

Birmingham Hippodrome Theatre Trust Limited

ANNUAL REPORT

for the period ended

27 March 2021

Company Registration No. 01446309
Charity No. 510842

Birmingham Hippodrome Theatre Trust Limited

TRUSTEES AND PRINCIPAL ADVISERS

TRUSTEES

M Guest
V Hjärdeng
G Howells
I Kaur
H Millington
A Tonks
A Connors
Prof D Roberts (Resigned 8 December 2020)
S Lawes
A Hammond
T Powell (Appointed 27 April 2021)
E Lawal (Appointed 9 August 2021)

SECRETARY

Tim Maycock

EXECUTIVE TEAM

Artistic Director & Chief Executive - Fiona Allan (Resigned 5 November 2021)
Director of Finance & Planning - Tim Maycock
Director of Operations - Mike Bradford
Director of Marketing and Sales - Chilina Madon
Director of Artistic Programme - Chris Sudworth
Director of Festivals - Graham Callister

REGISTERED OFFICE

Hurst Street
Southside
Birmingham B5 4TB

BANKERS

Lloyds TSB Bank Plc
125 Colmore Row
Birmingham B3 2DS

SOLICITORS

Gowling WLG LLP Two Snowhill Birmingham B4 6WR	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
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AUDITORS

RSM UK Audit LLP
Chartered Accountants
St Philips Point Temple Row
Birmingham B2 5AF

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

On 16 March 2020, Birmingham Hippodrome closed its doors to the public due to the Covid-19 outbreak, and it would be 534 days until the theatre would be able to reopen for live performance again. The closure followed one of the organisations most successful years following the realisation of our ambitious plans to create one million Hippodrome “moments” per year, both on and off the stage.

The following months had a devastating effect on our independent charity, with annual revenue falling to zero overnight. Plans to redevelop our auditoriums and Front of House spaces were put on hold, our restaurant and catering facilities were closed and in the following months, 56 members of staff were made redundant.

The Hippodrome’s vision is to create a world-class Birmingham cultural scene with the Hippodrome centre stage and whilst the pandemic put an immediate halt on our programme of shows, the venue continued to proudly produce an astonishing amount of work throughout the year. Our ambition remained the same with energy being pushed into providing valuable content for the region’s schools during their closure, moving our festivals on-line, social media live quizzes and the astonishing staging of the social distanced, world-premiere of Van Gogh Alive, visited by 28,000 people throughout October.

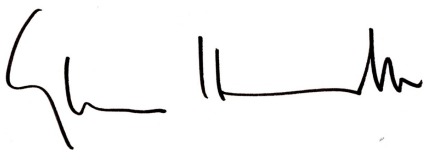
Our Programming, Sales, Marketing and Communications teams worked tirelessly behind the scenes to reschedule productions or cancel where necessary, ensuring a consistently high level of customer service for our valued visitors.

I am particularly proud of the work that we undertook on Inclusion and Anti-Racism, beginning the process of re-examining our working practices and culture through this lens; carrying out our first ever listening exercise and committing to long term change throughout the entire organisation, from board level down.

The teams at Birmingham Hippodrome demonstrated enormous levels of resilience, perseverance and positivity despite the constant uncertainty and changing legislation, and I wish to convey my sincere thanks and admiration to them and to Artistic Director and CEO, Fiona Allan, who recently left the organisation. My thanks must also go to my fellow Board members who have supported me in my role as Chair as well as the organisation.

I also extend my thanks to the partners and communities that continue to support Birmingham Hippodrome: our donors, members, sponsors, producers, performers and practitioners that all play their part in bringing this phenomenal organisation to life. We are particularly grateful to DCMS and ACE for awarding us a significant grant from the Cultural Recovery Fund. This grant underpinned our future ambitions and enabled us to focus on what we do best.

The last twelve months has demonstrated that even under the most extraordinary circumstances, Birmingham Hippodrome continues to remain ambitious, continuing to evolve and change with the times, determined to stay relevant and provide world-class cultural opportunities for the people of our region. I am in no doubt that these attributes will ensure our continued success as we reopen the venue and look to a brighter future.



Glenn Howells on behalf of the Board of Trustees

Date: 17 December 2021

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

The Trustees (who are also the directors for the purposes of company law) submit their annual report including the Strategic Report, the Directors' Report and the audited consolidated financial statements of the charitable company ("the company") and its subsidiary undertakings ("the group") for the period ended 27 March 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Birmingham Hippodrome Theatre Trust Limited was established in July 1979 and its constitution is set out in a Memorandum and Articles of Association. The company is limited by shares and is also a registered charity (number 510842). Birmingham Hippodrome Theatre Trust Limited has one trading subsidiary: Birmingham Hippodrome Limited, which was established in June 1981 and which operates Catering and Conference and Events activities and ancillary sales (programmes, merchandise, ice-creams, confectionery and soft drinks) at Birmingham Hippodrome Theatre.

The governing body of the company is a board of non-executive Trustees. During the period, no trustee received travel expenses (2019/20 no trustee received travel expenses). The Trustees of the charitable company during the period were as follows:

M Guest	
V Hjärdeng	
G Howells	
I Kaur	
H Millington	
Prof D Roberts	(Resigned 8 December 2020)
A Tonks	
A Connors	
S Lawes	
A Hammond	
T Powell	(Appointed 27 April 2021)
E Lawal	(Appointed 9 August 2021)

Eight of the Trustees hold one ordinary share in accordance with the qualification required by the company's Articles of Association.

The Trust complies with the Charity Commission Code for the Voluntary and Community Sector "Good Governance".

The Trustees, as required by charity law, have paid due regard to the Charity Commission's guidance on providing public benefit while reviewing the Charity's aims and objectives, and while deciding what activities the Charity should undertake.

Trustees are appointed by the Board to serve a three year term with a maximum of three terms, except in exceptional circumstances where the Board agrees otherwise. Trustees are selected by the Board based on their skills, knowledge and experience.

The responsibilities of the Board in respect of the preparation of the financial statements are set out on page 18.

New Trustees meet with the Executive Team and receive a comprehensive Induction Pack which comprises:

- Company Information - history, organisation chart, mission statement and future programme;
- Governing Documents - Memorandum and Articles of Association and the operating agreement between the Hippodrome, Birmingham Royal Ballet and DanceXchange, both resident in the Hippodrome building;
- Directors' responsibilities – Directors' job description, terms of reference, code of conduct for Directors, Charity Commission guidance on the Responsibilities of Charity Trustees, a copy of the Charities SORP, risk assessments, safeguarding training and the Trust's health and safety policy;
- Committee Terms of Reference – as appropriate;

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- Financial and legal information – latest annual reports/ accounts, Board papers, including management accounts, list of insurances.

The Board meets six times each year and has delegated authority to certain committees which are responsible for certain strategic aspects of management. The Trust's five committees comprise:

Finance

The finance committee meets at least twice each year and meets annually with the company's auditors to examine the financial statements and recommend approval to the Board. The committee also reviews the scope and results of the statutory audit and reviews internal controls, the annual budget and the effectiveness of systems for the assessment and management of risk and health and safety, as well as formally reviewing the risk register twice per year. During the year, A Hammond, H Millington, and A Connors made up the finance committee with A Hammond acting as Chair.

Remuneration

The remuneration committee meets when necessary to review and approve salary amendments recommended. The responsibilities of the committee include negotiation and review of the salary of the Chief Executive and Senior Directors and approval on behalf of the Board of the annual pay award and specific pay awards above annual award as recommended by the Chief Executive. A Tonks and H Millington make up the remuneration committee with A Tonks acting as chair.

Nomination

The nomination committee meets when necessary to identify and nominate, for the approval of the Board, candidates to fill board vacancies as and when they arise. When considering an appointment, the committee will evaluate the skills, knowledge and experience on the Board and, in the light of this evaluation, prepare a description of the roles and capabilities required for a particular appointment. The committee will consider candidates from a wide variety of backgrounds and will regularly review the size, structure and diversity of the Board. V. Hjärdeng, I Kaur, M Guest and A Tonks make up the nomination committee with A Tonks acting as chair.

Hippocampus

The Hippocampus committee meet at least three times per year to provide scrutiny on any significant capital projects undertaken by the Hippodrome, support the Executive through advocacy and lobbying for the continued improvement of the Hippodrome's immediate surrounding environment and to assist in the tender process for any major developments. M Guest, G Howells and A Tonks make up the Hippocampus Committee with M Guest acting as chair.

Festivals

The festivals committee meets at least twice a year to provide scrutiny, guidance, and support to the Executive through a period of ambitious growth for the festival programme. S Lawes and G Howells make up the festival committee with S Lawes acting as chair.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Management

The Board is responsible for maintaining a sound system of internal control in order to safeguard the assets of the company and discharges this responsibility for internal controls and budgets through the finance committee. The Finance department constantly reviews the effectiveness of the company's system of internal control and reports regularly to the Board on all aspects including financial, operational and compliance controls. In addition, the rolling programme of internal audits performed by an external consultant provide further assurance to the finance committee.

