

Birmingham Hippodrome Theatre Trust Limited

ANNUAL REPORT

for the period ended

31 March 2024

Company Registration No. 01446309
Charity No. 510842

Birmingham Hippodrome Theatre Trust Limited

TRUSTEES AND PRINCIPAL ADVISERS

TRUSTEES

Andrew Connors
Andrew Hammond
Vidar Hjordeng
Imandeep Kaur
Ranjit Dhindsa (appointed 1 January 2025)
Elizabeth Lawal
Suzanna Norton
Catherine Mallyon CBE – Chair
Kathryn Marten (appointed 24 February 2025)
Harjinder Millington
Jacqui O’Hanlon (appointed 1 January 2025)
Tru Powell
Rob Valentine (appointed 1 January 2025)
Justin Varney-Bennett (appointed 1 January 2025)

SECRETARY

Chilina Madon (appointed 14 May 2024)
Tim Maycock (resigned 19 January 2024)

EXECUTIVE TEAM

Artistic Director & Chief Executive - Jon Gilchrist
Chief Operating Officer - Tim Maycock (resigned 19 January 2024), Stephen Eames (appointed 28 September 2024)
Creative Director - Chris Sudworth
Director of Operations – Chris Moore (appointed 9 September 2024)
Director of People and Culture – Ruth Power
Executive Director - Chilina Madon
Interim Director of Finance, IT and Compliance - Stephen Eames (8 January 2024 to 27 September 2024)

REGISTERED OFFICE

Birmingham Hippodrome Theatre
Hurst Street
Birmingham B5 4TB

BANKERS

Lloyds TSB Bank Plc
125 Colmore Row
Birmingham B3 3SD

SOLICITORS

Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B4 6WR	Shoosmiths LLP 103 Colmore Row Birmingham B3 3AG
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AUDITORS

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

Birmingham Hippodrome Theatre Trust Limited

STATEMENT FROM THE CHAIR

I had the privilege of becoming Chair of this extraordinary organisation at the end of 2023 and must start with expressing my enormous thanks to former Chair Glenn Howells and Deputy Chair Ann Tonks. Their leadership helped steer the Hippodrome not just to full strength post-pandemic, but to be moving forwards with a dynamic new vision and five-year plan.

The last year has already seen significant development of this ambitious five-year plan.

We have proudly launched two new departments, New Musical Theatre and New Work & Artist Development. We are transforming the Hippodrome into a place artists and creatives have begun to call home, while developing new productions and increasing opportunities for West Midlands artists to create work in the city.

We were also thrilled to launch our new pre-show dining experience The Circle Lounge, working with the hugely talented West Midlands Chef Angelina Adamo on a fresh new menu which has proved to be a real hit with our audiences.

The Hippodrome has had a long-standing commitment to access, inclusion and diversity, with a determination to remove as many barriers as possible to engaging with arts and culture. Birmingham Weekender exemplified this commitment over the August Bank Holiday weekend as our most accessible festival to date, with carefully crafted support for Visually Impaired, D/deaf, Disabled and Neurodiverse audiences and we were delighted to work with communities from under-served groups in economically deprived neighbourhoods.

Our incredible Young Advocates also played an integral role within the festival and were embedded in its planning and delivery, curating a programme for their own stage.

We also supported over 40,000 young people in our Hippodrome Education Network partner schools and launched our Teachers Theatre Network, created for educators of any discipline to connect with the Hippodrome and network with other teachers, artists and creatives.

Our Main Stage and Patrick Studio hosted over 600,000 people, enjoying everything from well-loved musicals, soaring opera, spoken word, comedy podcasts, to ballet world premieres and so much more. Our glittering panto played to audiences of almost 120,000 people alone.

This just scratches the surface of Birmingham Hippodrome's achievements in the last year, made possible by the hard work, dedication and shared focus of our teams on bringing joy to the people of our region. I would like to thank all our employees, my fellow trustees, volunteers, creatives, partners and supporters who have played their part in delivering our new mission of providing "that 'goosebumps' feeling through memorable and extraordinary experiences".

Catherine Mallyon CBE
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 31 March 2024.

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 three subsidiaries:

- Birmingham Hippodrome Limited (Company No. 01545498), 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.
- Birmingham Hippodrome Productions Ltd (Company No. 15001661) which was incorporated on 13 July 2023 and which was dormant throughout the financial year. The company's name was changed on 20 May 2024 from Birmingham Hippodrome Properties Ltd and its purpose is making theatrical productions.
- 'Birmingham Festival 2023 CIC' (CIC) (Company No.14544843) which was registered in December 2022. One trustee of Birmingham Hippodrome Theatre Trust Limited and its former Company Secretary act as directors of the CIC alongside two other directors. The CIC delivered a festival in 2023 on behalf of Birmingham City Council. The directors intend to wind up the company when all remaining debtors and creditors have been settled.

The governing body of the charitable company is a board of non-executive Trustees. During the period, one trustee received travel expenses (2022/23 no trustee received travel expenses). The Trustees of the charitable company during the period were as follows:

Andrew Connors
Martin Guest (resigned 26 November 2024)
Andrew Hammond
Vidar Hjordeng
Glenn Howells (resigned 21 November 2023)
Imandeep Kaur
Ranjit Dhindsa (appointed 1 January 2025)
Elizabeth Lawal
Suzanna Norton
Catherine Mallyon CBE (appointed 31 March 2023) - Chair
Kathryn Marten (appointed 24 February 2025)
Harjinder Millington
Jacqui O'Hanlon (appointed 1 January 2025)
Tru Powell
Ann Tonks (resigned 21 November 2023)
Rob Valentine (appointed 1 January 2025)
Justin Varney-Bennett (appointed 1 January 2025)

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

The Trust is committed to complying with the Charity Governance Code and is in the process of assessing where there may be any areas for improvement.

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.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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 21.

New Trustees meet 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 four times each year and has delegated authority to certain committees which are responsible for certain strategic aspects of management. The Trust's committees comprise:

Capital

The Capital Committee meets as required to oversee capital planning. Members of the Committee are Catherine Mallyon CBE (Chair), Martin Guest, Glenn Howells, Imandeep Kaur and Suzanna Lawes.

Finance, Audit and Risk

The Finance, Audit and Risk Committee meets at least three times a year. Its responsibilities include monitoring the integrity of the financial statements, including its annual report, interim management statements and annual budget and reporting to the Board on significant financial reporting issues and judgements. The Committee keeps under review the internal financial controls systems and systems to manage financial and other risks, including reviewing the organisational risk register one a year. The Committee oversees appointment arrangements for the Internal and External Auditors and reviews audit findings. Committee members are Andrew Hammond (Chair), Andrew Connors, Catherine Mallyon CBE, Harjinder Millington and Tru Powell.

Nominations

The Nominations Committee meets when necessary to make recommendations on appointment of Board and Committee members, ensuring that the process is in line with best practice, overseeing induction and support for Board and Committee members and succession planning at Board, CEO and senior management level. Committee members are Harjinder Millington (Chair), Martin Guest, Vidar Hjordeng, Imandeep Kaur and Catherine Mallyon CBE.

People and Inclusion

The Committee meets four times a year to shape review and approve Equality, Diversity and Inclusion policy across the organisation, in line with best practice, supporting EDI training and awareness at Board level and throughout the organisation and overseeing safeguarding. Committee members are Elizabeth Lawal (Chair), Vidar Hjordeng, Catherine Mallyon CBE and Tru Powell.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Remuneration

The Remuneration Committee meets at least once a year. The responsibilities of the Committee include negotiation and review of the salary of the Chief Executive and Executive Team, recommending and monitoring the remuneration policy for the wider workforce. It is also responsible for approving the design of, and targets for, any performance-related pay schemes and approval of any payments made under such schemes. Committee members are Harjinder Millington (Chair) Andrew Connors, Catherine Mallyon CBE, and Tru Powell.

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 Audit and Risk Committee. The Committee is supported by assurance from a programme of internal audits performed by an external consultant. The Finance Department oversees budgetary control and the application of delegated authority levels set by the Board.

The Artistic Director & Chief Executive (Jon Gilchrist) reports to the Board of Trustees which meets four times a year. The Executive Team of the Creative Director, Director of People and Culture, Executive Director and Chief Operating Officer 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, Audit and Risk Committee. Management accounts in which actual results are compared against budgeted figures are presented at Board meetings for review.

