
WAKEFIELD THEATRE TRUST

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 March 2018

Company Registration Number 1173859
Registered Charity Number 503597

WAKEFIELD THEATRE TRUST

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WAKEFIELD THEATRE TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION AS AT 31 MARCH 2018

Charity name: Wakefield Theatre Trust

Charity number: 503597

Company number: 1173859

Registered office and principal address: Wakefield Theatre Royal
Drury Lane
Wakefield
WF1 2TE

Directors/Trustees:

Lindsey Davies ●

Gill Galdins + ● Chair

Dennis Gillibrand (Resigned 12 September 2017)

John Godber Creative Director

John Horvath + ●

Jon Ingham + ●

Pat Langham ●

Claire Lawton + ○

Kathryn Morgan +

Olivia Rowley + (WMDC representative to 31 March 2018)

Sue Slassor

Jacqueline Speight ● (WMDC representative)

Timothy Welton ●

Susan Williams + ○ Deputy Chair

Committee key:-

Finance & General Purposes +

Audit ○

Fundraising ●

Company secretary Katherine Town

Key management personnel:

Executive Director Katherine Town

Head of Finance and Operations: Rosie Dewsbury

Head of Fundraising and Partnerships: Jon Ingham

Head of Learning and Participation: Rhiannon Hannon (returned from Maternity leave 1 February 2018)
Aoibheann Kelly (contract ended 2 February 2018)

Advisors:

Bankers HSBC Bank PLC
Sheffield DSC
Northgate Court
6 Cumberland Way
Sheffield, S1 4NA

Auditors: Saffery Champness LLP
Mitre House
North Park Road
Harrogate HG1 5RX

Solicitors: Chadwick Lawrence LLP
Paragon Business Village
Red Hall Crescent
Wakefield WF1 2DF

WAKEFIELD THEATRE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2018 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Chair's Report

At the 2017 AGM Dennis Gillibrand retired from the Board at the end of two terms of office as Chair, totalling 7 years. The Theatre is immensely grateful to Dennis for his work steering the Theatre through many changes and helping to build the current strong position. On his retirement I was delighted to move into the role of Chair, with Sue Williams stepping into the role of Deputy Chair that I had previously occupied.

Everyone at the Theatre would like to thank Cllr. Olivia Rowley for her nine years of loyal service on the Board as one of our two representatives from Wakefield Council. Olivia left the Board at the end of the Council's municipal year, but remains a strong supporter of the Theatre and we look forward to seeing her at many future performances. We are delighted that the Leader of the Council, Cllr Peter Box, will join the Theatre's Board of Trustees from April 2018.

The Theatre has enjoyed some significant successes this year. Our co-produced work with the John Godber Company gained greater profile. *The Kings of Hull* played to packed houses at Hull New Theatre during the year of Hull City of Culture and we have been invited to return in autumn 2018 with a sequel continuing the story of the King family. *The Scary Bikers* was commissioned by Sky Arts, as one of 50 artworks commissioned to explore what it will mean to be British as Brexit occurs.

The profile of Theatre Royal Wakefield's learning and participation also significantly increased during the year. Theatre Royal Performance Academy was awarded the Jenny Harris Award by the National Theatre Foundation for excellence in performing arts education. We increased our participatory activities by opening a third Performance Academy and developing more performance opportunities for our young company, In on the Act.

During the year we have given priority to fundraising for and building the Centre for Creativity reaching out to our business community, local people and other partners who have generously supported us in a variety of ways from attending our fundraising initiatives like our annual gala dinner, to contributing to the finances required to build the Centre for Creativity. At the year end the Centre was nearing completion and opened fully in summer 2018. The Theatre is strongly positioned as a valuable community asset for Wakefield and I am looking forward to working with the Board our staff, partners and supporters in the year ahead.

Gill Galdins
Chair of the Trustees

Aims and Activities

Vision

We achieve great art, accessible to all.
We believe the arts should fundamentally be enjoyable, memorable and enrich people's lives.

