

# **Sunderland Empire Theatre Trust**

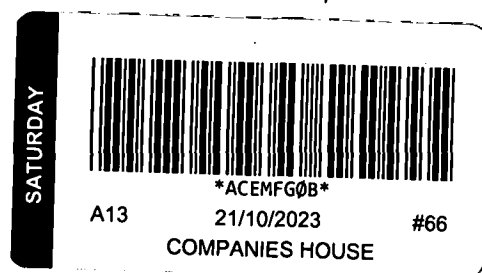
(A company limited by guarantee)

Charity Number 502333

Company Number 1100887

## **Report and Financial Statements**

**Year Ended 31 March 2023**



# **Sunderland Empire Theatre Trust**

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# **Sunderland Empire Theatre Trust**

## **Trustees' Annual Report**

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report together with the financial statements of the charity for the year ended 31 March 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### **Trustees**

Sharon Appleby  
Donna Chambers  
Anna Disley  
Zoe Hull (resigned 10/03/2023)  
Colin Marr (resigned 07/03/2023)  
John Mowbray  
Samantha Patterson  
Abigail Pogson (resigned 01/11/2022)  
Julia Potts  
Kumareswaradas Ramanathas  
Councillor Linda Williams  
Paul Wilson

<b>Charity Name</b>	Sunderland Empire Theatre Trust
<b>Registered Office</b>	City Hall, Plater Way, Sunderland SR1 3AA
<b>Charity Registration Number</b>	502333
<b>Company Registration Number</b>	1100887
<b>Accountant</b>	Jon Ritchie, ACA
<b>Bankers and Solicitors</b>	Sunderland Empire Theatre Trust holds a bank account with the National Westminster Bank. Sunderland City Council deal with all legal and financial matters on behalf of the Trust.

# **Sunderland Empire Theatre Trust**

## **Objectives and Activities**

The principal objective and activity of the charity, in accordance with the Articles of Association, is to promote, maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the Arts, including the arts of drama, mime, dance, singing and music.

Underlying the principal objective is the monitoring of the operation of the Sunderland Empire Theatre.

## **Achievements and Performance**

2022/2023 has been a period of exciting growth and partnership that has continued to enhance our local impact and the profile of our work, and of Sunderland Empire Theatre Trust.

Trustees have continued to support learning and education programmes led by Ambassador Theatre Group's Creative Learning Team and to enable opportunities to secure additional funding to deliver new and innovative learning and development programmes. The activity and outreach work has engaged over 8,000 individuals, delivered 467 sessions, and resulted in over 20,000 instances of engagement this year alone.

Some highlights from the past year delivered by Creative Learning include:

- Producing our very first showcase event on the main stage highlighting the breadth and diversity of our work.
- Community cast for our Public Acts performance in Easter 2023, *The Island of the Sun* co-produced with National Theatre and The Fire Station.
- Trailblazed the National Theatre partnership programme *Speak Up!* where we kicked off our first full year of delivered in our 3-year partnership with National Theatre on a project that puts young people's voices front and centre!
- Toured a brand-new show created by London based company *The PappyShow* to Sunderland schools that explores hopes and dreams of young people today co-created with young students from local schools.
- Distributed over 2,500 subsidised/free school tickets to see productions at Sunderland Empire.
- Launched our school's partnership programme to develop sustained, longer-term relationships with local schools.
- Our Relaxed Performance hit record numbers with 1,048 patrons attending our panto this year.
- Creative Learning nationally were shortlisted for 2 UK theatre Awards for the Workforce Award and Excellence in Arts Education.
- Exploratory conversations and feasibility have begun around the potential of a dedicated Creative Learning space.
- Raised £12,960 from trusts and foundations to remove barriers and enable us to deliver targeted work in our community.

The Board has met four times during the year and the Co-Chairs have met with the Theatre Director regularly to assist the creative learning programme and also to monitor the contract between Sunderland City Council and ATG.

