

**The Wolverhampton Grand Theatre
(1982) Limited**

**REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS**

For the year ended 31 August 2023

**Muras Baker Jones Limited
Chartered Accountants & Statutory Auditor
Wolverhampton**

The Wolverhampton Grand Theatre (1982) Limited

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For the year ended 31 August 2023

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The Wolverhampton Grand Theatre (1982) Limited

REPORT OF THE DIRECTORS

The Directors are pleased to present their Report (including strategic report) together with the Financial Statements of the group for the period ended 31 August 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--------------------|--|
| CHARITY NUMBER: | 515154 |
| COMPANY NUMBER: | 1731876 |
| REGISTERED OFFICE: | Lichfield Street Wolverhampton WV1 1DE |
| AUDITORS: | Muras Baker Jones Limited Regent House Bath Avenue Wolverhampton WV1 4EG |
| BANKERS: | Barclays Bank Queen Square Wolverhampton WV1 1DS |

DIRECTORS AND TRUSTEES

The company is a registered charity and the Directors are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors.

The Directors serving during the year were as follows:

| | |
|---------------------|--|
| BOARD OF DIRECTORS: | Philip J Barnett (Chair) Sir Geoff Hampton (Vice Chair) Tracey K Worthington (resigned 16 February 2023) Nuala M O'Kane Hayleigh Lupino Dawinder K Bansal (resigned 15 October 2022) Samuel J Hudman Major S Rana Luke Maskew (appointed 1 March 2023) |
|---------------------|--|

Duncan C A Jones was appointed a director with effect from 17 October 2023.

| | |
|--------------------|--------------------|
| COMPANY SECRETARY: | Anne-Marie Brennan |
|--------------------|--------------------|

| | |
|--------------------------|----------------|
| CHIEF EXECUTIVE OFFICER: | Adrian Jackson |
|--------------------------|----------------|

The Wolverhampton Grand Theatre (1982) Limited

REPORT OF THE DIRECTORS - continued

With the economy continuing to struggle and households wrestling with high energy and mortgage costs, a visit to any Arts or Culture venue is now very much a discretionary spend that has to compete with many other recreational activities. Focus on value for money whilst delivering a great customer service has therefore been at the forefront of our thinking this year.

Despite this tough economic climate we are delighted to be able to report that the Grand Theatre has had another very successful year. Over 250,000 attendees having come through our doors over the past twelve months. The appetite for customers to support our programme of quality shows and events appears as strong as ever, with the Grand Theatre providing a much needed escape in surroundings that conjure up everything that is wonderful about live Theatre.

During the year two pieces of significant work took place in addition to the normal duties of the Board and management team. The first, which is still on-going, looked at how we might expand our existing programme of events to cater for the varying tastes and diversity of the community in which we sit. The second was a decision to bring the production of our 2023 pantomime entirely in-house. The Board believe both of these will lead to an enhanced experience for existing and future audiences.

ORGANISATION

Wolverhampton Grand Theatre (1982) Ltd is a company limited by guarantee and a registered charity. It is authorised and regulated by the Charities Commission of England & Wales.

Its constitution is set out in its Articles of Association. These have been updated on several occasions since the company's original incorporation in 1982 to reflect changing legislation and governance best practice.

The company has two wholly owned subsidiaries:

- **Wolverhampton Grand Theatre Trading Ltd** (number 07563671). This company was established in 2011 and its principal activity is to facilitate the use of the Wolverhampton Grand Theatre for commercial purposes.
- **Wolverhampton Grand Theatre Productions Ltd** (number 10647264). This company was established in 2017 and its principal activity is as a theatre production company.

The principal activity is the operation of the Grand Theatre in Wolverhampton. The charitable objectives of the company set out in the Articles are:

- The advancement of the arts for the benefit of the public, in particular through the operation of a theatre in Wolverhampton; and
- The advancement of education in relation to the arts for the benefit of the public

The governing body is a Board of non-executive directors who are also the Trustees of the charity.

In certain circumstances the Board will delegate authority to sub-committees. These various committees meet as and when required. A Chief Executive & Artistic Director are appointed by the Board to manage the day to day operations of the charity within delegated authority levels and to deliver the agreed Strategic Plan and Artistic Policy of the Theatre.

DIRECTOR APPOINTMENT, INDUCTION, TRAINING, EFFECTIVENESS AND SKILLS

An effective and diverse Board is essential if the charity is to meet its objectives. At the point of selection the Board will not discriminate unfairly on any of the grounds set out in the charity's Equality & Diversity Policy.

The Wolverhampton Grand Theatre (1982) Limited

REPORT OF THE DIRECTORS - continued

New directors are provided with a comprehensive information pack, comprising key governance, policy, strategy and financial documents, and are invited to spend an induction day at the theatre. Thereafter the charity is committed to supporting the ongoing training and development of its Directors to help them remain fully effective in their role.

The Board carries out a comprehensive annual self-assessment of its own effectiveness in line with the Charity Governance Code. This addresses a wide range of performance issues using an established scoring system in line with best practice. This review also includes an assessment of the effectiveness of the Chair.

GOVERNANCE

The Board follows the Charity Governance Code to ensure compliance with good governance. The Board has a robust overarching Governance and Policy Framework. This sets out the principles of good governance and specifies the distribution of roles and responsibilities. The Framework is supported by various policies covering Governance, Financial, Regulatory, Operational and Employee matters and includes details of the frequency of review and where authority has been delegated to an appropriate sub-committee.

RISK MANAGEMENT

The Board has a comprehensive Risk Management Policy. Management of all Health and Safety issues is cascaded through the entire organisation supported by regular staff meetings and appropriate training. This has been developed in line with best practice and the guidance issued by the Charity Commission and sets out how the charity identifies, assesses and manages the actual and potential risks to which it may be exposed.

As with last year, the Directors consider the single biggest risk to the organisation to be the possible impact of the current economic climate on both the Grand Theatre's cost base and audience behaviours, factors which would affect the sector as a whole.

