

Birmingham Hippodrome Theatre Trust Limited

ANNUAL REPORT

for the period ended

1 April 2023

Company Registration No. 01446309
Charity No. 510842

Birmingham Hippodrome Theatre Trust Limited

TRUSTEES AND PRINCIPAL ADVISERS

TRUSTEES

M Guest
V Hjärdeng
G Howells (resigned 21 November 2023)
I Kaur
H Millington
A Tonks
A Connors
S Lawes
A Hammond
T Powell
E Lawal
C Mallyon (appointed 31 March 2023)

EXECUTIVE TEAM

Artistic Director & Chief Executive - Jon Gilchrist
Executive Director - Chilina Madon
Chief Operating Officer - Tim Maycock (resigned 19 January 2024)
Interim Director of IT, Finance and Operations - Stephen Eames (appointed 8 January 2024)
Director of Operations - Mike Bradford (resigned 28 January 2023)
Creative Director - Chris Sudworth
Director of People and Culture – Ruth Power

REGISTERED OFFICE

Hurst Street
Southside
Birmingham B5 4TB

BANKERS

Lloyds TSB Bank Plc
125 Colmore Row
Birmingham B3 3SD

SOLICITORS

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

AUDITORS

RSM UK Audit LLP
Chartered Accountants
103 Colmore Row
Birmingham B3 3AG

Birmingham Hippodrome Theatre Trust Limited

STATEMENT FROM THE CHAIR

Since becoming Chair in 2018, the Hippodrome has been on a journey to broaden its appeal and reach out to even greater numbers of people. Looking back over the last twelve months in particular, it's been terrific to see the organisation return to full strength, building upon our reputation associated with the Birmingham Hippodrome brand across all of our areas of work.

In a year like no other, the spotlight shone on Birmingham for the Commonwealth Games, and the city certainly put on a show. The rich and diverse cultural landscape was at the heart of the celebrations, and the Hippodrome proudly played its part in creating these that were seen globally.

Parks across the West Midlands played host to our co-production of the joyous new musical *To The Streets!* and The Patrick Studio was transformed with the groundbreaking immersive experience *Waswasa: Whispers in Prayer*. On our main stage, we opened our collaboration on *Peaky Blinders: The Redemption of Thomas Shelby* – a landmark creative partnership between Steven Knight and Rambert. Tens of thousands flocked to these world premieres, and the latter was seen by over a billion people around the world as part of the closing ceremony of the Commonwealth Games.

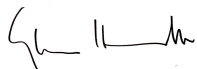
We were delighted to partner once again with the Chinese Festival Committee Birmingham to bring Lunar New Year celebrations back to Southside for the first time in three years, seeing record-breaking attendance over the festival weekend.

Our Learning & Participation work over the last year has seen over 5,000 young people attend a show, the return of work experience opportunities and we have welcomed a new cohort of Young Advocates - a truly inspiring group who are working with us to shape the work we do with and for young people.

For the Hippodrome, like all theatres across the country, it was also a year of rebuilding. It was our first year post-pandemic restrictions, and whilst the theatre had weathered the storm, the impact had been felt.

The Hippodrome's new mission is to provide "that 'goosebumps' feeling through memorable and extraordinary experiences" and I can't imagine a better placed team to deliver this. The Board and I are extremely proud of the endless dedication and commitment the team has shown to ensuring we deliver unforgettable experiences for our audiences, artists and participants.

As I step down later this year as chair, I would like to extend my personal thanks to all our employees, trustees, volunteers, partners and supporters who have worked so tirelessly to bring joy to the region and to say what an honour it has been to be involved with this truly inspiring organisation.



Glenn Howells
Chair, Birmingham Hippodrome Theatre Trust

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 1 April 2023.

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.

During the year, the Trust registered a subsidiary community interest company named 'Birmingham Festival 2023 CIC'. The company secretary and Harj Millington, alongside two others act as directors of the CIC. The new CIC was awarded £2 million of grant income by Birmingham City Council to produce a 9 day festival in a continuation of the 2022 Commonwealth Games cultural festival. The grant is reflected in these accounts and will be fully utilised in the following year.

The governing body of the company is a board of non-executive Trustees. During the period, no trustee received travel expenses (2021/22 no trustee received travel expenses). The Trustees of the charitable company during the period were as follows:

M Guest
V Hjärdeng
G Howells (resigned 21 November 2023)
I Kaur
H Millington
A Tonks
A Connors
S Lawes
A Hammond
T Powell
E Lawal
C Mallyon (appointed 31 March 2023)

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 20.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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, Fabric and One Dance UK, all 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; and
- Financial and legal information – latest annual reports/ accounts, Board papers, including management accounts, list of insurances.

The Board meets five times each year and has delegated authority to certain committees which are responsible for certain strategic aspects of management. The Trust's 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, as well as formally reviewing the risk register twice per year. During the year, A Hammond, H Millington, A Connors and T Powell 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 Executive Team 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. H Millington, A Connors and A Hammond make up the remuneration committee with H Millington 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 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 Hjadeng, 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)

Safeguarding

The safeguarding committee meets three times per year to provide scrutiny, guidance and support on all matters to do with safeguarding. The committee will ensure those with safeguarding responsibilities are fulfilling their duties and working towards best practice, as well as reviewing all policies and receiving reports covering all safeguarding incidents. H Millington and V Hjordeng make up the safeguarding committee with H Millington acting as chair.

Anti-Racism and Inclusion

The Anti-racism and inclusion committee meet six times per year alongside the staff working group to shape, review and approve Equality, Diversity and Inclusion (EDI) policy across the whole organisation. The committee will monitor progress against agreed targets and ensure the organisation maintains best practice within the industry. A Tonks, V Hjordeng, E Lawal and T Powell make up the committee with A Tonks acting as chair.

Accessibility

The Accessibility committee meets four times per year and works to shape, review and approve access and inclusion policy across the whole organisation, maintaining an awareness of best practice in the industry and monitoring progress made against national benchmarks. V Hjordeng makes up the committee and acts as chair.

Management

The Board is responsible for maintaining a sound system of internal control 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 (Jon Gilchrist) reports to the Board of Trustees which meets five times per annum. The Executive Team of the Chief Operating Officer (Tim Maycock), Executive Director (Chilina Madon), Creative Director (Chris Sudworth), Director of People and Culture (Ruth Power) 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.

More than 300 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 flexible workers are employed within information and sales, visitor services and technical services 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.

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REPORT OF THE TRUSTEES

OBJECTIVES, AIMS AND REVIEW OF ACHIEVEMENTS AND PERFORMANCE

In a year where the city played host to the Commonwealth Games, it was with great pride that Birmingham Hippodrome played its part in staging and showcasing some of the wide ranging artistic talent of our region. Birmingham Hippodrome's vision is for "A distinctive, world-class Birmingham cultural scene with the Hippodrome at its heart" and our aims are:

- To be renowned for the quality of cultural work we curate and present
- 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
- To provide all our visitors with a world class experience at each step of the customer journey
- To be the cultural heart of the city – a creative and cultural destination – playing a leading role in Birmingham's economic and cultural development
- To ensure our business has an independent and sustainable future

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

ON STAGE

2022–23 marked our first full year of programming post Covid and as audience confidence returned so too did our wide array of fantastic productions in both our main house and Patrick Studio.

We started the year with the Andrew Lloyd Webber and Tim Rice classic Joseph and the Amazing Technicolor Dreamcoat and ended with the sublime performance of The Sacrifice from South African choreographer, Dada Masilo.

Throughout the year, audiences were treated to the best in opera, touring musicals, ballet, contemporary dance, spoken word and comedy. Productions rescheduled during our Covid closures, including Mamma Mia!, Les Misérables, We Will Rock You and Sister Act, finally graced our stage to appreciative audiences who had in some cases waited two years to see their chosen show.

