

Charity Registration No. 513771

Company Registration No. 01697756 (England and Wales)

**NORTH EAST THEATRE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

CONSOLIDATED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

NORTH EAST THEATRE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered name	North East Theatre Trust Limited	
Trading name	Live Theatre	
Trustees	S Emmas M F Henry M F Percy K L H Winskell S Brown J R McKinnell P T H Shevlin I A Din J A Kell L R Auton J D Holmes T A Marton M Torres N Young	(Appointed 9 December 2024) (Appointed 18 January 2024) (Appointed 9 December 2024) (Appointed 9 December 2024) (Appointed 9 December 2024)
Charity number	513771	
Company number	01697756	
Registered office	29 Broad Chare Quayside Newcastle upon Tyne NE1 3DQ	
Auditor	Sumer Auditco Limited Unit 2 Gosforth Park Avenue Newcastle upon Tyne NE1 3DQ	
Bankers	Lloyds Bank plc 102 Grey Street Newcastle upon Tyne NE1 6AG Virgin Money 131-135 Northumberland Street Newcastle upon Tyne NE1 7AG	
Solicitors	Womble Bond Dickinson The Spark Draymans Way Newcastle Helix Newcastle upon Tyne NE4 5DE	

NORTH EAST THEATRE TRUST LIMITED

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NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The Annual Report provides a detailed account of the charity's activities throughout the 2023/24 financial year.

This year, we proudly celebrated 50 years of Live Theatre—a milestone that allowed us to reflect on our past while shaping our future. We have emerged with a renewed vision and mission, placing the North East voice and our advocacy for a creative society at the heart of our work.

The need for renewal felt particularly pressing, as several valued arts venues and cultural organisations across the region faced closure. In response, we reaffirmed our commitment to amplifying the voices and stories of our region—championing bold, innovative writers and creatives, and investing in the next generation through our work with children and young people.

Our vision is for “A North East that writes its own story and fights for a more creative future,” and this principle guides everything we do. This year, we launched the North East Playwriting Award—a dedicated playwriting prize for the region—generously supported by the Catherine Cookson Charitable Trust. The award includes a full-length play commission for a North East writer and a studio commission for a young writer aged 16-25.

Our year-long 50th birthday celebrations featured visiting productions, Live Theatre premieres, special readings, and guest appearances to mark this significant anniversary. It is testament to Live Theatre's unique standing that a series of world famous artists took to our stage to celebrate our work, including Sting, Jimmy Nail, Julie Hesmondhalgh, Ross Noble, Toby Jones, Roger Allam, Stewart Lee, Nadine Shah, Sirkka Liisa-Kontinnen, Lee Hall and others. The centrepiece of our 50th-anniversary season was *Cold Buffet*, an epic family comedy by talented North East writer Elijah Young, placing new talent centre stage. We had the unfortunate cancellation of a show during the year with a sunk investment of c£30k, we did however recoup some of this with the introduction of special events and some additional work.

Later in the year, we staged *Three Acts of Love*, a new production exploring the complexities of love through three interconnected stories, starring Imogen Stubbs. Written by three extraordinary female playwrights—Vici Wreford-Sinnott, Laura Lindow, and Naomi Obeng—the play took audiences on a journey from a closing social club to internet fandom, culminating in an animated lecture by a heartbroken heart surgeon.

Thanks to the ongoing support of the Gillian Dickinson Family Trust, we were delighted to present our second (of three) *Wintry Tales* productions. *Wintry Tales: Snow Covered Maps and Mountainous Mayhem* was a brand-new winter show for children, bringing heartwarming stories to life. Written by the acclaimed disabled artist and author Lisette Auton, the stories were created in collaboration with children from five North East schools: Caedmon Community Primary School, Northern Counties and Percy Hedley School, Southwick Community Primary School, and Westgate Hill Primary Academy.

Alongside our main productions, we continued our commitment to talent development through the Elevator Festival in the summer and *Your Voice Your World: North East* in the autumn, showcasing emerging playwriting talent. These events provided a platform for artists and writers presenting work professionally for the first time at Live Theatre, offering audiences an eclectic mix of exciting new pieces. Other artist development opportunities included our Playwriting course, writing residencies and open calls for new plays.

Our work with children and young people remains a strong priority. Our Youth Theatre continues to thrive, while our Live Tales creative writing programme has evolved, supporting over 2,000 Key Stage 2 students in 2023/24 and over 100 schools. Additionally, *Playmakers*, a lockdown initiative encouraging children to explore playwriting, has continued to be delivered in person. We have also piloted 'Story Inventors' with partner schools supporting KS1 and SEND pupils with an aim to develop it further in 2024/25.

Volunteers play a vital role in our youth programmes. Through the Volunteer Futures project, we have collaborated with other cultural venues to enhance volunteer recruitment, training, and well-being, welcoming new volunteers to support Live Tales and Playmakers.

Live Theatre continues to deliver its innovative financial model, using profits from social enterprises to build earned income and support its charitable objectives. During the year our portfolio attained 100% capacity for the first time however towards the end of the year we have also had to account for bad debt from one of our tenants, this has impacted our year end position significantly £41,027.

NORTH EAST THEATRE TRUST LIMITED

CHIEF EXECUTIVES' ANNUAL REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Despite financial challenges, we have worked diligently to stabilise our finances, balancing a diverse artistic programme with sound financial management. The Finance and Personnel sub-committee (F&P) meets regularly to review management accounts, assess risks, and oversee financial health, reporting directly to the Board. The Creative Programme Delivery Group also ensures our creative programme matches our ambitions and delivers against targets we have set.

At the end of the 2023/24 financial year, group unrestricted reserves decreased primarily due to a social enterprise tenant going into administration and the subsequent write off of outstanding rent of £41,027. The organisation made £58,639 in repayments against our Newcastle City Council loan, and generated over £550,000 in income from social enterprises.

Live Theatre manages a diverse portfolio of buildings and physical assets, providing a sustainable income stream. We will continue to focus working with our tenants and social enterprises to maximise the returns from these assets to reinvest in our artistic mission.

Our artistic programme will continue to identify and nurture emerging writers, new plays, and young theatre-makers, ensuring a dynamic pipeline of talent for the sector, with a specific focus on the North East. We will invest in new work, partnerships, and creative initiatives—spanning our youth programme, collaborations with Northumbria and Sunderland Universities, co-productions with national and international partners, and engagement with the communities of the North East.

Of course, none of this would be possible without our passionate staff, dedicated Board of Trustees, and the generous financial support from Arts Council England, as well as the many trusts and foundations that believe in our work.

We are excited for the future and look forward to working with our staff, Board, artists, partners and audiences to deliver our refreshed vision and mission placing North East creativity centre stage.