We have a workforce of over 250 people across the organisation. Our teams comprise of employees, flexible workers and freelancers.

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 assist 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 according to the duties required of them. All staff are very grateful for the contribution made by our volunteers.

OBJECTIVES, AIMS AND REVIEW OF ACHIEVEMENTS AND PERFORMANCE

In the last year Birmingham Hippodrome launched a new organisational strategy, clearly setting out the parameters for the next five years. The strategy draws on the newly created vision of “A distinctive, world-class Birmingham cultural scene with the Hippodrome at its heart” and a mission to “provide that “goosebumps” feeling through memorable and extraordinary experiences”.

The strategy itself is split into four areas:

- Hippodrome Unlocked: We will create unprecedented access to all the work on our stages, and reflect the youngest, most diverse city in Europe in everything we do.
- Hippodrome Stages: We will have three world class stages offering a year-round programme, each reflecting the diversity of the region.
- Hippodrome Studios: We will be celebrated for developing and amplifying the creative potential of the region, and originating new work which will be seen on our stages and across the world.
- Hippodrome Tomorrow: We will have started a transformational capital project created for and with the people of Birmingham and the West Midlands - the cornerstone of a new era for the theatre and the region.

The four areas are underpinned by a strategic core, a solid base from which the organisation can grow, focusing on developing our workforce, growing our profile and diversifying our income.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

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

2023/2024 marks the first year of this strategy and one in which much was achieved across all areas of the organisational strategy.

Aim 1 Hippodrome Unlocked – We will create unprecedented access to all the work on our stages, and reflect the youngest, most diverse city in Europe in everything we do.

LEARNING

We worked with 44 partner SEN, Primary and Secondary schools in our Hippodrome Education Network in 2023/24, giving over 40,000 young people the opportunity to connect with theatre both in school and at the Hippodrome.

In January 2024, we launched our Teachers Theatre Network: a forum for teachers to attend productions at the Hippodrome, expand their knowledge of theatre, make new connections and advocate for the power of theatre for young people.

Our work experience and SEN work experience programmes continued to thrive, welcoming more young people than ever before to work with departments across the organisation and learn about careers in the arts.

We hosted 12 schools performances and provided wraparound activities for family shows including *Wicked* and *Dear Santa*.

YOUNG PEOPLE

In January, we worked in partnership with theatre director Fateha Begum and *Unislam* to launch First Steps Poetry. During the 6-week programme, 10 young people aged 14-22 worked with Fateha and spoken word poet Siphon Eric Ndlovu to develop their writing and engage with live poetry, culminating in a performance at *Unislam* in March 2024.

Our Musicals Youth Theatre groups had a busy year, with our senior group performing the new musical *Imaginary* in our Patrick Studio in July to sell out audiences.

Our 2023/24 cohort of 22 Young Advocates, aged between 14 and 22, continued to programme our free Young Community Drop In Sessions. Developed as a creative outlet for young people to relax and connect with others, each session invited some of the leading people currently working in the creative industries to host workshops looking at a range of art forms, skills and careers.

The Young Advocates were also embedded in the planning and delivery of the Birmingham Weekender festival, working with the Hippodrome team to curate a programme for their own stage, as well as our B-Side Hip-Hop festival, kicking off the event with a Young Community takeover.

ACCESS AND COMMUNITY

The Birmingham Weekender 2023 festival was our most accessible festival yet with carefully crafted support for visually impaired, d/Deaf, disabled and neurodiverse audiences. We hosted communities from under-served groups in economically deprived neighbourhoods, working with National Express West Midlands and West Midlands Metro to provide discounted travel for attendees. We also hosted two dedicated access hubs to ensure all visitors to Weekender could easily find information and support from our access hosts. The festival's access provision was recognised as national best practice by Without Walls consortium.

Through a partnership nurtured by our new Community team, we delivered a Young Community Drop In at the Legacy Centre of Excellence in February, boosting youth engagement alongside new show, *Never Grow Old*, written by Birmingham artists Casey Bailey and Corey Weekes.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

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

In July, we partnered with digital agency Substrakt and leading authority on accessible ticketing Nimbus Disability to transform the online booking experience for our customers with access needs. The online booking journey now includes more information on accessibility including number of steps to seats, aisle and wheelchair positions and a comprehensive view from every seat. We have over 3,000 people registered on the Nimbus Disability scheme so far.

Our Access Forum and Inclusion & Anti-Racism staff working group continued to inform our policy and share best practice with the wider team, including offering Sighted Guide and BSL D/deaf Awareness training

We proudly hosted 71 assisted performances in 2023/24, welcoming over 31,000 people to relaxed, audio described, BSL interpreted and captioned performances.

Aim 2 Hippodrome Stages: We will have three world-class stages offering year-round programme, each reflecting the diversity of the region.

We welcomed over 600,000 people to our 2023/24 season productions, an increase of 100,000 on the previous year. 66,933 of those were new bookers. We hosted 604 performances of 135 productions.

ON STAGE

Main Stage

We proudly welcomed almost 150,000 people to our phenomenal 11-week summer run of *Disney's The Lion King*, 47% of whom were first time bookers.

In the spring we welcomed Rambert's *Peaky Blinders: The Redemption of Thomas Shelby* back to our stage at the end of its first world tour, followed in the summer by the world premiere of Birmingham Royal Ballet's *Black Sabbath the Ballet*. Both sell-out shows demonstrated how Birmingham continues to be synonymous with high-profile dance.

Almost 120,000 people joined us over Christmas for the epic production of *Jack and the Beanstalk*, making it our best attended pantomime since the Hippodrome reopened in 2001. With a truly spectacular beanstalk growing from our auditorium to our roof and with star casting, including Birmingham's own Alison Hammond, the show received five-star reviews and over 400 pieces of media coverage.

Other main stage highlights included the first UK tour of *The Spongebob Musical*, multi-award-winning *Life of Pi* and the stunning return of *Wicked*, which attracted over 70,000 audiences.

Patrick Studio

Our Patrick Studio saw the premier of new musical *The Good Enough Mums Club*, sold-out performances of *Roshni* from Hippodrome Associate Sonia Sabri Company, and festive family offering *Dear Santa*. We also hosted the first workshop performances of our brand-new musical, *This is a Love Story*, welcoming national industry leaders, West Midlands creatives and our audiences to see the show in development.

OFF STAGE

Over 211,000 people attended our festivals across the city in 2023/24.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

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

B-Side Hip-Hop Festival

Our annual free B-Side festival kicked off with a Young Community takeover day, featuring a host of workshops for young people, including waacking, graffiti, DJing and lyric writing. The Hippodrome takeover continued into the weekend with more workshops and a special screening of *Fight The Power: How Hip-Hop Changed The World* followed by a Q&A hosted by BBC 1Xtra's Rakeem Omar.

Hippodrome Square came to life over the weekend with a Block Party and Afroflux's fluxcon and marketplace. The weekend concluded with the grand finals hosted at our partners Bullring & Grand Central, and a ground-breaking showcase of hip-hop dance theatre from Breakin' Convention.

The week-long festival was attended by over 44,000 people.

Birmingham Weekender

Birmingham Weekender returned to the city, and 125,000 people engaged with a packed programme of installations, interactive experiences and energetic performances across Bullring & Grand Central and the Hippodrome's home district of Southside.

Highlights included a giant swing set on Central Street, a spectacular stage at Rotunda Square curated by our Young Advocates and the Lumini, an inflatable walk-through of wonder. The festival culminated with Weekender Carnival, a vibrant musical celebration and dance extravaganza by Ace Dance and Music featuring a mass procession through the streets of Birmingham.

Lunar New Year

The city's Lunar New Year celebrations brought not only a buzz to Southside but also record-breaking attendance of 38,000 people.

After opening with the much-loved dragon and lion procession in Hippodrome Square, the free festival was packed with performances including traditional music, sword dancing, K-Pop dance and much more, alongside craft markets and food stalls. The activities spilled over into the foyers of the Hippodrome, with free workshops, classes, an art exhibition and performances from British East & South East Asian creatives MOVE Midlands in the Patrick Studio.

Birmingham Hippodrome also supported Festival 2023, providing in-kind organisational structure to house the operational partners as well as back-office functions. Over 800 artists, creatives and performers took part in 153 projects and performances during the 10-day festivals, welcoming audiences of 46,500.