PERFORMANCES

The theatre delivered a full programme of productions from September to July, offering a wide-range of theatre entertainment across all genres.

Large scale musicals were very popular, with **Sister Act**, **Mamma Mia**, **Jersey Boys** and **The Bodyguard** all making return visits and the latter three West End musicals leading the way for attendance. The ever popular **Blood Brothers** and the humorous **Rock of Ages** were well received. Several musicals visited the Grand for the first time, with **The Commitments** (inspired by the film) and **The Cher Show** attracting many music fans, and **The SpongeBob Musical** attracting a family audience for some summer fun.

Fans of *Take That's* music were doubly rewarded, not only enjoying the musical **Greatest Days** which featured the band's music, but also a sold-out week-long November residency by **Gary Barlow** himself in his show **A Different Stage**.

The pantomime **Aladdin** was particularly successful, exceeding expectations for both footfall and revenue, and underlining the return of audience confidence a year on from the previous pantomime season.

Family entertainment also featured throughout the year, with **Dinosaur World Live** and **Dragons & Mythical Beasts** both notable for the presentation of full-scale puppet creatures on stage, and **Milkshake Live** and *Northern Ballet's Ugly Duckling* appealing to the youngest children

The Grand welcomed audiences of all ages for a week of the touring pantomime **Mother Goose**, which brought the legendary **Sir Ian McKellen** to the theatre for the first time in half a century, accompanied by the comedian **John Bishop**.

The Wolverhampton Grand Theatre (1982) Limited

REPORT OF THE DIRECTORS - continued

Drama included a star cast in **Best Exotic Marigold Hotel**, new writing from the National Theatre in the form of **Sucker Punch**, and the innovative **Unexpected Twist**, a stage version of Michael Rosen's re-imagined **Oliver Twist** from the *Children's Theatre Partnership*. **Black Is The Colour of My Voice** was an impressive one-woman play about Nina Simone, while the innovative **She's Royal** explored the lives of two little-known figures from British history from the perspective of schoolchildren learning about the legacy of empire and slavery in India and West Africa.

Classical forms of theatre included a full-scale production of the opera **La Boheme** and the return of touring classical ballet with **The Nutcracker**. In June **Birmingham Royal Ballet's** BRB2 company brought a selection curated by Artistic Director **Carlos Acosta**. Audiences also had the opportunity to enjoy an unusual "candlelit" concert by the **Classic Rock Orchestra** and an afternoon performance by the orchestra of the **Welsh National Opera**.

Highlights among one-night attractions included **Jools Holland, Giovanni Pernice, Jane McDonald, Tony Blackburn** with *Sounds of the Sixties*, magician **Richard Cadell** and the **Soweto Gospel Choir**. There was a wide array of popular variety and music tribute shows. An in-house production, **Sir Jack's History Boys**, celebrating the 30th anniversary of Wolverhampton Wanderers' first promotion to the Premier League.

An array of stand-up comedy included **John Richardson, Michael McIntyre, Dara O'Briain, Russell Kane, Ed Gamble, Dave Gorman, Stewart Lee, Tim Vine, Paul Choudhry, Harry Hill, Guz Khan** and **Jack Dee**.

Community use of the building saw local amateur societies presenting full-scale and very popular musicals and multiple local Dance Schools presenting their annual galas. Both the main amateur companies chose technically challenging family titles, with *Bilston Operatic Company's* **Peter Pan** and *West Bromwich Operatic Society's* **Shrek – The Musical** both very well-attended and well-received.

With disruption from Covid having subsided, there were no reschedules or cancellations of touring product, however one postponement was necessary as a result of the passing and subsequent funeral of Queen Elizabeth II.

PUBLIC BENEFIT

The charity's Public Benefit objective is to

'Promote the performing arts and make the magic of theatre more accessible'.

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objects and in planning for the future.

The year saw activities taking place both onsite and in the wider community to enhance and complement the main offer on stage, with some work delivered in partnership with external organisations including the National Theatre.

The building saw Q&A sessions for both schools and the general public, usually featuring members of visiting companies, tours of the theatre requested by community groups or advertised for private individuals, also the Maths Trail for schools, and the theatre's Book Club. Theatre staff visited schools careers fairs and gave talks in schools and community groups about the theatre and its history.

The annual creative project associated with the pantomime was **Aladdin's Antique Shop**. A range of groups, including schools, community groups and local associations, worked with a local freelance artist to create an art installation on display at the theatre from December.

The Wolverhampton Grand Theatre (1982) Limited

REPORT OF THE DIRECTORS - continued

Twenty sessions of the Grand's **Introduction to Panto** were presented at primary and SEND schools, with an estimated 7000 individuals, many of whom had never visited a theatre, learning about the traditions and history of pantomime during two weeks of school visits.

The theatre's free membership schemes **Sixteen25** and **First Call** are aimed to encourage more frequent theatregoing by young people. Member numbers at the end of the year were up almost 25% on the prior year

The **Grand Arena Youth Theatre**, run in partnership with the University's Arena Theatre, offered 90 sessions during the year, with two created productions staged at the Arena attracting over 400 friends and family members.

The theatre's **South Asian** and **Black African Caribbean Ambassador Forums** again worked with the theatre's Marketing and Programming teams towards growing the diversity of audiences. There was an additional focus on the main stage presentation of several productions including the pantomime **Aladdin**, the dance show **Just Naach**, a return visit for the sell-out **Rush – A Joyous Jamaican Journey**, as well as **She's Royal** and **Black Is The Colour Of My Voice**. The percentage of first-time attendees at specific productions presented within the development strategy ranged from 50% to a maximum of 73%.

The theatre's monthly **Memory Café** recommenced in September, with 31 morning sessions held over the year for 50-60 attendees per session. People with dementia and their carers experience a range of live performance especially music, with additional styles and performers having diversified its appeal.

The mobile version of the Memory Café supported by a local company was repeated on the same basis as the previous year, visiting care homes from May 2023. By the end of a 6 month schedule it will again have visited 40 venues and entertained up to 1500 people.