Over the festive season, we played to over 145,000 delighted visitors with the return of Sir Peter Wright's lavish Nutcracker from Birmingham Royal Ballet (following their £1M refurbishment), our Christmas panto Dick Whittington and Tales from Acorn Wood in our Patrick Studio.

Amongst other stunning productions, our year ended with five star reviews for the Lincoln Center's award-winning production of My Fair Lady, and sold out performances from Matthew Bourne's Sleeping Beauty, SIX – The Musical and How Not To Drown by award-winning theatre company, ThickSkin.

In total, 525,000 visitors attended one of our 526 performances, with over 53,000 being new bookers.

PRODUCED PRODUCTIONS

To The Streets!

Co-produced with China Plate, To The Streets! was performed as a musical concert in parks in Birmingham, Coventry and Wolverhampton as part of the Birmingham 2022 Festival. The uplifting brand-new musical, inspired by the 1963 Bristol Bus Boycott, was made in Birmingham, and written by Roy Williams with music and lyrics by Tim Sutton. Each site enjoyed pre-show performances from local poets, choirs, music and dance groups. The performing company comprised of 15 professionals and 18 community performers, working with a top-class creative team, including five Midlands-based global majority Associate Artists. 12,000 people were engaged through projects co-created with communities during the development process for the show: On Our Way, We Still Here and Soho Settlers. As part of the Birmingham 2022 Festival, BBC Arts commissioned a short new musical film inspired by To The Streets!, featuring the song Longing to Belong which has been seen by 13,000 people.

Birmingham Hippodrome Theatre Trust Limited

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The Color Purple

In autumn 2022, we re-joined forces with Curve (Leicester Theatre Trust) to remount our award-winning co-production of *The Color Purple* for its first tour in England and Wales thanks to support from Arts Council England National Lottery Funding. The show was watched by over 39,000 people with a further 5,000 engaging with it online.

WASWASA – Whispers In Prayer

Our Patrick Studio was transformed into an immersive theatrical experience by Birmingham artist Mohammed Ali of Soul City Arts, which explored the act of Islamic prayer and what it means in a modern, secular society. Audiences exceeding 1,000 were invited to walk through a combination of art installation and live performance and had an opportunity to view a reproduction of Birmingham's world-famous Qur'an.

Peaky Blinders – The Redemption of Thomas Shelby

Following a hugely successful national media launch, we were delighted to produce the world premiere of our dance theatre production of *Peaky Blinders: The Redemption of Thomas Shelby*, in association with Rambert. Written and adapted by *Peaky Blinders'* creator Steven Knight and choreographed and directed by Rambert's Artistic Director Benoit Swan Pouffer, the epic production played to over 100,000 people in Birmingham and on tour and featured live musicians performing a score written by Roman GianArthur, led by Musical Director Yaron Engler. Following the world premiere in Birmingham, the production toured to eleven venues, before returning to the Hippodrome by popular demand in May 2023.

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.

92% of surveyed audiences believe that Birmingham Hippodrome makes them feel welcome and included, with 90% believing that we offer a programme that appeals to a wide range of people.

LEARNING & PARTICIPATION (L&P)

Our Hippodrome Education Network (HEN) delivered creative activities in 44 partner schools every week – 80% of which are in the UK's 10% most deprived communities – with over 40,000 young people taking part over 120,000 times each year. Working with a dedicated L&P Artist, we brought creativity to the curriculum, providing young people with the chance to connect with and experience theatre.

Our HEN showcases returned, giving young people the opportunity to watch a production on our main stage followed by workshops and masterclasses with cast members to develop their own performances. The schools performed their pieces inspired by *SIX the Musical* and *Strictly Ballroom* in our Patrick Studio.

Our Learning & Participation team developed and delivered the national education programme for the tour of *The Color Purple*, including freely available resources written by the team and bespoke training opportunities for teachers and creatives across England and Wales.

YOUNG ADVOCATES

Our Young Advocates programme brings together young people from the West Midlands to shape our work with and for young people. Aged 14–23, our new group of 22 Young Advocates worked closely with the Hippodrome team to programme and produce events for young people over the coming year, including our popular Young Community Drop-In Sessions (attended by 140 people this year). They also received training, mentoring and access to a range of different opportunities within the arts industry.

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WORK EXPERIENCE

We piloted our first onsite Special Educational Needs (SEN) work experience week in April, working with seven pupils from Selly Oak Trust and The Pines School. The work experience was made possible thanks to the generous funding by The Eveson Trust. HEN Work Experience was also offered to all pupils in the network. We hosted 16 young people from across the West Midlands in July, running workshops from different departments across the organisation.

Additional highlights from the last year include our Young Choreographers and Curtain Raiser programmes which gave young people the chance to perform and work with companies including Akram Khan Company, Autin Dance Theatre, Birmingham Royal Ballet, Matthew Bourne's New Adventures, Motionhouse, and StopGAP. Our Learning & Participation Artists also devised a new project called A Beginner's Guide to Dragonology, based around reading to lost and lonely dragons. Every school that participated reported an upswing in reading for fun with their students.

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

94% of surveyed audiences rated their visit with a good or brilliant rating.

OPERATIONAL IMPROVEMENTS

We reopened our back-stage Green Room to staff, resident and visiting companies providing much needed communal space for backstage teams to meet, eat and drink. In terms of tech, we undertook a major upgrade of our ticketing system to the cloud and installed new cloud-based HR software for staff. Front of house we improved our family-friendly facilities, including adding family cubicles in all our toilets, and we are now accredited as a Breastfeeding Friendly venue. We also completed the installation of our new doors on Inge Street.

Work got underway to re-open the much loved Circle Lounge to customers including a full refit and redecoration of the space and appointment of our catering partner, Tutto Apposto. The Circle Lounge offers pre-show dining for both evening and matinee performances and opened in the summer of 2023.

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.

CULTURAL DESTINATION

Birmingham Hippodrome continued to play its part in driving the visitor economy, bringing culture to the heart of Birmingham not only through our on stage productions and involvement in the Commonwealth Games Cultural programme, but also through our off-site festivals programme which attracted over 190,000 attendees.

B-SIDE Hip-Hop Festival

In partnership with Bullring & Grand Central and presented as part of the Birmingham 2022 Festival, B-SIDE launched with a Rap Cypher event in Digbeth and workshops with leading Waacking dancer Princess Lockeroo and Menno van Gorp, one of the most accomplished B-Boys on the Breaking Scene. The Hippodrome was taken over with workshops and performances, DJs, live graffiti and music. Dancers competed in Breakin', Waacking, and all styles Hip-Hop on the Hippodrome main stage, followed by the grand finals at Bullring & Grand Central. Alongside the dance battles and competitions, festival highlights included live graffiti and street artists, outdoor performances and exhibitions.

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It's Carnival

We partnered with Bullring & Grand Central and ACE Dance & Music to bring a colourful large-scale dance and music extravaganza to the heart of the city during the Birmingham Commonwealth Games. Featuring over 400 performers, It's Carnival was a joyous and lively summer celebration.

Birmingham Weekender

Over the August bank holiday, visitors to the city enjoyed over 100 free events. The eclectic programme was packed with dance, film, music, installations and performances, featuring artists from the West Midlands alongside international performers. The centrepiece of the festival was Brum's Big Splash – a 60-metre slip and slide. Our Young Advocates played a leading role in Birmingham Weekender, curating a new music stage with Girl Grind featuring twenty artists across all music genres.

88% of surveyed respondents said that *Birmingham Weekender 2022* gave them a sense of pride in the city, with 89% saying that it improved the public spaces and streets where it took place.

Sharing the Light – Welcome Diwali

We welcomed Diwali with free local South Asian-led and international arts, performances, installations and workshops. A large-scale participatory performance event featuring Dhol drummers, dance performances and Dundu's breath-taking light puppets saw visitors join in a dance routine created by Sonia Sabri Company.

