

DERRY THEATRE TRUST
Company limited by guarantee
Trustees' report (incorporating the directors' report and strategic report)
for the year ended 31 March 2025

The Trustees' (in their capacity as Trustees' and Directors) present their annual report for the year ended 31 March 2025. This report has been prepared by the Trustees' in accordance with the requirements of Section 414 of the Companies Act 2006.

The company is a registered charity, limited by guarantee whose governing document is the memorandum and articles of association.

Strategic Report

Objectives & activities

The principal activity of Derry Theatre Trust is the operation of the Millennium Forum theatre complex for arts and entertainment purposes. The Trust was established to promote, maintain, improve and advance the education of the public in the City of Derry and Northern Ireland, in the Arts.

To achieve this objective the theatre has put on a wide variety of shows, including professional shows such as West End productions, performances by local amateur drama groups, educational projects, comedy acts and internationally recognised musicians. The general public, male and female, young and old, have access to a wide variety of performances to suit all tastes. The theatre also provides an educational outreach programme during the summer months in conjunction with local schools and local groups which provides a framework for development of local artists.

The facilities of the theatre are also used by local drama, music and dance groups. The aims of Derry Theatre Trust / the Millennium Forum theatre are:

- to present a unique theatrical experience;
- to promote arts & culture in the North West of Ireland;
- to establish the Millennium Forum as a leading conference centre; and
- to develop and sustain a successful organisation and to provide public benefit.

The Trustees' vision for the Millennium Forum is to be the regional theatre of choice for the North West, delivering a financially sustainable mixed arts programme accessible to the majority of people in the catchment area. The entertainment programme aims to satisfy the audience, ensuring maximum box office income at minimum cost, without reducing standards and maintaining the financial stability of the theatre.

Public benefit

Derry Theatre Trust strives to ensure that the Millennium Forum provides public benefit. The public benefit test is at the heart of what it means to be a charity. Derry Theatre Trust's principal objective is to establish, maintain and promote a theatre for arts and entertainment purposes. In setting this objective the Trustees have considered the Charity Commission for Northern Ireland's guidance on public benefit to ensure that its activities have helped to achieve its principal objective of public benefit for its beneficiaries.

The public benefit that Derry Theatre Trust provides through promoting its activities are:

- presenting live performances of plays, musicals, opera, dance, comedy acts, childrens shows and various genres of music;
- providing hire facilities for local groups (drama, musical, dance);
- provision of an all in one leisure facility in the form of theatre, food & bar facilities;
- enhancing the local economy from audiences visiting the theatre and staying in the area, resulting in increased business for hotels, bars, restaurants and taxi companies;

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- contracting with local suppliers for food/bar stocks, brochure production and advertising; and
- providing full and part time employment.

The Trustees' give careful consideration in setting admission prices to the theatre, so that the facility is accessible to everyone interested in the Arts, in that admission prices differ depending on the night of the performance, on seat location etc. Local amateur drama groups also benefit from reduced theatre hire rates.

The Trustees' believe that they are therefore meeting the public benefit test by increasing the accessibility of the theatre to both paying patrons / local groups and the commercial effect of the theatre location to the local economy.

Achievements and performances

Key performance indicators for the company are as follows:

	2025	2024
Shows/conferences	137	120
Performances	230	231
Audience	166,349	168,501

During the year, the theatre continued to promote its principal objective of promoting the Arts with its wide variety of performances via M Forum Trading Limited. Highlights during the year were:

- West End Shows - Shrek, Hairspray, Women in Black and Lord of the Dance;
- Amateur performances - West Side Story, Its Showtime and Legally Blonde;
- Musical Artists - Christy Moore, Imelda May, Daniel O'Donnell and Onoir;
- Comedy shows - John Bishop, Jimmy Carr, Tommy Tiernan, Ed Byrne, Mrs Brown's Boys and Paddy Raff;
- Cultural shows - performances from the Ulster Orchestra, Ukraine Ballet & City of Derry Choral Festival and
- Local interest shows - Factory Girls and 4 Days in Derry.

In the year 2024/2025 the theatre continued to provide music and drama training with the Interact workshops focusing on nurturing the best local talent.

The in-house pantomime production of Aladdin proved to be one of the highlights of the year, with over 30,000 seats sold and record amounts taken at the box office. The lead role in the production was Conal Gallen with the vast majority of the cast coming from the local area.

The theatre continues to promote performances from internationally renowned stars to the best of local talent. Occupation of ancillary rooms in the theatre for dance, speech & drama, music and similar activities remains constant and highlights the importance of providing such facilities to nurture local talent.