Jacqui Kell and Jack McNamara
Joint Chief Executives

Date: 17 March 2025

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The Trustees present their report and accounts for the year ended 31 March 2024.

The Board is satisfied with the performance of the group and charity following the second year of recovery from the impact of the Covid pandemic and at 31 March 2024 we consider that the charity is in a stable position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

The whole team at Live Theatre continues to deliver our expectations in developing new work, promoting opportunities, supporting the sector and looking after the estate and in this, Live's 50th anniversary year, they have gone above and beyond. It is thanks to their creativity, commitment, and unstinting endeavour that we achieved a brilliant celebration of this incredible landmark, to local and national acclaim.

It was also our tenth year as owners and managers of our estate and we are hugely grateful to those in the team who ensure this operation runs smoothly and profitably.

I was appointed chair towards the end of the 23/24 year and I would like to thank all Trustees who have supported me in the transition from Lucy Winskell, an exceptional chair who brought her vast experience and wisdom to the Board. I am delighted that she agreed to stay on as a trustee and am grateful to her and my deputy chair Paul Shevlin and chair of Finance & Personnel, Rhys McKinnell, and not least our fellow Trustees, who have all given up an enormous amount of time and energy to support the work and provide strong governance to the company.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of the charity are to promote, maintain, improve and advance education, particularly by the production of plays and encouragement of the Arts.

The principal activities of the company planned for the year were:

- the production of theatre performances at Live Theatre and the development of writers, actors and creative talent;
- the facilitation of drama and music programmes by other companies;
- the organisation and production of education and outreach activities for the public.

Through its activities the charity aims to:

- create, present and promote new plays informed by our sense of place;
- develop the skills of writers, performers and theatre practitioners at all stages of their careers;
- develop arts education and participation for children, young people and adults;
- involve all kinds of audiences in our endeavours;
- create sustainable income streams to deliver resources and new programmes.

The new priorities could be summarised as:

- continue to develop a diverse body of work to support the creative sector and increase audiences;
- actively seeking other creative partners, as co-producers, to develop additional plays and projects;
- bedding down and consolidating the range of Social Enterprises which create unrestricted funds for The charity;
- actively engaging with a digital infrastructure throughout the group.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

To further its objectives in 2023/2024 the charity aimed for:

Short term

The immediate goals were:

- to deliver a first class programme of new work including new commissions, new plays and productions;
- to deliver a high quality range of education and participation projects;
- to identify develop and nurture new talent through a range of specific projects;
- to achieve this in partnership with other co-producers and cultural institutions;
- to deliver an exciting 50th anniversary celebration year

Mid to long term

Public sector investment continued to decrease as a result of austerity measures and challenging economic conditions. In response a significant goal was to increase unrestricted resources in the midterm. This included:

- consolidation of Live Theatre's Social Enterprises and maximising the income from them;
- the continuing development of Live Tales, the creative writing project, part of Live Works;
- working with current partners and developing new ones;
- maintaining the buildings owned by Live Theatre in good working order.

We continued to review our priorities with the leadership team across the year. Audience numbers have not yet returned to pre-pandemic levels however a well performing social enterprise portfolio with 97% occupancy has helped balance these challenges. We also developed a successful bid for a new three-year programme of NPO funding.

Public benefit that is provided by the charity

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Live Theatre is one of the leading new writing producing theatres in the UK. It produces new plays that aspire to world class quality, finds and develops creative talent, and runs one of the largest free arts educational programmes for young people in the region. It has an international reputation for this work that involves many and various audiences in the North East and elsewhere around the world.

Details of our activities across the year (including the main programmes, projects, or services provided) that contribute to the achievement of the stated objectives is referred to within the Joint Chief Executives' report where the specifics of the 2023/24 Creative Programme are set out

We continue to pursue strategies to provide access for all. The physical building is completely accessible. Whilst charges for admission to Live Theatre productions are necessary to raise income, there is a comprehensive scheme of concessions, selected complimentary tickets for partners and charities, and free events and talks. Ticket prices are greatly reduced for preview performances and this is welcomed by the freelance creative community. The Pay it Forward scheme continues, and there are no charges made for schools and individuals to access to the Education and Participation programmes.

Summary of main activities of the charity in relation to its objects

- Live Theatre has identified and developed new talent through the production of specific projects and various programmes of work by supporting writers at all stages of their careers to progress and pursue their work;
- Live Theatre has contributed to the cultural economy of the region via all its creative and social enterprise projects;
- the Board and senior management have managed income streams to ensure we have a sustainable business model with our property portfolio cross subsidising our creative activities.
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NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Fundraising activities

In 2023/24 the charity continued its fundraising activities in support of delivery of its objects.

Revenue funds raised for core, project and Education and Participation activities:

Arts Council England (core)	£638,255
The D'oyly Carte Charitable Trust	£4,000
John Ellerman Foundation	£30,000
Backstage Trust	£40,871
RFF Gibson Trust	£24,000
The Community Foundation	£12,850
John Horseman Trust	£5,000
Gillian Dickinson Trust	£20,000
Garrick Charitable Trust	£5,000
John Thaw Foundation	£1,000
Shears Foundation	£5,500
29 th May 1961 Charitable Trust	£5,000
The Rothley Trust	£1,200
Hays Travel Foundation	£5,000
Hadrian Trust	£1,000
The Barbour Foundation	£10,000
Lucy Winskell Fund at the Community Foundation	£797
Charlotte Aitken Trust	£5,000
Other	£3,576

Challenging financial conditions for the sector have been an enduring feature of the year. Live Theatre has been supported by many and thanks are given by the Trustees to those partners, stakeholders, trusts and foundations that have given their unwavering support.

The aim of the organisation since 2008 has been to develop unrestricted income via its social enterprises. Some of this income started in 2011. Live Works is the fourth and largest of these social enterprises, a significant capital project which completed in 2016. We continue to work with our managing agent and our tenants in our buildings to create a positive working relationship to ensure future sustainable income streams

Fundraising practices

The charity and group does not use a commercial participator to raise funds, nor have we engaged volunteers on our behalf/in aid of our charity, during the period relating to this report; all our fundraising has been conducted by Trust staff. Any monies raised directly from the public follow all guidelines set out by the Charity Commission, The Code of Fundraising Practice and English & Welsh law in every respect. There have been no fundraising compliance issues, nor have we received any complaints in relation to our public fundraising during the period relating to this report.