In July, celebrated entertainer **Tony Christie** was the focus of the Grand's first dementia-friendly performance, appearing in a concert arranged following the announcement of his own dementia diagnosis.

Assisted performances took place throughout the year in the main house, with BSL interpretation and/or audio-description provided on 21 occasions across 12 full-scale touring productions, as well as for pantomime. Provision of **Relaxed performances** (designed for those on the autistic spectrum or having other additional needs) was extended. There were two such performances for **Aladdin** (one for schools and a weekend one for families), and the theatre worked with the production company of **The SpongeBob Musical** to form and implement the only relaxed performance on the show's UK tour. The theatre launched its *Active Access* forum, with audience members and professionals contributing to the direction of the theatre's access provision. A specific D/deaf customer group has also been set up.

The Grand's participation in the **National Theatre's Speak Up** project continued through the year. Its aim of empowering and inspiring young people through collaborative creative participation saw multiple activities taking place for both individual young people and schools. Weekly sessions took place in five secondary schools through the entirety of the school year, during which pupils worked with artists and practitioners from across the region in areas including mixed media, fine art, graffiti art, film-making, photography, Brazilian drumming and steel pan.

Tettenhall Wood School had their artwork made into products to sell to raise money for Wolverhampton food banks, with Charlton School's works now installed at New Cross Hospital. Ormiston Sheffield Community Academy shared their anti-knife crime film at a film premiere evening at the Grand and Ormiston New Academy and Colton Hills Community School created films about neurodiversity and academic pressures respectively.

The Wolverhampton Grand Theatre (1982) Limited

REPORT OF THE DIRECTORS - continued

The **Generation G** young people's forum began meeting monthly in October as part of **Speak Up** and a series of **Creative Workshops** took place in the February, Easter and Summer school holidays as part of the initiative. Hosted by local practitioners and theatre staff, workshop subjects included dramatic arts, make-up, costume and dance, while two week-long summer schools created first a drama and then a musical production. Successful bids to the UK Holiday Activities Fund resulted in £25,000 being awarded to fund free places for a number of eligible children among the 500 holiday workshop participants.

In addition the theatre worked with the **National Theatre** in delivering their **Shut Up I'm Dreaming** production into four secondary schools.

STRATEGY

The priority during the year continued to be the recovery of audiences post the Covid pandemic and to ensure the Theatres on-going financial stability. Now that this has been achieved, a major Strategic Review of the theatre's activities has been scheduled for October 2023.

A large amount of work has already taken place in advance of this review. This includes the identification of the current risks and opportunities facing the Theatre and discussions between the Chair and individual Board members as to the key priorities for discussion.

As already outlined in the Report of the Director's a key item for discussion will be how we can expand our existing programme of events to cater for the varying tastes and diversity of the community in which the Grand Theatre sits.

FINANCIAL REVIEW

The financial period for the group has resulted in a surplus of **£859,259** (2022 £951,054).

This result was achieved by a strong programme, notably pantomime, and large scale musical theatre productions in particular. Secondary spend remained strong as was the engagement from the local business community.

The rise in interest rates has seen a welcome increase in interest received on cash balances.

Costs have been tightly controlled, particularly salaries, despite being under continuing pressure.

INVESTMENT POWERS AND POLICY

Under the Memorandum and Articles of Association, the Directors have the power to invest in any way beneficial to the company.

The Directors, having regard to the liquidity requirements of operating the Theatre and to the Reserves Policy, operate a policy of keeping a suitable portion of funds with an Investment Manager and also in interest bearing bank deposit accounts; they seek to achieve the best available rate of deposit interest consistent with a low level of risk. The Board continuously reviews these arrangements.

RESERVES POLICY

Details of amounts transferred to reserves are shown in note 18 to the Financial Statements. The reserves of the company are required to fund future capital expenditure, meet additional maintenance costs and any future shortfalls in revenue.

An annual review of both the Reserves and Investment Policies was undertaken by the Board and amendments made, in accordance with the changing requirements of the organisation particularly resulting from the current pandemic.

The Wolverhampton Grand Theatre (1982) Limited

REPORT OF THE DIRECTORS - continued

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Company law requires the Directors to prepare Financial Statements that give a true and fair view of the state of affairs of the company at the end of the financial period and of its surplus or deficit for the financial period. In doing so the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make sound judgements and estimates that are reasonable and prudent; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enables them to ensure that the Financial Statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's Directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the Directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Messrs Muras Baker Jones Limited have signified their willingness to continue in office.

APPROVED BY THE BOARD ON 21 NOVEMBER 2023 AND SIGNED ON ITS BEHALF BY:

P J BARNETT
Chairman

The Wolverhampton Grand Theatre (1982) Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WOLVERHAMPTON GRAND THEATRE (1982) LIMITED

OPINION

We have audited the financial statements of The Wolverhampton Grand Theatre (1982) Limited for the year ended 31 August 2023 which comprise the Group Statement of Income, the Group Statement of Financial Activities, the Group and Parent Charitable Company Statement of Financial Position, the Group and Parent Charitable Company Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied to their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 August 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 directors are responsible for the other information.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WOLVERHAMPTON GRAND THEATRE (1982) LIMITED (continued)

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

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities statement set out in the directors report, the directors (who are also trustees of The Wolverhampton Grand Theatre (1982) Limited for the purpose of charity 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WOLVERHAMPTON GRAND THEATRE (1982) LIMITED (continued)

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

.....
Trevor Brueton BA FCA (Senior Statutory Auditor)
For and on behalf of Muras Baker Jones Limited
Chartered Accountants and Statutory Auditor