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Financial review

Income for the year was £5,716,305 (2024 - £5,540,770) and expenditure £5,670,017 (2024 - £5,434,669) resulting in an operating surplus of £46,288 (31 March 2024 - £106,101) before actuarial changes in the pension scheme. The refurbishment of the theatre has continued during the year and expenditure of approximately £471,000 (2024 - £329,000) has been incurred. Further substantial costs of approximately £400,000 are expected to be incurred in connection with stonework restoration to the external of the Millennium Forum building during the year ended 31 March 2026. A detailed analysis of income and expenditure is provided in notes to the accounts. Net assets at the balance sheet date were £8,340,979 (31 March 2024 - £8,292,691).

The valuation of the pension scheme assets and liabilities at 31 March 2025 and 31 March 2024 has resulted in a nil loss/gain situation. The movement on the pension scheme performance was a result of changes to key assumptions used to calculate the present value of the scheme assets and liabilities.

Continued provision of core funding from Derry City & Strabane District Council £376,805 (31 March 2024 - £376,805) and The Arts Council £90,250 (31 March 2024 - £90,250) are of vital importance to the operation of the theatre.

The Trustees' are satisfied with the results for the year.

Principal risks and uncertainties

The management has conducted its own review of the major risks to which the Trust is exposed and systems have been established to mitigate those risks.

The principle risk in the current climate is business performance risk. This is the risk that the theatre will not operate as expected due to both internal and external factors such as competition in the Arts sector. Measures to mitigate this risk include appropriate management personnel, business planning and reporting and financial controls.

The Trust continually monitors its exposure to financial risk. Given the size of the group & company, the Trustees have not delegated the responsibility of monitoring financial risk to a sub committee. The policies set by the Trustees are implemented by the finance department.

The Trust's financial assets includes cash, trade and other debtors and trade creditors and accruals together with deferred income. Associated risks include credit risk and liquidity risk. To minimise credit risk the Trust has implemented policies that require appropriate credit checks on potential customers before transactions take place. To minimise liquidity risk performances are carefully planned to ensure appropriate cash flows exist to meet operational costs (advance box office ticket sales reduces liquidity risk).

Business and finance risk is managed by ensuring appropriate staff, with appropriate experience are in place and budgets and forecasts prepared and reported on monthly. The reporting network makes use of an established IT system which combines a general accounting package, a bar software package and a box office system, all of which are continuously updated and maintained.

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The financial viability and sustainability of the theatre is a major risk recognised. The shows performance schedule is of utmost importance and is carefully planned to ensure adequate cashflows and where possible to maximise funding. Diversification of activities via M Forum Trading Limited and Millennium Forum Productions Limited, including more emphasis on the income generated from the bars, sponsorship and advertising have also been identified.

Internal risks are minimised by the implementation of controls and procedures for authorisation of all transactions.

The theatre is committed to operating in a healthy and safe working environment. Health & safety risk is minimized by implementation and promotion of health and safety policies and extensive training. Health & safety measures introduced include appointment of a Health & Safety officer, hand and hygiene washing procedures and social distancing protocols.

Health & safety

The company has in place a Health and Safety Policy which requires it to comply as a minimum with all legislation and to take all reasonable practicable steps to ensure the safety, health and welfare of all employees, patrons and anyone else affected by the activities carried out.

Trustees' Annual Report

Structure, governance and management

Governing document

The Trust is a charitable company, limited by guarantee (with no share capital) and its governing document is its Memorandum and Articles of Association. The Trusts charitable status is recognised by HM Revenue & Customs - Charity number XR16635. The company is registered with the Charities Commission, No. NIC104797.

Organisational structure

Derry Theatre Trust is managed by the Trustees. Trustees are either nominated - by Derry City & Strabane District Council or ordinary - chosen based on their skills and professional backgrounds so as to ensure a wide range of experience is represented on the Board. Trustees meet bi-monthly to review performance, determine strategies, assess risk and plan future policies.

The Trust has two wholly owned subsidiary companies, M Forum Trading Limited and Millennium Forum Productions Ltd.

M Forum Trading Limited is responsible for the theatrical operation of the Millennium Forum, including all ancillary services such as the operation of the box office and the bars. All costs incurred, other than wages (a cost of Derry Theatre Trust), are incurred by M Forum Trading Limited. Any year end surplus is gifted to Derry Theatre Trust, who also collects the rental income, receives the operating grants from Derry City & Strabane District Council and the Arts Council and employs and pays the staff to operate the theatre. The Trust owns the freehold property and the plant and machinery together with fixtures and fittings.