Financial review

Our group reserves total £8,549,523 (2023: £8,995,161) which includes £7,153,184 of restricted funds, £30,000 of designated funds and £1,366,339 of unrestricted funds. Of these unrestricted funds £6,542,689 are held in fixed assets and investment properties, with an associated long-term loan of £5,563,556. Therefore, our free reserves (being those not tied up in fixed assets, designated or restricted funds) stand at £387,206 as at 31 March 2024. The Trustees have a policy in place which notes that the group should aim to hold building overhead and salary costs for a period of three months within free reserves.

The free reserves position at 31 March 2025 is expected to decrease to circa £357,000 although disappointing we were unable to maintain or increase our free reserve position the Trustees are content based on detailed projections and related sensitivity analysis that the group has adequate funds to consider meeting its liabilities as they fall due over the next 12 months. Further details of this are found in the going concern accounting policy in note 1.2

Arts Council England provided a revenue grant of £638,255. This was used to support the core activity of the charity in the delivery of theatre productions, development of writers and the delivery of the education programme.

Corporate sponsorship was received from Green Energy Consulting, SV Rutter Ltd and Fenwick Ltd. The growing Friends Scheme has generated £12,655.

NORTH EAST THEATRE TRUST LIMITED

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TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

The Group Statement of Financial Activities shows net outgoing resources for the year of unrestricted funds of £442,838 (2023: outgoing resources £369,591), and net realised outgoing resources of restricted funds of £2,800 (2023: incoming resources £19,509), making net overall realised outgoing resources of £445,638 (2023: outgoing resources £350,082).

Financial performance of the charity's subsidiary undertakings

Live Trading Limited generated profits of £546,392 (2023: £637,617) for the financial year. The profits for 2024 were gifted in full to the charity at the year end.

LiveWorks (Newcastle upon Tyne) Limited had generated a loss of £72,165 (2023: profit of £39,093). There were no distributable profits available to be gifted to the charity at the year end.

Risk Management

The charity is open to the usual financial risks of any organisation, and controls are in place to minimise these risks. All material financial commitments and decisions are approved through the Finance & Personnel sub-committee and the main Board of Trustees.

A risk register is maintained by the charity which set out the strategic and operational risks as well as the actions the charity takes to mitigate these. The major risks to the Charity are:

Core funding (Public Sector Support)

The continuing reduction of public sector investment in culture creates a challenging environment in which to operate.

Cash flow

Cash flow is monitored on a weekly basis and a cash flow is forecast forward on a monthly basis.

Live Works

Projected rental income from Live Theatre's properties is not being achieved. Knight Frank, the leading UK and London property agents, have been contracted to market the properties to as wide a market as possible.

Loss of Key Staff

We will continue to grow a strong senior management team to provide short term cover and medium-term recruitment and replacement options.

Structure, governance and management

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The directors of the company are also Trustees of the charity.

Eligibility for membership of the charity and membership of the Board of Trustees is governed by the memorandum and articles of association. There are no restrictions in the governing document on the operation of the charity or on its investment powers, other than those imposed by general charity law.

The Board of Trustees and Finance and Personnel sub-committee meet quarterly – with F&P meeting more regularly. A new committee, the Creative Programme Development Group was established as required by the funding partner Arts Council England to oversee the plan and development of the NPO funding.

Board standing agenda items included reports from F&P and CPDG, the Artistic Programme, risks, and financial accounts. Written reports were prepared for Board on these, with F&P considering and evaluating the financial papers in detail prior to making written recommendations to Board for consideration and approval.

Strengthening the diversity and skill set of the Board was a priority, underlining our Governance progress and mirroring the progress made in the diversity of our work. A recruitment campaign for new Trustees resulted in the appointment of John Holmes, Maya Torres, Tom Marton, Nic Young and Lisette Auton, to join the Board from March 2024. Robin Cantrill Fenwick and Brenna Hobson resigned during the year and the Trustees are grateful for the outstanding contribution both made to the development of Live Theatre over several years of service. Paul Shevlin was appointed Vice Chair, a new position on the Live Board.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Senior staff (key management personnel) to whom the Board of Trustees delegated the day to day management of the charity during 2023/24 year were:

Executive Director/Joint Chief Executive	-	Jacqui Kell
Artistic Director/Joint Chief Executive	-	Jack McNamara

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

S Emmas	
M F Henry	
M F Percy	
K L H Winskell	
S Brown	
J R McKinnell	
B Hobson	(Resigned 3 June 2024)
R S Cantrill-Fenwick	(Resigned 5 March 2024)
P T H Shevlin	
I A Din	
R M Elgie	
J A Kell	
L R Auton	(Appointed 9 December 2024)
J D Holmes	(Appointed 18 January 2024)
T A Marton	(Appointed 9 December 2024)
M Torres	(Appointed 9 December 2024)
N Young	(Appointed 9 December 2024)

The memorandum and articles of association allow for up to 18 trustees.

Potential Trustees are suggested to the Board in order to satisfy any skill shortfall on the Board or to assist with a specific project. The individuals submit their CVs and are interviewed by the chair and two other Board members. A recommendation is then made to the full Board for their consideration. The recruit is then co-opted as a trustee pending election at the next AGM.

The charity has a long standing relationship with its key stakeholders: Arts Council England (ACE) and Newcastle City Council. ACE regard North East Theatre Trust as the leading new writing producer in the North East. Newcastle City Council regards the theatre as one of the City's key cultural assets. Both stakeholders can send an observer to attend Board meetings.

The subsidiary company, Live Trading Limited, supports the objectives of the charity by the hiring of Live Theatre facilities, the operation of its bar and the rental and management of the Social Enterprises of North East Theatre Trust gifting surplus income to the charity. Three Board members of North East Theatre Trust are also Board members of Live Trading Limited.

The Board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of North East Theatre Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

NORTH EAST THEATRE TRUST LIMITED

TRUSTEES' REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Sumer Auditco Limited be reappointed as auditor of the company will be proposed at a forthcoming General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

A word from the Chair of Trustees

On behalf of my Board I would like to thank the whole team at Live Theatre, who have delivered above and beyond despite the ongoing challenges faced by everyone working in the arts sector and particularly the theatre industry. Not only were the priorities met in new productions, artist development programmes, work for children and young people, but the team also delivered a truly memorable 50th anniversary year – a fitting celebration of the past and the future of a world-renowned regional institution. They also achieved 100% occupation on the estate this year for the first time, again in really challenging circumstances.

In a year of universal uncertainty and austerity as everyone continued to rebuild after the pandemic, the Live staff were making a difference, inspiring artists, audiences and young people. We are in awe of their resilience, creativity and most of all their huge professionalism and thank them for all their efforts to ensure that Live Theatre continues not only to survive, but thrive, flying the flag for new playwriting everywhere.

The Trustees' report was approved by the Board of Trustees.

