

Company Registration No. 07415367 (England and Wales)

Hackney Empire Trading Limited

**Annual report and financial statements
for the year ended 31 March 2022**

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Hackney Empire Trading Limited

Company information

Directors	J Hemmant	
	Y Choudury	
	D Brand	resigned 22 March 2022
	J Sheth	resigned 26 May 2022
	D Adams	appointed 26 May 2022

Company number	07415367
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Registered office	Hackney Empire 291 Mare Street London E8 1EJ
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Independent auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
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Bankers	Barclays Bank PLC 27 Soho Square London W1D 3QR
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Directors' report

For the year ended 31 March 2022

The directors present their report and financial statements for the year ended 31 March 2022.

Principal activities

The company was formed to generate commercial income at Hackney Empire for the benefit of its parent company, Hackney Empire Limited, charity number 1062085, ("the Parent Charity").

The company has four distinct areas of activity:

- Exploitation of commercial opportunities such as photo shoots and film work
- Service Agreement of the theatre bars for the theatre
- Service contracts with third party suppliers to run the theatre cafe and catering operation,
- Production company producing commissioned pieces of theatre.

Activities have recovered well since the Coronavirus pandemic. We have been able to take advantage of a number of commercial opportunities for photoshoots that would have not been possible had the building not been fully reopened following social distancing regulations. Café operation has been affected by the Coronavirus pandemic and is currently operating on a pop-up style basis as and when we are open to the public for events. Securing an operator on a permanent basis is our focus for the coming period.

Directors

The following directors held office during the year:

J Hemmant
D Brand
Y Choudury
J Sheth
D Adams

Auditors

Saffery Champness LLP have expressed their willingness to remain in office as auditors of the company.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' report (continued)
For the year ended 31 March 2022

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the asset of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information that has not been disclosed to the company's auditors. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors have been made aware of that information.

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

By order of the board



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David Adams

15 November 2022

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Date

**Independent auditors' report to the members of Hackney Empire Trading Limited
For the year ended 31 March 2022**

Opinion

We have audited the financial statements of Hackney Empire Trading Limited for the year ended 31 March 2022 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including *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 company's affairs as at 31 March 2022 and its loss 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 financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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

Independent auditors' report to the members of Hackney Empire Trading Limited (continued)
For the year ended 31 March 2022

or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions from the requirement to prepare a Strategic Report and in preparing the Directors' Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

Independent auditors' report to the members of Hackney Empire Trading Limited (continued)
For the year ended 31 March 2022

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 Chapter 3 of Part 16 of the Companies Act 2006. 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.



Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

15 November 2022

Hackney Empire Trading Limited

Profit and loss account

For the year ended 31 March 2022

	Notes	2022 £	2021 £
Turnover		1,219,981	121,069
Cost of sales		(874,262)	(93,371)
Gross profit		345,719	27,698
Administrative expenses		(277,412)	(36,170)
Profit / (Loss) on ordinary activities before taxation	2	68,307	(8,472)
Tax credit for the year	3	66,807	5,905
Profit / (Loss) on ordinary activities for the year		135,114	(2,567)
Other comprehensive income		-	-
Total comprehensive Income / (Loss) for the year		135,114	(2,567)

The notes on pages 10 to 14 form part of these financial statements.

Hackney Empire Trading Limited

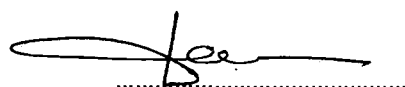
Balance sheet As at 31 March 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Inventory	4	8,075		-	
Debtors	5	87,027		105,542	
Cash at bank and in hand		200,455		14,089	
		<u>295,557</u>		<u>119,631</u>	
Creditors: amounts falling due within one year	6	(295,556)		(122,197)	
		<u>1</u>		<u>(2,566)</u>	
Net current assets					
Total assets less current liabilities			1		(2566)
			<u>1</u>		<u>(2566)</u>
Net assets					
Called and reserves					
Called up share capital	7		1		1
P&L Account			-		(2,567)
			<u>1</u>		<u>(2,566)</u>
Shareholders' funds					
			<u>1</u>		<u>(2,566)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 10 to 14 form part of these financial statements.