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Millennium Forum Productions Ltd is responsible for writing, producing and directing any new shows and productions that may arise.

The Trust is managed daily by the Chief Executive, David McLaughlin and senior employees. The senior employees from finance, box office, marketing, development, front of house, technical and the bars, report daily to the chief executive ensuring the smooth operation of the theatre.

The Chief Executive is responsible for artistic policy, contracting with artists and booking the daily program of performances and also for ensuring that the theatre complies with all relevant regulations including and health & safety requirements of staff and the public. Various sub committees operate at the theatre to look into all aspects of operations such as funding and access to the Arts for all, including patrons who suffer from dementia.

The Trust is an equal opportunities employer committed to positive policies on recruitment, training and career development for staff members (and potential staff members) regardless of marital status, religion, colour, race, ethnic origin or disability. The Trust also accommodates customers with disabilities with the use of Braille materials, captioned performances, the loop system, signed performances, relaxed performances and special access to certain parts of the auditorium.

Appointment and training of Trustees

New Trustees are nominated by current Trustees, by public advertisement and from nominations proposed by Derry City & Strabane District Council. Induction and training of new Trustees is provided by existing Trustees and by employees. Additional governance training was provided during the year. Most Trustees, due to their experience and backgrounds are already familiar with the work of the theatre.

Investment policy

The Trust operates a prudent investment policy. Investment opportunities when they arise are in the form of short term, low risk bank deposits.

Reserves policy

The Trustees have examined the charity's requirements for reserves taking into account the risks that the Trust has recognised. The reserve requirement is estimated to be at least three months of expenditure. Expenditure of the charity is currently £5.7 million, equating to quarterly expenditure of approximately £1.425 million. The Trust intends to increase reserves to this desired level when future opportunities arise.

Unrestricted reserves at 31 March 2025 falls short of the desired level and the trustees recognise it will take a considerable period of time to achieve their target but anticipate a gradual increase over time.

Plans for the future

The Trustees' future aims are:

1. The financial viability of the theatre;
2. Maintaining the theatres position as the ultimate venue of choice for theatre goers in the catchment area;
3. Ensuring maximum accessibility of the theatre to all groups in the catchment area;
4. The introduction of additional programming that will attract new patrons to the theatre;
5. To co-operate with other bodies in producing work that can tour the major theatres in Northern Ireland, the Republic of Ireland, UK, China and USA; and
6. To make facilities available to local groups, at a cost that is not prohibitive.

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The Trustees, as a result of the above aims, expect to increase core revenue streams whilst continuing to promote non core activities.

The future plans of the Trust encompass strategies that are designed to broaden the Theatre's audience base, to confirm its position as the cultural centre of the north west and to maintain financial stability.

Related parties

Derry City & Strabane District Council, with whom the company has a close working relationship, nominates Trustees to the board of Trustees and attends the monthly board meetings. The Trust continues to receive vital annual funding from Derry City & Strabane District Council and Arts Council towards core operating costs.

Donations

The Millennium Forum charges a development donation on all ticket sales. This donation during the year was £212,342 (31 March 2024 - £217,560). This donation is a restricted fund and will be used for improvements, development of shows, enhancement expenditure and future refurbishment projects at the theatre.

Environmental policy

The group & company is committed to reducing its environmental impact and to continually improving its environmental performance. It has a duty of care with respect to its environmental practice and to achieve this it:

- wholly supports and complies with the requirements of current environmental legislation and codes of practice;
- minimises waste and recycles as much as possible;
- minimises energy and water waste in order to conserve supplies and also consumption of natural resources, especially where they are non-renewable;
- operates and maintains equipment with due regard to environmental issues;
- assesses, in advance, the environmental impact of any new products or services intended for introduction, so that no damage is done to the environment;
- ensures that all employees understand the group & company's environmental policy and conform to the standards by training and instruction;
- promptly addresses any complaints about breaches of environmental policy to the satisfaction of all concerned; and
- constantly reviews policy to ensure adequacy.

Statement of disclosure of information to auditors

We, the Trustees of the charitable company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information (information needed by the charitable group & company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware, and
- we have taken all the steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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Auditors

McDaid McCullough Moore are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report is prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to medium sized companies.

The Chairman and Trustees would like to express their thanks to the management and staff at the Millennium Forum for their endeavours over the last year and to the theatre patrons for their continued support.

This report was approved and authorised for issue by the Trustees on 4 September 2025 and signed below on its behalf by:



Mary McKenna
Secretary