Regent House
Bath Avenue
Wolverhampton
WV1 4EG

21 November 2023

The Wolverhampton Grand Theatre (1982) Limited

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 August 2023

| | Note | 2023 £ | 2022 £ |
|---|------|-------------|-------------|
| THEATRE INCOME | 4 | 9,574,632 | 7,921,386 |
| Cost of sales | | (6,942,415) | (5,722,049) |
| GROSS SURPLUS | | 2,632,217 | 2,199,337 |
| Operating expenses | | (2,121,145) | (1,818,647) |
| Other operating income | 5 | 77,532 | 665,486 |
| OPERATING SURPLUS | | 588,604 | 1,046,176 |
| Investment income receivable | | 86,723 | 30,712 |
| Restricted funds income | | 117,036 | - |
| Restricted funds expenditure | | (87,811) | - |
| SURPLUS BEFORE TAXATION | | 704,552 | 1,076,888 |
| TAXATION | 10 | 185,022 | - |
| SURPLUS FOR THE FINANCIAL YEAR | | 889,574 | 1,076,888 |
| (Loss) on revaluation of investments | | (30,315) | (125,834) |
| TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR | | 859,259 | 951,054 |
| Transfer to designated funds | 18b | (235,527) | (591,685) |
| Transfer to restricted funds | 18a | (29,225) | - |
| Surplus for the year to general reserve | 18b | 594,507 | 359,369 |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

These are detailed in the Consolidated Statement of Financial Activities.

The Wolverhampton Grand Theatre (1982) Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2023

| | Note | Unrestricted funds £ | Restricted Funds £ | 2023 Total funds £ | 2022 Total funds £ |
|--|----------|----------------------------|--------------------------|--------------------------|--------------------------|
| INCOME | | | | | |
| Donations and legacies: | | | | | |
| Sponsorship | | 45,348 | - | 45,348 | 45,016 |
| Donations | | 32,184 | - | 32,184 | 27,773 |
| Grants | | - | 117,036 | 117,036 | 592,697 |
| Investment income | | 86,723 | - | 86,723 | 30,712 |
| Income from Charitable Activities: | | | | | |
| Theatre income | 4 | 9,574,632 | - | 9,574,632 | 7,921,386 |
| Theatre tax relief | | 185,022 | - | 185,022 | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL INCOME | | 9,923,909 | 117,036 | 10,040,945 | 8,617,584 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| EXPENDITURE | | | | | |
| Charitable Activities: | | | | | |
| Cost of operation of theatre | 7 | 9,063,560 | - | 9,063,560 | 7,540,696 |
| Other charitable activities | | - | 87,811 | 87,811 | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL EXPENDITURE | | 9,063,560 | 87,811 | 9,151,371 | 7,540,696 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| NET INCOME/(EXPENDITURE) FOR THE PERIOD | | 860,349 | 29,225 | 889,574 | 1,076,888 |
| Gain/(Loss) on revaluation of investments | | (30,315) | - | (30,315) | (125,834) |
| BALANCE BROUGHT FORWARD | | 3,064,126 | - | 3,064,126 | 2,113,072 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| BALANCE CARRIED FORWARD | 18a, 18b | 3,894,160 | 29,225 | 3,923,385 | 3,064,126 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

The Wolverhampton Grand Theatre (1982) Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 August 2023

| | Note | 2023 | | 2022 | |
|---|-------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 12(a) | | 278,092 | | 268,619 |
| Investments | 12(b) | | - | | - |
| | | | <u>278,092</u> | | <u>268,619</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 13 | 25,230 | | 31,218 | |
| Debtors | 14 | 823,486 | | 324,546 | |
| Investments | 15 | 1,105,860 | | 1,113,830 | |
| Cash at bank and in hand | | 5,109,976 | | 4,583,563 | |
| | | <u>7,064,552</u> | | <u>6,053,157</u> | |
| CREDITORS: FALLING DUE WITHIN ONE YEAR | | | | | |
| Advance bookings | | 2,834,652 | | 2,670,229 | |
| All other creditors | 16 | 584,607 | | 587,421 | |
| | | <u>3,419,259</u> | | <u>3,257,650</u> | |
| NET CURRENT ASSETS | | | <u>3,645,293</u> | | <u>2,795,507</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>3,923,385</u> | | <u>3,064,126</u> |
| NET ASSETS | | | <u>3,923,385</u> | | <u>3,064,126</u> |
| Represented by: | | | | | |
| Reserve funds - restricted | 18a | | 29,225 | | - |
| Reserve funds - unrestricted | 18b | | 3,894,160 | | 3,064,126 |
| | | | <u>3,923,385</u> | | <u>3,064,126</u> |

APPROVED BY THE BOARD ON 21 NOVEMBER 2023 AND SIGNED ON ITS BEHALF BY:

M RANA
DIRECTOR
REGISTERED NUMBER: 1731876

The Wolverhampton Grand Theatre (1982) Limited

CHARITABLE COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 August 2023

| | Note | 2023 | | 2022 | |
|---|-------|-----------|-----------|-----------|-----------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 12(a) | | 278,092 | | 268,619 |
| Investments | 12(b) | | 200 | | 200 |
| | | | <hr/> | | <hr/> |
| | | | 278,292 | | 268,819 |
| CURRENT ASSETS | | | | | |
| Stocks | 13 | 25,230 | | 31,218 | |
| Debtors | 14 | 886,965 | | 401,741 | |
| Investments | 15 | 1,105,860 | | 1,113,830 | |
| Cash at bank and in hand | | 5,043,732 | | 4,504,778 | |
| | | <hr/> | | <hr/> | |
| | | 7,061,787 | | 6,051,567 | |
| | | <hr/> | | <hr/> | |
| CREDITORS: FALLING DUE WITHIN ONE YEAR | | | | | |
| Advance bookings | | 2,834,652 | | 2,670,229 | |
| All other creditors | 16 | 582,087 | | 586,076 | |
| | | <hr/> | | <hr/> | |
| | | 3,416,739 | | 3,256,305 | |
| | | <hr/> | | <hr/> | |
| NET CURRENT ASSETS | | | 3,645,048 | | 2,795,262 |
| | | | <hr/> | | <hr/> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 3,923,340 | | 3,064,081 |
| | | | <hr/> | | <hr/> |
| NET ASSETS | | | 3,923,340 | | 3,064,081 |
| | | | <hr/> | | <hr/> |
| Represented by: | | | | | |
| Reserve funds – restricted | 18a | | 29,225 | | - |
| Reserve funds – unrestricted | 18b | | 3,894,115 | | 3,064,081 |
| | | | <hr/> | | <hr/> |
| | | | 3,923,340 | | 3,064,081 |
| | | | <hr/> | | <hr/> |

