

BackstageTrust

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 5 APRIL 2016**

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| <u>Legal and Administrative:</u> | Backstage Trust (Charity Number 1145887) was established under a Trust Deed dated 30 January 2012. |
| <u>Trustees:</u> | Lady Sainsbury of Turville CBE, Hon. RAM, Hon. FRIBA , Hon D.Litt Mr David Wood Mr Dominic Flynn |
| <u>Administrator:</u> | Mrs Kathryn Thompson |
| <u>Advisers:</u> | Baroness Genista McIntosh of Hudnall Professor Ian Ritchie CBE RA |
| <u>Office:</u> | North House 27 Great Peter Street London SW1P 3LN |
| <u>Charity Number:</u> | 1145887 |
| <u>Bankers:</u> | C Hoare & Co 37 Fleet Street London EC4P 4DQ |
| <u>Solicitors:</u> | Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ |
| <u>Auditors:</u> | Crowe Clark Whitehill LLP St Bride's House, 10 Salisbury Square London EC4Y 8EH |
| <u>Investment advisers:</u> | Sarabaite Limited North House 27 Great Peter Street London SW1P 3LN |
| <u>Investment Powers:</u> | The Trust Deed empowers the Trustees to appoint investment advisers who have discretion to invest the funds of the Trust within the guidelines established by the Trustees. |
| <u>Objects:</u> | The objects of the Trust set out in the Trust Deed are for general charitable purposes. |

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2016

Backstage Trust was established under a Trust Deed dated 30 January 2012 and the Trustees submit their report for the year ended 5 April 2016.

1. Objectives and Scope of Grant Making

The primary focus of Backstage's grant programme is on projects in the live performing arts, mainly theatre. Most grants are awarded proactively and stem from the broad spectrum of Trustees' interests in the field. Backstage can only offer assistance to registered charities or to activities which have clear charitable aims; the trust cannot directly fund individuals.

The need for a healthy and innovative arts sector in the UK is obvious: a vibrant culture spanning all art forms is essential for the cultural and social life of the country, and also makes a very considerable contribution to economic growth, particularly in the regions. The support of live theatre for the public benefit is the main focus for Backstage grants. Small theatres with an adventurous and exciting programme are often the starting point for new writing, and for talented young actors and directors. The finding and nurturing of young directors, actors, producers and designers is an area of work which Backstage finds rewarding, and Trustees are considering ways to extend their remit and help theatres find the right executive team.

The main focus of the grants made by Backstage is on projects in the performing arts. The majority of grants awarded since the Trust was established come under one of the following:

- financing consultant advice to help with professional development of small scale arts organisations
- assisting live arts projects involving disadvantaged children and young people
- feasibility studies for capital projects
- consultant advice on fundraising, a case for support and recruiting development staff

Involvement in the performing arts - especially in the collaborative field of live theatre - has been shown to encourage young people to articulate their problems, and learn to share difficult situations which they are facing at home and in school. It is also highly effective with young ex-offenders struggling to rebuild their lives after a period in prison.

Simply seeing plays has an effect, but through acting, improvisation, and mime many learn to express their problems and fears. They can discover ways of expressing emotions, talking about and dealing with their experiences. In many cases it can help young people learning to control their volatile and explosive behaviour.

The need for a constant and generous element of philanthropic funding to promote art will remain acute. There are many small organisations with very limited budgets, who work tirelessly to promote and energise their art. Their work makes a real difference to the lives of practitioners and audiences and delivers considerable public benefit. Their achievements are considerable and they deserve financial stability. Backstage is a small fund, and in general Trustees will hope to be considering proposals for support from organisations with a relevant, realistic and clearly expressed set of aims.

Trustees will wish to examine the potential viability and clear ideas showing that the organisation has the capacity to use charitable funding in the most effective way. Trustees will want to see evidence of fundraising plans, and to know that Backstage could act as a catalyst to encourage other grant-giving bodies, but not be regarded as sole benefactor. A critical need for most small organisations – with enthusiasm, energy and a determination to make a difference – is professional advice providing support in areas where they, understandably, are unable to access expertise. For example fund-raising, HR, Law, setting up a capital project, and many other areas where paying for professional help would be impossible. Backstage is sometimes able to introduce and provide funding for appropriate consultants.