Susan Brown DL

Trustee

Date: 17 March 2025

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Opinion

We have audited the financial statements of North East Theatre Trust Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the group statement of financial activities, the group balance sheet, the charitable company balance sheet, the group statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 charity'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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

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 its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 the 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 the 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Capability of the audit in detecting irregularities, including fraud

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Companies Act 2006, Charities Act 2011, Tax, Employment and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include data protection and health and safety legislation.

NORTH EAST THEATRE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTH EAST THEATRE TRUST LIMITED

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located 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 company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Slater (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
Unit 2
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Dated: 19 March 2025

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Current financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income from:						
Donations and legacies	3	700,485	-	144,997	845,482	852,406
Charitable activities	4	268,031	-	-	268,031	187,932
Other trading income	5	92,992	-	-	92,992	77,925
Investments	6	856,559	-	-	856,559	832,131
Other income	7	150,027	-	-	150,027	220,140
Total income		<u>2,068,094</u>	<u>-</u>	<u>144,997</u>	<u>2,213,091</u>	<u>2,170,534</u>
Expenditure on:						
Raising funds	8	355,461	-	-	355,461	265,697
Charitable activities	9	1,856,688	-	147,797	2,004,485	1,952,799
Other	11	298,783	-	-	298,783	302,120
Total resources expended		<u>2,510,932</u>	<u>-</u>	<u>147,797</u>	<u>2,658,729</u>	<u>2,520,616</u>
Net (outgoing)/incoming resources before transfers		(442,838)	-	(2,800)	(445,638)	(350,082)
Gross transfers between funds		422,494	-	(422,494)	-	-
Net income/(expenditure) for the year/ Net movement in funds		<u>(20,344)</u>	<u>-</u>	<u>(425,294)</u>	<u>(445,638)</u>	<u>(350,082)</u>
Fund balances at 1 April 2023		<u>1,386,683</u>	<u>30,000</u>	<u>7,578,478</u>	<u>8,995,161</u>	<u>9,345,243</u>
Fund balances at 31 March 2024	25	<u>1,366,339</u>	<u>30,000</u>	<u>7,153,184</u>	<u>8,549,523</u>	<u>8,995,161</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £
Donations and legacies	3	677,264	-	175,142	852,406
Charitable activities	4	187,932	-	-	187,932
Other trading income	5	77,925	-	-	77,925
Investments	6	832,131	-	-	832,131
Other income	7	220,140	-	-	220,140
Total income		<u>1,995,392</u>	<u>-</u>	<u>175,142</u>	<u>2,170,534</u>
Expenditure on:					
Raising funds	8	265,697	-	-	265,697
Charitable activities	9	1,797,166	-	155,633	1,952,799
Other	11	302,120	-	-	302,120
Total resources expended		<u>2,364,983</u>	<u>-</u>	<u>155,633</u>	<u>2,520,616</u>
Net (outgoing)/incoming resources before transfers		(369,591)	-	19,509	(350,082)
Gross transfers between funds		422,421	-	(422,421)	-
Net income/(expenditure) for the year/ Net movement in funds		52,830	-	(402,912)	(350,082)
Fund balances at 1 April 2022		1,333,853	30,000	7,981,390	9,345,243
Fund balances at 31 March 2023	25	<u>1,386,683</u>	<u>30,000</u>	<u>7,578,478</u>	<u>8,995,161</u>

NORTH EAST THEATRE TRUST LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	16		5,192,673		5,579,161
Investment properties	17		8,485,000		8,485,000
			<u>13,677,673</u>		<u>14,064,161</u>
Current assets					
Stock	19	2,945		2,945	
Debtors	20	864,228		1,026,282	
Cash at bank and in hand		76,864		182,860	
			<u>944,037</u>	<u>1,212,087</u>	
Creditors: amounts falling due within one year	22	(508,631)		(628,838)	
Net current assets			<u>435,406</u>	<u>583,249</u>	
Total assets less current liabilities			14,113,079		14,647,410
Creditors: amounts falling due after more than one year	23		(5,563,556)		(5,652,249)
Net assets			<u>8,549,523</u>		<u>8,995,161</u>
Income funds	25				
Restricted funds		6,780,009		7,205,303	
Restricted funds – Fair value reserve		373,175		373,175	
			<u>7,153,184</u>	<u>7,578,478</u>	
Unrestricted designated funds		30,000		30,000	
Unrestricted general funds		1,366,339		1,386,683	
			<u>1,396,339</u>	<u>1,416,683</u>	
			<u>8,549,523</u>	<u>8,995,161</u>	

The accounts were approved by the Board of Trustees and authorised for issue on 17 March 2025 and are signed on their behalf by;

J R McKinnell
Trustee

S Brown
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		5,192,673		5,579,161
Investment properties	17		4,485,000		4,485,000
Investments			11		11
			<u>9,677,684</u>		<u>10,064,172</u>
Current assets					
Debtors	20	5,126,482		5,180,873	
Cash at bank and in hand		52,549		94,208	
		<u>5,179,031</u>		<u>5,275,081</u>	
Creditors: amounts falling due within one year	22	(434,258)		(454,630)	
Net current assets			<u>4,744,773</u>		<u>4,820,451</u>
Total assets less current liabilities			14,422,457		14,884,623
Creditors: amounts falling due after more than one year	23		(5,563,556)		(5,652,249)
Net assets			<u><u>8,858,901</u></u>		<u><u>9,232,374</u></u>
Income funds	25				
Restricted funds		6,780,009		7,205,303	
Restricted funds – Fair value reserve		610,388		610,388	
		<u>7,390,397</u>		<u>7,815,691</u>	
Unrestricted designated funds		30,000		30,000	
Unrestricted general funds		1,438,504		1,386,683	
		<u>1,468,504</u>		<u>1,416,683</u>	
			<u><u>8,858,901</u></u>		<u><u>9,232,374</u></u>

The accounts were approved by the Board of Trustees and authorised for issue on 17 March 2025 and are signed on their behalf by;

J R McKinnell
Trustee

S Brown
Trustee

Company Registration No. 01697756

NORTH EAST THEATRE TRUST LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	£	2024 £	£	2023 £
Cash flows from operating activities					
Cash absorbed by operations	30		(13,277)		(340,388)
Investing activities					
Purchase of tangible fixed assets		(34,080)		(78,102)	
Net cash used in investing activities			(34,080)		(78,102)
Financing activities					
Repayment of bank loans		(58,639)		(77,426)	
Net cash used in financing activities			(58,639)		(77,426)
Net increase/(decrease) in cash and cash equivalents			(105,996)		(495,916)
Cash and cash equivalents at beginning of year			182,860		678,776
Cash and cash equivalents at end of year			<u>76,864</u>		<u>182,860</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