APPROVED BY THE BOARD ON 21 NOVEMBER 2023 AND SIGNED ON ITS BEHALF BY:

M RANA
DIRECTOR
REGISTERED NUMBER: 1731876

The Wolverhampton Grand Theatre (1982) Limited

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 August 2023

| | Note | 2023 £ | 2022 £ |
|--|------|-----------|-----------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Surplus for the financial year before taxation | | 704,552 | 1,076,888 |
| Adjustments for: | | | |
| Depreciation | | 83,202 | 73,313 |
| Loss/(Profit) on disposal of fixed assets | | - | - |
| (Increase)/Decrease in stock | | 5,988 | (22,280) |
| (Increase)/Decrease in trade and other debtors | | (313,918) | (127,320) |
| Increase/(Decrease) in trade and other creditors | | 161,608 | 241,903 |
| Movement in investment values | | (30,315) | (125,834) |
| Taxation received | | - | - |
| | | <hr/> | <hr/> |
| NET CASH GENERATED FROM OPERATING ACTIVITIES | | 611,117 | 1,116,670 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of tangible fixed assets | | (92,674) | (12,821) |
| | | <hr/> | <hr/> |
| NET CASH FROM INVESTING ACTIVITIES | | (92,674) | (12,821) |
| | | <hr/> | <hr/> |
| INCREASE IN CASH | | 518,443 | 1,103,849 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 21 | 5,697,393 | 4,593,544 |
| | | <hr/> | <hr/> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 21 | 6,215,836 | 5,697,393 |
| | | <hr/> | <hr/> |

The Wolverhampton Grand Theatre (1982) Limited**CHARITABLE COMPANY CASH FLOW STATEMENT****For the year ended 31 August 2023**

| | Note | 2023 £ | 2022 £ |
|---|------|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Surplus for the financial year | | 889,574 | 1,076,850 |
| Adjustments for: | | | |
| Depreciation | | 83,202 | 73,313 |
| Loss on disposal of fixed assets | | - | - |
| (Increase)/Decrease in stock | | 5,988 | (22,280) |
| (Increase)/Decrease in trade and other debtors | | (485,224) | (196,348) |
| Increase/(Decrease) in trade and other creditors | | 160,433 | 253,742 |
| Movement in investment values | | (30,315) | (125,834) |
| | | <u> </u> | <u> </u> |
| NET CASH GENERATED FROM OPERATING ACTIVITIES | | 623,658 | 1,059,443 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of tangible fixed assets | | (92,674) | (12,821) |
| | | <u> </u> | <u> </u> |
| NET CASH FROM INVESTING ACTIVITIES | | (92,674) | (12,821) |
| | | <u> </u> | <u> </u> |
| INCREASE IN CASH | | 530,984 | 1,046,622 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 21 | 5,618,608 | 4,571,986 |
| | | <u> </u> | <u> </u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 21 | 6,149,592 | 5,618,608 |
| | | <u> </u> | <u> </u> |

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

1. GENERAL INFORMATION

The Wolverhampton Grand Theatre (1982) Limited is a private charitable company, limited by guarantee. The address of the registered office is Lichfield Street, Wolverhampton, WV1 1DE.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

The Wolverhampton Grand Theatre (1982) Limited meets the definition of a public benefit entity under FRS 102.

3. ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with applicable Accounting Standards and the Statement of Recommended Practice, Accounting and Reporting by Charities (issued October 2019) - Charities SORP (FRS102) (subject to note 3(c) below).

(a) ACCOUNTING CONVENTION

The Financial Statements have been prepared under the historical cost convention.

(b) GROUP FINANCIAL STATEMENTS

The Financial Statements consolidate the results of the Charitable Company and its wholly-owned subsidiaries, Wolverhampton Grand Theatre Trading Limited and Wolverhampton Grand Theatre Productions Limited, on a line by line basis. A separate Statement of Financial Activities, or Income and Expenditure Account, for the Charitable Company itself is not presented because it has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

(c) GRANTS RECEIVABLE

Revenue Grants are credited in the Financial Statements for the period in which they are due.

Capital grants and donations received in respect of capital expenditure are treated as Deferred Income and credited to the Profit and Loss Account on a straight line basis over the life of the asset to which they relate.

The treatment of these capital grants and donations is considered by the Directors to be more meaningful than that required by the Statement of Recommended Practice and is necessary to enable the Financial Statements to show a true and fair view.

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

3. ACCOUNTING POLICIES (Continued)

(d) OTHER INCOMING RESOURCES

i. Voluntary Income

Income from donations and sponsorship is included in Incoming Resources when these are receivable, except as follows:

- When donors specify that donations and sponsorship 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 company becomes entitled to use such income, the income is deferred and not included in Incoming Resources until the pre-conditions for use have been met.

ii. Investment income is recognised on a receivable basis.

iii. Income from Charitable Activities represents theatre income and is recognised as an incoming resource in the period to which it relates (being in respect of completed shows up to, and including, the nearest Saturday to the year-end).

(e) RESOURCES EXPENDED

Expenditure is recognised when a liability is incurred.

i. Charitable activities include all direct costs relating to theatre income and support costs relating to the operation of the theatre. These costs are net of income from box office administration charges which are recognised at the point of booking.

ii. Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

(f) DEPRECIATION

Depreciation is provided on Fixed Assets at the following annual rates, calculated on the cost of the assets.

| | |
|------------------------------------|-------------|
| Fixtures & equipment | 10%/25%/50% |
| Computer equipment | 25%/50% |
| Improvements to leasehold property | 5%/10% |

Certain smaller items of computer and other equipment are fully depreciated in the period of acquisition. The useful life of all assets is regularly reviewed and where appropriate depreciation is accelerated if it is identified that the useful life of an asset is being overstated. Accelerated depreciation this year amounts to £nil.