While performing arts remains a primary focus for Backstage the Trustees are open to suggestions which relate to other ways in which the arts can touch society. Backstage is proud to have been the catalyst in launching the national tour of two great installations of ceramic poppies: Weeping Window and the Wave of poppies. These wonderful artworks, created by Paul Cummins and installation designed by Tom Piper, are now touring the UK until 2018. Government's willingness to support the tour of these remarkable installations, working with private philanthropic trusts, allows millions of visitors to experience the impact of this emotive commemoration of the First World War. Art, philanthropy and government working together really can make a difference.

Organisation

Backstage Trust is a small charity of which Lady Sainsbury of Turville is the Settlor and a Trustee. She and her fellow Trustees work closely with the administrator to assess all grant proposals to ensure they meet the Trust's criteria and that there are no conflicts of interest. Grant approvals are often made between meetings but all grants are ratified at the regular formal Trustee meetings and all are made subject to specific conditions which are monitored throughout. The Trustees meet periodically with the advisers to discuss strategy as well as approved and potential grants, however the advisers have no decision making powers.

Policies

Reserves Policy

It is the Trustees' intention to continue to approve grants annually that exceed the available income. Consequently some grants will be met from the Trust's expendable endowment for the foreseeable future and a transfer of £7,081,924 has been made from the expendable endowment to enable the Trust's commitments to be met. The Trustees regularly review cash flow projections for income and expenditure, to ensure that the level of disposable net assets is adequate and that the Trust is in a position to meet all its commitments. The Trustees are satisfied this is the case at the year end.

Investment Policy

The Trustees have held significant funds on deposit to enable the Trust to draw on capital when required and the Trustees meet regularly to discuss strategy and review performance.

Remuneration Policy

Backstage Trust has no employees and therefore no policy is in place.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the charity may be exposed. Adequate systems are in place to manage such potential risks as the Trustees have identified. They continue to keep processes under review.

The Trustees identified the potential misuse of funds by a grantee as a significant risk. To mitigate this risk the Trustees normally restrict grants to charities registered with the UK Charity Commission or equivalent bodies. The awards are made following a thorough assessment and grants are routinely monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

The Trustees also identified liquidity as constituting a significant risk and this is mitigated by holding sufficient funds in cash or near cash to meet expected liabilities as and when they fall. The Trustees regularly review the investment strategy and cash hold policy.

Charity and Public Benefit

The Trustees are aware of the Charity Commission guidance on public benefit, and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. This report aims to set out information covering the Trust's aims, activities and achievements. The report describes the areas of specific interest to the Trust. The benefits provided by these grants can be seen in the professional development of the recipients, and through them to the public.

2. Review of the Year

During the year, Backstage Trust's primary source of income were donations from Lady Sainsbury of Turville and the Gatsby Charitable Foundation and by the end of the year, the asset value of the Trust amounted to £1,003,676.

Grant Making

The Trustees met twice during the year to make grants and to review investments. At the year end, outstanding commitments which were entered into during 2014/15 and not included in the accounts amounted to £379,250 and those which were entered into during 2015/16 and not included in the accounts amounted to £611,229 (note 2). The grants approved during the year may be analysed by number and by value in the categories set out below:

| | Grants Approved | Value £ |
|---------|--------------------|-----------------------|
| Arts | 31 | 6,285,095 |
| General | 1 | 843,837 |
| | <hr/> 32 <hr/> | <hr/> 7,128,932 <hr/> |

Main Grants Approved

Arts

Royal Academy of Music £4,250,000
Funding to support capital project to transform the Royal Academy Theatre

Shoreditch Town Hall £1,000,000
Funding for capital work and redevelopment of The Assembly Hall

14-18NOW £250,000
Funding for existing 'Weeping Window' poppy installation to tour additional UK sites until 2018

Tricycle Theatre Company £250,000
Grant towards support of capital work of the theatre and auditorium

EGO Performance Company £159,000
Grant towards core funding, installation of disabled lift and feasibility study re building purchase

Hightide Theatre Festival £130,000
Core funding for 2015/2016 and 2016/2017

Ithaka Productions, New York £96,544
\$150,000 support for Ithaka's 'Antigone in the World' theatre project

Papatango £50,000
Grant towards core funding

Chrisalys Circus £15,435
Funding towards project 'Fairytale', a project allowing circus and digital artists to explore merging circus movement with digital art

Clean Break £15,000
Support of Clean Break's 'Writer's in Residence' project

Fine Line Productions £10,000
Funding towards creative learning program to accompany the UK tour of Out of the Cage by Alex McSweeney

North Wall Arts Centre £10,000
Support for a writer in residence as well as StageWrite: a programme designed to support theatre writing activities for young writers

General

StreetInvest £843,837
StreetInvest supports investments in street children so that their rights, needs and potential can be fulfilled. This is done through the training of professional workers who serve as trusted adults in the lives of street children and by contributing to the investments the workers and children need to secure a real future.