The Artistic Director & Chief Executive (Fiona Allan) reports to the Board of Trustees which meets six times per annum. The Executive Team of Director of Finance & Planning (Tim Maycock), Director of Marketing & Sales (Chilina Madon), Director of Operations (Mike Bradford), Director of Artistic Programme (Chris Sudworth), Director of Festivals (Graham Callister) and Commercial Director (Peter Evans) reports to The Artistic Director & Chief Executive and may attend Board meetings by invitation. The Executive Team manages and operates the company with managers in each department. An annual budget is presented to and approved by the Board in February each year, having been reviewed in advance by the finance committee. Management accounts in which actual results are compared against budgeted figures are presented at board meetings for the Board to review.

Prior to the pandemic, more than 200 staff worked over several departments: the executive, finance and administration, marketing and sales, visitor services, catering, partnerships and events, technical services, learning and participation, productions and festivals. Staff are generally employed on a permanent full- or part-time basis, although casual staff are employed within information and sales, visitor services, catering and technical services in order to service the differing requirements of touring productions and varying selling and audience patterns.

Volunteers work alongside Birmingham Hippodrome staff within the visitor services department to enhance the customer experience and to provide additional cover within the auditorium. There are over 50 volunteers who are used at many performances. In addition, volunteers provide invaluable support across the outdoor arts and archive heritage programme; by acting as ambassadors for the theatre. All volunteers are provided with appropriate training as according to the duties required of them. All staff are very grateful for the contribution made by our volunteers.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

OBJECTIVES, AIMS AND REVIEW OF ACHIEVEMENTS AND PERFORMANCE

Birmingham Hippodrome Theatre Trust Limited was established for the purpose of the presentation of theatrical productions, the encouragement of the arts and the promotion of education. Our vision is of a world class Birmingham cultural scene with the Hippodrome centre stage; and our mission is to enrich the cultural life of the region.

We have the following broad strategic aims which we review regularly. These are as follows:

AIM 1 - TO BE RENOWNED FOR THE QUALITY OF CULTURAL WORK WE CURATE AND PRESENT

Van Gogh Alive

Unable to open for live performances and having been closed for almost seven months, in August 2020 the Hippodrome made the decision host the UK premiere of Van Gogh Alive, a ground-breaking multi-sensory experience, unlike anything seen before in the region. The turnaround time from decision to delivery was just six weeks.

The opportunity to do something completely different in the venue, still providing a high quality and compelling cultural experience came at the right time. The 1,841 seater auditorium was transformed into a tailor made immersive gallery space. More than 700 auditorium seats were removed so the stage could be extended by an incredible 750sqm, and over 33 screens were positioned around the space to facilitate the 360 degree SENSORY4™ technology that bring Van Gogh's masterpieces to life.

Van Gogh Alive ran for almost four-weeks in October 2020, attracting over 28,000 visitors until enforced closure due to a second lockdown.

Global Rainbow

An art installation by international artist Yvette Mattern – Global Rainbow was beamed northwest from the city's iconic Rotunda building on New Year's Eve and New Year's Day, marking a message of hope and peace for 2021, during a time of lockdown where families and communities were unable to be together due to lockdown. The artwork beamed seven rays of laser light representing the colour spectrum of a natural rainbow and was presented by Birmingham Hippodrome as part of Global Streets, a national project funded through Arts Council England National Lottery Project Grants.

A week later, images and footage of the event were shared on social media in a trailer along with a specially commissioned poem "Slice of Sunshine" by Birmingham's Poet Laureate, Casey Bailey. The film was viewed over 37,000 times and the whole Global Rainbow social campaign reached over 3/4million accounts and created 26,833 digital engagements.

Digital Masterclasses

In Spring 2021, Birmingham Hippodrome ran a programme of digital masterclasses, focusing on musical theatre, spoken word and dance. We commissioned our Associate Companies and regional artists to lead on the programme in which 465 young people took part.

Chinese New Year

Unable to celebrate with in-person activity, in Spring 2021 the Hippodrome commissioned filmmaker Craig Bush and Artist Frances Yeung to create a series of short films to welcome Chinese New Year and celebrate The Year of The Ox. The films reflected the cultural celebrations and traditions that take place during Chinese New Year and were shared over a seven-day period, reaching over 100,000 people over social media.

B-SIDE Hip Hop Festival

Our annual B-SIDE Hip Hop Festival went IN-SIDE and online in September 2020 with a host of Covid safe online performances and events. We also unveiled a new large scale mural on the side of the theatre, created by celebrated local graffiti artist Zuke, in partnership with The Southside Building. Social media activity across the festival had a reach of 202.7k and over 6,000 engagements.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

OBJECTIVES, AIMS AND REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Digital Streaming (Color Purple – At Home)

Produced by Leicester Curve in association with Birmingham Hippodrome, the musical was watched by over 15,000 with 2,000 free tickets being provided to NHS workers. The production employed over 150 freelance and local artists, production teams, actors and musicians from the Midlands.

This emphasis on streamed work that speaks to younger and increasingly diverse audiences had been building pre-pandemic and continued with partnership events *UniSlam* (which bringing together over 150 young poets from across the UK) and *TEDxYouth@Brum* during March 2021.

Associate Companies

Throughout the pandemic we continued our support for our Associate Companies in developing and creating new work, including the rehearsals for Rosie Kay Dance Company's *Romeo & Juliet* and *Nobody* for Motionhouse. We supported Sonia Sabri in her digital *Lok Versa* event, taking it online to ensure access for the community as well as global audience through February 2021 half term. We also continued our long-standing relationship with Break Mission, collaborating on the digital staging of B-Side Festival.

Lateral Flow Test Centre

During February and March 2021, the Trust opened its doors to the NHS test and trace programme and became the main lateral flow testing centre in the centre of Birmingham, repurposing our spaces for our local community.

Online Social Media Engagement

With a lack of shows at the venue it became vital that the Communications team provide content beyond information on our cancelled and rescheduled production. The team immediately responded with cultural pick blogs- highlighting digital offerings during lockdown, online quizzes, ask the audience surveys and Facebook lives. The Facebook quiz, hosted by panto star Matt Slack was viewed by 15,000 people.

To mark a year of closure for live performance, a video was made that thanked audiences for their on-going support and showcased all that the team at Birmingham Hippodrome had achieved during closure to continue to bring culture to the region. The video was viewed on YouTube 5,700 times and shared widely on all social media channels.

AIM 2 - TO BE A CULTURAL CENTRE FOR EVERYONE. AGE, ETHNICITY, INCOME, BACKGROUND OR ABILITY SHOULD NOT BE A BARRIER TO HAVING A CULTURAL EXPERIENCE AT THE HIPPODROME, ON OR OFF STAGE.

Inclusion & Anti-Racism

In the wake of the Black Lives Matter movement and the death of George Floyd, Birmingham Hippodrome stepped up its mission to place inclusion and diversity at the heart of everything that we do.

In March we conducted a listening exercise with 40 current and former staff members to hear their experiences of equality, inclusion and diversity at Birmingham Hippodrome (the results of which we published in October). Following the results of this exercise, several measures were immediately taken including the setting up of a working group which included Trustees from the organisation. Recruitment procedures for our board were overhauled with an aim of adding a wider spectrum of voices, skills, ages, protected characteristics and lived experience to the very top of the organisation and we were delighted to bring on new Trustee Tru Powell to our Board in April 2021. We reviewed our use of language, dropping acronyms and generalising terms including "BAME" and "Urban" and began the process of reviewing our entire recruitment strategy for new employees.

In addition to this, Birmingham Hippodrome signed up to several pledges include:

- 7 Principles of Inclusion, providing guidance for the arts in supporting disability inclusion.
- More Than A Moment, ensuring equity, investment and opportunities for Black artists and creatives.
- UK Theatre 10 Principles, encouraging safer and supportive working practices.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

OBJECTIVES, AIMS AND REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Hippodrome Education Network

Throughout the year, the Learning & Participation team continued to deliver activity in 28 HEN schools, at a time when young people most needed positivity and a bit of Hippodrome magic.

Young Advocates

In February 2021, we launched our new Young Advocates pilot programme. Over 300 young people expressed interest and 150 applied to be part of the programme which initially ran for three months. During the pilot, the Young Advocates explored using the arts to increase hope and positivity in Birmingham, presenting their view of Birmingham Hippodrome and how it can ensure relevance to younger generations.

The Young Advocates built on their leadership, organisational, presenting and teamwork skills as part of their personal development in the programme. They also received training in creating content, pitching ideas and hosting events by supporting partners DRPG and TedxYouth@Brum.

This team are now working with us on an ongoing basis, helping shape the future of Birmingham Hippodrome.

Van Gogh Alive - Schools & Access

Over 1,600 young people took part in schools visual arts workshops held both digitally and in person for Van Gogh Alive.

Inspired by the 7 Principles for Inclusion, Birmingham Hippodrome also worked collaboratively with access service providers and disabled customers to develop a bespoke provision for those with accessible needs visiting Van Gogh Alive, including advance information videos, live digital signing and an accessible information guide with additional support to meet a range of specific needs.