Aim 3 Hippodrome Studios: We will be celebrated for developing and amplifying creative potential of the region, and originating new work which will be seen on our stages and across the world.

In Autumn 2023 we officially welcomed our two new departments: New Work & Artist Development and New Musical Theatre, both attracting a great deal of national industry attention. From November, we engaged with 642 creatives, 350 of whom were based in the West Midlands.

NEW WORK & ARTIST DEVELOPMENT

Our New Work & Artist Development team has been created to make the Hippodrome a vibrant and supportive home for West Midlands creatives with regular activity on weekly, monthly, bi-monthly, seasonal and annual cycles.

We refreshed our Hippodrome Creatives offer, and now have over 1,300 creatives engaged with our regular offer of opportunities and events. 70 artists have used the studio spaces through our provision of last-minute free-to-access rehearsal spaces.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

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

NEW WORK & ARTIST DEVELOPMENT (continued)

For three days every month, Playspace gives a different artist or team access to space at Birmingham Hippodrome to explore an idea with no pressure to create a final piece of work.

Writer's Block is a regular scratch night for artists to test new ideas with other creatives, run by Head of New Work & Artist Development Sophia Griffin and playwright and dramturg Grace Barrington.

We welcomed 35 local artists for a three-day Gathering Residency of workshops and community building, in partnership with Talawa Theatre Company and the Belgrade Theatre Coventry. Two new pieces of work have been co-commissioned through this collaboration, with another two receiving further development. This will be the first work developed with the New Work & Artist department and will be shared later in 2024 as part of Talawa's Black Joy season.

NEW MUSICAL THEATRE

We kickstarted 2024 by producing workshop performances of *This Is A Love Story*. Telling the story of the relationship between Earth and Humanity with music & lyrics by Jack Godfrey and book & additional lyrics by Ellie Coote, *This Is A Love Story* featured a soundtrack filled with sharp lyrics and songs that speak to the climate crisis and the relationship that each of us have with our planet. The cast and creative team developed the show for 10 days at the Hippodrome before the workshop performances took place in our Patrick Studio to an enthusiastic response in February.

We also commissioned our first festive family show *The Jingleclaw*, by Robyn Grant and Tim Gilvin, which will premiere in the Patrick Studio in December 2024.

We launched the Musical Theatre Writers Group, a key developmental programme focusing on the craft of writing new musical theatre. From over 180 applications, the first Cohort is made up of 6 writing teams featuring 15 creatives from across the UK. Each team will develop a new musical with us over 12 months, to be showcased in March 2025.

NEW SPACES

Alongside the launch of our new departments, we also opened two new spaces for creatives: Studio 4 and the Artists' Lounge.

Studio 4 is a space for rehearsals, workshops and events, improving our facilities and spaces as we continue to grow our produced work. The Artists' Lounge has been developed as a place for creatives to be at home in the Hippodrome amidst a growing community to network, have meetings, work or just pop in for a cup of tea.

ASSOCIATE ARTISTS

Three Associate companies featured in this year's Birmingham Weekender, including Motionhouse's *WILD*, Sonia Sabri Company's *Mughal Miniatures* and the walkabout *Princess and The Peacock*; and Ace Dance & Music opening and closing the Sunday of the festival with the spectacular *Weekender Carnival*.

Our Patrick Studio hosted performances of Sonia Sabri Company's *Roshni* and Musical Theatre Associates *Good Enough Mums Club*. Aakash Odedra presented *Little Murrur* in HEN schools in October 2023.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

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

PRODUCED PRODUCTIONS

We welcomed the return of *Peaky Blinders – The Redemption of Thomas Shelby* to our stages in May 2023, at the end of its critically-acclaimed world tour. The production was broadcast on the BBC on New Year's Day 2024 and was shortlisted for the Spirit of Raindance Award 2024.

Zoo Nation's *Message in a Bottle*, produced by Sadlers Wells in association with Birmingham Hippodrome and The Lowry, opened in Los Angeles in February 2024 for a 13-week North American tour.

Aim 4 Hippodrome Tomorrow: we will have started a transformational capital project created for and with the people of Birmingham and the West Midlands - the cornerstone of an extraordinary new era for the theatre and the region.

SOUTHSIDE BUILDING

In November 2023, we completed the acquisition of The Southside Building, an 11 storey office block and retail space located next to the Hippodrome, supported by the West Midlands Combined Authority and Frontier Development Capital. CBRE have been appointed as Managing Agent and Facilities Manager, and Carter Jonas are acting as Letting Agents.

CAPITAL DEVELOPMENT WORK

We undertook recommissioning work on the heating and cooling systems in our auditorium to increase cooling capacity and reduce CO₂ levels. Further scoping is underway on redeveloping the main auditorium seating and the stage-house.

In August, we launched our new pre-show dining space, The Circle Lounge, working with Birmingham-based 2G Design and Build design. We also redeveloped our Thorp Street artistic hub, creating a new Studio 4 rehearsal space and our Artist's Lounge. The new daytime Box Office counter in our Thorp Street reception provides an accessible on-site contact point for our audiences.

ENVIRONMENTAL SUSTAINABILITY

In line with new Government legislation in October 2023, we replaced our plastic cups with reusable alternatives in our Front of House and Circle Lounge spaces. The cups are branded with our Green Team logo and a QR code linking to our refreshed Going Green webpage.

The Hippodrome was awarded a Workwear Champions award, after introducing a workwear recycling scheme and moving to a new sustainable uniform supplier.

We introduced a new waste management system to streamline waste and recycling across the site. We saved the equivalent of 184 trees through paper and cardboard recycling, and achieved zero waste to landfill, receiving the Greener Path Landfill Diversion Award for 2023.

We maintained our accreditation at the ISO14001 External Audit which took place in October 2023, covering health and safety and environmental matters.

Birmingham Hippodrome joined Sustainable Arts West Midlands, working with other arts organisations in the region to share learnings and best practice, and are further upskilling our staff through the rollout of Carbon Literacy Training, delivered by the WMCA.

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REPORT OF THE TRUSTEES

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

STRATEGIC CORE

Our People

This year we welcomed the new roles of Head of People and People & Culture Apprentice to support our strategy. We saw investment in a new Human Resources information system to improve the way we manage data and launched employee engagement surveys through Culture Amp. The surveys have been run to better measure our employees' engagement, wellbeing and connection to the organisation, with the results and actions from our first survey shared with all employees at our annual company away day.

Our commitment to offering alternative recruitment pathways into the organisation continued with apprenticeship placements within our Technical and HR teams, partnering with organisations including The Cameron Mackintosh Foundation.

Our teams continue to be supported by our working and employee support groups, to ensure a breadth of voices and perspectives are represented at all levels. These groups are Inclusion & Anti-Racism, Wellbeing, Green Team, Employee Reps and Mental Health First Aiders.

Staff training opportunities included the IOSH Managing Safety course, LimeliteHR's Leadership Course and Data Privacy and Protection training delivered by GDPR consultants Indigo. We also implemented a new Learning Management System to provide up-to-date and accessible training courses.

After launching our Five-Year Organisational Plan 23-28, we introduced quarterly staff briefings. Starting with a successful all staff meeting in summer 2023, these events allowed staff from all departments to spend time together, sharing strategic updates and workshopping specific challenges and opportunities the organisation faces.

In September 2023, a refreshed KPI report was shared with all Board and staff. This report allows us to measure and evaluate the different strands of the Five-Year Organisational Plan at a top-line level.

In October, Catherine Mallyon CBE was announced as the new Chair of the Hippodrome Board of Trustees, and Harj Millington as Deputy Chair. We said a fond farewell to outgoing Chair Glenn Howells and Deputy Chair Ann Tonks, who served 11 and 10 years on the Board respectively.

Growing our Profile

We launched our Five-Year Organisational Plan 2023-28 at an event in our Patrick Studio, hosted by Satnam Rana. Artistic Director & CEO Jon Gilchrist and Chair Glenn Howells were joined by guest speakers Vidar Hjarding, Elizabeth Lawal and Jonathan Church to share our strategic ambitions and plans. The night included performances from our Musical Youth Theatre and *The Drifters Girl's* Ashford Campbell.