Approved by the Trustees on 19th January 2017 signed on their behalf by:


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TRUSTEE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE 12 MONTHS ENDED 5 APRIL 2016**

| | Notes | Unrestricted Funds | Endowment Funds | Total Funds 2016 | Total Funds 2015 * |
|------------------------------------|-------|-----------------------|--------------------|------------------------|--------------------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Donations and gifts | | 26,169 | 1,625,000 | 1,651,169 | 4,401,184 |
| Investments | | 46,000 | - | 46,000 | 54,977 |
| Total Income | | <u>72,169</u> | <u>1,625,000</u> | <u>1,697,169</u> | <u>4,456,161</u> |
| Expenditure: | | | | | |
| Cost of Raising Funds | | | | | |
| Investment management fee | | - | - | - | 519 |
| Charitable activities | | | | | |
| Grant-making | 2 | 7,111,793 | - | 7,111,793 | 3,687,948 |
| Grant related support costs | 3 | 42,300 | - | 42,300 | 42,101 |
| Cost of charitable activities | | 7,154,093 | - | 7,154,093 | 3,730,049 |
| Total Expenditure | | <u>7,154,093</u> | <u>-</u> | <u>7,154,093</u> | <u>3,730,568</u> |
| Net (Expenditure)/Income | | (7,081,924) | 1,625,000 | (5,456,924) | 725,593 |
| Transfers between funds | | 7,081,924 | (7,081,924) | - | - |
| Net movement in funds | | <u>-</u> | <u>(5,456,924)</u> | <u>(5,456,924)</u> | <u>725,593</u> |
| Total funds brought forward | | - | 6,460,600 | 6,460,600 | 5,735,007 |
| Total funds carried forward | | <u>-</u> | <u>1,003,676</u> | <u>1,003,676</u> | <u>6,460,600</u> |

* See note 4.

The notes on pages 9 to 13 form part of these accounts.

BackstageTrust

5 April 2016

BALANCE SHEET AS AT 5 APRIL 2016

| | Notes | 2016 £ | 2016 £ | 2015 £ |
|---|-------|------------------|------------------|------------------|
| CURRENT ASSETS | | | | |
| Short term investments | 5 | 3,878,238 | | 7,863,515 |
| Debtors | 6 | 606 | | 476,823 |
| Cash at bank and in hand | | 915,925 | | 794,533 |
| | | <u>4,794,769</u> | | <u>9,134,871</u> |
| LIABILITIES | | | | |
| Creditors - amounts falling due within 1 year | 7 | <u>3,791,093</u> | | <u>2,674,271</u> |
| NET CURRENT ASSETS | | | 1,003,676 | 6,460,600 |
| NET ASSETS | | | <u>1,003,676</u> | <u>6,460,600</u> |
| THE FUNDS OF THE CHARITY: | | | | |
| Endowment funds | 8 | | 1,003,676 | 6,460,600 |
| | | | <u>1,003,676</u> | <u>6,460,600</u> |

Approved by the Trustees on 19th January 2017 and signed on their behalf by:


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TRUSTEE

The notes on pages 9 to 13 form part of these accounts.

BackstageTrust

5 April 2016

CASH FLOW STATEMENT FOR YEAR ENDING 5 APRIL 2016

| | 2016 £ | 2015 £ |
|---|--------------------|------------------|
| Net Movement in Funds per Statement of Financial Activities | (5,456,924) | 725,593 |
| Decrease/(increase) in debtors | 475,000 | (475,000) |
| Increase in creditors | 1,116,822 | 1,773,644 |
| Income from Investments | (46,000) | (54,977) |
| Net cash (used in)/provided by operating activities | (3,911,102) | 1,969,260 |
| Cash flows from Investing Activities | | |
| Income from Investments | 47,217 | 55,089 |
| Net (decrease)/increase in cash and cash equivalents | (3,863,885) | 2,024,349 |

Analysis of the balance of cash as shown in the balance sheet

| | 2016 £ | 2015 £ | Change in year £ |
|---|------------------|------------------|------------------------|
| Cash at bank and in hand | 915,925 | 794,533 | 121,392 |
| Short term investments | 3,878,238 | 7,863,515 | (3,985,277) |
| Cash and cash equivalents at the end of the year | 4,794,163 | 8,658,048 | (3,863,885) |

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS102.