Artistic Assistants

As an initiative to support the organisation's commitment to inclusion and diversity, a successful funding application was made to Birmingham City Council's Cultural Diversity programme. Three Artistic Assistants from global majority backgrounds were appointed across the Artistic, Festivals and Learning & Participation teams and spent four months working across the wide portfolio of projects developing further skills, being mentored by relevant Directors. The period of employment for all three Artistic Assistants was extended and two have now gone on to join the Hippodrome's new Apprentice scheme.

DRPG Partnership

In January of 2021, creative technology partners DRPG supported us with the delivery and project management of our Young Advocates scheme, TEDxYouthBrum and UniSlam. DRPG provided technical support, studios and equipment for recording and live streaming with approximately £60k of in-kind support.

AIM 3 - TO PROVIDE ALL OUR VISITORS WITH A WORLD CLASS EXPERIENCE AT EACH STEP OF THE CUSTOMER JOURNEY.

Show Rescheduling and Cancellations

On 16 March, the Prime Minister advised customers to no longer attend theatres due to the spread of Covid-19. Birmingham Hippodrome took the decision to immediately close its run of the Book of Mormon and began the process of cancelling and rescheduling productions.

Over the following 12 months the Programming, Sales, Marketing, IT and Communications teams worked tirelessly on rescheduling 17 different productions (134,000 tickets) and cancelling a further 27 productions, (69,000 tickets). Where shows were rescheduled, customers were automatically moved to new performances and informed of their new dates. Where productions were cancelled, customers refunds were provided with a voucher which could be redeemed against other productions, used to make a donation or a customer could ask for a full cash refund.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

OBJECTIVES, AIMS AND REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Show Rescheduling and Cancellations (continued)

Ensuring regular and transparent communication with our customers at a time when other venues closed their entire sales operation down, meant that Birmingham Hippodrome retained much of our customer credit on gift vouchers, ensuring that the Marketing team had a ready audience to target when the venue reopened for live performance in Summer 2021.

Building Works

The Trust was delighted to be awarded £700k by Greater Birmingham and Solihull Enterprise Partnership to complete the first stage of the wider plan to refurbish the front of house areas. The new entrance created on Inge St will allow for a much smoother exit at the end of a performance and in the long term will enable the development of the main entrance foyer to accommodate a number of different activities.

Van Gogh Alive - Customer Service

In order to socially-distance Van Gogh Alive, and reassure visitors of our safety precautions, Birmingham Hippodrome had to make some major adaptations to the venue, changing staffing working practices, creating one-way journeys through the spaces, adding additional signage and implementing mask wearing and hygiene procedures.

To ensure the safety of visitors, capacities were managed throughout, introducing new ticket scanning technology, with adaptations made to online booking procedures allowing for multiple entry times, ensuring social distancing. Prior to opening, the venue secured Visit England, See It Safely status and produced a Covid-safety video, demonstrating the practices that had been put in place.

AIM 4 - TO BE THE CULTURAL HEART OF THE CITY – A CREATIVE AND CULTURAL DESTINATION – PLAYING A LEADING ROLE IN BIRMINGHAM’S ECONOMIC AND CULTURAL DEVELOPMENT.

Van Gogh Alive – Programming for the city

The programming of a UK -premiere exhibition during the midst of a pandemic demonstrated Birmingham Hippodrome’s ambition to promote the city as a cultural destination. At the time of announcement, there were few social distanced cultural events taking place in Birmingham and the arrival of Van Gogh Alive, was warmly welcomed and supported by our customers as well as by our friends within the leisure and tourism sector. Local dignitaries including the Mayor of the West Midlands and the Leader of Birmingham City Council publicly supported the event, highlighting the importance of driving footfall back into the city.

Regional and Industry Leadership

As the Chair of industry body, UK Theatre, our Chief Executive Officer and Artistic Director, Fiona Allan, was key in highlighting the plight of the entertainment industry during the pandemic. Fiona appeared on television and radio regularly to provide a national as well as a local perspective on the issues facing the arts during lockdown; the lack of and need for funding, the loss of talent and the hardships faced by freelancers.

Members of the Senior Management Team also sat on sector wide sub committees that were put together to help tackle the challenges faced by the industry in the light of Covid; working on initiatives including health and safety regulation, insurance and audience data.

Artist conversations

In March, Birmingham Hippodrome hosted six online sessions with local artists and practitioners to understand what they might need from organisations like ours in order to develop their practice and thrive in the region. Over 100 attended the sessions, mediated by different local creatives over once week, providing valuable feedback that has helped form the Hippodrome’s strategic direction as we reopen post-Covid.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

OBJECTIVES, AIMS AND REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

More Than A Moment

The More Than A movement group was formed in 2020 to take radical, bold and immediate action, to support Black artists, creatives and employees in achieving their potential in the arts and cultural industries.

Birmingham Hippodrome was part of the working group from its inception, meeting weekly for the first four months, contributing to the overall shape of the pledge and the formation of the movement which currently has 90 signed up members.

AIM 5 - TO ENSURE OUR BUSINESS HAS AN INDEPENDENT AND SUSTAINABLE FUTURE

Finances of Cultural Recovery and Furlough

Birmingham Hippodrome was delighted to receive £3m from the Arts Council England's Cultural Recovery Fund. This welcome initiative by the Department for Culture, Media and Sport enabled many of the activities referenced above, without which the Trust would be in a much weaker position and unable to deliver its important cultural programme.

With the full closure of the theatre covering all but one month of the financial year, the trust accessed the Coronavirus Job Retention Scheme to the greatest extent possible in order to limit the drawdown on the organisation's reserves.

Board

During the first months of the pandemic the Board elected to form a smaller Exec Committee tasked with aiding management to navigate through the quickly changing landscape of the Pandemic. This group met weekly and was delegated full authority to take decisions without recourse to the main board to ensure an agile response was possible.

Business Loan Application

In order to further ensure our financial security against an uncertain length of closure and unknown market conditions, once allowed to operate again, the organisation sought a Coronavirus Business Interruption Loan from Lloyds Bank and was grateful to receive £2.5m under the scheme from this long-term trusted partner.

Grant Awards from Trusts and Foundations

In addition to the Cultural Recovery Fund Birmingham Hippodrome received Emergency Funding from Arts Council England and Esmée Fairbairn.

Arts Council England maintained their support with a major grant for our free outdoor Festivals programme.

We continued to attract support from grant-awarding bodies for a range of our projects, notably the Backstage Trust for the Hippodrome Education Network and HSBC Community Fund for our Relaxed Performance programme.

There were also a number of successful applications to local Trusts and Foundations in support of ZooNation Young Company, TEDxYouthBrum and Assisted Performances.

To ensure future financial stability, the organisation has implemented measures that seek to build a more diverse funding strategy, by developing relationships with a wider range of funders.

Public Fundraising, Philanthropy, Legacies and Membership

Birmingham Hippodrome launched our *Help the Show Go On* emergency fundraising campaign at the start of the pandemic and attracted a fantastic response from supporters, audiences and the local business community, raising nearly £100,000 in the first 12 months.

In December 2020 the organisation participated once again in the nationwide Big Give Christmas Challenge in support of our Hippodrome Education Network (HEN), attracting charity champion support from The Reed Foundation, raising a target-smashing £26,000.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

OBJECTIVES, AIMS AND REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Public Fundraising, Philanthropy, Legacies and Membership (continued)

The venue continues to develop relationships with high net worth individuals who are aligned with our ambitions and have a passion theatre and our wider charitable work. At the start of the pandemic the single largest donation in recent history was secured from a local philanthropist with smaller-scale successes from a number of other generous individuals including confirmation of legacy pledges.

Membership of the 1899 Club monthly individual giving scheme grew by 60% over the 12 months. The Patron membership scheme continues to thrive with minimal churn during the same period, a number of upgrades and a handful of new joiners with a total membership of 80.

The Name a Seat initiative continued to attract donations from theatre fans choosing to commemorate family members or special occasions with a seat plaque.

Pivot to home working

The administrative teams at the Hippodrome transitioned to home working in the first weeks of the the pandemic, thanks to a dedicated IT team who were able to ensure the high levels of cyber security and compliance were maintained while working off site.

In the immediate aftermath of the March lockdown the Hippodrome IT team rolled out home working software and Microsoft Teams, enabling individuals to work remotely whilst connecting into the organisation. The procurement and deployment of laptops and software was undertaken at pace and a remote call centre was created for the ticket sales team to deal with the vast number of show cancellations and rescheduling.

Staff Wellbeing

Employee well-being became more important than ever during closure and although many of the formal routes to improve staff wellbeing were restricted, Birmingham Hippodrome was able to set up a working group focussing on wellbeing, with representation from across the organisation. The aim was to help general communication while teams were separated and identified interventions that might help staff struggling with the imposition of lock down. This included:

- Virtual staff conferences for all employees to get updates from all areas of the organisation
- Regular updates via email and video from the Artistic Director & Chief Executive Officer
- Protected lunch-time hours to allow staff to be able to get out of their homes during darker months
- Meeting free Mondays and Fridays whilst staffing was reduced, to allow those working to be able to reduce hours without pressure of missing meetings

This group continues to meet and will form part of business as usual.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT

Financial Review

The results for the period are shown in the consolidated statement of financial activities on page 22, and the financial position at year end is shown in the consolidated balance sheet on page 24.