We saw a significant increase in media coverage telling the Hippodrome story in 2023. We secured multiple exclusive features and a front cover feature with key industry newspaper The Stage for the launch of our New Musical Theatre Department. Other announcements which gained press attention included the launches of new musical *The Jingleclaw*, our New Work team and the Teachers' Theatre Network.

In October, Fozia Nisar, Deputy Head of HEN school Montgomery Primary Academy, was invited to speak at the launch of UK Theatre's Theatre for Every Child policy.

Our social media profile continued to grow, with over 180,000 combined followers and over 1.8M engagements across our social channels – up 15% from the previous year.

We were nominated for several awards, winning the Birmingham Awards Art & Culture award and the Greater Birmingham Chamber Awards Inclusive People Development award. Our Artistic Director & CEO Jon Gilchrist was listed in The Stage 100 List, and Head of Creative Partnerships Zaylie-Dawn Wilson was named winner of the Creative Arts Culture category and Young Professional of the Year at the Greater Birmingham Young Professional Awards.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

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

Growing our Profile (continued)

Artistic Director & CEO, Jon Gilchrist, remains 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. 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.

Diversifying our Income

This year saw a focus on raising funds to support our work for young people, expand our Relaxed performance and festivals programme, and develop our New Musical Theatre Department.

We secured over £30,000 in The Big Give Christmas Challenge, allowing us to expand our programme of relaxed performances and provide tickets to every SEN school in Birmingham. We also raised over £27,000 in The Big Give's Arts of Impact campaign in March.

In April 2023, we launched our Curtain Raiser Circle in support of our young dance talent development programme, raising over £6,000 to provide participants with the opportunity to work alongside professional choreographers in the creation of a performance inspired by a visiting production, which is then performed on our main stage before the show. Our Curtain Raiser programme was further supported by our popular Gala Dinners. Our two sold out Galas at *Disney's The Lion King* and Matthew Bourne's *Edward Scissorhands* raised a combined total of over £25,000.

Major arts philanthropist Charles Holloway became the Founding Supporter of our New Musical Theatre Department with a grant award over three years from The Charles Michael Holloway Charitable Trust, which will support the development of new productions and increase opportunities for musical theatre writers and creatives.

We received significant grant awards from Arts Council England and Birmingham City Council in support of our festivals programme, enabling us to make Birmingham Weekender our most accessible festival yet. We also received first-time grant awards from Hortons Social Purpose Committee and the Sebbie Hall Kindness Foundation. Our Hippodrome Education Network was further supported by a generous grant award from local charity Property for Kids.

The year ended with an auction of original works by Birmingham based Artist Charles Pedone hosted at The Grand Hotel. The event raised over £10,000 to support our youth programme.

We hosted 96 large-scale events for shows and building partners, including press night events, VIP hospitality receptions and artistic project launches and networking events. These events reached more than 5,400 people.

We hosted 178 conferences, hospitality and hires from a wide range of external clients, including Historic England, KMPG, Lloyds Bank and the Kings Volunteer Awards, welcoming over 5,200 delegates to our building.

In August, we launched The Circle Lounge, working with West Midlands based company Tutto Apposto on the new menu for our pre-show dining offer. Headed by Chef Angelina Adamo, the new concept offers small plates and sharing platters, all with a mediterranean influence. Over the 2023/24 season, we served over 7,000 small plates, more than 1,750 afternoon teas and over 4,000 desserts and ice creams.

Our Front of House team also worked to diversify our income among audiences, selling 16,000 tubs of popcorn, 37,000 programmes and 125,000 tubs of ice cream over the year. *The Lion King* merchandise proved particularly popular, with one of our Visitor Services team being awarded the top seller of Disney merchandise in the whole of the UK.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT

Financial Review

The results for the period are shown in the consolidated statement of financial activities on page 25, and the financial position at year end is shown in the consolidated balance sheet on page 27.

During the financial year, we presented 567 live performances (2022/23: 526) attended by 602,000 patrons (2022/23: 525,000) with paid capacity of 85% (2022/23: 77%). Total ticket sales were £27,814,000 (2022/23: £21,056,000).

Sales by art form were as follows:

	Performances		Tickets Sold		Show Contribution	
	2024	2023	2024	2023	2024	2023
Musicals	32%	51%	49%	51%	51%	57%
Pantomime	18%	20%	21%	20%	24%	17%
Ballet	11%	14%	14%	15%	14%	15%
Other	39%	15%	16%	14%	11%	11%

Birmingham Hippodrome's result for the year was an unrestricted surplus of £1,906,000 compared to a budgeted surplus of £1,100,000 (2022/23: £611,000 surplus compared to a budgeted surplus of £275,000).

A surplus of £796,000 (2022/23: deficit of £573,000) has been achieved on unrestricted funds before reserves transfers, and a deficit of £1,885,000 (2022/23: surplus of £2,000,000) has been achieved on restricted funds in the period before transfers. Total expenditure of £38,073,000 (2022/23: £27,563,000) was incurred in the year.

The results of the trading subsidiaries, Birmingham Hippodrome Limited, Birmingham Festival 2023 CIC and Birmingham Hippodrome Productions Limited are set out in Note 23. The covenanted payment from Birmingham Hippodrome Limited was £855,000 (2022/23: £738,000).

Group bank interest in the year was £410,000 (2022/23: £131,000).

In the financial year the charity purchased an investment property, the Southside Building, for £8,199,000. This was funded partly from unrestricted charity reserves and partly by a loan. £4,700,000 in new loan funding was drawn on 1 December 2023, which was used partly to repay an outstanding Coronavirus Business Interruption Loan and partly to fund the Southside Building purchase. Details of the changes in borrowings can be found in Note 16.

Performance Indicators

The Executive Team has formulated a range of Key Performance Indicators linked to strategy objectives which are reported on regularly to the Board of Trustees. These cover:

- Hippodrome Stages - ticket sales, ticket prices and festivals attendance.
- Hippodrome Unlocked - measures related to new bookers, memberships, access performance and audience numbers and work with and for young people.
- Hippodrome Studios – engagement with creatives.
- Hippodrome Tomorrow – carbon footprint.
- Other – measures on income, organisational profile, workforce and audience demographics.

Outcomes in these areas are described throughout this Strategic Report.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Gender Pay

All employees at Birmingham Hippodrome in the same role are paid the same. At the snapshot date of 5 April 2023, we had a median gender pay gap of 1.5% (15.2% at 5 April 2022). The reason for the shift is that the midpoint of salaries has shifted significantly with the mix of male and female employees since last year. This is because this year there are 17% fewer flexible workers on payroll compared to the previous year. Within the casual workforce this year, there are 21% fewer males compared to 13% fewer females.

The number of employees by gender, across all employees, who earned in the following salary quartiles is:

Quartiles	Male	Female	% Male/Female
Upper	39	49	44%M/56%F
Upper middle	41	46	47%M/53%F
Lower middle	38	51	43%M/57%F
Lower	36	54	40%M/60%F

Fundraising

Our fundraising is managed by a dedicated team of employees, reporting to the Creative Director and 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.

We are 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/>

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Environmental Management

We continued to ensure full compliance with our ISO 14001 Environmental Management standard accreditation.

Our overall daily gas and electricity usage has remained similar to the previous year (1.6% increase in kgCO₂e/kWh compared to 2022/23). The majority of the energy saving actions have now been implemented with major capital expenditure required to achieve further material savings.

In accordance with requirements Streamlined Energy & Carbon Reporting (SECR) imposed by the 2018 SECR regulations, we are required to disclose the following energy & carbon information for 2023-2024.