North East Theatre Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Broad Chare, Quayside, Newcastle upon Tyne, NE1 3DQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The group and charity is dependent upon continuing grant aid from a number of sources as well as trading surpluses from our social enterprises. The trustees are aware that the current economic climate may have an impact on the availability of such grants and income in the future and hence the continued success of the charity group. The trustees have undertaken a detailed review of the budgets that have been prepared for the next 24 months and the underlying assumptions, as well as the forecast outcome for the current year. As a result of successful applications for funds the trustees are confident that the forecasting used to predict future income (and expenditure) is based on the track record of the company and trends that have been identified as well as credible forecasting using external information and advisers. In terms of trusts and foundations we have carried out some long-term planning to identify a pipeline of trusts and foundations we are eligible to apply for. The trustees have concluded based on available evidence, that there is a reasonable expectation that the group and charity has adequate resources to continue in operational existence for the foreseeable future. As a consequence, the trustees continue to adopt the going concern basis in preparing the financial statements

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the Board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets. This is a restricted fixed asset fund representing the written down value of those assets subject to restrictions. The detailed operation of these funds is described under the accounting policy 'Capital grants' above.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

1.3 Charitable funds (continued)

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Incoming resources are accounted for on a receivable basis deferred as described below where appropriate.

Except as described under the 'Deferred income' accounting policy all grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Bank interest is included in the income and expenditure account on a receivable basis.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

The policy for including items within the relevant activity categories of resources expended is as detailed in the report to the trustees.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is based on current accounting standards, the SORP and the reasonable judgement of the trustees.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Over 100 years straight line
Leasehold land and buildings	Over the term of the lease up to a maximum of 20 years straight line
Plant and machinery	15 - 25% reducing balance

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

1.6 Tangible fixed assets (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

A regular annual review of the likelihood of asset impairment is undertaken.

1.7 Investment properties

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. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (continued)

1.15 Capital grants

The board of trustees consider that, in order to comply with the SORP, gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity should be credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

If the related assets are subject to restrictions by the grant making organisation on their use and disposal, then these restrictions are noted in the fixed asset section of these accounts. In such circumstances, the fixed asset fund created is treated as a restricted fixed asset fund. As the related assets are depreciated, then a transfer is made from restricted fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset subject to the restriction. In this year, a sum of £422,494 (2023: £422,421) was transferred from restricted fixed asset funds to unrestricted revenue reserves.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the Statement of Standard Accounting Practice Number 4, such departure is justified on the basis that it is in order to comply with the SORP.

1.16 Taxation

As a registered charity, North East Theatre Trust is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Any trading surplus or capital gain of the subsidiaries, Live Trading Limited and LiveWorks (Newcastle upon Tyne) Limited, not covered by the deed of covenant, are subject to corporation tax. Value Added Tax is recoverable by the group and is therefore excluded from the relevant income and expenditure in the Statement of Financial Activities and tangible fixed assets on the Balance Sheet.

1.17 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability.

Key sources of estimation uncertainty

Determining residual values and useful economic lives of tangible fixed assets

The charity depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

Valuation of investment property

As described in note 15 to the financial statements, the investment property is stated at fair value based on the valuation performed by an independent professional valuer, Knight Frank chartered surveyors, with recent experience in the location and category of property valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the property

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and gifts	6,028	-	6,028	13,988
Grants receivable	673,052	144,997	818,049	824,973
Sponsorship	21,405	-	21,405	13,445
	<u>700,485</u>	<u>144,997</u>	<u>845,482</u>	<u>852,406</u>
For the year ended 31 March 2023	<u>677,264</u>	<u>175,142</u>		<u>852,406</u>

4 Charitable activities

	Theatre activities £	Education and participation £	Total 2024 £	Total 2023 £
Charitable income	<u>201,705</u>	<u>66,326</u>	<u>268,031</u>	<u>187,932</u>
For the year ended 31 March 2023				
Unrestricted funds	<u>159,557</u>	<u>28,375</u>		<u>187,932</u>

5 Other trading income

	Unrestricted funds 2024 £	Unrestrict funds 2023 £
Bar takes	80,273	62,609
Bar and buffet income	3,664	5,936
Venue hire	9,055	9,380
	<u>92,992</u>	<u>77,925</u>

6 Investment income

	Unrestricted funds 2024 £	Unrestrict funds 2023 £
Rental income	856,559	832,131
	<u>856,559</u>	<u>832,131</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Other income

	Unrestricted funds 2024 £	Unrestrict funds 2023 £
Other income	20,027	17,586
Theatre tax relief	130,000	202,554
	<u>150,027</u>	<u>220,140</u>

8 Raising funds

	Unrestricted funds 2024 £	Unrestrict funds 2023 £
<u>Fundraising</u>		
Support costs (note 10)	<u>55,428</u>	<u>30,137</u>
<u>Marketing and publicity</u>		
Support costs (note 10)	<u>45,591</u>	<u>39,026</u>
<u>Trading costs</u>		
Commercial trading operations	208,389	191,246
Rental income bad debt write off	41,027	-
Governance cost	5,026	5,288
	<u>254,442</u>	<u>196,534</u>
	<u>355,461</u>	<u>265,697</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Charitable activities

	Theatre activities	Education and participation	Total 2024	Total 2023
	£	£	£	£
Staff costs	-	10,871	10,871	25,000
Production costs	361,991	-	361,991	377,024
Education and participation expenses	-	84,259	84,259	67,123
Cleaning	14,624	12,795	27,419	22,403
IT support costs	22,725	8,874	31,599	24,990
Insurance	27,879	24,394	52,273	44,856
Licences	-	4,716	4,716	2,454
Light and heat	98,678	86,344	185,022	135,326
Printing, postage and stationery	1,823	1,596	3,419	2,679
Repairs and maintenance	24,464	21,406	45,870	46,736
Rent, rates and water	35,102	30,716	65,818	70,132
Subscriptions	1,213	1,062	2,275	10,010
Telephone and fax	2,006	1,756	3,762	3,568
Sundries	2,277	1,992	4,269	2,663
	<u>592,782</u>	<u>290,781</u>	<u>883,563</u>	<u>834,964</u>
Share of support costs (see note 10)	832,393	282,529	1,114,922	1,109,820
Share of governance costs (see note 10)	4,314	1,686	6,000	8,015
	<u>1,429,489</u>	<u>574,996</u>	<u>2,004,485</u>	<u>1,952,799</u>
Analysis by fund				
Unrestricted funds	1,350,489	506,199	1,856,688	
Restricted funds	79,000	68,797	147,797	
	<u>1,429,489</u>	<u>574,996</u>	<u>2,004,485</u>	
For the year ended 31 March 2023				
Unrestricted funds	1,461,814	335,352		1,797,166
Restricted funds	67,170	88,463		155,633
	<u>1,528,984</u>	<u>423,815</u>		<u>1,952,799</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Support costs