During the financial year on the main stage, we presented no live performances due to the pandemic (2019/20: 386) attended by 28,073 patrons (total attendance (2019/20: 530,029) with paid capacity of 54% (2019/20: 76%).

Total ticket sales were £168,000 (2019/20: £20,730,000).

Sales by art form were as follows:

	Performances		Tickets Sold		Show Contribution	
	2021	2020	2021	2020	2021	2020
Musicals	0%	46%	0%	49%	0%	51%
Pantomime	0%	19%	0%	21%	0%	18%
Ballet	0%	17%	0%	15%	0%	19%
Other Dance	0%	6%	0%	6%	0%	5%
Opera	0%	1%	0%	1%	0%	1%
Other events	100%	11%	100%	8%	100%	6%

Birmingham Hippodrome's result for the year was an unrestricted deficit of £35,000 compared to a budgeted surplus of £225,000 (2019/20: £1,013,000 compared to a budgeted surplus of £100,000).

A deficit of £2,108,000 (2019/20: deficit of £1,866,000) has been achieved on unrestricted funds, and a surplus of £1,819,000 (2019/20: surplus of £Nil) has been achieved on restricted funds in the period before transfers.

As set out in Note 3 to the financial statements, the majority of the group's and charity's income is normally derived from the sale of theatre tickets, however in 2020/21 income from the Coronavirus Job Retention Scheme and the Arts Council England's Cultural Recovery Fund were the main sources of income due to the pandemic.

The results of the trading subsidiary, Birmingham Hippodrome Limited are set out in Note 18 to the financial statements. The covenanted payment from Birmingham Hippodrome Limited was £Nil (2019/20: £564,000).

Group bank interest in the year was £47,000 (2019/20: £94,000).

Key Performance Indicators

During the year there were no individual performances in the main auditorium* (2019/20: 386) with capacity achieved of 54% (2019/20: 76%).

*Van Gogh Alive was a digital art exhibition with no set performance times

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Staff Development

Despite the upheaval and disruption suffered by all members of staff due to the pandemic there has been continued focus on maintaining the development and ensuring the wellbeing of staff members. While much of the normal programme of training and development was suspended, and staff members worked almost exclusively remotely, new communications initiatives and a well being working group were set up to ensure staff remained connected to the organisation during this difficult time.

Gender Pay

All employees at Birmingham Hippodrome in the same role are paid the same. However, due to the impact of the restructure carried out in response to the pandemic the gender pay gap according to the official measure comparing the median male and female employee has increased to 10.9% (2019/20 0.8%). This increase is primarily due to the unusual circumstances created by the pandemic meaning we employed many fewer flexible workers over the course of the year, and those that did remain were paid less due to the limited nature of the work we were able to present. We expect the gender pay gap to revert to its previous position over the next 12 months.

Birmingham Hippodrome's mean gender pay gap is 6.2% (2019/20: 5.9%).

Hourly earnings fall into the following quartiles

Salary Quartile	Male	Female
£15.45 per hour or more	51%	49%
£12.36 to £15.44	48%	52%
£9.30 to £12.35	57%	43%
Less than £9.30	33%	67%

Fundraising

- Our fundraising is managed by an expanded team of three dedicated employees, under the Director of Marketing & Sales, supported by the Theatre Trustees. Where relevant, we work with freelance fundraisers from time to time, and these are always subject to references and the relevant contracts being in place.
- During 2020/21 we were registered with the Fundraising Regulator (<https://www.fundraisingregulator.org.uk>) and are signed up to the Fundraising Code of Practice.
- Our Fundraising Complaints policy is published at the following web address and there were no complaints received during the year. <https://www.birminghamhippodrome.com/giveandjoin/fundraising-complaints/>

Environmental Management

We continued to ensure full compliance with our ISO 14001 Environmental Management standard accreditation. An annual review of our Environmental Management System, and our updated policy statement, along with actions for 2020/21, was completed and we passed a further two surveillance audits.

Our overall daily gas and electricity usage has reduced year on year, mainly due to the cooler summer compared to the prior year. The majority of the energy saving actions have now been implemented with major capital expenditure required to achieve further material savings. It should be noted that the building was closed for most of the year and the below figures are not representative of normal trading conditions.

Electricity units	-35.2%
Gas units	-28.6%

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

Our total energy usage over the last 14 years has continued to drop:

Electricity	-44.5%
Gas	-51.6%

Review of Risks

On an ongoing basis the Board reviews the major risks to which the Trust is exposed, and systems have been established to manage these risks. Internal risks are minimised by the implementation of procedures for authorisation and monitoring of all transactions, and potential external risks to future income levels and the availability of product are addressed by the Senior Management and the Board of Trustees.

The Trust has a Strategic Business Plan with aims, objectives and key performance indicators which are monitored to ensure the effective delivery of the plan and the management of risk.

Following a high level review of risk and the assurance framework, the Trustees consider that the major risks facing the Charity are:

- Continuation of the restrictions due to the Coronavirus pandemic
- IT resilience and cyber security;
- Terrorism and physical security;
- Macro-economic climate.

The Internal Audit programme has completed the first full cycle of audits, which prioritised assurance requirements based on key risks, carrying out reviews of corporate governance (encompassing decision making arrangements, delegations of authority and risk assessment as well as ensuring clarity and appropriateness of the roles and responsibilities of the Board and its sub-committees), IT resilience and cyber security. A full review of the financial control environment and box office procedures has also taken place.

All recommendations from these internal audits for improvements have been or are in the course of being implemented.

Financial sustainability continues to be a focus area for the Trust and its subsidiary. A key element in the management of financial risk is via a reviewed reserves policy for the Trust, and retention of sufficient working capital in Birmingham Hippodrome Limited.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Reserves Policy

Restricted funds represent the capital funding received for the refurbishment of the Hippodrome Theatre and reduce annually due to the amortisation of capital grants relating to leasehold improvements.

Unrestricted funds are £4,350,000 for the Group (2019/20: £4,385,000) and £4,517,000 for the Company (2019/20: £4,385,000).

Unrestricted non-designated funds were £2,108,000 at April 2020 (April 2019: £3,261,000) which was decreased by the unrestricted deficit of £35,000 (2019/20: deficit of £1,013,000) and then was reduced by £140,000 (2019/20: £140,000) transferred to designated funds. Transfers from designated funds were £Nil (2019/20: £Nil), leaving a balance of £1,933,000 (2019/20: £2,108,000) in unrestricted non-designated funds as at March 2021.

The Board regularly considers the Repairs & Maintenance liabilities of the Trust in order to ensure that sufficient funds are set aside annually to meet the Trust's repairs & maintenance obligations (over a twenty-five-year period) under the lease with Birmingham City Council, as funds allow. Following an Audit Committee review in November 2012, Trustees approved an ongoing annual allocation of £140,000 per annum as sufficient in current circumstances, which also takes into account non-reclaimable VAT on repairs reserve expenditure.

The Trust's reserves policy requires the Trust to make a surplus over time and the target range of unrestricted non-designated reserves is £1m-£3m to cover working capital fluctuations.

Birmingham Hippodrome Theatre Trust maintains unrestricted reserves to sustain the long-term success of the organisation.

The Trustees appreciate the careful balance required in continuing investment in building maintenance and improvements, whilst protecting against fluctuations in audience demand and the flow of appropriate repertoire from external producers, alongside the challenge of growing artistic opportunities. In addition to the growing investment in staffing for activity providing public benefit, the Trust provides a ring-fenced core budget for Hippodrome Projects which we supplement with fundraising from supporters.

With total weekly overheads of around £125,000, and further investment plans at early stages of development, we confidently believe our reserves will continue to be maintained at an appropriate level for an organisation of our size and type.

Treasury Policy

The funds available for the Trust to invest are advance box office receipts and the Repairs, Programming and Production Investment Reserve balances. To retain flexibility and availability of these funds, the Trust's current account monies are transferred daily to higher rate call accounts, taking account of beneficial interest rates. The Trust also uses short-term fixed interest money market deposit accounts to maximise interest received and these mature on a rolling basis to ensure availability of funds. The Board has approved a policy whereby only UK owned banks with a minimum AA credit rating are used and money market deposits are split over a minimum of three different institutions. No other investment vehicle is used.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Birmingham Hippodrome Limited

The loss in the trading subsidiary for the period was £173,000 (2019/20: profit £564,000) and the full amount of £Nil (2019/20: £564,000) was paid under deed of covenant to the parent undertaking.

Birmingham Hippodrome Limited (BHL) restructured in 2016 and comprises the Catering, Business Development, Consultancy and Visitor Services departments.

Fixed Assets

Movements in tangible fixed assets are set out in Note 11 to the financial statements.

Trustee Liability Insurance

Birmingham Hippodrome Theatre Trust Limited holds Trustee liability insurance on behalf of Directors and Officers at a cost of £2,469 (2019/20: £2,469).