Scope 1 : Emissions from combustion of Gas tCO ₂ e	
2023-2024	498.42 tCO ₂ e (Energy consumption: Gas 2,724,663 kwh)
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	
2023-2024	396.54 tCO ₂ e (Energy consumption: Electricity 1,914,953 kwh)
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):	
2023-2024	0.0481 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

During the financial year, we made significant efforts to further improve our sustainability and achieved a Greener Path Zero to Landfill Diversion Award for sending zero waste to landfill. Examples of initiatives include:

- Introduction of high-quality reusable cups and glasses for our auditoriums;
- Fully recycling employee uniforms with a zero-landfill guarantee and introducing some uniform items made from sustainable & recycled fabrics;
- Joining the Sustainable Arts West Midlands working group;
- Forming our new Risk & Compliance Team, providing dedicated resource on environmental and sustainability matters;
- Undertaking work on our heating and cooling systems in our main auditorium to improve air flow efficiency;
- Running training for all employees on Waste Management, with some also achieving accreditation by the Carbon Literacy Project;
- Sending all egg shells and coffee grounds from our Circle Lounge to compost piles in Perry Barr Allotments;
- Sourcing local and seasonal produce as much as possible for our Circle Lounge meals, including produce from Birmingham markets, carrots grown locally in Moseley, regional cheeses, flour made from local grains from Shipton Mill in the Cotswolds and pumpkins and grapes from local Perry Barr allotments;
- Saving the equivalent of 184 trees by recycling paper and cardboard.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

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.

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.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

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 15 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.

Our People 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.

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:

- IT resilience and cyber security;
- Terrorism and physical security; and
- Macro-economic climate.

During the financial year, an audit plan was approved which prioritised assurance requirements based on key risks. Audits planned for the 2024/25 year include, a review of financial controls, and HR and payroll audit, a box office audit and a specialist IT audit.

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

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 31 March 2024 were £33,513,000 for the Group (2022/23: £34,602,000) and £33,507,000 for the Company (2022/23: £32,606,000).

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.

Unrestricted funds at 31 March 2024 were £6,111,000 for the Group (2022/23: £4,205,000) and £6,109,000 for the Company (2022/23: £4,209,000).

The Board created two new designated funds during the financial year.

The New Musical Theatre Fund was created to facilitate new musical theatre productions and £500,000 was transferred from unrestricted undesignated funds to this reserve.

The Hippodrome Tomorrow Strategic Fund was created to be used for match funding for development of the Hippodrome buildings and other expenditure to deliver strategic aims as proposed by the Artistic Director and CEO and approved by the Board. £614,000 was transferred from unrestricted undesignated funds to this reserve, and £2,447,000 from the former designated Repairs Reserve.

The Board also approved the transfer of the balance in the designated Repairs Reserve of £2,447,000 to the new Hippodrome Tomorrow Strategic Fund.

Unrestricted non-designated funds for the Group were £2,300,000 at 31 March 2024 (1 April 2023: £1,058,000) which was increased by the unrestricted surplus of £796,000 (2022/23: deficit of £573,000) and then was reduced by £1,114,000 (2022/23: £140,000) transferred to designated funds and increased by £1,110,000 (2022/23: £1,184,000) transferred from restricted funds.

The charity's policy, updated during the financial year, is to target holding unrestricted and undesignated reserves equivalent to three months of unrestricted operating expenditure plus an allowance of 20% of projected annual Southside Building cash rental income. This is to protect the charity from fluctuations in future income and temporary interruptions to operations. Operating expenditure excludes costs in relation to promoter settlements. The target level of unrestricted and undesignated reserves under this policy is £2.3m and the actual level as at 31 March 2024 was £2.3m in line with the target.

Treasury Policy

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

Birmingham Hippodrome Theatre Trust Limited

REPORT OF THE TRUSTEES

STRATEGIC REPORT (continued)

Birmingham Hippodrome Limited

The profit in the trading subsidiary for the period was £856,613 (2022/23: £753,000) and the distributable profits are paid across to the parent undertaking each year.

Birmingham Hippodrome Limited comprises the Catering and Visitor Services departments.

Birmingham Festival 2023 CIC

During the financial year, the CIC delivered a nine-day festival on behalf of Birmingham City Council expending restricted funds brought forward. At the end of the financial year, assets of £4,336 remained in the CIC. It is the intention of the CIC directors to wind up the company as soon as final debtor balances are cleared.

Fixed Assets

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

Trustee Liability Insurance

Birmingham Hippodrome Theatre Trust Limited holds Trustee liability insurance on behalf of Directors and Officers at a cost of £3,514 (2022/23: £3,781).

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.

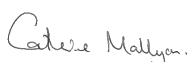
Future Plans

Birmingham Hippodrome is now in year two of the five-year strategy. Having created four new departments in the last year – New Musicals, New Work & Artist Development, The Circle Lounge and Health & Safety, the organisation is now focused on impact, ensuring that all outcomes from across the venue meet with the strategy. Particular focus is being placed on future proofing the physical building as we approach 25 years since the last major redevelopment.

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 CBE – Chair

Date: 17/03/25

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 (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 31 March 2024 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 31 March 2024 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 21, 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 completeness of income 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 refund transactions.

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 17/03/25

Birmingham Hippodrome Theatre Trust Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the 52 week period ended 31 March 2024

	Notes	52 week period ended 31 March 2024			52 week period ended
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	1 April 2023 Total funds £'000
INCOME FROM:					
Donations	2	668	57	725	857
Charitable activities	3	31,791	373	32,164	25,378
Other trading activities	4	3,482	-	3,482	2,624
Investments	5	613	-	613	131
TOTAL		36,554	430	36,984	28,990
EXPENDITURE ON:					
Raising funds	6	2,221	-	2,221	1,654
Charitable activities	6	33,537	2,315	35,852	25,909
TOTAL		35,758	2,315	38,073	27,563
NET (EXPENDITURE)/INCOME	8	796	(1,885)	(1,089)	1,427
Transfers between funds	18, 19	1,110	(1,110)	-	-
NET MOVEMENT IN FUNDS		1,906	(2,995)	(1,089)	1,427
RECONCILIATION OF FUNDS:					
Fund balances brought forward		4,205	30,397	34,602	33,175
Fund balances carried forward		6,111	27,402	33,513	34,602

Birmingham Hippodrome Theatre Trust Limited

INCOME AND EXPENDITURE ACCOUNT

for the 52 week period ended 31 March 2024

	52 week period ended 31 March 2024 £'000	52 week period ended 1 April 2023 £'000
Gross income of continuing operations	36,984	28,990
Total expenditure of continuing operations	(38,073)	(27,563)
Net movement in funds for the period	(1,089)	1,427
Amortisation of capital grants	1,110	1,184
Net income	21	2,611

- Net income of £21,000 in the period (2022/23: net income of £2,611,000) comprises £1,906,000 surplus from unrestricted funds (2022/23: surplus of £611,000) and £1,885,000 deficit from restricted funds (2022/23: surplus of £2,000,000).
- Total income comprises £36,554,000 (2022/23: £26,796,000) from unrestricted funds and £430,000 (2022/23: £2,194,000) from restricted funds. A detailed analysis of income by source is provided in the Consolidated Statement of Financial Activities.
- Income from non-charitable subsidiary trading activities amounted to £3,068,000 (2022/23: £2,434,000). A detailed analysis of the subsidiary's trading results is shown in Note 23.
- 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 25 which, together with the notes to the accounts on pages 34 to 54 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 £1,110,000 (2022/23: £1,184,000) 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 31 March 2024

Company No: 01446309

	Note	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
FIXED ASSETS					
Intangible assets	10	4	11	4	11
Tangible assets	11	29,020	29,708	28,972	29,675
Investments	12	8,199	-	8,199	-
		<u>37,223</u>	<u>29,719</u>	<u>37,175</u>	<u>29,686</u>
CURRENT ASSETS					
Stock		60	62	-	-
Debtors	13	3,080	5,131	7,308	5,986
Short term deposits		8,286	10,236	8,286	10,236
Cash at bank and in hand		7,512	10,301	3,154	7,364
		<u>18,938</u>	<u>25,730</u>	<u>18,748</u>	<u>23,586</u>
CREDITORS:					
Amounts falling due within one year	14(a)	(18,073)	(19,180)	(17,841)	(18,999)
		<u>865</u>	<u>6,550</u>	<u>907</u>	<u>4,587</u>
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>38,088</u>	<u>36,269</u>	<u>38,082</u>	<u>34,273</u>
CREDITORS:					
Amounts falling due after more than one year	15	(4,575)	(1,667)	(4,575)	(1,667)
		<u>33,513</u>	<u>34,602</u>	<u>33,507</u>	<u>32,606</u>
NET ASSETS					
REPRESENTED BY					
RESTRICTED FUNDS					
UNRESTRICTED FUNDS					
Share capital	17	-	-	-	-
Non designated	19a	2,300	1,508	2,298	1,512
Designated	19b	3,811	2,697	3,811	2,697
		<u>6,111</u>	<u>4,205</u>	<u>6,109</u>	<u>4,209</u>
		<u>33,513</u>	<u>34,602</u>	<u>33,507</u>	<u>32,606</u>

Birmingham Hippodrome Theatre Trust Limited

BALANCE SHEETS

As at 31 March 2024

Company No: 01446309

Net movement in funds for the parent charity was net income of £901,000 (2022/23: net expenditure of £589,000).