The Trust transitioned from previously extant UK GAAP to FRS102 as at 6 April 2014. No adjustments arose from the transition to FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity

The principal accounting policies adopted are as follows:

a) Income

- (i) Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Interest is recorded on an accruals basis.

b) Grants payable

Grants for which there is a legally binding commitment are accounted for within the Statement of Financial Activities. Payments that are due within one year of the year-end date are included within grants payable in the Statement of Financial Activities.

Other grants are accounted for in the Statement of Financial Activities when conditions attaching to the grant are fulfilled. Grants approved subject to conditions that have not been met at the year-end are noted as a commitment but not accrued as expenditure.

c) Support costs

Most of these costs support the grant-making activity of the Trust and are so allocated.

d) Charitable activity

The Trustees consider that grant-making is the Trust's sole charitable activity.

e) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant.

f) Gift of Staff Time

Individuals employed by Lady Sainsbury provide various services towards the running of the Trust. The cost of their time is recognised as a gift as well as shown as an expense based on an estimate of time incurred by the staff involved.

g) Funds

Funds represent cash or cash equivalents held with UK banks

NOTES TO THE ACCOUNTS (continued)

1. ACCOUNTING POLICIES (continued)

h) Financial Instruments

The Trust has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method. Financial assets held at amortised costs comprise cash at bank and in hand, accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals.

At the balance sheet date the charity held financial assets at amortised costs of £4,794,769 (2015: £8,659,871) and financial liabilities at amortised cost of £3,791,093 (2015: £2,674,271)

i) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Trust's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimated uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

j) Cash and Cash Equivalents

Cash and cash equivalents include cash at bank, cash held for reinvestment and on call deposits.

2. GRANT EXPENDITURE

| | 2016 £ | 2015 £ |
|---|------------------|------------------|
| Reconciliation of grants payable: | | |
| Commitments at 6 April 2015 | 2,660,840 | 890,980 |
| Grants approved in the year | 7,128,932 | 3,291,288 |
| Grants approved in prior year | 973,340 | 1,370,000 |
| Grants not accrued at 5 April 2016 | (990,479) | (973,340) |
| | 7,111,793 | 3,687,948 |
| Grants payable for the year | 9,772,633 | 4,578,928 |
| Grants paid during the year | (5,992,690) | (1,918,088) |
| Commitments at 5 April 2016 due within one year (note 7) | 3,779,943 | 2,660,840 |

NOTES TO THE ACCOUNTS (continued)

2. GRANT EXPENDITURE (continued)

| | 2016 £ |
|---|------------------|
| Royal Academy of Music | 5,250,000 |
| Royal Shakespeare Company | 1,250,000 |
| Shoreditch Town Hall | 1,000,000 |
| StreetInvest | 663,608 |
| Tricycle Theatre Co | 425,750 |
| 14-18NOW | 215,000 |
| Hightide Theatre Festival | 210,000 |
| Brighton Dome and Festival | 150,000 |
| EGO Performance Company | 134,000 |
| Ithaka Productions | 96,544 |
| Papatango Theatre Company | 60,000 |
| Young Vic Charity | 50,000 |
| Academy of Ancient Music | 40,000 |
| Punchdrunk | 30,000 |
| Gate Theatre Charity | 28,180 |
| Academy of St Martin in the Field | 25,000 |
| Eastern Angles | 25,000 |
| Soho Theatre | 20,000 |
| Chrisalys Circus | 15,435 |
| Clean Break | 15,000 |
| Fine Line Productions | 10,000 |
| North Wall Arts Centre | 10,000 |
| Grants up to £10,000 were also made | 49,116 |
| Total Grants Payable per Statement of Financial Activities | 9,772,633 |

3. ALLOCATION OF SUPPORT COSTS

| | Charitable Activity | Governance | 2016 Total | 2015 Total |
|-----------------------------|------------------------|--------------|---------------|---------------|
| | £ | £ | £ | £ |
| Bank fees | 735 | - | 735 | 424 |
| Gift of Staff Time | 26,169 | - | 26,169 | 26,184 |
| Other direct costs | 324 | - | 324 | 120 |
| Legal and professional fees | 7,293 | 2,019 | 9,312 | 10,333 |
| Auditors' remuneration | - | 5,760 | 5,760 | 5,040 |
| | 34,521 | 7,779 | 42,300 | 42,101 |

Included above is £8,082 (2015 £9,110) payable for legal services to Portrait Solicitors, a firm in which Mr Dominic Flynn is a partner and £26,169 (2015 £26,184) being the estimated cost of services provided by employees of Lady Sainsbury. No Trustees received remuneration or were reimbursed expenses during the year.