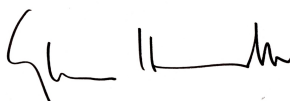
Taxation Status

The company is a registered charity, and under the provisions of Section 505 of the Income and Corporation Taxes Act 1988, is exempt from liability to taxation in respect of its charitable activities.

Statement As To Disclosure Of Information To Auditors

The trustees, who are also the directors for the purpose of company law, who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Report of the Trustees, incorporating the Strategic Report, is approved by and signed on behalf of the Board



Glenn Howells – Chair

Date: 17th December 2021

Birmingham Hippodrome Theatre Trust Limited

TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The trustees (who are also directors of Birmingham Hippodrome Theatre Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIRMINGHAM HIPPODROME THEATRE TRUST LIMITED

Opinion

We have audited the financial statements of Birmingham Hippodrome Theatre Trust Limited (the 'parent charitable company') and its subsidiary (the 'group') for the period ended 27 March 2021 which comprise the Consolidated Statement of Financial Activities, the Income and Expenditure Account, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 27 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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 the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic 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 and the Strategic Report included within the Trustees' Report have 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where 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 parent charitable company 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIRMINGHAM HIPPODROME THEATRE TRUST LIMITED (CONTINUED)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anna Spencer-Gray

ANNA SPENCER-GRAY (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Date: 21 December 2021

Birmingham Hippodrome Theatre Trust Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the 52 week period ended 27 March 2021

		52 week period ended 27 March 2021			52 weeks ended 28 March 2020
	Notes	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total funds 2021 £'000	Total funds 2020 £'000
INCOME FROM:					
Donations	2	174	449	623	750
Charitable activities	3	2,418	3,875	6,293	22,308
Other trading activities	4	117	-	117	3,258
Investments	5	47	-	47	94
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL		2,756	4,324	7,080	26,410
EXPENDITURE ON:					
Raising funds	6	285	-	285	2,638
Charitable activities	6	4,579	2,505	7,084	25,638
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL		4,864	2,505	7,369	28,276
		<hr/>	<hr/>	<hr/>	<hr/>
NET EXPENDITURE	8	(2,108)	1,819	(289)	(1,866)
Transfers between funds	17	2,073	(2,073)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS		(35)	(254)	(289)	(1,866)
RECONCILIATION OF FUNDS:					
Fund balances brought forward		4,385	30,262	34,647	36,513
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances carried forward		4,350	30,008	34,358	34,647
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

INCOME AND EXPENDITURE ACCOUNT

for the 52 week period ended 27 March 2021

	<i>52 week period ended 27 March 2021 £'000</i>	<i>52 week period ended 28 March 2020 £'000</i>
Gross income of continuing operations	7,080	26,410
Total expenditure of continuing operations	(7,369)	(28,276)
Net movement in funds for the period	(289)	(1,866)
Amortisation of capital grants	895	853
Net income/(expenditure)	606	(1,013)

- Net income of £606,000 in the period (2019/20: net expenditure of £1,013,000) comprises £35,000 deficit from unrestricted funds (2019/20: deficit of £1,013,000) and £641,000 surplus from restricted funds (2019/20: surplus £Nil).
- The £35,000 unrestricted deficit (2019/20: £1,013,000 deficit) is net of planned repairs and maintenance with a value £Nil (2019/20: £Nil) funded from reserves set aside for this purpose.
- Total income comprises £2,756,000 (2019/20: £26,069,000) from unrestricted funds and £4,324,000 (2019/20: £341,000) from restricted funds. A detailed analysis of income by source is provided in the Consolidated Statement of Financial Activities.
- Income from non-charitable trading activities amounted to £49,000 (2019/20: £3,217,000). A detailed analysis of the subsidiary's trading results is shown in Note 18.
- Detailed analysis of the expenditure is provided in the Consolidated Statement of Financial Activities and Note 6.
- The summary income and expenditure account is derived from the Consolidated Statement of Financial Activities on page 22 which, together with the notes to the accounts on pages 26 to 45 provides full information on the movements during the period on all the funds of the group.
- All income and expenditure derive from continuing activities.

The above income and expenditure account adds back the £895k amortisation of capital grants, as this ordinarily would have been matched with the release of the grant to expend on leasehold improvements in accordance with section 24 of FRS 102, but not permitted under charity SORP (FRS 102).

Birmingham Hippodrome Theatre Trust Limited

BALANCE SHEETS

As at 27 March 2021

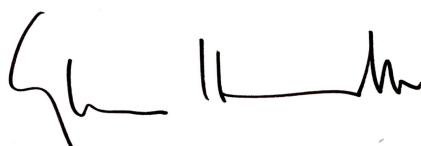
Company No: 01446309

	Note	Group		Charity	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
FIXED ASSETS					
Intangible assets	10	79	113	79	113
Tangible assets	11	30,928	31,595	30,882	31,507
Investments	12	-	-	-	-
		<u>31,007</u>	<u>31,708</u>	<u>30,961</u>	<u>31,620</u>
CURRENT ASSETS					
Stock		71	41	-	-
Debtors	13	2,045	1,528	2,369	1,461
Short term deposits		4,128	4,122	4,128	4,122
Cash at bank and in hand		6,071	10,256	5,914	10,151
		<u>12,315</u>	<u>15,947</u>	<u>12,411</u>	<u>15,734</u>
CREDITORS:					
Amounts falling due within one year	14(a)	(8,964)	(13,008)	(8,847)	(12,707)
		<u>3,351</u>	<u>2,939</u>	<u>3,564</u>	<u>3,027</u>
NET CURRENT ASSETS					
		<u>34,358</u>	<u>34,647</u>	<u>34,525</u>	<u>34,647</u>
REPRESENTED BY					
RESTRICTED FUNDS					
	16	30,008	30,262	30,008	30,262
UNRESTRICTED FUNDS					
Share capital	15	-	-	-	-
Non designated	17a	1,933	2,108	2,100	2,108
Designated	17b	2,417	2,277	2,417	2,277
		<u>4,350</u>	<u>4,385</u>	<u>4,517</u>	<u>4,385</u>
		<u>34,358</u>	<u>34,647</u>	<u>34,525</u>	<u>34,647</u>

Net movement in funds for the parent charity was expenditure of £122,000 (2019/20: expenditure of £1,866,000).

The financial statements on pages 22 to 45 were approved by the board on 23 November 2021, and authorised for issue on its behalf by:

G Howells– Trustee



Birmingham Hippodrome Theatre Trust Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

For the 52 week period ended 27 March 2021

	2021 £'000	2020 £'000	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	(3,599)	846	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest from short term deposits	47	94	
Purchase of property, plant and equipment and intangible assets	(627)	(1,374)	
NET CASH USED IN INVESTING ACTIVITIES	(580)	(1,280)	
Change in cash and cash equivalents in the reporting period	(4,179)	(434)	
Cash and cash equivalents at the beginning of the reporting period	14,378	14,812	
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	10,199	14,378	
RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES			
Net expenditure for the reporting period	(289)	(1,866)	
ADJUSTMENTS FOR:			
Depreciation charges	1,294	1,236	
Amortisation charges	34	28	
Interest from short term deposits	(47)	(94)	
(Increase)/decrease in stock	(30)	9	
(Increase)/decrease in debtors	(516)	1,543	
Decrease in creditors and deferred income	(4,045)	(10)	
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(3,599)	846	
ANALYSIS OF CASH AND CASH EQUIVALENTS	2021 £'000	2020 £'000	
Cash at bank	6,071	10,256	
Short term deposits	4,128	4,122	
TOTAL CASH AND CASH EQUIVALENTS	10,199	14,378	
ANALYSIS OF CHANGES IN NET DEBT- GROUP	28 March 2020 £'000	<i>Cashflows</i> £'000	27 March 2021 £'000
Cash and cash equivalents	14,378	(4,179)	10,199
	<u>14,378</u>	<u>(4,179)</u>	<u>10,199</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

GENERAL INFORMATION

Birmingham Hippodrome Theatre Trust Limited is a charitable company limited by shares and incorporated in England. Its main activities are the presentation of theatrical productions.

The address of the Charity's registered office is Hurst Street, Southside, Birmingham, B5 4TB.

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006.

Birmingham Hippodrome Theatre Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

In accordance with FRS 102 the Charity has taken advantage of the exemption from the disclosure requirements of Section 7 'statement of cashflows' – Presentation of a Statement of Cashflows.

The Financial Statements are presented in pounds sterling, with figures being rounded to the nearest £'000, except where otherwise stated. Accounts are drawn up to the nearest Saturday to 31 March, with these accounts prepared for a 52 week period (2019/20: 52 week period).

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below:

BASIS OF CONSOLIDATION

The group accounts consolidate the financial statements of the Charity and its trading subsidiary undertaking Birmingham Hippodrome Limited. Intra-group transactions are eliminated on consolidation. Surpluses and deficits of organisations entering or leaving the group are included from the date of acquisition or up to the date of disposal. All financial statements have been drawn up to 27 March. The charity has taken advantage of the exemption available under CA06 s408, to omit its profit and loss account from the statutory group accounts.