## **Public Benefit**

The trustees have had regard to the Charity Commission's guidance on their legal duty on public benefit and are satisfied that the charity delivers public benefit in terms of supporting and monitoring Ambassador Theatre Group to achieve affordability and access to all programmes. Trustees ensure that due regard is paid to the guidance on public benefit when reviewing the charity's aims and objectives and when deciding which projects, the charity should undertake.

# **Sunderland Empire Theatre Trust**

## **Financial Review**

The charity's Statement of Financial Activities for the year ended 31 March 2023 is set out on page 7 and shows that total funds increased by £6,304 during the year. The principal funding sources of income to the charity (totalling £28,286) were grants of £12,960 (used to fund education and outreach through the Creative Learning Team), together with donations of £4,229 and contributions from Sunderland City Council of £11,097.

The main sources of expenditure included funding provided to fund education and outreach through Ambassador Theatre Group's Creative Learning Team (£10,210) and the running costs of the Trust (£11,772).

Overall total reserves now stand at £22,036 (£15,732 in 2021/2022) of which £5,038 relates to Restricted Funds (£2,288 in 2021/2022).

### *Going concern*

The current policy of Sunderland City Council is to support the Empire Theatre Trust to enable it to trade as a going concern.

### *Investment Policy*

The primary aim of the Trust's investment policy is the security of funds, then to have regard to liquidity (i.e. the availability of cash to meet the Trust's liabilities as they arise) and finally, to secure a rate of return on any investments.

### *Reserves Policy*

The Trust holds an amount at least equal to one year's running costs within its Unrestricted Funds, after considering the grant receivable from Sunderland City Council, as a reserve.

## **Plans for Future Periods**

In 2023, the trust remains dedicated to advancing its charitable goals and ensuring the Theatre operates at its best capacity. It actively seeks out and cultivates fresh income opportunities and avenues for growth while also contributing to the broader cultural initiatives of the city.

## **Structure, Governance and Management**

### *Governing Document*

The Sunderland Empire Theatre Trust is a company limited by guarantee with registered charitable status and is governed by its Memorandum and Articles of Association. The members have no shareholding but in the event of winding up they have each undertaken to contribute to the payment of liabilities an amount not exceeding a total of £10.

### *Recruitment and Appointment of Trustees*

The number of trustees is determined in the Company's Memorandum and Articles of Association and are appointed through a recruitment process agreed by the Chair/Board.

### *Trustee Induction and training*

Most trustees are already familiar with the practical work of the charity. Any new trustees are invited and encouraged to attend a tour of the Empire Theatre where they will be informed about:

- the obligations of trustees
- the main documents which set out the operational framework for the charity
- future plans and objectives

## **Sunderland Empire Theatre Trust**

### **Organisation**

The Council of Management of the charity, which can have up to 12 members, administers the charity. The trustees who served during the year are set out on page 2. The Council of Management normally meets quarterly.

### **Related Party Transactions**

Sunderland Empire Theatre Trust receives funding from Sunderland City Council. The following trustees (and former trustees) of Sunderland Empire Theatre Trust are also elected members of Sunderland City Council:

Councillor Linda Williams

### **Trustees' responsibilities in relation to the financial statements**

The charity trustees (who are also the directors of Sunderland Empire Theatre Trust for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

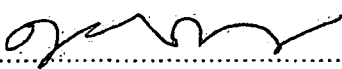
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the trustees on 12 July 2023 and signed on its behalf by:

John Mowbray

.....  
Trustee

  
.....  
Signature

# **Sunderland Empire Theatre Trust**

## **Independent Examiner's Report**

**Report to the Trustees/members of Sunderland Empire Theatre Trust**  
**On the accounts for the year ended 31 March 2023**  
**Charity number 502333**  
**Set out on pages 7 to 13**

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 March 2023.