Approved by the Board for issue on 15 November 2022



David Adams
Director

Company Registration No. 07415367

Hackney Empire Trading Limited

Statement of changes in equity
For the year ended 31 March 2022

	Called up share capital £	Profit & loss account £	Total £
At 1 April 2020	1	-	1
(Loss) and total comprehensive loss for the year	-	(2,567)	(2,567)
Payment under gift aid to Hackney Empire Limited	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2021	1	(2,567)	(2,566)
Profit and total comprehensive income for the year	-	135,114	135,114
Payment under gift aid to Hackney Empire Limited	-	(132,547)	(132,547)
	<hr/>	<hr/>	<hr/>
At 31 March 2022	1	-	1

1. Accounting policies

1.1 Company information

Hackney Empire Trading Limited is a private company limited by shares incorporated in England and Wales. The registered office is Hackney Empire, 291 Mare Street, London, E8 1EJ.

1.2 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Going concern

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

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Long term contracts

Productions taking place in more than one financial year are accounted for as long term contracts in line with standard industry practice. Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.6 Stock

Stocks are stated at the lower of cost and estimated selling price, less costs to sell, which is equivalent to net realisable value.

At each reporting date an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is regarded as an impairment loss in the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.8 Financial instruments

The company 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 company's statement of financial position when the company 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 instruments

Basic financial assets, which include trade and other debtors, are initially measured at transaction price including transactions 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction

Notes to the financial statements (continued)
For the year ended 31 March 2022

1.8 Financial instruments (continued)

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.

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 business from suppliers. Accounts payable are classified as 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. 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 company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

2. Operating profit / (loss)

	2022	2021
	£	£
Operating profit / (loss) is stated after charging:		
Amounts payable to auditors – audit	2,425	2,225
Amounts payable to auditors – other service	2,325	1,800

Two directors received remuneration during the year totalling £19,587 (2021: £15,944) in their role as employees of the company.

3. Taxation

All of the taxable profit is paid by gift aid to the ultimate parent company, Hackney Empire Limited, a charity registered in England and Wales. On this basis no provision is made for corporation tax payment.

Notes to the financial statements (continued)
For the year ended 31 March 2022

3. Taxation (continued)

	2022 £	2021 £
Profit / (Loss) and total comprehensive income for the year	135,114	(2,567)
Tax charge based on corporation tax at 19% (2021: 19%)	25,672	(488)
Tax effect of losses carried forward	-	488
Tax effect of gift aid profits to Hackney Empire Limited	(25,672)	-
Theatre tax credit relating to the year	66,806	7,296
Theatre tax credit relating to prior year	-	(1,391)
Tax credit for the year	66,806	5,905

4. Stock

	2022 £	2021 £
Bar Stock - Alcohol/Spirit	6,001	-
Bar Stock - Snacks	275	-
Bar Stock - Soft drinks	1,799	-
	8,075	-

5. Debtors

	2022 £	2021 £
Trade debtors	7,175	14,381
Corporation tax recoverable	74,102	91,161
Accrued income	5,750	-
	87,027	105,542

Notes to the financial statements (continued)
For the year ended 31 March 2022

6. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	21,976	10,833
Amounts owed to group undertakings and undertakings in which the company has a participating interest	235,635	84,640
Accruals and deferred income	37,945	26,724
	<u>295,556</u>	<u>122,197</u>

7. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

8. Control

The company is wholly owned by Hackney Empire Limited, registered No. 1062085 (registered office Hackney Empire, 291 Mare Street, London E8 1EJ).

9. Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 102 section 33 "Related party disclosures" whereby it has not disclosed transactions with its parent company or any wholly owned subsidiary undertaking of the group.