Lunar New Year

The city's Lunar New Year festival returned to Southside for the first time since 2020 for a weekend packed with free performances and activities produced by Birmingham Chinese Festival Committee and the Hippodrome. The festival kicked off with the much-loved lion procession for an afternoon of performances alongside calligraphy and painting workshops. The festivities continued at Hippodrome Square to mark the official New Year's Day. Visitors to Southside enjoyed performances including classical fan dances, lion dances, and face changer performances.

6% of visitors to the Hippodrome used their visit for an overnight stay with 81% of those visitors booking into hotels, B&B's or hostels. 74% of surveyed visitors believed that the organisation leads the way for culture in the region.

REGIONAL ARTIST DEVELOPMENT/ASSOCIATES

Our 9 Associate Artists are Aakash Odedra Company, Break Mission, Burnt Lemon Theatre, Fat Rascal Theatre, Motionhouse, Open Theatre, Sonia Sabri Company, The Good Enough Mums Club, Zonation: The Kate Prince Company.

We presented Aakash Odedra Company's *Samsara* on our main stage in October and Motionhouse's family production *Starchitects* on our main stage in February.

Our Hippodrome Creative Card membership grew to 432 members this year. The membership provides access to free rehearsal spaces, spaces to work and network with regional creatives as well as ticket offers and discounts at our Coffee Bars.

We engaged with 72 artists and freelancers this year.

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REPORT OF THE TRUSTEES

REGIONAL AND INDUSTRY LEADERSHIP

Newly appointed Chief Executive Officer and Artistic Director, Jon Gilchrist, is Joint President of industry body UK Theatre and sits on the board of several other arts organisations. Members of the wider Executive Team and Trustees continued to sit on local and industry boards including the local Southside Business Improvement District and the Cultural Leadership Board for West Midlands Combined Authority and Outdoor Arts UK. These connections helped ensure that the venue remained well networked across the city and sector. Former Board Chairman and Special Board Advisor – Sir John Crabtree, OBE was Chairman of the Birmingham 2022 Commonwealth Games and Trustee Harj Millington, sat on the United by 2022 Legacy Charity for the Commonwealth Games.

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

BOARD

In light of a number of upcoming changes to Board membership, including the recruitment of a new Chair, our internal auditor, Claire Ashby, completed a Board Skills Review. The audit examined the skills and experience of the Board, to ensure any future recruitment met the requirements of the new five-year strategic plan. Claire also recommended some changes to the subcommittee structure to enable more effective leadership. The audit was approved by the board in February 2023, and the recommendations were implemented alongside plans for a new strategy.

In March 2023, the Hippodrome confirmed the appointment of Catherine Mallyon to the Board of Trustees. Catherine has worked extensively in the arts and has been Executive Director, a Governor and a Board member of the Royal Shakespeare Company since 2012.

APPOINTMENT OF NEW ARTISTIC DIRECTOR & CHIEF EXECUTIVE OFFICER- JON GILCHRIST

In December 2021, Birmingham Hippodrome announced the successful recruitment of Jon Gilchrist to the role of Chief Executive Officer and Artistic Director. Jon had been Executive Director of HOME in Manchester from 2018. Previous to that, he worked as Executive Director of the Bush Theatre as well as working in venues across the North-West, including The Lowry in Salford, the Octagon Theatre Bolton, and the Dukes in Lancaster.

PEOPLE & CULTURE

In 2022/23, the venue developed a new People Strategy. We delivered Inclusion & Anti-Racism training for all employees. We held our first full staff away day. We welcomed six apprentices to create different pathways into the organisation and opened a Multi Faith Prayer and Reflection Room for our employees.

Our teams at Birmingham Hippodrome were supported by working and support groups that help to represent staff at all levels, ensuring representation of a breadth of voices with differing perspectives and lived experience that help inform our strategy and support the wellbeing of our teams. These groups oversee inclusion & anti-racism, wellbeing, environmental sustainability, access, employee representation and mental health.

MISSION, VISION & VALUES

Following meetings with staff and trustees, a new mission, vision and values were set that helped to provide strategic direction for the five-year plan that was in consultation during this period. The mission and vision state our purpose and who we want to be in the future. Our values are all about who we are, what we believe in and what sits at the very heart of a Hippodrome experience.

Mission - “Providing that ‘goosebumps’ feeling through memorable and extraordinary experiences.”

Vision - “A distinctive, world-class Birmingham cultural scene with the Hippodrome at its heart.”

Values – People focused, Inclusive, Inspiring, Progressive and Sustainable.

Birmingham Hippodrome Theatre Trust Limited

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ENVIRONMENTAL

This year we reduced our print for marketing purposes to improve wastage. Over 1,200 paper cups have been saved each month by providing all employees and visiting companies with reusable travel mugs. Members of our Green Team supported the Canal and River Trust, in partnership with Coca-Cola Europacific Partners, to help clean three areas of canal in Birmingham, including lock painting and maintenance, litter collection, and clearing of vegetation and paths

Our programmes continued to be printed on FSC certified paper and are fully recyclable.

FUNDRAISING

Our relaxed performance programme made a very welcome return after our closure period thanks to the generous support of HSBC UK. As part of this programme, we also recruited and trained over 50 corporate partner and patron volunteers to welcome our audiences.

We participated once again in the nationwide Big Give Christmas Challenge in support of our Hippodrome Education Network (HEN), raising over £30,000 which gave 5,000 young people access to transformative experiences with the Hippodrome.

A substantial grant from the Arts Council England Capital Investment Programme has enabled us to further develop our website and improve the online booking journey for our customers with access needs.

The return of our fundraising galas helped us to put young dancers centre stage. Money raised has supported our youth dance development programme, which includes giving young people the opportunity to create a Curtain Raiser performance inspired by a visiting production which is performed on our main stage.

Outside of our dance development programme, other projects which have benefitted from fundraising this year include our Young Advocates programme and Young Community Drop In Sessions.

Our membership schemes for individual Patrons and corporate partners continued to attract new members and active participation in the wide-ranging engagement programme including backstage tours, opportunities for trained volunteers alongside our Relaxed Performances and receptions which featured cast appearances and presentations by young beneficiaries who outlined the impact of experiences provided by our creative programmes which left a lasting impression on guests.

PRODUCTION FUNDING

To The Streets! was presented by Birmingham 2022 Festival and was in association with Warwick Arts Centre, City of Wolverhampton Council and DRPG Creative. Generously supported by Arts Council England and The National Lottery Heritage Fund, Birmingham City Council and Blueprint: Without Walls R&D Investment Fund as well as Sir Barry Jackson Trust and Kirsty Chinnock-Davies.

Waswasa – Whispers in Prayer was presented by the Birmingham 2022 Festival, in association with Birmingham Hippodrome, University of Birmingham, University of Warwick and Guildhall Live Events, part of the Guildhall School of Music & Drama.

Rambert Dance in Peaky Blinders: The Redemption of Thomas Shelby, is a Rambert production in association with Birmingham Hippodrome, co-produced with The Lowry, inspired by the television series Peaky Blinders created by Steven Knight, and owned and produced by Caryn Mandabach productions. Peaky Blinders TM © Caryn Mandabach Productions 2022. licensed by Caryn Mandabach Productions.

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FESTIVALS

B-SIDE Hip-Hop Festival was produced by Birmingham Hippodrome and presented as part of the Birmingham 2022 Festival, in partnership with Bullring & Grand Central, co-produced with Break Mission, Afroflux and Hi-Viz Festival.

It's Carnival was co-produced by Birmingham Hippodrome and ACE Dance & Music in partnership with Bullring & Grand Central.

Birmingham Weekender was produced by Birmingham Hippodrome, in partnership with Bullring & Grand Central and supported by Without Walls.