	Support costs	Governance costs	Total 2024	Support costs	Governance costs	Total 2023
	£	£	£	£	£	£
Employment costs	611,220	-	611,220	597,917	-	597,917
Other staff costs	7,659	-	7,659	8,109	-	8,109
Depreciation	420,568	-	420,568	415,656	-	415,656
Marketing and publicity	27,213	-	27,213	29,588	-	29,588
Premises	124,516	-	124,516	106,485	-	106,485
General administrative expenses	25,352	-	25,352	21,228	-	21,228
Bad debt	(587)	-	(587)	-	-	-
Audit fees	-	2,600	2,600	-	2,600	2,600
Accountancy	-	3,400	3,400	-	5,350	5,350
Trustees' expenses	-	-	-	-	65	65
	<u>1,215,941</u>	<u>6,000</u>	<u>1,221,941</u>	<u>1,178,983</u>	<u>8,015</u>	<u>1,186,998</u>
Analysed between						
Raising funds	101,019	-	101,019	69,163	-	69,163
Charitable activities	1,114,922	6,000	1,120,922	1,109,820	8,015	1,117,835
	<u>1,215,941</u>	<u>6,000</u>	<u>1,221,941</u>	<u>1,178,983</u>	<u>8,015</u>	<u>1,186,998</u>

11 Other expenditure

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Financing costs	<u>298,783</u>	<u>302,120</u>

12 Net movement in funds

	2024	2023
	£	£
Net movement in funds is stated after charging/(crediting):		
Fees payable to the company's auditor		
- Audit fees	2,600	2,600
- Non audit fees	3,400	5,350
Depreciation of owned tangible fixed assets	420,568	415,656
Operating lease charges	<u>79,265</u>	<u>79,265</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year in their capacity as trustee. During the year no expenses were paid to trustees (2023: £65).

J A Kell, a trustee during the year, received a gross salary £66,235 (2023: £64,615) during the year in respect of her position as joint Chief Executive Officer. J Kell is a member of the charity's defined contribution scheme. She contributed 3% of salary to the scheme and the charity contributed 3% of salary.

Ishtiaq A Din, a trustee during the year was commissioned to write a play for the theatre. This was contracted, in writing, using the standard ITC contract, which is consistent with all commissioned writers. A fee of £5,069 for the commission was fully paid at the year end. The play Champion is scheduled for live production in February and March 2025.

All payments to trustees were made accordance with the terms of the memorandum and articles of the charity.

14 Employees

Number of employees

The average monthly number employees during the year was:

	2024 Number	2023 Number
Charitable activities	19	15
Publicity activities	3	2
Fundraising activities	1	2
Management and administration	4	6
	<hr/> 27	<hr/> 25

Employment costs

	2024 £	2023 £
Wages and salaries	679,753	673,170
Social security costs	60,183	49,170
Other pension costs	20,685	16,631
	<hr/> 760,621	<hr/> 738,971

The full time equivalent of staff was 27 (2023: 25).

There were no employees whose annual remuneration was more than £60,000.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14 Employees (continued)

Remuneration of key management personnel

Key management has been determined to be the trustees and two members (2023: 2) of the senior management team.

The remuneration of key management personnel is as follows:

	2024	2023
	£	£
Aggregate compensation	132,471	129,225

15 Subsidiary undertakings included within the group accounts

Live Trading Limited

The name of the subsidiary undertaking is Live Trading Limited, registered in England, company number 03100229. The aggregate amount of the holding company's investment in its subsidiary is £1, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the Board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise engaging in trades similar to the charitable activities of the holding company as well as holding investment properties to earn rentals, and donates its entire taxable trading profit to the holding company by way of deed of covenant.

LiveWorks (Newcastle upon Tyne) Limited

The name of the subsidiary undertaking is LiveWorks (Newcastle upon Tyne) Limited, registered in England, company number 08981067. The aggregate amount of the holding company's investment in its subsidiary is £10, which represents 100% of the issued ordinary share capital of the subsidiary. The subsidiary is controlled by the holding company by virtue of the power to appoint directors to the Board of the subsidiary.

The subsidiary's activities relate to those of the holding company in that the subsidiary is a trading enterprise that holds an investment property to earn rentals.

A summary of the audited accounts of the subsidiaries is as follows:

	2024	2023
	£	£
LiveWorks (Newcastle upon Tyne) Limited		
Aggregate amount of assets	4,263,111	4,443,331
Aggregate amount of liabilities and provisions	(4,572,479)	(4,680,534)
Aggregate amount of net liabilities	(309,368)	(237,203)
<i>Profit and loss</i>		
Turnover (net of VAT)	281,000	281,000
Expenses (net of VAT)	(353,165)	(241,907)
Net profit	(72,165)	39,093
Payments made to holding company	-	(39,093)
Net (loss)/profit after donations	(72,165)	-

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Subsidiary undertakings included within the group accounts (continued)

	2024 £	2023 £
Live Trading Limited		
Aggregate amount of assets	476,086	484,815
Aggregate amount of liabilities and provisions	(476,085)	(484,814)
	<u>1</u>	<u>1</u>
<i>Profit and loss</i>		
Turnover (net of VAT)	1,146,910	1,157,856
Expenses (net of VAT)	(730,518)	(722,793)
Other operating income (net of VAT)	130,000	202,554
	<u>546,392</u>	<u>637,617</u>
Net profit	546,392	637,617
Payments made to holding company	(546,392)	(637,617)
	<u>-</u>	<u>-</u>
Net profit after donations	-	-

16 Tangible fixed assets – group and company

	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £	Total £
Cost				
At 1 April 2023	3,294,615	7,865,001	632,874	11,792,490
Additions	7,223	19,233	7,624	34,080
	<u>3,301,838</u>	<u>7,884,234</u>	<u>640,498</u>	<u>11,826,570</u>
Depreciation and impairment				
At 1 April 2023	125,985	5,576,415	510,929	6,213,329
Depreciation charged in the year	28,727	337,450	54,391	420,568
	<u>154,712</u>	<u>5,913,865</u>	<u>565,320</u>	<u>6,633,897</u>
Carrying amount				
At 31 March 2024	<u>3,147,126</u>	<u>1,970,369</u>	<u>75,178</u>	<u>5,192,673</u>
At 31 March 2023	<u>3,168,630</u>	<u>2,288,586</u>	<u>121,945</u>	<u>5,579,161</u>

All assets are used for direct charitable purposes and there are no inalienable or heritage assets.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 Investment property – group

	2024
	£
Fair value	
At 1 April 2023 and 31 March 2024	8,485,000

Investment property comprises of 5 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2023, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

Investment property – company

	2024
	£
Fair value	
At 1 April 2023 and 31 March 2024	4,485,000

Investment property comprises of 4 properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out in February 2023, by Knight Frank, chartered surveyors, who are not connected with the group. The valuation was on an open market value basis by reference to market evidence of transaction prices for similar properties.