GOING CONCERN

The theatre opened its doors on the 30 August for live performance and has traded successfully to the date of signing. There does however remain a risk of further disruption due to the COVID pandemic. The current free cash reserves are considered more than sufficient to cover a further 15-month period of closure, equating to the most severe view of the future, allowing the Trustees to have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing the financial statements. The theatre opened its doors on the 30 August for live performance and has traded successfully to the date of signing. There does however remain a risk of further disruption due to the COVID pandemic. The current free cash reserves are considered more than sufficient to cover a further 15-month period of closure, equating to the most severe view of the future, allowing the Trustees to have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing the financial statements.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

INCOME

Income is represented by gross box office receipts and other income generated in furtherance of the objects stated net of value added tax. The charity's income is derived from continuing operations during the current and the previous period. No operations have been acquired during these two periods.

Income from theatre admission fees is included in income from charitable activities in the period in which the relevant show takes place.

Other trading activities

Income from other trading activities is included in the period in which the group is entitled to receipt.

DONATIONS AND GRANTS

Income from donations and grants, including capital grants, is included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when receivable.

Capital grants in respect of leasehold improvements are amortised in line with the related assets.

GOVERNMENT GRANTS

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Interest receivable

Interest is recognised when receivable.

EXPENDITURE

Expenditure is included in the Consolidated Statement of Financial Activities on an accruals basis, inclusive of any value added tax which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

- Expenditure on raising funds are those costs incurred in attracting donations, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the staging of productions and educational programmes and include both the direct costs and support costs relating to these activities.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. Governance costs are included within support costs.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

TAXATION

The Trust is exempt from paying corporation tax in relation to its charitable activities as it is a registered charity. Birmingham Hippodrome Limited gift aids its taxable profits to the Theatre on an annual basis.

FUND ACCOUNTING

Restricted funds

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

Unrestricted funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. They may be designated or non-designated.

Designated funds

The trustees may, at their discretion, set aside unrestricted funds for specific purposes. If no longer required, designated funds are reclassified as non-designated, unrestricted funds.

DEBTORS

Trade and other debtors which are receivable within one year are initially recognised at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

SHORT TERM DEPOSITS

Short term deposits include cash on deposit with a maturity of less than one year but greater than three months.

CASH AND BANK BALANCES

Cash and bank balances includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.

TRADE CREDITORS AND LIABILITIES

Trade creditors payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

DEFINED CONTRIBUTION PENSION SCHEME

Pension contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

FINANCIAL INSTRUMENTS

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments per Section 11 of FRS 102, and has chosen to follow Sections 11 and 12 of FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

OPERATING LEASES

The annual operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

INTANGIBLE ASSETS

Intangible assets purchased other than in a business combination are recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost (which for intangible assets acquired in a business combination is the fair value at acquisition date) and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:-

Computer software: 5 years

On disposal, the difference between net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Assets with a value below £1,000 are not capitalised. Depreciation of fixed assets is charged by equal annual instalments at rates estimated to write off their cost less any residual value over the expected useful lives, which are as follows:

Long lease premium	Over period of the lease of 125 years
Dance Hub	25 years
Hippodrome Theatre long leasehold improvements	10-50 years
Birmingham Royal Ballet long leasehold improvements	50 years
Computer equipment	3 years
Fixtures, fittings & other office equipment	10 years
IT and Box Office Infrastructure project	5 years

Assets under the course of construction are depreciated from the date of completion.

INVESTMENTS

Investments in subsidiaries are included at cost less impairment, being the cost of the share capital owned.

STOCK

Stock of goods for resale have been included at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

The Charity and group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Trustees do not believe there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

1 COMPARATIVE INFORMATION – PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

52 week period ended 28 March 2020

	<i>Unrestricted funds 2020 £'000</i>	<i>Restricted funds 2020 £'000</i>	<i>Total funds 2020 £'000</i>
INCOME FROM:			
Donations	538	212	750
Charitable activities	22,179	129	22,308
Other trading activities	3,258	-	3,258
Investments	94	-	94
	<hr/>	<hr/>	<hr/>
TOTAL	26,069	341	26,410
	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:			
Raising funds	2,638	-	2,638
Charitable activities	25,297	341	25,638
	<hr/>	<hr/>	<hr/>
TOTAL	27,935	341	28,276
	<hr/>	<hr/>	<hr/>
NET EXPENDITURE	(1,866)	-	(1,866)
Transfers between funds	853	(853)	-
	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS	(1,013)	(853)	(1,866)
RECONCILIATION OF FUNDS:			
Fund balances brought forward	5,398	31,115	36,513
	<hr/>	<hr/>	<hr/>
Fund balances carried forward	4,385	30,262	34,647
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

2	DONATIONS	52 week period ended 27 March 2021			52 week period ended 28 March 2020
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
	Creative programme donations	174	449	623	750
		<u>174</u>	<u>449</u>	<u>623</u>	<u>750</u>
		<u><u>174</u></u>	<u><u>449</u></u>	<u><u>623</u></u>	<u><u>750</u></u>
3	CHARITABLE ACTIVITIES	52 week period ended 27 March 2021			52 week period ended 28 March 2020
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
	Theatre tickets	168	-	168	20,730
	Booking fee, ticket levy and box office handling charges	58	-	58	1,207
	Friends memberships	28	-	28	101
	Creative programming	-	-	-	106
	Fundraising	20	49	69	164
	Coronavirus job retention scheme	2,144	-	2,144	-
	ACE culture recovery fund	-	3,185	3,185	-
	Birmingham City Council	-	36	36	-
	Birmingham City Council – Inge Street	-	605	605	-
		<u>2,418</u>	<u>3,875</u>	<u>6,293</u>	<u>22,308</u>
		<u><u>2,418</u></u>	<u><u>3,875</u></u>	<u><u>6,293</u></u>	<u><u>22,308</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

4	OTHER TRADING ACTIVITIES	52 week period ended 27 March 2021 Unrestricted funds £'000	52 week period ended 28 March 2020 Unrestricted funds £'000
	Catering, Visitor Services, Consultancy and Business		
	Development income – subsidiary	49	3,217
	Technical services income	-	21
	Sundry income	68	20
		<u>117</u>	<u>3,258</u>
		<u><u>117</u></u>	<u><u>3,258</u></u>
5	INCOME FROM INVESTMENTS	52 week period ended 27 March 2021 Unrestricted funds £'000	52 week period ended 28 March 2020 Unrestricted funds £'000
	Interest from short term deposits	47	94
		<u>47</u>	<u>94</u>
		<u><u>47</u></u>	<u><u>94</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

6 EXPENDITURE

	52 week period ended 27 March 2021			52 week period ended 28 March 2020
	Charitable activities £'000	Raising funds £'000	Total £'000	Total £'000
(a) <i>Direct charitable expenditure</i>				
Fees of visiting companies and artistes	1	-	1	15,677
(b) <i>Other expenditure – management and administration of the charity</i>				
Wages and salaries	3,905	-	3,905	3,767
Marketing, friends, sponsorship & creative programming	692	2	694	2,120
Customer services & security	65	-	65	103
Technical services	599	81	680	1,538
Box office and ticketing	93	-	93	284
Financial and administration	168	-	168	390
Depreciation and amortisation of fixed assets	1,329	-	1,329	1,236
Catering and conference and events	-	180	180	2,350
Support costs (See note 6 (c))	232	22	254	811
	<u>7,083</u>	<u>285</u>	<u>7,368</u>	<u>12,599</u>
TOTAL	<u>7,084</u>	<u>285</u>	<u>7,369</u>	<u>28,276</u>
(c) <i>Support costs</i>				
General office costs	85	7	92	530
General financial costs	17	2	19	107
Computer support	85	13	98	97
Governance costs	45	-	45	77
	<u>232</u>	<u>22</u>	<u>254</u>	<u>811</u>

7 TAXATION

The company, which is a registered charity, is entitled to the exemptions afforded by Part XI, CTA 2010 and S256 TCGA 1992, and so is exempt from taxation on its charitable activities.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

8	NET EXPENDITURE BEFORE TRANSFERS	52 week period ended 27 March 2021 £'000	52 week period ended 28 March 2020 £'000
	Net expenditure are stated after charging:		
	Depreciation of tangible fixed assets		
	- owned	1,294	1,236
	Amortisation of intangible assets		
	- owned	34	28
	Operating lease rentals - equipment and vehicles	15	12
	Auditor's remuneration - audit parent undertaking	21	21
	- audit subsidiary undertakings	5	5
	- accountancy services	9	9
	Charity trustees' liability insurance	2	2
		<u> </u>	<u> </u>

9 STAFF COSTS

Birmingham Hippodrome Theatre Trust employs all staff for the group. Staff costs recharged to the trading subsidiary, Birmingham Hippodrome Limited amounted to £86,725 (2019/20: £1,192,921).