Sharing the Light – Welcome Diwali was produced in partnership with Bullring & Grand Central, co-produced by Sonia Sabri Company and German Puppeteers Dundu – The Giants of Light. Supported by Arts Council England and Global Streets.

Lunar New Year was produced by Birmingham Chinese Festival Committee and Birmingham Hippodrome. The Saturday programme was produced in partnership with Bullring & Grand Central. The Sunday programme was sponsored by Uber Eats, in association with Southside District and supported by The Arcadian. The fireworks finale was sponsored by Ming Moon and the signage sponsor was Hollywood Monster.

STRATEGIC REPORT

Financial Review

The results for the period are shown in the consolidated statement of financial activities on page 24, and the financial position at year end is shown in the consolidated balance sheet on page 26.

During the financial year, we presented 526 live performances (2021/22: 239 after reopening due to COVID on 31 August 2021) attended by 525,000 patrons (total attendance 2021/22: 285,855) with paid capacity of 77% (2021/22: 67%). Total ticket sales were £21,056,000 (2021/22: £8,502,000).

Sales by art form were as follows:

	Performances		Tickets Sold		Show Contribution	
	2023	2022	2023	2022	2023	2022
Musicals	51%	29%	51%	41%	57%	35%
Pantomime	20%	30%	20%	27%	17%	33%
Ballet	14%	20%	15%	21%	15%	21%
Other Dance	8%	6%	7%	4%	6%	3%
Opera	2%	2%	1%	1%	1%	1%
Other events	5%	12%	5%	8%	4%	8%

Birmingham Hippodrome's result for the year was an unrestricted surplus of £611,000 compared to a budgeted surplus of £275,000 (2021/22: £756,000 deficit compared to a budgeted deficit of £740,000).

A deficit of £573,000 (2021/22: deficit of £1,651,000) has been achieved on unrestricted funds, and a surplus of £2,000,000 (2021/22: surplus of £468,000) has been achieved on restricted funds in the period before transfers. Total expenditure of £27,563,000 (2021/22: £14,367,000) was incurred in the year.

The restricted surplus relates to a one-off grant of £2,000,000 awarded to its subsidiary, Birmingham Festival 2023 CIC. The CIC did not incur any costs relating to the period ending 1 April 2023. Transactions between Birmingham Hippodrome and the CIC are disclosed in Note 22. The results of the trading subsidiary, Birmingham Hippodrome Limited are set out in Note 22. The covenanted payment from Birmingham Hippodrome Limited was £738,000 (2021/22: £Nil).

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Group bank interest in the year was £131,000 (2021/22: £50,000).

Key Performance Indicators

During the year, there were 360 individual performances in the main auditorium (2021/22: 235) with capacity achieved of 76% (2021/22: 66%).

Staff Development

The appointment of a dedicated Director of People and Culture during March 2022 who reports to the Artistic Director and Chief Executive, combined with a return to a full staff compliment after the disruption caused by the pandemic, has allowed attention to return to the continued improvement of staff engagement. With a dedicated people strategy now in place, the Director of People and Culture also reports to the Anti Racism and Inclusion and Nomination Committees. The majority of staff, whose role allows, work on a hybrid schedule with no fixed requirement to work from the office.

Gender Pay

All employees at Birmingham Hippodrome in the same role are paid the same and pleasingly the gender pay gap according to the official measure comparing the median male and female employee has decreased to 1.5% (2021/22 15.2%) after the temporary disruption caused by the pandemic.

Birmingham Hippodrome's mean gender pay gap is 7.4% (2021/22: 6.8%).

Hourly earnings fall into the following quartiles:

Salary Quartile	Male	Female
£12.82 per hour or more	44%	56%
£11.68 to £12.82	47%	53%
£9.90 to £11.68	43%	57%
Less than £9.90	46%	54%

Fundraising

- Our fundraising is managed by an expanded team of two 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 2022/23, 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 2022/23, was completed and we passed a further surveillance audit.

Our overall daily gas and electricity usage has increased versus last year, mainly due to the building being mainly shut during 2021/22. The majority of the energy saving actions have now been implemented with major capital expenditure required to achieve further material savings.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Environmental Management (continued)

In accordance with requirements streamlined Energy & Carbon Reporting (SECT) imposed by the 2018 SECR regulations, we are required to disclose the following energy & carbon information for 2022-2023.

Scope 1 : Emissions from combustion of Gas tCO ₂ e	
2022-2023	513.98 tCO ₂ e (Energy consumption: Gas 2,809,720 kwh)
Methodology:	tCO ₂ e Calculated from the product of the invoiced gas consumption in KWH during the reporting period & the 2019 UK Government GHG Conversion Factors for Company reporting (Version 1.3) 'Natural gas'

Scope 2 : Emission from Purchased electricity tCO ₂ e	
2022-2023	367.01 tCO ₂ e (Energy consumption: Electricity 1,772,377 kwh)
Methodology:	tCO ₂ e Calculated from the product of the invoiced electricity consumption in KWH during the reporting period & the 2019 UK Government GHG Conversion Factors for Company reporting (Version 1.3) 'Electricity Generated/Electricity UK'

Intensity Ratio gross figure based on mandatory fields (tCO ₂ e/m ²):	
2022-2023	0.0474 tCO ₂ e/m ²
Methodology:	Methodology: The intensity ratio stated above has been calculated as tonnes of co ₂ e per total square metres of useful floor area

We are currently investing in solar panels & looking at the long-term sustainability & efficiency in heating the auditorium. We will continue & work towards lowering our carbon emissions.

Trustees' duty to promote the success of the Charity - Section 172 Statement

Section 172 of the Companies Act 2006 requires the directors/trustees to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes.

The Companies Act 2006 requires Birmingham Hippodrome Theatre Trust, as a large company, to report on how directors/trustees have complied with Section 172 and other linked matters:

1. **Section 172: Directors/Trustees must promote the charity towards its charitable objectives, considering:**
 - a. **The likely consequence of any decision in the long term**

Trustees developed the Birmingham Hippodrome's strategic objectives as part of a long-term strategy:

- To be renowned for the quality of cultural work we curate and present.
- 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.
- To provide all our visitors with a world class experience at each step of the customer journey.
- To be the cultural heart of the city – a creative and cultural destination – playing a leading role in Birmingham's economic and cultural development.
- To ensure our business has an independent and sustainable future.

Trustees routinely review the external landscape, including the political environment, and seek and evaluate feedback from our various stakeholders, in order to ensure that our plans are adapted, as necessary, to meet changing circumstances. Trustees keep under review the charity's principal risks and opportunities, consider emerging risks, and ensure that our plans are adapted in response as appropriate.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

b. The interests of the charity's employees

Our staff are crucial to our success. Trustees consider and protect the interests of our staff to support Birmingham Hippodrome's on-going success. Trustees and Executive Management ensure, through regular staff engagement, that we maintain an understanding of employees' needs to inform our strategy and aims. Our decision-making process considers the impact of potential decisions on our staff.

We regularly meet with the Employee Reps Group, and ensure all employees are represented at these meetings where we consult with them on key aspects of business planning. For example, our annual cost of living employee pay award is agreed in consultation with the Employee Reps.

c. The need to foster the charity's business relationships with suppliers, customers and others

Engagement with our customers: such as our audiences, participants in our Learning programmes and teachers, is essential to ensure we understand and meet their needs.

Executive Management regularly seeks and evaluates feedback from our audiences through a rolling programme of audience insight gathered through surveying. This takes place for every staged production, and we are able to build a detailed picture of how the theatre's output is received by different audience groups, and to understand motivations for attendance and engagement.

We regularly seek and evaluate feedback from the young people and teachers who engage in our Learning programmes; this feedback is fed into the development of these programmes and future activity plans. Examples include regular consultation with teachers which have informed the development of learning resources.