The financial statements on pages 25 to 54 were approved by the board on 17/03/25 2024, and authorised for issue on its behalf by:

Catherine Mallyon.

C Mallyon CBE– Chair

Birmingham Hippodrome Theatre Trust Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

For the 52 week period ended 31 March 2024

	Note	52 week period ended 31 March 2024 £'000	52 week period ended 1 April 2023 £'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	21	1,385	2,561
Interest paid		(91)	(74)
NET CASH PROVIDED BY OPERATING ACTIVITIES		1,294	2,487
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments to acquire intangible fixed assets		(5)	-
Interest from short term deposits		410	131
Rent from investment property		203	-
Purchase of investment property		(8,199)	-
Purchase of property, plant and equipment and intangible assets		(837)	(653)
NET CASH USED IN INVESTING ACTIVITIES		(8,428)	(522)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Interest paid on bank loan		(113)	-
Proceeds from borrowings		4,700	-
Repayments of borrowings		(2,192)	(333)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES		2,395	(333)
Change in cash and cash equivalents in the reporting period		(4,739)	1,632
Cash and cash equivalents at the beginning of the reporting period		20,537	18,905
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		15,798	20,537
		2024 £'000	2023 £'000
Cash at bank		7,512	10,301
Short term deposits		8,286	10,236
TOTAL CASH AND CASH EQUIVALENTS		15,798	20,537

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 Birmingham Hippodrome Theatre, Hurst Street, 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 typically drawn up to the nearest Saturday to 31 March. These accounts have been prepared for a 52 week period to Sunday 31 March in order to capture a performance that took place on Sunday 31 March 2024 (2022/23: 52 week period to 1 April 2023).

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, Birmingham Hippodrome Productions Ltd 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 31 March. The charity has taken advantage of the exemption available under CA06 s408, to omit its profit and loss account from the statutory group accounts.

GOING CONCERN

The theatre is trading profitably and able to generate cash through its activities. A Reserves Policy is in place which allows for emergency fluctuations in activity. The pipeline of main stage programming is healthy, with most of 2025/26 year already identified. The Trustees have reviewed the level of reserves and forecasts for the next 12 months and have a reasonable expectation that the charity and group 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.

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.

CREDITORS AND LIABILITIES

Trade and other 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.

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.

Birmingham Hippodrome Theatre Trust Limited

ACCOUNTING POLICIES

INTANGIBLE ASSETS (continued)

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.

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in the statement of financial activities.

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

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The 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 are discussed below.

Investment properties

The trust values its investment properties at fair value, based on an open market value for existing use of the properties. The valuations are made by a qualified Chartered Surveyor, using a variety of assumptions to determine the valuation of the investment's properties. Any changes in these assumptions would impact on the carrying value of these investment properties.

The Trustees do not believe there are any critical areas of judgment that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

1 COMPARATIVE INFORMATION – PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

52 week period ended 1 April 2023

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
INCOME FROM:			
Donations	785	72	857
Charitable activities	23,256	2,122	25,378
Other trading activities	2,624	-	2,624
Investments	131	-	131
	<hr/>	<hr/>	<hr/>
TOTAL	26,796	2,194	28,990
EXPENDITURE ON:			
Raising funds	1,654	-	1,654
Charitable activities	25,715	194	25,909
	<hr/>	<hr/>	<hr/>
TOTAL	27,369	194	27,563
	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)	(573)	2,000	1,427
Transfers between funds	1,184	(1,184)	-
	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS	611	816	1,427
RECONCILIATION OF FUNDS:			
Fund balances brought forward	3,594	29,581	33,175
	<hr/>	<hr/>	<hr/>
Fund balances carried forward	4,205	30,397	34,602
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

2	DONATIONS	52 week period ended 31 March 2024			52 week period ended
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	1 April 2023
	Creative programme donations	668	57	725	857
		<u>668</u>	<u>57</u>	<u>725</u>	<u>857</u>

3	CHARITABLE ACTIVITIES	52 week period ended 31 March 2024			52 week period ended
		Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	1 April 2023
	Theatre tickets	28,758	-	28,758	21,056
	Booking fee, ticket levy and box office handling charges	2,749	-	2,749	1,898
	Friends memberships	112	-	112	87
	Fundraising	159	200	359	310
	Birmingham City Council – Weekender	-	100	100	-
	Birmingham City Council - Festival 2023 CIC	-	73	73	2,000
	Other income	13	-	13	27
		<u>31,791</u>	<u>373</u>	<u>32,164</u>	<u>25,378</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

4	OTHER TRADING ACTIVITIES	52 week period ended 31 March 2024 Unrestricted funds £'000	52 week period ended 1 April 2023 Unrestricted funds £'000
	Catering, Visitor Services, Consultancy and Business development income – subsidiary	3,068	2,434
	Technical services income	149	173
	Sundry income	265	17
		<u>3,482</u>	<u>2,624</u>
		<u><u>3,482</u></u>	<u><u>2,624</u></u>
5	INCOME FROM INVESTMENTS	52 week period ended 31 March 2024 Unrestricted funds £'000	52 week period ended 1 April 2023 Unrestricted funds £'000
	Interest from short term deposits	410	131
	Rent receivable	203	-
		<u>613</u>	<u>131</u>
		<u><u>613</u></u>	<u><u>131</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

6 EXPENDITURE

	52 week period ended 31 March 2024			52 week period ended 1 April 2023
	Charitable activities £'000	Raising funds £'000	Total £'000	Total £'000
(a) <i>Direct charitable expenditure</i>				
Fees of visiting companies and artistes	22,244	-	22,244	15,913
(b) <i>Other expenditure – management and administration of the charity</i>				
Wages and salaries	4,485	-	4,485	4,336
Marketing, friends, sponsorship & creative programming	1,844	18	1,862	1,454
Customer services & security	237	-	237	194
Technical services	1,746	235	1,981	1,928
Box office and ticketing	323	-	323	273
Financial and administration	292	-	292	224
Depreciation and amortisation of fixed assets	1,537	-	1,537	1,314
Albany house	98	-	98	-
Birmingham Festival CIC	2,069	-	2,069	-
Catering and conference and events	-	1,882	1,882	1,336
Support costs (See note 6 (c))	977	86	1,063	591
	<u>13,608</u>	<u>2,221</u>	<u>15,829</u>	<u>11,650</u>
TOTAL	<u>35,852</u>	<u>2,221</u>	<u>38,073</u>	<u>27,563</u>
(c) <i>Support costs</i>				
General office costs	144	27	171	167
General financial costs	397	42	439	128
Computer support	127	17	144	166
Governance costs	105	-	105	56
Interest on Coronavirus business interruption loan	91	-	91	74
Interest on bank loan	113	-	113	-
	<u>977</u>	<u>86</u>	<u>1,063</u>	<u>591</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

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.

8 NET (EXPENDITURE)/INCOME BEFORE TRANSFERS	52 week period ended 31 March 2024 £'000	52 week period ended 1 April 2023 £'000
Net (expenditure)/income is stated after charging:		
Depreciation of tangible fixed assets		
- owned	1,525	1,280
Amortisation of intangible assets		
- owned	12	34
Operating lease rentals - equipment and vehicles	22	22
Auditor's remuneration	31	30
- audit parent undertaking	14	5
- audit subsidiary undertakings	15	11
- accountancy services	4	4
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 £652,054 (2022/23: £484,273).

	52 week period ended 31 March 2024 £'000	52 week period ended 1 April 2023 £'000
Wages and salaries	5,491	4,965
Social security costs	451	438
Pension costs	186	155
	<u> </u>	<u> </u>
	6,128	5,558
	<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 (2022/23: None). One Trustee (2022/23: None) was reimbursed travel expenses of £530 (2022/23: £Nil). No trustee was reimbursed general expenses of £Nil (2022/23: £Nil).