	52 week period ended 27 March 2021 £'000	52 week period ended 28 March 2020 £'000
Wages and salaries	3,649	5,018
Social security costs	260	442
Pension costs	97	363
	<u> </u>	<u> </u>
Staff costs recharged to visiting companies	4,006	5,823
	-	(907)
	<u> </u>	<u> </u>
	4,006	4,916
	<u> </u>	<u> </u>

Included within wages and salaries is £150,000 of redundancy costs (2020: £nil).

Pensions costs are allocated to activities in proportion to employee time spent and are wholly charged to unrestricted funds.

None of the directors received any remuneration from the charity during the period (2019/20: none). No Trustee (2019/20: One) was reimbursed travel expenses (2019/20: £243).

The total compensation including employer's national insurance and pension contributions payable to key management personnel of the group and charity was £616,771 (2019/20: £804,314).

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

9 STAFF COSTS (continued)

AVERAGE NUMBER EMPLOYED	Number 2021		Number 2020	
Average number of staff/ (full time equivalents):				
Administration	35	(34)	48	(47)
Production and selling				
- permanent	57	(54)	81	(81)
- temporary	54	(31)	120	(44)
	<u>146</u>	<u>(119)</u>	<u>249</u>	<u>(172)</u>
NUMBER OF EMPLOYEES WHOSE EMOLUMENTS EXCEEDED £60,000	Number 2021		Number 2020	
£60,001 - £70,000	3		2	
£80,001 - £90,000	1		1	
£90,001 - £100,000	-		1	
£100,001 - £110,000	1		-	
£110,001 - £120,000	-		1	
£120,001 - £130,000	1		-	
£140,001 - £150,000	-		1	
	<u>6</u>	<u>1</u>	<u>6</u>	<u>2</u>

Pension costs for the period for higher paid staff totalled £22,964 (2019/20: £42,556).

Visitor Services Volunteers assist with the welcoming of audiences to the theatre. This includes checking audience tickets entering the auditorium, assisting customers where required and assisting with the evacuation of audience if required. The Volunteers are requested to work at least one shift every six weeks and attend an annual training session in which they go through the evacuation procedure. They make no contribution to the pension scheme. During 2021 the Theatre was closed due to COVID-19 restrictions, therefore the reliance on the volunteers reduced.

10 INTANGIBLE FIXED ASSETS	Computer Software £'000	Total 2021 £'000
GROUP AND CHARITY		
COST		
28 March 2020 and 27 March 2021	148	148
AMORTISATION		
28 March 2020	35	35
Charge for period	34	34
27 March 2021	69	69
NET BOOK VALUE		
27 March 2021	79	79
28 March 2020	113	113

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

11 TANGIBLE FIXED ASSETS

GROUP	<i>Assets under the course of construction</i> £'000	<i>Dance hub</i> £'000	<i>Long lease premium</i> £'000	<i>Hippodrome Theatre long leasehold improvements</i> £'000	<i>Birmingham Royal Ballet long leasehold improvements</i> £'000	<i>Fixtures, Fittings and equipment</i> £'000	<i>IT infrastructure</i> £'000	<i>Total</i> £'000
COST								
28 March 2020	-	4,147	5,001	33,439	4,211	3,423	830	51,051
Additions	412	1	-	2	-	159	53	627
27 March 2021	412	4,148	5,001	33,441	4,211	3,582	883	51,678
DEPRECIATION								
28 March 2020	-	124	738	12,683	2,926	2,354	631	19,456
Charge for period	-	166	40	770	41	224	53	1,294
27 March 2021	-	290	778	13,453	2,967	2,578	684	20,750
NET BOOK VALUE								
27 March 2021	412	3,858	4,223	19,988	1,244	1,004	199	30,928
28 March 2020	-	4,023	4,263	20,756	1,285	1,069	199	31,595

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

11 TANGIBLE FIXED ASSETS (continued)

Under the terms of the property lease agreement granted on 1 April 1999, the charity cannot assign, underlet, charge or dispose of the theatre premises or any part thereof, except under specific circumstances detailed in the lease agreement. Furthermore, under the terms of the lease agreement, the company is restricted to using the theatre premises for live stage plays, operas, ballet performances, concerts, other entertainments and necessary ancillary activities. Charges over the charity's leasehold property have been registered as a condition of a £4.35m grant in favour of Birmingham City Council received in 2007 and a £1.35m grant received in 1998, both expiring on 30 April 2023.

CHARITY

	<i>Assets under the course of construction £'000</i>	<i>Dance hub £'000</i>	<i>Long lease premium £'000</i>	<i>Hippodrome Theatre long leasehold improvements £'000</i>	<i>Birmingham Royal Ballet long leasehold improvements £'000</i>	<i>Fixtures, fittings and equipment £'000</i>	<i>IT infrastructure £'000</i>	<i>Total £'000</i>
COST								
28 March 2020	-	4,147	5,001	33,439	4,211	2,927	830	50,555
Additions	412	1	-	2	-	159	53	627
27 March 2021	412	4,148	5,001	33,441	4,211	3,086	883	51,182
DEPRECIATION								
28 March 2020	-	124	738	12,683	2,926	1,946	631	19,048
Charge for period	-	166	40	770	41	183	52	1,252
27 March 2021	-	290	778	13,453	2,967	2,129	683	20,300
NET BOOK VALUE								
27 March 2021	412	3,858	4,223	19,988	1,244	957	200	30,882
28 March 2020	-	4,023	4,263	20,756	1,285	981	199	31,507

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

12 FIXED ASSET INVESTMENTS

Subsidiary undertakings

The charity holds two £1 ordinary shares of Birmingham Hippodrome Limited (company registration: 01545498) at a historic cost of £1 each, which represents the entire allotted share capital of Birmingham Hippodrome Limited, a company which has trading receipts and profits from the Theatre's bars and catering operations and whose profits are covenanted annually to Birmingham Hippodrome Theatre Trust Limited. Birmingham Hippodrome Limited is incorporated in England and its registered address is the same as that of the parent charity given on page 1. Details of the subsidiary's trading results for the period are set out in Note 18.

13 DEBTORS	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Amounts owed within one year:				
Trade debtors	436	580	355	224
Amounts due from Birmingham Hippodrome Limited (see Note 18)	-	-	414	282
Other debtors	85	48	85	55
Amounts due from related parties	8	-	-	-
Prepayments and accrued income	1,516	900	1,515	900
	<u>2,045</u>	<u>1,528</u>	<u>2,369</u>	<u>1,461</u>

14 CREDITORS	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
(a) AMOUNTS FALLING DUE WITHIN ONE YEAR:				
Trade creditors	423	596	416	535
Other taxation and social security	138	208	138	218
Other creditors	1,777	740	1,669	490
Accruals	171	883	169	883
Deferred income (note 14b)	6,455	10,581	6,455	10,581
	<u>8,964</u>	<u>13,008</u>	<u>8,847</u>	<u>12,707</u>

(b) DEFERRED INCOME	Group	Charity
	£'000	£'000
Balance as at 28 March 2020	10,581	10,581
Amount released to income or converted to credit vouchers	(4,982)	(4,982)
Amount deferred in period	856	856
	<u>6,455</u>	<u>6,455</u>
Balance as at 27 March 2021	6,455	6,455

Deferred income comprises advance box office receipts.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

15	SHARE CAPITAL	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
	<i>Allotted, called up and fully paid</i>				
	Ordinary shares of £1 each	8	8	8	8

Eight directors of the company hold 1 ordinary share in accordance with the qualification required by the Articles of Association. No person may hold any share in the capital of the company unless he is a director of the company.

The Articles of Association prevent any dividends being paid on the share capital of the company. Furthermore, the members are not entitled to any distribution on the dissolution or winding up of the company.

16 RESTRICTED FUNDS (GROUP AND CHARITY)

- (a) The income funds of the group include restricted funds comprising the following unexpended balances of donations and grants held to be applied for specific purposes.

2021	Balance at 28 March 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance at 27 March 2021 £'000
Lease premium Hippodrome Theatre leasehold improvements	4,263	-	-	(40)	4,223
Birmingham Royal Ballet leasehold improvements	20,656	-	-	(648)	20,008
First Night	1,294	-	-	(41)	1,253
Creative Programme grants	8	-	-	-	8
ACE Culture Recovery Fund	-	498	(498)	-	-
Dance Hub	-	3,185	(2,007)	(1,178)	-
Birmingham City Council	4,041	-	-	(166)	3,875
Birmingham City Council – Inge street	-	36	-	-	36
	-	605	-	-	605
	<u>30,262</u>	<u>4,324</u>	<u>(2,505)</u>	<u>(2,073)</u>	<u>30,008</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

16 RESTRICTED FUNDS (GROUP AND CHARITY) (continued)

2020	Balance at 28 March 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance at 28 March 2020 £'000
Lease premium Hippodrome Theatre	4,303	-	-	(40)	4,263
leasehold improvements Birmingham Royal Ballet	21,304	-	-	(648)	20,656
leasehold improvements First Night	1,335	-	-	(41)	1,294
Creative Programme grants	8	-	-	-	8
Dance Hub	-	341	(341)	-	-
	4,165	-	-	(124)	4,041
	<u>31,115</u>	<u>341</u>	<u>(341)</u>	<u>(853)</u>	<u>30,262</u>

The lease premium, Hippodrome Theatre and Birmingham Royal Ballet leasehold improvements funds relate to assets acquired by way of restricted capital grants.