(g) STOCKS

Stocks are valued at the lower of cost and net realisable value. Cost is calculated using latest purchase price of the stock at the period end. Net realisable value is based on estimated selling price after taking into account all further costs expected to be incurred on disposal.

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

3. ACCOUNTING POLICIES (Continued)

(h) OPERATING LEASES

Rentals payable under Operating Leases are charged to the Income and Expenditure Account on a straight line basis over the period of the Lease

(i) RESERVES

Details of reserve funds are given in note 18.

Unrestricted funds are available for use at the discretion of the directors to further any of the charitable company's purposes.

Designated funds are unrestricted funds that have been earmarked by the directors for particular future projects or commitments.

Restricted funds are subject to restrictions on their use as imposed by the funder or through the terms of any appeal.

(j) GOING CONCERN

The directors assess whether the use of the going concern basis is appropriate and in doing this consider whether there are any material uncertainties related to events or conditions that may cast significant doubt over the ability of the charitable company and the group to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the approval of financial statements. In making this assessment the directors have considered the potential impact of the current economic situation but have also taken account of the existing reserves and the significant level of liquid assets held by the charitable company and the group. Overall, the directors have concluded that the financial statements should continue to be prepared on a going concern basis.

(k) JUDGEMENTS AND ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome

(l) FORMAT OF FINANCIAL STATEMENTS

The format of the Financial Statements is considered by the Directors to be more meaningful than the format required by the Companies Act 2006.

(m) PENSION COSTS

Contributions payable by the company to a group personal pension scheme are charged to the Statement of Income in the period to which they relate.

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

4. THEATRE INCOME

Theatre income represents the value of Box Office Receipts, Theatre Rentals and Sundry Sales during the year excluding VAT where applicable.

Theatre income is analysed as follows:

| | 2023 £ | 2022 £ |
|-------------------|-----------|-----------|
| Box office income | 7,346,622 | 6,029,567 |
| Other income | 2,228,010 | 1,891,819 |
| | <hr/> | <hr/> |
| | 9,574,632 | 7,921,386 |
| | <hr/> | <hr/> |

Theatre income consists of the following categories:

| | 2023 £ | 2022 £ |
|-------------------|-----------|-----------|
| Sales of goods | 1,014,912 | 829,363 |
| Sales of services | 8,559,720 | 7,092,023 |
| | <hr/> | <hr/> |
| | 9,574,632 | 7,921,386 |
| | <hr/> | <hr/> |

5. OTHER OPERATING INCOME

| | 2023 £ | 2022 £ |
|--|-----------|-----------|
| Grants and subsidies – Covid-19 Support Grants | - | 592,697 |
| Donations | 32,184 | 27,773 |
| Sponsorship | 45,348 | 45,016 |
| | <hr/> | <hr/> |
| | 77,532 | 665,486 |
| | <hr/> | <hr/> |

6. SURPLUS FOR THE FINANCIAL YEAR is stated after charging/(crediting):

| | 2023 £ | 2022 £ |
|---------------------------------------|-----------|-----------|
| Depreciation of tangible fixed assets | 83,202 | 73,313 |
| Loss on disposal of fixed assets | - | - |
| Auditors' remuneration | 11,000 | 12,900 |
| | <hr/> | <hr/> |

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

The Charity undertakes one direct charitable activity only.

(a) Cost of operation of theatre

| | 2023 £ | 2022 £ |
|---------------------------------------|------------------|------------------|
| Show costs | 6,014,490 | 5,007,871 |
| Bar and kiosk supplies | 333,097 | 246,263 |
| Wages and salaries (net of recharges) | 1,156,688 | 894,139 |
| Other costs | 137,702 | 130,198 |
| Postage, stationery and telephone | 12,535 | 43,992 |
| Marketing | 182,897 | 161,263 |
| Education and Outreach | 9,609 | 675 |
| Premises costs | 306,378 | 257,260 |
| Depreciation | 83,202 | 73,313 |
| Loss on disposal of fixed assets | - | - |
| Support costs (see 7 (b) below) | 826,962 | 725,722 |
| | <u>9,063,560</u> | <u>7,540,696</u> |

(b) Analysis of support costs

The Charity allocates its support costs as follows:

| | 2023 £ | 2022 £ |
|----------------------|----------------|----------------|
| Salaries and wages | 751,398 | 645,391 |
| Office expenses | 54,102 | 59,191 |
| Professional charges | 21,462 | 21,140 |
| | <u>826,962</u> | <u>725,722</u> |

Support costs include governance costs of £21,462 (2022 - £21,140).

Governance costs in respect of professional charges are allocated on an actual basis, other costs are allocated on a time spent basis.

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

8. EMPLOYEE INFORMATION AND STAFF COSTS

The average number of persons employed by the company (including Non-Executive Directors) during the year was as follows:

| | 2023 No | 2022 No |
|-------------------------|------------|------------|
| Non-Executive Directors | 7 | 8 |
| Production | 83 | 68 |
| Administration | 18 | 17 |
| | — | — |
| | 108 | 93 |
| | — | — |

The aggregate payroll costs of these persons were as follows:

| | 2023 £ | 2022 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 1,816,868 | 1,471,045 |
| Social security costs | 142,509 | 120,878 |
| Pension costs | 52,372 | 40,287 |
| | — | — |
| | 2,011,749 | 1,632,210 |
| | — | — |

The number of employees receiving emoluments in excess of £60,000 per annum was:

| | 2023 No | 2022 No |
|-------------------------------|------------|------------|
| Taxable emoluments band | | |
| £60,001 - £70,000 per annum | 1 | 2 |
| £70,001 - £80,000 per annum | 1 | 1 |
| £80,001 - £90,000 per annum | 1 | - |
| £100,001 - £110,000 per annum | - | 1 |
| £110,001 - £120,000 per annum | 1 | - |
| | — | — |

9. DIRECTORS

No Director received any remuneration or expenses during the year ended 31 August 2023 (2022 - none).