We have developed and maintain strong relationships with the producers responsible for much of the main stage and Patrick Studio production in order to ensure we have a varied and attractive programme to present.

d. The impact of the charity's operations on the community and the environment

Trustees and Executive Management recognise our responsibility to care for the environment and aim to minimise the environmental impact of all our activities. We are respectful of our local community and its needs. We are represented on a number of local community groups to ensure effective two-way engagement and, where relevant, we consider the needs of our community in our decision making.

e. The desirability of the charity maintaining a reputation for high standards of business conduct

Our reputation is fundamental to our future success.

Trustees have in place a range of policies that promote corporate responsibility and ethical behavior. Areas covered include fundraising (our fundraising practices are discussed on page 14 of this report), conflicts of interest, safeguarding, dignity at work, bullying and harassment, and whistleblowing.

We use our organisational values in our recruitment and training for employees and ensure these are understood and maintained. Our procurement and ethical policies and procedures ensure that our values are also part of the selection of partners and suppliers.

f. The need to act fairly as between members of the charity

Trustees and Executive Management believe that a successful theatre is a theatre for everyone, where inclusivity and accessibility are paramount: we aim to be a fully inclusive organisation which is relevant and accessible for everyone. We will not unfairly discriminate against anyone.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Our Anti-Racism and Inclusion subcommittee and working group, comprises representatives from ethnically diverse staff at all levels, the Board and senior leadership team, and monitors progress against agreed targets and ensure the organisation maintains best practice within the industry. Our Accessibility committee works to shape, review and approve access and inclusion policy across the whole organisation, maintaining an awareness of best practice in the industry and monitoring progress made against national benchmarks.

Review of Principal Risks and Uncertainties

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 Executive Team 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:

- Disruption due to infectious disease;
- IT resilience and cyber security;
- Terrorism and physical security; and
- 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 and HR/payroll 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 group. 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.

Reserves Policy

Total funds at 1 April 2023 were £34,602,000 for the Group (2021/22: £33,175,000) and £32,606,000 for the Company (2021/22: £33,195,000).

Restricted funds largely represent the capital funding received for the refurbishment of the Hippodrome Theatre and reduce annually in line with the net book value of the related assets, which are depreciated each year. Further restricted income of £2,000,000 was received during the year in respect of the Birmingham Festival 2023 CIC and funds were utilised by the CIC during 2023/24.

Unrestricted funds at 1 April 2023 were £4,205,000 for the Group (2021/22: £3,594,000) and £4,209,000 for the Company (2021/22: £3,614,000).

Unrestricted non-designated funds for the Group were £1,037,000 at April 2022 (April 2021: £1,933,000) which was increased by the unrestricted surplus of £611,000 (2021/22: deficit of £756,000) and then was reduced by £140,000 (2021/22: £140,000) transferred to designated funds.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Transfers from designated funds were £Nil (2021/22: £Nil), leaving a balance of £1,508,000 (2021/22: £1,037,000) in unrestricted non-designated funds as at year end.

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 £175,000, 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 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 Limited

The profit in the trading subsidiary for the period was £753,000 (2021/22: £152,000) and the distributable profits are paid across to the parent undertaking each year.

Birmingham Hippodrome Limited (BHL) comprises the Catering and Visitor Services departments.

Birmingham Festival 2023 CIC

The new CIC was awarded £2,000,000 (2022: £nil) of grant income by Birmingham City Council to produce a 9 day festival in a continuation of the 2022 Commonwealth Games cultural festival. At 1 April 2023, £372,000 (2022: £nil) of costs had been incurred by Birmingham Hippodrome on behalf of the CIC.

Fixed Assets

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

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Trustee Liability Insurance

Birmingham Hippodrome Theatre Trust Limited holds Trustee liability insurance on behalf of Directors and Officers at a cost of £3,781 (2021/22: £3,661).

Taxation Status

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.

Future Plans

Hippodrome are driving a new 5-year strategy, consolidating success, in terms of learning & participation & offsite festivals work as well as launching new aspirations to develop innovative work on our stages. Having purchased a new South Side building to increase our Hippo campus, the Hippodrome plans to operate the asset as a commercial property, diversifying our income stream & providing further surplus to increase funds available for public benefit.

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 by:

Catherine Mallyon

C Mallyon – Chair

Date: 31/01/24

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 Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining proper 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.

Opinion

We have audited the financial statements of Birmingham Hippodrome Theatre Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 1 April 2023 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 1 April 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the period 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 period 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 20, 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 and income recognition as the areas 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, challenging judgments and estimates and testing of income transactions around the period end.

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
103 Colmore Row
Birmingham
B3 3AG

Date : 31 January 2024

Birmingham Hippodrome Theatre Trust Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the 52 week period ended 1 April 2023

		52 week period ended 1 April 2023			53 week period ended 2 April 2022
	Notes	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total funds 2023 £'000	Total funds 2022 £'000
INCOME FROM:					
Donations	2	785	72	857	904
Charitable activities	3	23,256	2,122	25,378	10,790
Other trading activities	4	2,624	-	2,624	1,440
Investments	5	131	-	131	50
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL		26,796	2,194	28,990	13,184
EXPENDITURE ON:					
Raising funds	6	1,654	-	1,654	1,134
Charitable activities	6	25,715	194	25,909	13,233
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL		27,369	194	27,563	14,367
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)	8	(573)	2,000	1,427	(1,183)
Transfers between funds	18, 19	1,184	(1,184)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS		611	816	1,427	(1,183)
RECONCILIATION OF FUNDS:					
Fund balances brought forward		3,594	29,581	33,175	34,358
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances carried forward		4,205	30,397	34,602	33,175
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

INCOME AND EXPENDITURE ACCOUNT

for the 52 week period ended 1 April 2023

	<i>52 week period ended 1 April 2023 £'000</i>	<i>53 week period ended 2 April 2022 £'000</i>
Gross income of continuing operations	28,990	13,184
Total expenditure of continuing operations	27,563	14,367
	<hr/>	<hr/>
Net movement in funds for the period	1,427	(1,183)
Amortisation of capital grants	1,184	895
	<hr/>	<hr/>
Net income/(expenditure)	2,611	(288)
	<hr/> <hr/>	<hr/> <hr/>

- Net income of £2,611,000 in the period (2021/22: net expenditure of £288,000) comprises £611,000 surplus from unrestricted funds (2021/22: deficit of £756,000) and £2,000,000 surplus from restricted funds (2021/22: surplus £468,000).
- The £611,000 unrestricted surplus (2021/22: £756,000 deficit) is net of planned repairs and maintenance with a value £Nil (2021/22: £Nil) funded from reserves set aside for this purpose.
- Total income comprises £26,796,000 (2021/22: £11,758,000) from unrestricted funds and £2,194,000 (2021/22: £1,426,000) 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 £2,434,000 (2021/22: £1,252,000). A detailed analysis of the subsidiary's trading results is shown in Note 22.
- 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 24 which, together with the notes to the accounts on pages 33 to 51 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 £1,184k 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 1 April 2023

Company No: 01446309

	Note	Group		Charity	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
FIXED ASSETS					
Intangible assets	10	11	45	11	45
Tangible assets	11	29,708	30,335	29,675	30,294
Investments	12	-	-	-	-
		<u>29,719</u>	<u>30,380</u>	<u>29,686</u>	<u>30,339</u>
CURRENT ASSETS					
Stock		62	36	-	-
Debtors	13	5,131	1,643	5,986	2,682
Short term deposits		10,236	4,211	10,236	4,211
Cash at bank and in hand		10,301	14,694	7,364	13,524
		<u>25,730</u>	<u>20,584</u>	<u>23,586</u>	<u>20,417</u>
CREDITORS:					
Amounts falling due within one year	14(a)	(19,180)	(15,622)	(18,999)	(15,394)
		<u>6,550</u>	<u>4,962</u>	<u>4,587</u>	<u>5,023</u>
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>36,269</u>	<u>35,342</u>	<u>34,273</u>	<u>35,362</u>
CREDITORS:					
Amounts falling due after more than one year	15	(1,667)	(2,167)	(1,667)	(2,167)
		<u>34,602</u>	<u>33,175</u>	<u>32,606</u>	<u>33,195</u>
NET ASSETS					
REPRESENTED BY					
RESTRICTED FUNDS					
	18	30,397	29,581	28,397	29,581
UNRESTRICTED FUNDS					
Share capital	17	-	-	-	-
Non designated	19a	1,508	1,037	1,512	1,057
Designated	19b	2,697	2,557	2,697	2,557
		<u>4,205</u>	<u>3,594</u>	<u>4,209</u>	<u>3,614</u>
		<u>34,602</u>	<u>33,175</u>	<u>32,606</u>	<u>33,195</u>

Birmingham Hippodrome Theatre Trust Limited

BALANCE SHEETS

As at 1 April 2023

Company No: 01446309

Net movement in funds for the parent charity was net expenditure of £589,000 (2021/22: net expenditure of £1,330,000).