The total compensation including employer's national insurance and pension contributions payable to key management personnel of the group and charity was £657,166 (2022/23: £732,311). 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 2024		Number 2023	
Average number of staff/ (full time equivalents):				
Administration	33	(32)	35	(33)
Production and selling				
- permanent	99	(92)	91	(82)
- temporary	123	(42)	185	(137)
	<u>255 (166)</u>		<u>311 (252)</u>	
NUMBER OF EMPLOYEES WHOSE EMOLUMENTS EXCEEDED £60,000	Number 2024		Number 2023	
£70,001 - £80,000	1		-	
£80,001 - £90,000	1		3	
£90,001 - £100,000	1		-	
£110,001 - £120,000	-		1	
£120,001 - £130,000	1		1	
£170,001 – £180,000	1		-	
	<u>1</u>		<u>5</u>	

Pension costs for the period for higher paid staff totalled £31,748 (2022/23: £25,907).

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

GROUP AND CHARITY	Computer Software £'000	Total £'000
COST		
2 April 2023	148	148
Additions	5	5
31 March 2024	<u>153</u>	<u>153</u>
AMORTISATION		
2 April 2023	137	137
Charge for the period	12	12
31 March 2024	<u>149</u>	<u>149</u>
NET BOOK VALUE		
31 March 2024	<u>4</u>	<u>4</u>
1 April 2023	<u>11</u>	<u>11</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

11 TANGIBLE FIXED ASSETS

GROUP	Assets under the course of construction £'000	Dance hub £'000	Long lease premium £'000	Hippodrome Theatre long leasehold improvements £'000	Birmingham Royal Ballet long leasehold improvements £'000	Fixtures, Fittings and equipment £'000	IT infrastructure £'000	Total £'000
COST								
2 April 2023	1,017	4,149	5,001	33,441	4,211	4,278	901	52,998
Additions	-	-	-	-	-	820	17	837
Transfers	(1,017)	-	-	-	-	1,017	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
31 March 2024	-	4,149	5,001	33,441	4,211	6,115	918	53,835
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION								
2 April 2023	-	622	858	14,993	3,049	2,983	785	23,290
Charge for period	-	166	41	766	39	452	61	1,525
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
31 March 2024	-	788	899	15,759	3,088	3,435	846	24,815
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE								
31 March 2024	-	3,361	4,102	17,682	1,123	2,680	72	29,020
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
1 April 2023	1,017	3,527	4,143	18,448	1,162	1,295	116	29,708
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </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

	Assets under the course of construction £'000	Dance hub £'000	Long lease premium £'000	Hippodrome Theatre long leasehold improvements £'000	Birmingham Royal Ballet long leasehold improvements £'000	Fixtures, fittings and equipment £'000	IT infrastructure £'000	Total £'000
COST								
2 April 2023	1,017	4,149	5,001	33,441	4,211	3,762	901	52,482
Additions	-	-	-	-	-	791	17	808
Transfers	(1,017)	-	-	-	-	1,017	-	-
31 March 2024	-	4,149	5,001	33,441	4,211	5,570	918	53,290
DEPRECIATION								
2 April 2023	-	622	858	14,993	3,049	2,500	785	22,807
Charge for period	-	166	41	766	39	437	62	1,511
31 March 2024	-	788	899	15,759	3,088	2,937	847	24,318
NET BOOK VALUE								
31 March 2024	-	3,361	4,102	17,682	1,123	2,633	71	28,972
1 April 2023	1,017	3,527	4,143	18,448	1,162	1,262	116	29,675

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

12 INVESTMENTS

GROUP AND CHARITY	Investment property £'000	Total £'000
1 April 2023	-	-
Additions	8,199	8,199
31 March 2024	<u>8,199</u>	<u>8,199</u>

The Trustees are of the opinion that the fair value has not materially changed at the balance sheet date.

Subsidiary undertakings

The charity holds two £1 ordinary shares of Birmingham Hippodrome Limited (company registration number: 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 23.

The charity is also the sole member of Birmingham Festival 2023 CIC (company registration number: 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 23.

The charity holds one £1 ordinary share in Birmingham Hippodrome Productions Ltd (company registration number: 15001661) which was incorporated on 13 July 2023 and was dormant throughout the financial period. The company's name was changed on 20 May 2024 from Birmingham Hippodrome Properties Ltd and its purpose is making theatrical productions.

13 DEBTORS	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Amounts owed within one year:				
Trade debtors	1,276	870	749	778
Amounts due from subsidiary undertakings (see note 23)	-	-	4,765	3,318
Other debtors	280	788	278	788
Prepayments and accrued income	1,524	3,470	1,516	1,102
Corporation tax receivable	-	3	-	-
	<u>3,080</u>	<u>5,131</u>	<u>7,308</u>	<u>5,986</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

14	CREDITORS	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
(a)	AMOUNTS FALLING DUE WITHIN ONE YEAR:				
	Trade creditors	996	725	884	663
	Other taxation and social security	209	229	209	229
	Other creditors	944	1,021	871	902
	Bank borrowings (note 16)	100	500	100	500
	Accruals	1,571	1,481	1,545	1,481
	Deferred income (note 14(b))	14,253	15,224	14,232	15,224
		<u>18,073</u>	<u>19,180</u>	<u>17,841</u>	<u>18,999</u>
(b)	DEFERRED INCOME			Group £'000	Charity £'000
	Balance as at 2 April 2023			15,224	15,224
	Amount released to income			(15,224)	(15,224)
	Amount deferred in period			14,253	14,232
				<u>14,253</u>	<u>14,232</u>
	Balance as at 31 March 2024			<u>14,253</u>	<u>14,232</u>
	Deferred income comprises advance box office receipts.				
15	CREDITORS: amounts falling due after more than one year	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
	Bank borrowings (note 16)	4,575	1,667	4,575	1,667
		<u>4,575</u>	<u>1,667</u>	<u>4,575</u>	<u>1,667</u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

16	BORROWINGS	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
	Bank borrowings	4,675	2,167	4,675	2,167
	Payable within one year	100	500	100	500
	Payable after one year	4,575	1,667	4,575	1,667

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. During the year, the loan was fully repaid.

During the year, the company entered in to a loan facility of £5,000,000 with West Midlands Combined Authority and on 1 December received a drawdown of £4,700,000. The loan is secured with a fixed charge over the investment property. The loan capital is repayable at £25,000 per quarter and interest is payable at 2.0% plus current base rate.

17	SHARE CAPITAL	Group		Charity	
		2024 £	2023 £	2024 £	2023 £
	<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.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

18 RESTRICTED FUNDS (GROUP AND CHARITY)

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.

2024	Balance at 2 April 2023 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance at 31 March 2024 £'000
Lease premium Hippodrome Theatre	4,143	-	-	(41)	4,102
leasehold improvements Birmingham Royal Ballet	18,448	-	-	(766)	17,682
leasehold improvements Creative Programme	1,162	-	-	(39)	1,123
fundraising & grants Dance Hub	-	157	(18)	-	139
	3,527	-	-	(166)	3,361
Birmingham City Council – Inge street	717	-	-	(98)	619
Birmingham City Council – Weekender	-	100	(100)	-	-
ACE access and auditorium Arts Council	400	-	(28)	-	372
	-	100	(100)	-	-
Charity only	<u>28,397</u>	<u>357</u>	<u>(246)</u>	<u>(1,110)</u>	<u>27,398</u>
Birmingham City Council - Festival 2023 CIC	2,000	73	(2,069)	-	4
Group	<u><u>30,397</u></u>	<u><u>430</u></u>	<u><u>(2,315)</u></u>	<u><u>(1,110)</u></u>	<u><u>27,402</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

18 RESTRICTED FUNDS (GROUP AND CHARITY) (continued)

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
Dance Hub	-	72	(72)	-	-
Birmingham City Council – Inge street	3,709	-	-	(182)	3,527
ACE access and auditorium Arts Council	717	-	-	-	717
	400	-	-	-	400
	-	122	(122)	-	-
Charity only	29,581	194	(194)	(1,184)	28,397
Birmingham City Council - Festival 2023 CIC	-	2,000	-	-	2,000
Group	29,581	2,194	(194)	(1,184)	30,397

The Lease premium, Hippodrome Theatre leasehold improvements, Birmingham Royal Ballet leasehold improvements, Dance Hub and Birmingham City Council - Inge Street funds relate to restricted capital funds received in prior financial years. These projects are all complete and the fund balances are being reduced by depreciation charges on the assets.