NOTES TO THE ACCOUNTS (continued)

4. STATEMENT OF FINANCIAL ACTIVITIES FOR THE 12 MONTHS ENDED 5 APRIL 2015

| | Unrestricted Funds | Endowment Funds | Total Funds 2015 |
|------------------------------------|-----------------------|--------------------|------------------------|
| | £ | £ | |
| Income: | | | |
| Donations and gifts | 26,184 | 4,375,000 | 4,401,184 |
| Investments | 54,977 | - | 54,977 |
| Total Income | 81,161 | 4,375,000 | 4,456,161 |
| Expenditure: | | | |
| Cost of Raising Funds | | | |
| Investment management fee | - | 519 | 519 |
| Charitable activities | | | |
| Grant-making | 3,687,948 | - | 3,687,948 |
| Grant related support costs | 42,101 | - | 42,101 |
| Cost of charitable activities | 3,730,049 | - | 3,730,049 |
| Total Expenditure | 3,730,049 | 519 | 3,730,568 |
| Net (Expenditure)/Income | (3,648,888) | 4,374,481 | 725,593 |
| Transfers between funds | 3,648,888 | (3,648,888) | - |
| Net movement in funds | - | 725,593 | 725,593 |
| Total funds brought forward | - | 5,735,007 | 5,735,007 |
| Total funds carried forward | - | 6,460,600 | 6,460,600 |

5. SHORT TERM INVESTMENTS

| | 2016 | 2015 |
|--|-----------|-----------|
| | £ | £ |
| Instant access call accounts with UK banks | 3,878,238 | 7,863,515 |

6. DEBTORS

| | 2016 | 2015 |
|-----------------------------|------------|----------------|
| | £ | £ |
| Gift aid tax repayment | - | 475,000 |
| Accrued interest receivable | 606 | 1,823 |
| | 606 | 476,823 |

NOTES TO THE ACCOUNTS (continued)

7. CREDITORS

| | 2016 | 2015 |
|-------------------------|------------------|------------------|
| | £ | £ |
| Grants payable (note 2) | 3,779,943 | 2,660,840 |
| Legal fees | 6,109 | 9,110 |
| Audit fees | 5,041 | 4,321 |
| | <u>3,791,093</u> | <u>2,674,271</u> |

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds | Expendable Endowment | Totals 2016 |
|--|--------------------|----------------------|------------------|
| | £ | £ | £ |
| Fund balances at 5 April 2016 are represented by : | | | |
| Current assets | 3,791,093 | 1,003,676 | 4,794,769 |
| Current liabilities | (3,791,093) | - | (3,791,093) |
| Total net assets | <u>-</u> | <u>1,003,676</u> | <u>1,003,676</u> |

9. RELATED PARTY TRANSACTIONS

Donations from the Trustees totalling £500,000 (2015 £1,900,000) were received during the year plus as more fully explained in note 3, the other related party transactions were the payment for legal services by Portrait Solicitors, of whom Dominic Flynn is a partner and services provided by employees of Lady Sainsbury.

10. CONTINGENT LIABILITIES

At 5 April 2016, grants approved amounting to £990,479 (2015 £973,340) which fall due to be paid more than 12 months after the balance sheet date have not been accounted for as they are subject to conditions that have not been met at the year-end.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Independent Auditor's Report to the Trustees of Backstage Trust

We have audited the financial statements of Backstage Trust for the year ended 5 April 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes numbered 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and FRS102, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2016 and of its outgoing resources and application of resources for the year then ended;
- have been properly prepared in accordance with FRS102, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

5 April 2016

Independent Auditor's Report to the Trustees of Backstage Trust (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Crowe Clark Whitehill LLP

Crowe Clark Whitehill LLP
Statutory Auditor
London

23.1.17

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.