The First Night fund provides discounted tickets for students between the ages of 16 and 23.

Creative Programme grants relate to amounts for specific artistic programmes.

Dance Hub funding has been received to develop a new space providing dance studio facilities to local dance groups and choreographers and office space to house One Dance UK, who have relocated to the Hippodrome.

The Board have entered into an agreement with the Birmingham City Council to receive a grant of £605,000 for a front of house development project. The Board have made a commitment to continue £300,000 of unrestricted funds in order to receive this grant. Overall, £412,000 has been spent on the project up to the year end, and is included as assets under the course of construction (see Note 11).

The ACE Culture Recovery Fund is a rescue package for cultural organisations put in place by the Government in response to the Coronavirus pandemic. Part of the funding agreement allowed for an element of the funding to be used to boost reserves and the transfer to unrestricted reserves represents the satisfaction of the initial restriction.

There are floating debenture and fixed property charges totalling £5m held by the Arts Council of England resulting from grants for refurbishment, expiring 2021 (£4m) and 2024 (£1m).

Transfers to unrestricted funds relate to the amortisation of the capital grants within each fund.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

16 RESTRICTED FUNDS (GROUP AND CHARITY) (continued)

(b) ANALYSIS OF NET ASSETS BETWEEN FUNDS (GROUP)

	27 March 2021			
	Fixed assets £'000	Current Assets £'000	Current liabilities £'000	Total £'000
RESTRICTED FUNDS	29,771	237	-	30,008
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	1,236	9,661	(8,964)	1,933
Designated	-	2,417	-	2,417
	<u>31,007</u>	<u>12,315</u>	<u>(8,964)</u>	<u>34,358</u>
	<u><u>31,007</u></u>	<u><u>12,315</u></u>	<u><u>(8,964)</u></u>	<u><u>34,358</u></u>
	28 March 2020			
	Fixed assets £'000	Current Assets £'000	Current liabilities £'000	Total £'000
RESTRICTED FUNDS	30,254	8	-	30,262
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	1,454	13,662	(13,008)	2,108
Designated	-	2,277	-	2,277
	<u>31,708</u>	<u>15,947</u>	<u>(13,008)</u>	<u>34,647</u>
	<u><u>31,708</u></u>	<u><u>15,947</u></u>	<u><u>(13,008)</u></u>	<u><u>34,647</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

16 RESTRICTED FUNDS (GROUP AND CHARITY) (continued)

(c) ANALYSIS OF NET ASSETS BETWEEN FUNDS (CHARITY)

	27 March 2021			
	Fixed assets £'000	Current Assets £'000	Current liabilities £'000	Total £'000
RESTRICTED FUNDS	29,771	237	-	30,008
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	1,190	9,757	(8,847)	2,100
Designated	-	2,417	-	2,417
	<u>30,961</u>	<u>12,411</u>	<u>(8,847)</u>	<u>34,525</u>
	<u><u>30,961</u></u>	<u><u>12,411</u></u>	<u><u>(8,847)</u></u>	<u><u>34,525</u></u>
	28 March 2020			
	Fixed assets £'000	Current Assets £'000	Current liabilities £'000	Total £'000
RESTRICTED FUNDS	30,254	8	-	30,262
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	1,366	13,449	(12,707)	2,108
Designated	-	2,277	-	2,277
	<u>31,620</u>	<u>15,734</u>	<u>(12,707)</u>	<u>34,647</u>
	<u><u>31,620</u></u>	<u><u>15,734</u></u>	<u><u>(12,707)</u></u>	<u><u>34,647</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

17a	UNRESTRICTED NON-DESIGNATED FUNDS			Group £'000	Charity £'000
28 March 2020				2,108	2,108
Net expenditure				(2,108)	(1,941)
Transfer from restricted funds				2,073	2,073
Transfer to designated funds				(140)	(140)
				1,933	2,100
27 March 2021				1,933	2,100
				Group £'000	Charity £'000
30 March 2019				3,261	3,261
Net expenditure				(1,866)	(1,866)
Transfer from restricted funds				853	853
Transfer to designated funds				(140)	(140)
				2,108	2,108
28 March 2020				2,108	2,108
17b	UNRESTRICTED DESIGNATED FUNDS (GROUP AND CHARITY)				
	<i>Balance at</i>			<i>Transfers</i>	<i>Balance at</i>
	<i>28 March</i>			<i>between</i>	<i>27 March</i>
	<i>2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>funds</i>	<i>2021</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Repairs reserve	2,027	-	-	140	2,167
Hippodrome Square	250	-	-	-	250
	2,277	-	-	140	2,417
	2,277	-	-	140	2,417
	<i>Balance at</i>			<i>Transfers</i>	<i>Balance at</i>
	<i>30 March</i>			<i>between</i>	<i>28 March</i>
	<i>2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>funds</i>	<i>2020</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Repairs reserve	1,887	-	-	140	2,027
Hippodrome Square	250	-	-	-	250
	2,137	-	-	140	2,277
	2,137	-	-	140	2,277

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

17b UNRESTRICTED DESIGNATED FUNDS (continued)

The Board regularly considers the Repairs and Maintenance liabilities of the trust in order to ensure that sufficient funds are set aside annually to meet the Trust's repairs and maintenance obligations (over a twenty five year period) under the lease with Birmingham City Council, as funds allow and will be drawn down over that period. Following an Audit Committee review in November 2012, Trustees approved an ongoing annual allocation of £140,000 according to planned maintenance over a five year period. In 2020/21 £Nil (2019/20: £Nil) was expended on Repairs and Maintenance included in this plan.

The Board have also committed to improving the area outside of Birmingham Hippodrome Theatre Trust to assist the rebrand of Hippodrome Square, as such £250,000 has been designated for this purpose. The work is ongoing, but the designated funds are expected to be used in the near future.

18 RELATED PARTY ACTIVITIES

NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY UNDERTAKINGS – BIRMINGHAM HIPPODROME LIMITED (company number: 01545498)

A summary of the Birmingham Hippodrome Limited trading results are shown below. Audited accounts are filed annually with the Registrar of Companies. Its registered office is the same as that of the parent charity, detailed on page 1.

	Period ended 27 March 2021 £'000 Total	Period ended 28 March 2020 £'000 Total
PROFIT AND LOSS ACCOUNT		
Turnover	49	3,218
Cost of sales	(26)	(885)
Administrative expenses	(196)	(1,771)
Interest	-	2
	<hr/>	<hr/>
(Loss)/profit on ordinary activities before tax	(173)	564
Taxation	-	-
	<hr/>	<hr/>
(Loss)/profit after tax	(173)	564
	<hr/> <hr/>	<hr/> <hr/>

The aggregate amount of the company's assets, liabilities, share capital and reserves was:

	2021 £'000	2020 £'000
Fixed assets	46	88
Current assets	317	510
Creditors: amounts falling due within one year	(530)	(592)
	<hr/>	<hr/>
Net (liabilities)/assets	(167)	6
	<hr/> <hr/>	<hr/> <hr/>
Represented by share capital plus (deficit)/surplus on reserves	(167)	6
	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

18 RELATED PARTY ACTIVITIES (continued)

Transactions between Birmingham Hippodrome Theatre Trust Limited and Birmingham Hippodrome Limited and balances at the year-end date are as follows:

	2021 £'000	2020 £'000
Distribution of profit from trading subsidiary	-	564
Staff costs recharged	86	1,193
Amounts owed by group undertakings	414	282
	<u> </u>	<u> </u>

Transactions between Birmingham Hippodrome Theatre Trust Limited and Dance Consortium Limited and balances at the year-end date are as follows:

Management charge	8	4
Amounts due from related parties	8	-
	<u> </u>	<u> </u>

The balances noted above are unsecured.

19 PENSION COSTS

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £97,000 (2019/20: £363,000). Contributions totalling £15,000 (2019/20: £34,000) were payable to the fund at the period end and are included in other creditors.

20 CONTINGENT LIABILITIES

Birmingham Hippodrome Theatre Trust Limited is a member of a VAT group with its subsidiary Birmingham Hippodrome Limited. It has entered into a guarantee for all group companies with HMRC. At the year end, this potential liability was £69,000 (2019/20: £74,000).

21 RESULTS OF PARENT CHARITY

The total income of the parent charity was £7,032,000 (2019/20: £23,755,000).

The net movement in funds of the charity was £122,000 net expenditure (2019/20: £1,866,000 net expenditure).

The movement in unrestricted funds of the parent charity was £132,000 net income (2019/20: £1,137,000 net expenditure).

22 POST BALANCE SHEET EVENTS

As outlined in the Trustees Report, the Group has been significantly impacted by the COVID-19 pandemic and the Board continues to take action as necessary. This has included securing a £2.5m Coronavirus Business Interruption Loan in May 2021. As a condition of this loan, fixed and floating charges are in place over the leasehold and freehold property disclosed in note 11.