10. TAXATION

The charitable company is exempt from corporation tax because of its charitable status.

The group corporation tax credit relates to Theatre Tax Relief provision of £185,022 arising in respect of one of its subsidiaries.

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

11. SURPLUS FOR THE FINANCIAL YEAR

The charitable company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own income and expenditure account in these financial statements. The group total comprehensive income for the year includes a surplus of £859,259 (2022 - £951,016) which is dealt with in the financial statements of the parent charitable company. The financial statements of the charitable company include gift aid receipts of £64,082 (2022 - £122,878) from a subsidiary company.

12 (a) TANGIBLE FIXED ASSETS – GROUP AND CHARITABLE COMPANY

| | Improvements to leasehold property | Fixtures and equipment | Computer equipment | Total |
|-------------------------|--|---------------------------|-----------------------|-----------|
| | £ | £ | £ | £ |
| COST: | | | | |
| As at 31 August 2022 | 9,053,657 | 591,455 | 187,606 | 9,832,718 |
| Additions | - | 46,910 | 45,765 | 92,675 |
| Disposals | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| As at 31 August 2023 | 9,053,657 | 638,365 | 233,371 | 9,925,393 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| DEPRECIATION: | | | | |
| As at 31 August 2022 | 9,007,992 | 384,355 | 171,752 | 9,564,099 |
| Charge for the year | 11,660 | 55,122 | 16,420 | 83,202 |
| Eliminated on disposals | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| As at 31 August 2023 | 9,019,652 | 439,477 | 188,172 | 9,647,301 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| BOOK VALUE: | | | | |
| As at 31 August 2023 | 34,005 | 198,888 | 45,199 | 278,092 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| As at 31 August 2022 | 45,665 | 207,100 | 15,854 | 268,619 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

12 (b) INVESTMENTS

| | Shares in subsidiary undertaking | |
|------------------------|----------------------------------|--------------------|
| | Group | Charitable Company |
| | £ | £ |
| COST | | |
| As at 1 September 2022 | - | 200 |
| Additions | - | - |
| | — | — |
| As at 31 August 2023 | - | 200 |
| | — | — |

The charitable company owns 100% of the share capital of The Wolverhampton Grand Theatre Trading Company Limited, a company registered in England and Wales (Company No. 07563671). The principle activity of the subsidiary is to hire out The Grand Theatre for commercial purposes.

The charitable company owns 100% of the share capital of Wolverhampton Grand Theatre Productions Limited, a company registered in England and Wales (Company No. 10647264). The principle activity of the subsidiary is to create an in-house theatre production.

The results of the subsidiaries are incorporated into the consolidated financial statements of the group.

13. STOCKS

| | Group | | Charitable Company | |
|------------------|--------|--------|--------------------|--------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Goods for resale | 25,230 | 31,218 | 25,230 | 31,218 |
| | — | — | — | — |

14. DEBTORS

| | Group | | Charitable Company | |
|-------------------------------------|---------|---------|--------------------|---------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade debtors | 97,263 | 190,979 | 96,804 | 108,433 |
| Amounts due from group undertakings | - | - | 249,004 | 159,747 |
| Other debtors | 206,660 | 45,410 | 21,594 | 45,404 |
| Prepayments and accrued income | 519,563 | 88,157 | 519,563 | 88,157 |
| | — | — | — | — |
| | 823,486 | 324,546 | 886,965 | 401,741 |
| | — | — | — | — |

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

15. CURRENT ASSET INVESTMENTS

| | Group | | Charitable Company | |
|------------------------------|------------------|------------------|--------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Brewin Dolphin managed funds | 1,105,860 | 1,113,830 | 1,105,860 | 1,113,830 |
| | <u>1,105,860</u> | <u>1,113,830</u> | <u>1,105,860</u> | <u>1,113,830</u> |

16. ALL OTHER CREDITORS - FALLING DUE WITHIN ONE YEAR

| | Group | | Charitable Company | |
|--|----------------|----------------|--------------------|----------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade creditors | 152,925 | 84,795 | 151,905 | 84,750 |
| Social security costs and other taxation | 14,279 | 40,863 | 14,279 | 40,863 |
| Other creditors | 55,267 | 55,969 | 55,267 | 55,969 |
| Accruals and deferred income | 362,136 | 405,794 | 360,636 | 404,394 |
| Amounts due to group undertakings | - | - | - | 100 |
| | <u>584,607</u> | <u>587,421</u> | <u>582,087</u> | <u>586,076</u> |

17. MEMBERS

The company is limited by guarantee. Each member has undertaken to contribute a sum not exceeding one pound in the event of a winding-up.

18(a). RESERVE FUNDS - RESTRICTED

GROUP AND COMPANY

| | Arts Council – Speak Up £ | HAF £ | Total Funds £ |
|---------------------------------|---------------------------------|---------------|---------------------|
| Fund balances at 31 August 2022 | - | - | - |
| Incoming resources | 83,400 | 33,636 | 117,036 |
| Expenditure | (73,364) | (14,447) | (87,811) |
| | <u>10,036</u> | <u>19,189</u> | <u>29,225</u> |
| Fund balances at 31 August 2023 | 10,036 | 19,189 | 29,225 |

Arts Council – Speak Up is a project to encourage young people to work in collaboration with local artists on creative projects.

HAF is a project to provide out of school activities for young people during the school holidays.

