundation	£15,000

Capital (Live Theatre)

The following grant(s) were received as restricted funds in the year.

Arts Council – Fit for 50	£1,378
Theatres Trust	£1,200

Designated capital maintenance fund

In the 2018 financial year the trustees had set aside £30,000 from unrestricted reserves in order to meet expected future capital asset improvements. This designated fund does not form part of the charity's unrestricted general funds.

Explanation of the nature of each material transfer between funds

In accordance with the accounting policy relating to capital grants in note 1 above, funds are released to revenue reserves to match the depreciation on the associated assets:

The 1995-97 Capital Redevelopment fund	£22
The 2005-07 Capital Redevelopment fund	£266,451
The 2010-11 Sustain fund	£19,764
The School House fund	£51,070
Live Works	£51,643
Live Theatre	£10,997

24 Analysis of net assets between funds

Current financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:					
Tangible assets	1,780,718	-	4,166,222	-	5,946,940
Investment property	4,709,229	-	3,402,596	38,175	8,150,000
Current assets/(liabilities)	593,728	30,000	32,197	-	655,925
Long term liabilities	(5,739,630)	-	-	-	(5,739,630)
	<u>1,344,045</u>	<u>30,000</u>	<u>7,601,015</u>	<u>38,175</u>	<u>9,013,235</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24 Analysis of net assets between funds (continued)

Prior financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2019 are represented by:					
Tangible assets	1,689,176	-	4,530,472	-	6,219,648
Investment property	4,673,532	-	3,438,293	38,175	8,150,000
Current assets/(liabilities)	(332,457)	30,000	7,500	-	(294,957)
Long term liabilities	(5,792,473)	-	-	-	(5,792,473)
	<u>237,778</u>	<u>30,000</u>	<u>7,976,265</u>	<u>38,175</u>	<u>8,282,218</u>

25 Financial commitments, guarantees and contingent liabilities

As referred to in note 23 above, the grants receivable from the European Regional Development Fund, Heritage Lottery Fund and Arts Council England are repayable if the charity fails to keep to the terms of the agreements with the grant funders, undergoes a significant change in status, ceases to operate or is declared insolvent within the periods as set out below:

European Regional Development Fund (£892,732) up to 31 March 2026;
Heritage Lottery Fund (£457,319) up to 31 January 2031;
Arts Council England (£182,200) up to 22 March 2027;
European Regional Development Fund (£414,387) up to 31 March 2038;

These agreements are secured by legal charges over the leasehold properties at Trinity Chare, including The Schoolhouse, and Broad Chare, Newcastle upon Tyne.

26 Related party transactions

The company has taken advantage of the exemption available in FRS 102 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

P Callaghan, a Trustee, is a director of a company which developed and became a tenant of one of the properties owned by the group. This transaction was approved of the Charity Commission.

During the year the charity received £2,119 from the Lucy Winkell Fund at Community Foundation. Lucy Winkell is a trustee of the charity and also of Community Foundation.

Remuneration of key management personnel

The remuneration of key management personnel (listed on page 9) is as follows.

	2021	2020
	£	£
Aggregate compensation	<u>138,344</u>	<u>153,353</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

27 Subsidiaries

These financial statements are separate from the group financial statements for North East Theatre Trust Limited.

Separate financial statements are required to be prepared by law. Consolidated financial statements for the North East Theatre Trust Limited Group are prepared and publicly available from Companies House and the Charity Commission.

Details of the charity's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
LiveWorks (Newcastle upon Tyne) Ltd	Capital management	Ordinary	100.00	
Live Trading Limited	Commercial operations	Ordinary	100.00	

The investments in subsidiaries are all stated at cost.

28 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	731,017	(376,474)
Adjustments for:		
Investment income recognised in profit or loss	(97)	-
Fair value gains on investment properties	-	(38,175)
Depreciation and impairment of tangible fixed assets	372,702	375,744
Movements in working capital:		
Decrease in stock	138	1,853
(Increase)/decrease in debtors	(69,406)	356,374
Decrease in creditors	(105,440)	(53,151)
Cash generated from/(absorbed by) operations	928,914	266,171

29 Parent company's income and expenditure account

The company is required to prepared group accounts under the provision of the Companies Act and has taken advantage of the exemption afforded by section 408 Companies Act 2006 to exclude its individual Statement of Financial Activities from the group accounts.

The net income shown in the individual Statement of Financial Activities of the parent company for the year ended 31st March 2021, and included in the group accounts, is £731,018 (2020: £404,554)