The valuation of the properties have been reviewed by the Trustees during the year and they conclude that the fair value of the properties remains appropriate at the balance sheet date.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Financial instruments

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	55,762	58,613	4,979,170	4,996,548
Equity instruments measured at cost less impairment	-	-	11	11
Carrying amount of financial liabilities				
Measured at amortised cost	6,016,897	6,239,644	5,942,524	6,065,436

19 Stocks

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Raw materials and consumables	2,945	2,945	-	-

20 Debtors: Amounts falling due within one year:

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	55,762	58,613	13,183	13,613
Amounts owed by subsidiary undertakings	-	-	4,965,987	4,982,935
Prepayments and accrued income	808,466	967,669	147,312	184,325
	864,228	1,026,282	5,126,482	5,180,873

21 Loans and overdrafts

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Other loans	5,625,325	5,683,964	5,625,325	5,683,964
Payable within one year	61,769	31,715	61,769	31,715
Payable after one year	5,563,556	5,652,249	5,563,556	5,652,249

Interest rates of 5.02% and 8.08% per annum are applied to the loans, with repayments to be made over the remaining 34 years of the loan agreements. The long term loans are secured by fixed charges over the fixed assets of the charity.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

22 Creditors: amounts falling due within one year

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Other loans	61,769	31,715	61,769	31,715
Other taxation and social security	55,290	41,443	55,290	41,443
Trade creditors	270,813	370,603	264,849	291,903
Other creditors	3,836	3,521	3,836	3,521
Accruals and deferred income	116,923	181,556	48,514	86,048
	<u>508,631</u>	<u>628,838</u>	<u>434,258</u>	<u>454,630</u>

23 Creditors: amounts falling due after more than one year

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	<u>5,563,556</u>	<u>5,652,249</u>	<u>5,563,556</u>	<u>5,652,249</u>

24 Deferred income

	The Group		The Company	
	2024	2023	2024	2023
	£	£	£	£
Other deferred income	<u>59,559</u>	<u>131,952</u>	<u>23,125</u>	<u>41,444</u>
Deferred income is included in the financial statements as follows:				
Deferred income is included within:				
Current liabilities	<u>59,559</u>	<u>131,952</u>	<u>23,125</u>	<u>41,444</u>
Movements in the year:				
Deferred income at 1 April 2023	131,952	138,007	41,444	42,311
Released from previous periods	(117,410)	(6,055)	(31,986)	(867)
Resources deferred in the year	<u>63,384</u>	<u>-</u>	<u>13,667</u>	<u>-</u>
Deferred income at 31 March 2024	<u>59,559</u>	<u>131,952</u>	<u>23,125</u>	<u>41,444</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Movement in funds

Current financial year

	Movement in funds				Balance at 31 March 2024 £
	Balance at 1 April 2023 £	Incoming resources £	Outgoing resources £	Transfers between funds £	
<u>Unrestricted funds</u>					
<i>Designated:</i>					
Capital maintenance	30,000	-	-	-	30,000
<i>General:</i>					
Revenue reserves	1,386,683	2,068,094	(2,510,932)	422,494	1,366,339
Total unrestricted funds	1,416,683	2,068,094	(2,510,932)	422,494	1,396,339
<u>Restricted funds</u>					
Capital redevelopment fund (1995-97)	89	-	-	(89)	-
Capital redevelopment fund (2005-07)	1,203,211	-	-	(266,451)	936,760
Capital development (Sustain fund)	158,106	-	-	(19,763)	138,343
Capital development (The Schoolhouse)	512,958	-	-	(51,070)	461,888
Capital development (Live Works)	4,819,320	-	-	(51,643)	4,767,677
Capital (Live Theatre)	490,619	-	-	(33,478)	457,141
Education and Participation	-	68,797	(68,797)	-	-
Creative Programme	21,000	76,200	(79,000)	-	18,200
Fair value reserve	373,175	-	-	-	373,175
Total restricted funds	7,578,478	144,997	(147,797)	(422,494)	7,153,184
Total funds	8,995,161	2,213,091	(2,658,729)	-	8,549,523

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Movement in funds (continued)

Prior financial year

	Movement in funds				Balance at 31 March 2023 £
	Balance at 1 April 2022 £	Incoming resources £	Outgoing resources £	Transfers between funds £	
<u>Unrestricted funds</u>					
<i>Designated:</i>					
Capital maintenance	30,000	-	-	-	30,000
<i>General:</i>					
Revenue reserves	1,333,853	1,995,392	(2,364,983)	422,421	1,386,683
Total unrestricted funds	1,363,853	1,995,392	(2,364,983)	422,421	1,416,683
<u>Restricted funds</u>					
Capital redevelopment fund (1995-97)	105	-	-	(16)	89
Capital redevelopment fund (2005-07)	1,469,662	-	-	(266,451)	1,203,211
Capital development (Sustain fund)	177,869	-	-	(19,763)	158,106
Capital development (The Schoolhouse)	564,028	-	-	(51,070)	512,958
Capital development (Live Works)	4,870,963	-	-	(51,643)	4,819,320
Capital (Live Theatre)	525,588	679	(2,170)	(33,478)	490,619
Education and Participation	-	63,463	(63,463)	-	-
Creative Programme	-	111,000	(90,000)	-	21,000
Fair value reserve	373,175	-	-	-	373,175
Total restricted funds	7,981,390	175,142	(155,633)	(422,421)	7,578,478
Total funds	9,345,243	2,170,534	(2,520,616)	-	8,995,161

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Movement in funds (continued)

Capital redevelopment fund (1995-97)

Grants to finance building alterations in 1995 and 1997 were received from Tyne & Wear Development Fund and the European Social Fund. These are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Capital redevelopment fund (2005-07)

Capital grant funding was received to fund the acquisition of a 32 year lease of 29 Broad Chare and to fund the alteration costs to provide a new entrance and foyer, a new entrance into the theatre auditorium, rehearsal and designated writers' spaces, a new cafe space and office accommodation. The grants are released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions.