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

18(b). RESERVE FUNDS - UNRESTRICTED

These represent unrestricted accumulated funds and are analysed as follows:

GROUP

| | Investment programme reserve £ | Special reserve £ | Contingency Reserve £ | Revaluation Reserve £ | General reserve £ | Total £ |
|-----------------------------------|---|-------------------------|-----------------------------|-----------------------------|-------------------------|------------------|
| At 31 August 2022 | 1,064,565 | - | 1,832,000 | 42,428 | 125,133 | 3,064,126 |
| Surplus for the financial year | 265,842 | - | - | (30,315) | 594,507 | 830,034 |
| Transfers | - | 502,000 | (502,000) | - | - | - |
| At 31 August 2023 | <u>1,330,407</u> | <u>502,000</u> | <u>1,330,000</u> | <u>12,113</u> | <u>719,640</u> | <u>3,894,160</u> |

CHARITABLE COMPANY

| | Investment programme reserve £ | Special reserve £ | Contingency Reserve £ | Revaluation Reserve £ | General reserve £ | Total £ |
|---------------------------------------|---|-------------------------|-----------------------------|-----------------------------|-------------------------|------------------|
| At 31 August 2022 | 1,064,565 | - | 1,832,000 | 42,428 | 125,088 | 3,064,081 |
| Surplus for the financial year | 265,842 | - | - | (30,315) | 594,507 | 830,034 |
| Transfer (to)/from general reserve | - | 502,000 | (502,000) | - | - | - |
| At 31 August 2023 | <u>1,330,407</u> | <u>502,000</u> | <u>1,330,000</u> | <u>12,113</u> | <u>719,595</u> | <u>3,894,115</u> |

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

18(b). RESERVE FUNDS- UNRESTRICTED (Continued)

The Investment Programme Reserve is a Designated Fund set up in order to provide for planned future expenditure on the maintenance and improvement of the theatre's facilities.

The Special Reserve is a designated fund set aside to provide funding for future development of the theatre.

The General Reserve is there to provide a cushion against potential future losses and to enable the Theatre to meet its day to day commitments, including being able to commit to visiting productions up to 18 months in advance. Any deficit on this reserve can be covered by transfers from the contingency reserve if required.

The Contingency Reserve is a Designated Fund and is intended to provide an internal source of immediate funds which may be used to mitigate the economic impact of potential unforeseen situations. The level of reserve fund is reviewed by the board on an annual basis.

The Revaluation Reserve is a Designated Fund which reflects the unrealised movements in the value of investments held by the Theatre.

19 RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS

| | Group | | Charitable Company | |
|---|-----------|-----------|--------------------|-----------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Net incoming resources for the financial year | 859,259 | 951,054 | 859,259 | 951,016 |
| Increase in members' funds | 859,259 | 951,054 | 859,259 | 951,016 |
| Members' funds at beginning of year | 3,064,126 | 2,113,072 | 3,064,081 | 2,113,065 |
| Members' funds at end of year | 3,923,385 | 3,064,126 | 3,923,340 | 3,064,081 |

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP

| | Unrestricted funds | Restricted funds | Total Funds |
|---|--------------------|------------------|-------------|
| | £ | £ | £ |
| Fund balances at 31 August 2023 are represented by: | | | |
| Tangible fixed assets | 278,092 | - | 278,092 |
| Current assets | 7,035,327 | 29,225 | 7,064,552 |
| Creditors: Falling due within one year | (3,419,259) | - | (3,419,259) |
| Total net assets | 3,894,160 | 29,225 | 3,923,385 |

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued)

CHARITABLE COMPANY

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|----------------------------|--------------------------|---------------------|
| Fund balances at 31 August 2023 are represented by: | | | |
| Fixed assets | 278,292 | - | 278,292 |
| Current assets | 7,032,562 | 29,225 | 7,061,787 |
| Creditors: Falling due within one year | (3,416,739) | - | (3,416,739) |
| | <hr/> | <hr/> | <hr/> |
| Total net assets | 3,894,115 | 29,225 | 3,923,340 |
| | <hr/> | <hr/> | <hr/> |

21. COMPONENTS OF CASH AND CASH EQUIVALENTS

| | Group | | Charitable Company | |
|---------------------------|-----------|-----------|--------------------|-----------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Cash at bank and in hand | 5,109,976 | 4,583,563 | 5,043,732 | 4,504,778 |
| Current asset investments | 1,105,860 | 1,113,830 | 1,105,860 | 1,113,830 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 6,215,836 | 5,697,393 | 6,149,592 | 5,618,608 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

22. ANALYSIS OF CHANGES IN NET FUNDS

| GROUP | At 31 August 2022 £ | Cash flows £ | At 31 August 2023 £ |
|---------------------------|---------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 4,583,563 | 526,413 | 5,109,976 |
| Current asset investments | 1,113,830 | (7,970) | 1,105,860 |
| | <hr/> | <hr/> | <hr/> |
| | 5,697,393 | 518,443 | 6,215,836 |
| | <hr/> | <hr/> | <hr/> |

The Wolverhampton Grand Theatre (1982) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

22. ANALYSIS OF CHANGES IN NET FUNDS (Continued)

| | At 31 August 2022 £ | Cash flows £ | At 31 August 2023 £ |
|---------------------------|---------------------------|-----------------|---------------------------|
| CHARITABLE COMPANY | | | |
| Cash at bank and in hand | 4,504,778 | 538,954 | 5,043,732 |
| Current asset investments | 1,113,830 | (7,970) | 1,105,860 |
| | <u>5,618,608</u> | <u>530,984</u> | <u>6,149,592</u> |

23. PENSION COMMITMENTS

Certain of the charitable company's employees are members of a group personal pension scheme to which the charitable company makes contributions. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge of £52,372 (2022 - £40,287) represents contributions payable by the charitable company to the fund.

24. OPERATING LEASE COMMITMENTS

The total future minimum lease payments outstanding at 31 August 2023 under non-cancellable operating leases are as follows:

| | 2023 £ | 2022 £ |
|--|-----------|-----------|
| Leases which expire: | | |
| Not later than 1 year | - | - |
| Later than 1 year and not later than 5 years | - | - |
| | <u>-</u> | <u>-</u> |

25. RELATED PARTIES

The charitable company leases the theatre from Wolverhampton City Council. Under the terms of the lease £nil rent is due to Wolverhampton City Council for the year ended 31 August 2023 (2022 - £nil).