Creative programming fundraising and grants relate to amounts raised for future artistic programmes, specifically within the education network.

Birmingham City Council - Festival 2023 CIC relates to funds received to deliver a nine-day festival on behalf of Birmingham City Council.

The ACE access and auditorium fund relates to a grant awarded in a previous financial year by Arts Council England towards access improvements. £28,000 of this grant had been spent by the end of year ended 31 March 2024.

Birmingham City Council - Weekender relates to funds received from the local council to put on a 3-day festival that spreads across the full city, partnered with the Hippodrome and Grand central.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

18 RESTRICTED FUNDS (GROUP AND CHARITY) (continued)

Arts Council - this relates to funds awarded to help produce two festivals in the city centre. 'Birmingham Weekender' and 'B Side hip hop festival'.

There are fixed and floating charges over the Birmingham Hippodrome Theatre property, held by Arts Council 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.

19a UNRESTRICTED NON-DESIGNATED FUNDS	Group £'000	Charity £'000
2 April 2023	1,508	1,512
Net income	796	790
Transfer from restricted funds	1,110	1,110
Transfer to designated funds	(1,114)	(1,114)
	<hr/>	<hr/>
31 March 2024	2,300	2,298
	<hr/> <hr/>	<hr/> <hr/>
	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/>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

19b UNRESTRICTED DESIGNATED FUNDS (GROUP AND CHARITY)

	Balance at 2 April 2023 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance at 31 March 2024 £'000
Repairs reserve	2,447	-	-	(2,447)	-
Hippodrome Square	250	-	-	-	250
New Musical Theatre Fund	-	-	-	500	500
Hippodrome Tomorrow Strategic Fund	-	-	-	3,061	3,061
	<u>2,697</u>	<u>-</u>	<u>-</u>	<u>1,114</u>	<u>3,811</u>
	Balance at 3 April 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance at 1 April 2023 £'000
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>

In the financial year, the Board created two new designated funds: the New Musical Theatre Fund and the Hippodrome Tomorrow Strategic Fund, described below.

New Musical Theatre Fund

To facilitate new musical theatre productions and leverage third party investment. This Fund is intended to be “topped up” from returns.

Hippodrome Tomorrow Strategic Fund

Permitted uses:

- Match funding for development of the Hippodrome buildings.

This includes “Phase 1” works to solve immediate issues, enable longer-term development without main theatre closure (examples: seating, auditorium and dressing room works) and to take longer-term plans to RIBA Design Stage 3.

- Other expenditure to deliver strategic aims as proposed by the Artistic Director and CEO and approved by the Board.

The Board has agreed to transfer the excess in unrestricted non-designated above current reserves policy (£1,114,000) partly to the New Musical Theatre Fund (£500,000) and partly to the Hippodrome Tomorrow Strategic Fund (£614,000). The Board also agreed to move the balance on Repairs Reserve of £2,447,000 to Hippodrome Tomorrow Strategic Fund.

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

19b UNRESTRICTED DESIGNATED FUNDS (GROUP AND CHARITY) (continued)

Hippodrome Square

The Hippodrome Square designated fund (£250,000) is intended to contribute to works on the square outside the theatre and support the rebranding to Hippodrome Square. Timing for the work has yet to be confirmed by Birmingham City Council, but the designated funds are expected to be used in the near future.

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	31 March 2024			
	Fixed assets £'000	Current Assets £'000	Current and non-current liabilities £'000	Total £'000
RESTRICTED FUNDS	26,887	515	-	27,402
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	10,336	14,612	(22,648)	2,300
Designated	-	3,811	-	3,811
	<u>37,223</u>	<u>18,938</u>	<u>(22,648)</u>	<u>33,513</u>
	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>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

31 March 2024				
CHARITY	Fixed assets £'000	Current Assets £'000	Current and non-current Liabilities £'000	Total £'000
RESTRICTED FUNDS	26,887	511	-	27,398
UNRESTRICTED FUNDS:				
Share capital	-	-	-	-
Non designated	10,288	14,426	(22,416)	2,298
Designated	-	3,811	-	3,811
	<u>37,175</u>	<u>18,748</u>	<u>(22,416)</u>	<u>33,507</u>
	<u><u>37,175</u></u>	<u><u>18,748</u></u>	<u><u>(22,416)</u></u>	<u><u>33,507</u></u>
1 April 2023				
RESTRICTED FUNDS	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>
	<u><u>29,686</u></u>	<u><u>23,586</u></u>	<u><u>(20,666)</u></u>	<u><u>32,606</u></u>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

21 CASH GENERATED FROM OPERATIONS

RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	52 week period ended 31 March 2024 £'000	52 week period ended 1 April 2023 £'000
Net (expenditure)/income for the reporting period	(1,089)	1,427
ADJUSTMENTS FOR:		
Depreciation charges	1,525	1,280
Amortisation charges	12	34
Interest from investments	(613)	(131)
Interest paid	204	74
Decrease/(increase) in stock	2	(26)
Decrease/(increase) in debtors	2,051	(3,488)
(Decrease)/increase in creditors and deferred income	(707)	3,391
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,385	2,561

22 ANALYSIS OF CHANGES IN NET DEBT

GROUP	2 April 2023 £'000	<i>Cashflows</i> £'000	31 March 2024 £'000
Cash and cash equivalents	20,537	(4,739)	15,798
Borrowings excluding overdrafts	(1,667)	(2,908)	(4,575)
Borrowings excluding overdrafts (current)	(500)	400	(100)
	18,370	(7,247)	11,123

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

23 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 31 March 2024 £'000 Total	Period ended 1 April 2023 £'000 Total
PROFIT AND LOSS ACCOUNT		
Turnover	3,068	2,434
Cost of sales	(1,000)	(677)
Administrative expenses	(1,262)	(1,007)
Interest receivable and similar income	55	3
	<hr/>	<hr/>
Profit on ordinary activities before tax	861	753
Taxation	(6)	-
	<hr/>	<hr/>
Profit after tax	855	753
	<hr/> <hr/>	<hr/> <hr/>

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

	2024 £'000	2023 £'000
Fixed assets	47	33
Current assets	4,530	3,094
Creditors: amounts falling due within one year	(4,577)	(3,127)
	<hr/>	<hr/>
Net assets/(liabilities)	-	-
	<hr/> <hr/>	<hr/> <hr/>
Represented by share capital plus (deficit) on reserves	-	-
	<hr/> <hr/>	<hr/> <hr/>

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

23 RELATED PARTY ACTIVITIES (continued)

BIRMINGHAM FESTIVAL 2023 CIC (company number: 14544843)

A summary of the Birmingham Festival 2023 CIC 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 31 March 2024 £'000
STATEMENT OF INCOME	
Turnover	2,073
Cost of sales	(1,465)
Administrative expenses	(604)
	<hr/>
Profit for the financial period	4
	<hr/> <hr/>
The aggregate amount of the company's assets, liabilities, share capital and reserve was:	
	2024 £'000
Current assets	426
Creditors: amounts falling due within one year	(422)
	<hr/>
Net assets	4
	<hr/> <hr/>

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

	2024 £'000	2023 £'000
Distribution of profit from trading subsidiary	855	738
Staff costs recharged	652	484
Management recharge	365	336
Amounts owed by group undertakings	4,343	2,946
	<hr/>	<hr/>

During the period ended 31 March 2024, the charity had incurred £2,068,000 (2023: £389,776) of costs and received £73,000 (2023: £17,745) of funds on behalf of Birmingham Festival 2023 CIC. The balance outstanding at 31 March 2024 was £422,124 (2023: £372,031).

Birmingham Hippodrome Theatre Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

24 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 £176,000 (2022/23: £155,000). Contributions totalling £38,000 (2022/23: £1,000) were payable to the fund at the period end and are included in other creditors.

25 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 £83,000 (2022/23: £127,000).

26 RESULTS OF PARENT CHARITY

The total income of the parent charity was £34,650,000 (2022/23: £25,291,000).

The net movement in funds of the charity was £901,000 net income (2022/23: £589,000 net expenditure).

The movement in unrestricted funds of the parent charity was £1,901,000 net income (2022/23: £595,000 net income).