The financial statements on pages 24 to 51 were approved by the board on 31/01/24, and authorised for issue on its behalf by:

Catherine Mallyon

C Mallyon – Chair

Birmingham Hippodrome Theatre Trust Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

For the 52 week period ended 1 April 2023

	<i>Note</i>	2023 £'000	2022 £'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	20	2,561	6,823
Interest paid		(74)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES		2,487	6,823
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest from short term deposits		131	50
Purchase of property, plant and equipment and intangible assets		(653)	(667)
NET CASH USED IN INVESTING ACTIVITIES		(522)	(617)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		-	2,500
Repayments of borrowings		(333)	-
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES		(333)	2,500
Change in cash and cash equivalents in the reporting period		1,632	8,706
Cash and cash equivalents at the beginning of the reporting period		18,905	10,199
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		20,537	18,905
ANALYSIS OF CASH AND CASH EQUIVALENTS			
		2023 £'000	2022 £'000
Cash at bank		10,301	14,694
Short term deposits		10,236	4,211
TOTAL CASH AND CASH EQUIVALENTS		20,537	18,905

Birmingham Hippodrome Theatre Trust Limited

ACCOUNTING POLICIES

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, in respect of presenting a charity only statement of cash flows.

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 (2021/22: 53 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 undertakings Birmingham Hippodrome Limited and Birmingham Festival 2023 CIC. 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 1 April. 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 has traded well over this first full year since reopening after the pandemic. Audience numbers and ticket income have rebounded well with a strong pipeline of future shows and healthy levels of forward ticket sales. The Trustees have reviewed the level of reserves and forecasts for the next 12 months and 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

ACCOUNTING POLICIES

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

ACCOUNTING POLICIES

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 and bank loans 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 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

ACCOUNTING POLICIES

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

53 week period ended 2 April 2022

	<i>Unrestricted funds 2022 £'000</i>	<i>Restricted funds 2022 £'000</i>	<i>Total funds 2022 £'000</i>
INCOME FROM:			
Donations	90	814	904
Charitable activities	10,178	612	10,790
Other trading activities	1,440	-	1,440
Investments	50	-	50
	<hr/>	<hr/>	<hr/>
TOTAL	11,758	1,426	13,184
EXPENDITURE ON:			
Raising funds	1,134	-	1,134
Charitable activities	12,275	958	13,233
	<hr/>	<hr/>	<hr/>
TOTAL	13,409	958	14,367
	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)	(1,651)	468	(1,183)
Transfers between funds	895	(895)	-
	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS	(756)	(427)	(1,183)
RECONCILIATION OF FUNDS:			
Fund balances brought forward	4,350	30,008	34,358
	<hr/>	<hr/>	<hr/>
Fund balances carried forward	3,594	29,581	33,175
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

2	DONATIONS	52 week period ended 1 April 2023			53 week period ended 2 April 2022
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
	Creative programme donations	785	72	857	904
		<u>785</u>	<u>72</u>	<u>857</u>	<u>904</u>
		<u><u>785</u></u>	<u><u>72</u></u>	<u><u>857</u></u>	<u><u>904</u></u>
3	CHARITABLE ACTIVITIES	52 week period ended 1 April 2023			53 week period ended 2 April 2022
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
	Theatre tickets	21,056	-	21,056	8,502
	Booking fee, ticket levy and box office handling charges	1,898	-	1,898	1,156
	Friends memberships	87	-	87	63
	Fundraising	188	122	310	55
	Coronavirus job retention scheme	-	-	-	367
	ACE funding	-	-	-	400
	Birmingham City Council	-	-	-	100
	Government grants	-	-	-	35
	Birmingham City Council – Inge Street	-	-	-	112
	Birmingham City Council - Festival 2023 CIC	-	2,000	2,000	-
	Other income	27	-	27	-
		<u>23,256</u>	<u>2,122</u>	<u>25,378</u>	<u>10,790</u>
		<u><u>23,256</u></u>	<u><u>2,122</u></u>	<u><u>25,378</u></u>	<u><u>10,790</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

4	OTHER TRADING ACTIVITIES	52 week period ended 1 April 2023 Unrestricted funds £'000	53 week period ended 2 April 2022 Unrestricted funds £'000
	Catering, Visitor Services, Consultancy and Business		
	Development income – subsidiary	2,434	1,252
	Technical services income	173	89
	Sundry income	17	99
		<u>2,624</u>	<u>1,440</u>
		<u><u>2,624</u></u>	<u><u>1,440</u></u>
5	INCOME FROM INVESTMENTS	52 week period ended 1 April 2023 Unrestricted funds £'000	53 week period ended 2 April 2022 Unrestricted funds £'000
	Interest from short term deposits	131	50
		<u>131</u>	<u>50</u>
		<u><u>131</u></u>	<u><u>50</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

6 EXPENDITURE

	52 week period ended 1 April 2023			53 week period ended 2 April 2022
	Charitable activities £'000	Raising funds £'000	Total £'000	Total £'000
(a) <i>Direct charitable expenditure</i>				
Fees of visiting companies and artistes	15,913	-	15,913	5,188
(b) <i>Other expenditure – management and administration of the charity</i>				
Wages and salaries	4,336	-	4,336	3,100
Marketing, friends, sponsorship & creative programming	1,415	39	1,454	1,715
Customer services & security	194	-	194	126
Technical services	1,698	230	1,928	1,271
Box office and ticketing	273	-	273	188
Financial and administration	224	-	224	122
Depreciation and amortisation of fixed assets	1,314	-	1,314	1,294
Catering and conference and events	-	1,336	1,336	955
Support costs (See note 6 (c))	542	49	591	408
	<u>9,996</u>	<u>1,654</u>	<u>11,650</u>	<u>9,179</u>
TOTAL	<u>25,909</u>	<u>1,654</u>	<u>27,563</u>	<u>14,367</u>
(c) <i>Support costs</i>				
General office costs	144	23	167	159
General financial costs	122	6	128	60
Computer support	146	20	166	109
Governance costs	56	-	56	45
Interest on Coronavirus business interruption loan	74	-	74	35
	<u>542</u>	<u>49</u>	<u>591</u>	<u>408</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 INCOME/(EXPENDITURE) BEFORE TRANSFERS	52 week period ended 1 April 2023 £'000	53 week period ended 2 April 2022 £'000
	Net income/(expenditure) is stated after charging:		
	Depreciation of tangible fixed assets		
	- owned	1,280	1,260
	Amortisation of intangible assets		
	- owned	34	34
	Operating lease rentals - equipment and vehicles	22	22
	Auditor's remuneration - audit parent undertaking	30	24
	- audit subsidiary undertakings	5	6
	- accountancy services	11	9
	Charity trustees' liability insurance	4	4
		<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 £484,273 (2021/22: £443,663).