Sustain fund

Live Theatre was awarded a grant by Arts Council England under its Sustain managed fund to enable the charity to develop investment projects to provide additional future sources of income. The grant is released at a rate to match the anticipated economic life of the building alterations undertaken. The grant has a restrictive clause relating to the disposal of the building. The surplus of grant release over depreciation is carried forward until the expiry of the grant restriction.

The Schoolhouse

Arts Council England, through their Renew Fund, with assistance from the European Regional Development Fund, have funded the acquisition and will assist with the development of The Schoolhouse to be a centre for creative activities, and a SME incubator for Live Theatre cultural businesses whilst generating rental income. The grants will be released at a rate to match the anticipated economic life of the alterations undertaken. The grants have restrictive clauses of various time periods relating to the disposal of the buildings. The surplus of grant release over depreciation is carried forward until the expiry of the grant restrictions. No further funds were received this year.

Live Works

Grant funding was received from the following organisations, since 2014, to enable a new building to be constructed which will provide further Social Enterprise income and a new creative writing centre, a park and an outdoor stage.

Arts Council England	£2,000,000
The Catherine Cookson Charitable Trust	£300,000
Sir James Knott Trust	£75,000
Garfield Weston Foundation	£200,000
Gillian Dickinson Trust	£200,000
The Monument Trust	£150,000
Department for Communities and Local Government	£2,189,273
The Wolfson Foundation	£50,000
Fidelity UK Foundation	£75,000
Architectural Heritage Fund	£26,100

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Movement in funds (continued)

Education and Participation

The following grant(s) were received as restricted funds in the year.

Community Foundation	£10,000
The John Horseman Trust	£5,000
John Thaw Foundation	£1,000
The Shears Foundation	£5,500
The 29th May 1961 Charitable Trust	£5,000
Backstage Trust	£25,871
Hays Travel Foundation	£5,000
Hadrian Trust	£1,000
The D'Oyly Carte Charitable Trust	£4,000
Lady Betty & Sir Laurance Martin via Community Foundation	£2,850
Other	£3,576

Creative Programme

The following grant(s) were received as restricted funds in the year.

Gillian Dickinson Trust	£20,000
Garrick Charitable Trust	£5,000
John Ellerman	£30,000
Backstage Trust	£15,000
Charlotte Aitken Trust	£5,000
The Rothley Trust	£1,200

Designated capital maintenance fund

In the 2018 financial year the trustees had set aside £30,000 from unrestricted reserves in order to meet expected future capital asset improvements. This designated fund does not form part of the charity's unrestricted general funds.

Explanation of the nature of each material transfer between funds

In accordance with the accounting policy relating to capital grants in note 1 above, funds are released to revenue reserves to match the depreciation on the associated assets:

The 1995-97 Capital Redevelopment fund	£89
The 2005-07 Capital Redevelopment fund	£266,451
The 2010-11 Sustain fund	£19,763
The School House fund	£51,070
Live Works	£51,643
Live Theatre	£33,478

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

26 Analysis of group net assets between funds

Current financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2024 are represented by:					
Tangible assets	1,797,506	-	3,395,167	-	5,192,673
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	387,206	30,000	18,200	-	435,406
Long term liabilities	(5,563,556)	-	-	-	(5,563,556)
	<u>1,366,339</u>	<u>30,000</u>	<u>6,780,009</u>	<u>373,175</u>	<u>8,549,523</u>

Prior financial year

	Unrestricted funds	Designated funds	Restricted funds	Fair value reserve	Total
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	1,761,500	-	3,817,661	-	5,579,161
Investment property	4,745,183	-	3,366,642	373,175	8,485,000
Current assets	532,249	30,000	21,000	-	583,249
Long term liabilities	(5,652,249)	-	-	-	(5,652,249)
	<u>1,386,683</u>	<u>30,000</u>	<u>7,205,303</u>	<u>373,175</u>	<u>8,995,161</u>

27 Financial commitments, guarantees and contingent liabilities

As referred to in note 25 above, the grants receivable from the European Regional Development Fund, Heritage Lottery Fund and Arts Council England are repayable if the charity fails to keep to the terms of the agreements with the grant funders, undergoes a significant change in status, ceases to operate or is declared insolvent within the periods as set out below:

European Regional Development Fund (£892,732) up to 31 March 2026;
Heritage Lottery Fund (£457,319) up to 31 January 2031;
Arts Council England (£182,200) up to 22 March 2027;
European Regional Development Fund (£414,387) up to 31 March 2038;

These agreements are secured by legal charges over the leasehold properties at Trinity Chare, including The Schoolhouse, and Broad Chare, Newcastle upon Tyne.

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

28 Related party transactions

The charity has received donations from one of its subsidiaries, £nil was received from Liveworks (Newcastle upon Tyne) Ltd (2023: £39,092), and £546,392 was received from Live Trading Limited (2023: £637,617).

Live Trading Limited was recharged wages and salary costs by North East Theatre Trust Limited, totalling £138,530 (2023: £116,055).

At the year end the charity was due a balance of £4,556,689 from Liveworks (Newcastle upon Tyne) Ltd (2023: £4,670,329), on which interest of £350,881 was charged (2023: £239,366). The charity was also owed a balance of £409,298 from Live Trading Limited (2023: £312,606), on which no interest was charged.

During the year the charity received £797 from the Lucy Winskell Fund at Community Foundation Serving Tyne & Wear and Northumberland (2023: £825). Lucy Winskell is a trustee of the charity and also of Community Foundation.

Ishtiaq A Din, a trustee during the year was commissioned to write a play for the theatre. This was contracted, in writing, using the standard ITC contract, which is consistent with all commissioned writers. A fee of £5,069 for the commission was fully paid at the year end. The play Champion is scheduled for live production in February and March 2025.

29 Operating lease commitments

	2024	2023
	£	£
Within one year	73,000	73,000
Between two and five years	365,000	365,000
In over five years	456,250	529,250
	<u>894,250</u>	<u>967,250</u>

NORTH EAST THEATRE TRUST LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

30 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	(445,638)	(350,082)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	420,568	415,656
Movements in working capital:		
(Increase)/decrease in stock	-	432
(Increase) in debtors	162,054	(434,407)
Decrease in creditors	(150,261)	28,013
Cash (absorbed by)/ from operations	<u>(13,277)</u>	<u>(340,388)</u>

31 Parent company's income and expenditure account

The company is required to prepared group accounts under the provision of the Companies Act and has taken advantage of the exemption afforded by section 408 Companies Act 2006 to exclude its individual Statement of Financial Activities from the group accounts.

The net expenditure, after the gain on investments, shown in the individual Statement of Financial Activities of the parent company for the year ended 31 March 2024, and included in the group accounts, is £373,473 (2023: £350,082).