### **Responsibilities and basis of report**

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiners statement**

The charity's gross income exceeded £25,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**Signed:**



**Date:**

**Name:** Jon Ritchie

**Relevant professional qualification(s) or body (if any):**

Institute of Chartered Accountants  
in England and Wales

**Address:** 7 Relton Terrace, Whitley Bay, Tyne and Wear, NE25 8DY

# Sunderland Empire Theatre Trust

## Statement of Financial Activities (including income and expenditure account) for year ended 31 March 2023

	Note	2022/23 Unrestricted Funds £	2022/23 Restricted Funds £	2022/23 Total Funds £	2021/22 Total Funds £
<b>Income:</b>					
Donations and legacies	2	15,326	12,960	28,286	21,719
<b>Total income</b>		<b>15,326</b>	<b>12,960</b>	<b>28,286</b>	<b>21,719</b>
<b>Expenditure:</b>					
Expenditure of charitable activities	3				
Administration expenses		(11,772)	0	(11,772)	(11,360)
Grants to Ambassador Theatre Group		0	(10,210)	(10,210)	(4,846)
<b>Total expenditure</b>		<b>(11,772)</b>	<b>(10,210)</b>	<b>(21,982)</b>	<b>(16,206)</b>
<b>Net income / (expenditure) and net movement in funds for the year</b>		<b>3,554</b>	<b>2,750</b>	<b>6,304</b>	<b>5,513</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		13,444	2,288	15,732	10,219
<b>Total funds carried forward</b>		<b>16,998</b>	<b>5,038</b>	<b>22,036</b>	<b>15,732</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.



# Sunderland Empire Theatre Trust

## Balance Sheet as at 31 March 2023

	Note	2022/23 £	2022/23 £	2021/22 £	2021/22 £
<b>Investments</b>					
Investments	7.		0		0
<b>Current Assets</b>					
Debtors	8	0		8,588	
Cash in hand		22,036		7,521	
		<u>22,036</u>		<u>16,108</u>	
<b>Current Liabilities</b>					
Creditors falling due within one year	9	0		(376)	
<b>Net Current Assets</b>			22,036		15,732
<b>Total Assets less Current Liabilities</b>			<u>22,036</u>		<u>15,732</u>
<b>The Funds of the Charity:</b>	10				
Unrestricted income funds			16,998		13,444
Restricted income funds			5,038		2,288
<b>Total Charity Funds</b>			<u>22,036</u>		<u>15,732</u>

For the year ending 31 March 2023 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The notes at pages 10 to 13 form part of these accounts.

Approved by the trustees on 17 July 2023 and signed on their behalf by:

John Mowbray

Trustee

Signature

# Sunderland Empire Theatre Trust

## Cash Flow Statement For the year ended 31 March 2023

	Note	2022/23 £	2021/22 £
<b>Cash flows from operating activities</b>			
Cash generated by (used in) operations	11	<u>14,516</u>	<u>(3,034)</u>
Net cash provided by (used in) operating activities		<u>14,516</u>	<u>(3,034)</u>
<b>Cash flows from investing activities</b>			
Interest received		0	0
Interest invested		0	0
Net cash provided by (used in) investing activities		<u>0</u>	<u>0</u>
<b>Change in cash and cash equivalents</b>		<u>14,516</u>	<u>(3,034)</u>
Cash and cash equivalents at the beginning of year	12	<u>7,521</u>	<u>10,555</u>
Cash and cash equivalents at the end of year	12	<u>22,036</u>	<u>7,521</u>

# **Sunderland Empire Theatre Trust**

## **Notes to the Financial Statements for the year ended 31 March 2023**

### **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

#### **a) Basis of Preparation**

The financial statements have been prepared under the historical cost convention, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### **b) Preparation of the accounts on a going concern basis**

The financial statements have been prepared on a going concern basis, which assumes the continued support of Sunderland City Council.

#### **c) Income recognition**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### **d) Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

#### **e) Fund Accounting**

Where the Trust receives funds designated to be used for a specific purpose by the provider, the income is credited directly to a restricted reserve for that purpose. Expenditure can only be charged against a restricted reserve when it meets the purpose of the reserve.

#### **f) Investments**

In accordance with the Statement of Recommended Practice, any investments are valued at market value as at the balance sheet date. Any realised and unrealised profits and losses are taken to the Statement of Financial Activities.

#### **g) Pension Costs**

The Trust makes contributions to the Local Government Pension Scheme, which is a defined benefit scheme. Pension costs are recognised as they fall due.