	52 week period ended 1 April 2023 £'000	53 week period ended 2 April 2022 £'000
Wages and salaries	4,965	3,785
Social security costs	438	313
Pension costs	155	115
	<u> </u>	<u> </u>
	5,558	4,213
	<u> </u>	<u> </u>

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

None of the trustees received any remuneration from the charity during the period (2021/22: None). No Trustee (2021/22: None) was reimbursed travel expenses (2021/22: £Nil). One trustee was reimbursed general expenses of £Nil (2021/22: £40).

The total compensation including employer's national insurance and pension contributions payable to key management personnel of the group and charity was £732,311 (2021/22: £585,866). Key management comprise the trustees and the executive team.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

9 STAFF COSTS (continued)

AVERAGE NUMBER EMPLOYED	Number 2023		Number 2022	
Average number of staff/ (full time equivalents):				
Administration	35	(33)	43	(42)
Production and selling				
- permanent	91	(82)	82	(80)
- temporary	185	(137)	280	(106)
	<u>311</u>	<u>(252)</u>	<u>405</u>	<u>(228)</u>
NUMBER OF EMPLOYEES WHOSE EMOLUMENTS EXCEEDED £60,000	Number 2023		Number 2022	
£60,001 - £70,000	-		2	
£70,001 - £80,000	-		2	
£80,001 - £90,000	3		1	
£90,001 - £100,000	-		1	
£110,001 - £120,000	1		1	
£120,001 - £130,000	1		-	
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Pension costs for the period for higher paid staff totalled £25,907 (2021/22: £26,721).

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.

10 INTANGIBLE FIXED ASSETS	Computer Software £'000	Total 2023 £'000
GROUP AND CHARITY		
COST		
3 April 2022 and 1 April 2023	148	148
AMORTISATION		
3 April 2022	103	103
Charge for period	34	34
1 April 2023	<u>137</u>	<u>137</u>
NET BOOK VALUE		
1 April 2023	<u>11</u>	<u>11</u>
2 April 2022	<u>45</u>	<u>45</u>

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								
3 April 2022	896	4,149	5,001	33,441	4,211	3,757	890	52,345
Additions	121	-	-	-	-	521	11	653
	<u>1,017</u>	<u>4,149</u>	<u>5,001</u>	<u>33,441</u>	<u>4,211</u>	<u>4,278</u>	<u>901</u>	<u>52,998</u>
DEPRECIATION								
3 April 2022	-	456	818	14,223	3,008	2,764	741	22,010
Charge for period	-	166	40	770	41	219	44	1,280
	<u>-</u>	<u>622</u>	<u>858</u>	<u>14,993</u>	<u>3,049</u>	<u>2,983</u>	<u>785</u>	<u>23,290</u>
NET BOOK VALUE								
1 April 2023	<u>1,017</u>	<u>3,527</u>	<u>4,143</u>	<u>18,448</u>	<u>1,162</u>	<u>1,295</u>	<u>116</u>	<u>29,708</u>
2 April 2022	<u>896</u>	<u>3,693</u>	<u>4,183</u>	<u>19,218</u>	<u>1,203</u>	<u>993</u>	<u>149</u>	<u>30,335</u>

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.

CHARITY	<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								
3 April 2022	896	4,149	5,001	33,441	4,211	3,246	890	51,834
Additions	121	-	-	-	-	516	11	648
1 April 2023	1,017	4,149	5,001	33,441	4,211	3,762	901	52,482
DEPRECIATION								
3 April 2022	-	456	818	14,223	3,008	2,296	739	21,540
Charge for period	-	166	40	770	41	204	46	1,267
1 April 2023	-	622	858	14,993	3,049	2,500	785	22,807
NET BOOK VALUE								
1 April 2023	1,017	3,527	4,143	18,448	1,162	1,262	116	29,675
2 April 2022	896	3,693	4,183	19,218	1,203	950	151	30,294

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 2. Details of the subsidiary's trading results for the period are set out in Note 22.

The charity is also the sole member of Birmingham Festival 2023 CIC (company registration 14544843). Birmingham Festival 2023 CIC is incorporated in England and its registered address is the same as that of the parent charity given on page 2. Details of transactions with this subsidiary in the period are set out in Note 22. This company was incorporated on 16 December 2022.

13 DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts owed within one year:				
Trade debtors	870	652	778	519
Amounts due from subsidiary undertakings (see note 22)	-	-	3,318	1,176
Other debtors	788	140	788	137
Prepayments and accrued income	3,470	851	1,102	850
Corporation tax receivable	3	-	-	-
	<u>5,131</u>	<u>1,643</u>	<u>5,986</u>	<u>2,682</u>

14 CREDITORS

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
(a) AMOUNTS FALLING DUE WITHIN ONE YEAR:				
Trade creditors	725	1,515	663	1,463
Other taxation and social security	229	517	229	517
Other creditors	1,021	1,438	902	1,264
Bank borrowings (note 16)	500	333	500	333
Accruals	1,481	1,653	1,481	1,651
Deferred income (note 14(b))	15,224	10,166	15,224	10,166
	<u>19,180</u>	<u>15,622</u>	<u>18,999</u>	<u>15,394</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

14 CREDITORS (continued)

(b) DEFERRED INCOME

	Group £'000	Charity £'000
Balance as at 3 April 2022	10,166	10,166
Amount released to income	(10,166)	(10,166)
Amount deferred in period	15,224	15,224
	<u> </u>	<u> </u>
Balance as at 1 April 2023	15,224	15,224
	<u> </u>	<u> </u>

Deferred income comprises advance box office receipts.

15 CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bank borrowings (note 16)	1,667	2,167	1,667	2,167
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 BORROWINGS

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bank borrowings	2,167	2,500	2,167	2,500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Payable within one year	500	333	500	333
Payable after one year	1,667	2,167	1,667	2,167
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

On 28 April 2021, the company entered into a loan under the Coronavirus Business Interruption Loan Scheme with Lloyds Bank for an amount totalling £2,500,000. The loan is secured over the assets of the charity and carries an interest rate of 2.0% plus base rate. The first repayment instalment was made in August 2022 and the final instalment is due in May 2024.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

17	SHARE CAPITAL	Group		Charity	
		2023	2022	2023	2022
		£	£	£	£
	<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 they are 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.

18 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.

2023	Balance at 3 April 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance at 1 April 2023 £'000
Lease premium Hippodrome Theatre	4,183	-	-	(40)	4,143
leasehold improvements Birmingham Royal Ballet	19,360	-	-	(912)	18,448
leasehold improvements Creative Programme grants	1,212	-	-	(50)	1,162
	-	72	(72)	-	-
Dance Hub	3,709	-	-	(182)	3,527
Birmingham City Council – Inge street	717	-	-	-	717
Birmingham City Council - Festival 2023 CIC	-	2,000	-	-	2,000
ACE funding	400	-	-	-	400
Arts Council	-	122	(122)	-	-
	<u>29,581</u>	<u>2,194</u>	<u>(194)</u>	<u>(1,184)</u>	<u>30,397</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

18 RESTRICTED FUNDS (GROUP AND CHARITY) (continued)

2022	Balance at 27 March 2021 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance at 2 April 2022 £'000
Lease premium Hippodrome Theatre	4,223	-	-	(40)	4,183
leasehold improvements Birmingham Royal Ballet	20,008	-	-	(648)	19,360
leasehold improvements First Night	1,253	-	-	(41)	1,212
	8	-	(8)	-	-
Creative Programme grants	-	814	(814)	-	-
Dance Hub	3,875	-	-	(166)	3,709
Birmingham City Council	36	100	(136)	-	-
Birmingham City Council – Inge street	605	112	-	-	717
ACE funding	-	400	-	-	400
	<u>30,008</u>	<u>1,426</u>	<u>(958)</u>	<u>(895)</u>	<u>29,581</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 provided 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 (Inge Street) in 2021 and a further grant of £112,000 in 2022. The Board have made a commitment to contribute £300,000 of unrestricted funds in order to receive this grant. Overall, £1,017,000 (2021/22: £896,000) has been spent on the project up to the year end, and is included as assets under the course of construction (see Note 11).

During the prior year, the Company received a grant of £400,000 from the Arts Council of England. None of this grant has been spent by the year end.

There are fixed and floating charges over the Birmingham Hippodrome Theatre property, held by The Arts Council of England and Birmingham City Council resulting from grants for refurbishment.

Transfers to unrestricted funds relate to the depreciation on the related fixed assets of the capital grants within each fund.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

18 RESTRICTED FUNDS (GROUP AND CHARITY) (continued)

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

	1 April 2023			
	Fixed assets £'000	Current Assets £'000	Current and non-current liabilities £'000	Total £'000
RESTRICTED FUNDS	28,025	2,372	-	30,397
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	1,694	20,661	(20,847)	1,508
Designated	-	2,697	-	2,697
	<u>29,719</u>	<u>25,730</u>	<u>(20,847)</u>	<u>34,602</u>
	<u><u>29,719</u></u>	<u><u>25,730</u></u>	<u><u>(20,847)</u></u>	<u><u>34,602</u></u>
	2 April 2022			
	Fixed assets £'000	Current Assets £'000	Current and non-current liabilities £'000	Total £'000
RESTRICTED FUNDS	29,537	44	-	29,581
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	843	17,983	(17,789)	1,037
Designated	-	2,557	-	2,557
	<u>30,380</u>	<u>20,584</u>	<u>(17,789)</u>	<u>33,175</u>
	<u><u>30,380</u></u>	<u><u>20,584</u></u>	<u><u>(17,789)</u></u>	<u><u>33,175</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

18 RESTRICTED FUNDS (GROUP AND CHARITY) (continued)

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

	1 April 2023			
	Fixed assets £'000	Current Assets £'000	Current and non-current Liabilities £'000	Total £'000
RESTRICTED FUNDS	28,025	372	-	28,397
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	1,661	20,517	(20,666)	1,512
Designated	-	2,697	-	2,697
	<u>29,686</u>	<u>23,586</u>	<u>(20,666)</u>	<u>32,606</u>
	2 April 2022			
	Fixed assets £'000	Current Assets £'000	Current and non-current liabilities £'000	Total £'000
RESTRICTED FUNDS	29,537	44	-	29,581
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	802	17,816	(17,561)	1,057
Designated	-	2,557	-	2,557
	<u>30,339</u>	<u>20,417</u>	<u>(17,561)</u>	<u>33,195</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

19a UNRESTRICTED NON-DESIGNATED FUNDS	Group £'000	Charity £'000
3 April 2022	1,037	1,057
Net expenditure	(573)	(589)
Transfer from restricted funds	1,184	1,184
Transfer to designated funds	(140)	(140)
	<hr/>	<hr/>
1 April 2023	1,508	1,512
	<hr/> <hr/>	<hr/> <hr/>
	Group £'000	Charity £'000
27 March 2021	1,933	2,100
Net expenditure	(1,651)	(1,798)
Transfer from restricted funds	895	895
Transfer to designated funds	(140)	(140)
	<hr/>	<hr/>
2 April 2022	1,037	1,057
	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

19b UNRESTRICTED DESIGNATED FUNDS (GROUP AND CHARITY)

	<i>Balance at 3 April 2022 £'000</i>	<i>Income £'000</i>	<i>Expenditure £'000</i>	<i>Transfers between funds £'000</i>	<i>Balance at 1 April 2023 £'000</i>
Repairs reserve	2,307	-	-	140	2,447
Hippodrome Square	250	-	-	-	250
	<u>2,557</u>	<u>-</u>	<u>-</u>	<u>140</u>	<u>2,697</u>
	<u><u>2,557</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>140</u></u>	<u><u>2,697</u></u>
	<i>Balance at 27 March 2021 £'000</i>	<i>Income £'000</i>	<i>Expenditure £'000</i>	<i>Transfers between funds £'000</i>	<i>Balance at 2 April 2022 £'000</i>
Repairs reserve	2,167	-	-	140	2,307
Hippodrome Square	250	-	-	-	250
	<u>2,417</u>	<u>-</u>	<u>-</u>	<u>140</u>	<u>2,557</u>
	<u><u>2,417</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>140</u></u>	<u><u>2,557</u></u>

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 2022/23 £Nil (2021/22: £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.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

20 CASH GENERATED FROM OPERATIONS

RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	52 week period ended 1 April 2023 £'000	53 week period ended 2 April 2022 £'000
Net income/(expenditure) for the reporting period	1,427	(1,183)
ADJUSTMENTS FOR:		
Depreciation charges	1,280	1,260
Amortisation charges	34	34
Interest from short term deposits	(131)	(50)
Interest paid	74	35
Government grant received for CBIL interest paid	-	(35)
(Increase)/decrease in stock	(26)	35
(Increase)/decrease in debtors	(3,488)	401
Increase in creditors and deferred income	3,391	6,326
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,561</u>	<u>6,823</u>

21 ANALYSIS OF CHANGES IN NET DEBT

GROUP	3 April 2022 £'000	<i>Cashflows</i> £'000	1 April 2023 £'000
Cash and cash equivalents	18,905	1,632	20,537
Borrowings excluding overdrafts	(2,167)	500	(1,667)
Borrowings excluding overdrafts (current)	(333)	(167)	(500)
	<u>16,405</u>	<u>1,965</u>	<u>18,370</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

22 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 2.

	Period ended 1 April 2023 £'000 Total	Period ended 2 April 2022 £'000 Total
PROFIT AND LOSS ACCOUNT		
Turnover	2,434	1,252
Cost of sales	(677)	(343)
Administrative expenses	(1,007)	(757)
Interest receivable and similar income	3	-
	<hr/>	<hr/>
Profit on ordinary activities before tax	753	152
Taxation	-	-
	<hr/>	<hr/>
Profit after tax	753	152
	<hr/> <hr/>	<hr/> <hr/>

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

	2023 £'000	2022 £'000
Fixed assets	33	42
Current assets	3,094	1,343
Creditors: amounts falling due within one year	(3,127)	(1,400)
	<hr/>	<hr/>
Net assets/(liabilities)	-	(15)
	<hr/> <hr/>	<hr/> <hr/>
Represented by share capital plus (deficit) on reserves	-	(15)
	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

22 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:

	2023 £'000	2022 £'000
Distribution of profit from trading subsidiary	738	-
Staff costs recharged	484	443
Management recharge	336	182
Amounts owed by group undertakings	2,946	1,176

At 1 April 2023, the charity had incurred £389,776 of costs and received £17,745 of funds on behalf of Birmingham Festival 2023 CIC. The balance outstanding at 1 April 2023 was £372,031.

23 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 £155,000 (2021/22: £115,000). Contributions totalling £1,000 (2021/22: £2,000) were payable to the fund at the period end and are included in other creditors.

24 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 £127,000 (2021/22: £399,000).

25 RESULTS OF PARENT CHARITY

The total income of the parent charity was £25,291,000 (2021/22: £11,932,000).

The net movement in funds of the charity was £589,000 net expenditure (2021/22: £1,330,000 net expenditure).

The movement in unrestricted funds of the parent charity was £595,000 net income (2021/22: £903,000 net income).

26 SUBSEQUENT EVENTS

After the period end, the Birmingham Hippodrome Theatre Trust has purchased the building adjoining the Hippodrome Campus. Named the Southside Building, the acquisition price of £7.8m was part funded on a commercial basis by a £5m loan from the West Midlands Combined Authority and will be operated as a commercial building delivering a return to the Charity.