## Sunderland Empire Theatre Trust

### 2. DONATIONS AND GRANTS

Of the £28,286 received during the year (2021/2022: £21,719), £15,326 was unrestricted funds (2020/2021: £16,873) and £12,960 was restricted funds (2021/2022: £4,846).

The income included funding from Sunderland City Council of £11,097 (2021/2022: £11,024), donations of £4,229 (2021/2022: £5,849) and grants of £12,960 (2021/2022: £4,846) to fund education and outreach through Ambassador Theatre Group's Creative Learning Team.

### 3. EXPENDITURE ON CHARITABLE ACTIVITIES

	2022/23 Unrestricted Funds £	2022/23 Restricted Funds £	2022/23 Total Funds £	2021/22 Total Funds £
Administration expenses	8,588	0	8,588	8,588
Other pension payments	2,510	0	2,510	2,436
Board operating expenses	675	0	675	336
Grant to Ambassador Theatre Group	0	10,210	10,210	4,846
Contribution re CLCP Manager	0	0	0	4,846
Grant to Royal Philharmonic Orchestra				
	<b>11,772</b>	<b>10,210</b>	<b>21,982</b>	<b>16,206</b>

Sunderland City Council provides various services to the charity for which a sum of £8,548 was paid (2021/2022: £8,548).

From the commencement of the facilities management contract on 1 October 2000 the charity's employees were transferred to the contractor. The only remaining financial commitments are pension payments relating to two staff granted early retirement. The charity therefore makes contributions to the Local Government Pension Scheme, which is a defined benefit scheme. The contributions made to the scheme in 2022/2023 were £2,510 (2021/2022: £2,436).

Board operating expenses in 2022/2023 were 675 (2021/2022: £336).

The Trust made payments of £10,210 to the Ambassador Theatre Group to fund education and outreach projects within the Empire Theatre (2021/2022: £4,846).

### 4. TRUSTEES' REMUNERATION AND BENEFITS

None of the trustees received any remuneration or benefits for their services to the charity during the year 2022/2023 (2021/2022: £0)

### 5. RELATED PARTY TRANSACTIONS

The charity has a close working relationship with the Ambassador Theatre Group and Sunderland City Council. The charity receives funding from Sunderland City Council and one of the trustees is also an elected member of Sunderland City Council. Sunderland City Council has a management arrangement the operation of the Empire Theatre with the Ambassador Theatre Group for a fixed annual amount. The amount paid by the Council in 2022/2023 was £311,387 (2021/22: £280,276):

## Sunderland Empire Theatre Trust

### 6. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 7. INVESTMENTS

All funds have now been disinvested and transferred to the Trust bank account.

### 8. DEBTORS

	2022/2023 £	2021/2022 £
Accrued income	0	8,558

### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022/2023 £	2021/2022 £
Accrued expenses	0	376

### 10. MOVEMENT IN FUNDS

	Balance as at 31/03/2022 £	Income £	Expenditure £	Balance as at 31/03/2023 £
<b>Unrestricted Funds</b>				
General Reserve	13,444	3,554	0	16,998
<b>Restricted Funds</b>				
Dr Gilbert's Fund	2,288	0	0	2,288
Community Foundation Grants	0	2,750	0	2,750
<b>Total Funds</b>	<b>15,732</b>	<b>6,304</b>	<b>0</b>	<b>22,036</b>

The general reserve has been established from the balance of seed funding that was contributed by Sunderland City Council and Ambassador Theatre Group.

Dr Gilbert's Fund contains monies that were set aside to promote participation in music by young people.

# Sunderland Empire Theatre Trust

## Notes to the Cash Flow Statement

### 11. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022/23 £	2021/22 £
Net income/(expenditure) for the reporting period	6,304	5,513
Adjustments for:		
Deduct interest income shown in investing activities	0	0
(Increase)/decrease in debtors	8,588	(8,588)
Increase/(decrease) in creditors	(376)	40
Net cash provided by (used in) operating activities	14,516	(3,034)

### 12. ANALYSIS OF CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

	2022/23 £	2021/22 £
Cash and cash equivalents	22,036	7,521