Mission

To develop new creative opportunities and experiences both within the theatre building, throughout the wider community and on tour, encouraging high quality engagement across a broad sector of the Performing Arts

Principal activity

The company's principal activity during the year was the presentation of a wide range of professional and amateur performances including drama, music, comedy, dance and the annual pantomime. Participatory arts work continues to play a vital part in the Trust's overall artistic programme. Key to the achievement of our mission is the need to encourage active participation both in the performance programme and in creative participation activities. The Directors understand, and acknowledge, the guidance provided by the Charity

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Commission and believe that their activities provide both social and economic benefits as well as the educational elements referred to above.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Theatre relies on grants and the income from fees and charges to cover its operating costs. Affordability and access to our programme is important to us, we work to keep ticket prices low and ensure that Learning and Participation activities are free or have bursaries available.

We endeavour to encourage all within our community to take part in our activities and to attend our theatre. The company aims to promote an artistic policy that encourages audiences to expand their awareness of what the arts has to offer in a variety of forms. Innovation and artistic development are key features to ensure that the Theatre is constantly being reinvigorated whilst ensuring effective risk management, thereby avoiding excessive exposure.

The Trust is very involved in the community and relies on voluntary help. Besides those amateur performers and artists who display their talents on the Theatre's stage, 120 people volunteered their time to the Theatre during the year. 77 volunteers assist with stewarding events and performances and we wish to thank them for their loyal support and excellent service provided to our audiences.

Achievements and Performance

In 2017/18 we continued to programme the best of UK touring theatre, including a focus on family friendly programming and new drama. Attendances at Theatre Royal Wakefield were 72,741 at 254 performances, 61% capacity (2016/17: 79,600; 246; 65%). In addition, 13,315 saw our productions on tour across the UK and a further 8,280 watched our production of John Godber's *The Kings of Hull* at Hull New Theatre as part of Hull City of Culture.

In addition to *The Kings of Hull*, we co-produced *The Scary Bikers* with The John Godber Company, which premiered in Wakefield before touring across the country (with the tour concluding in April 2018). *The Scary Bikers* was commissioned by Sky Arts as part of Art 50, which commissioned pieces of work saying something important about what it will mean to be British after we leave the European Union. The year started with the completion of *The Empty Nesters* tour and we also toured Jim Cartwright's *Stand Up Stand Up* to critical acclaim.

The highlight of Theatre Royal Wakefield's season for many people in the District is our annual pantomime. *Aladdin* was an extremely successful pantomime for the Theatre both financially and artistically. The pantomime was the Trust's fifteenth in-house pantomime and due to audience reaction we extended the run to play for 6.5 weeks. During the 81 performances we played to 30,006 people (2016/17: 28,657 people over 69 performances).

Our work with young people remains a vital part of our creative programme, the highest profile of this activity is our annual youth musical production with a professional creative team, which this year was *Our House*. This played in August/September to 2,847 people across 11 performances and was greeted by audiences with standing ovations. Our weekly Performance Academies and In on the Act (18-30 year olds) sessions have continued and all the young people taking part have had the opportunity to perform in on-stage showcases at Theatre Royal Wakefield. Through all these projects we have helped local young people to develop their talent and creativity, and to raise their aspirations. They have also developed life-skills through the team-work, confidence building and presentation skills required for performances.

The Performance Academy provides 36 weekly sessions annually to 200 young people across the Wakefield District for an age range of 7-19, with Performance Academy Kidz for those aged 4-7 years. The quality of the training provided by the Performance Academy was recognised with Theatre Royal Wakefield being awarded the Jenny Harris Award for excellence in performing arts education by the National Theatre Foundation. During the year we also launched a third Academy, responding to the waiting list for our two established centres. The Jenny Harris Award enabled us to launch the third Academy with bursary provision. We awarded bursaries worth £28k to enable participation by disadvantaged young people who would not otherwise be able to take part.

During the year the profile of In on the Act has increased. The company was commissioned by the National Coal Mining Museum of England to devise a site specific piece of theatre about the Bevin Boys and the nationalisation of the coal mining industry. *We Also Served* was initially performed during the Easter weekend

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

and was then revived in the summer. The piece was performed 18 times across the two runs, to audiences of over 800 people. In July In on the Act performed Rona Munro's *Scuttlers* at Theatre Royal Wakefield.

The use of the Theatre by local societies and organisations represents an important part of the programme and we are proud to showcase the local talent on our stage. These include the annual festival of full length plays and performances by schools and colleges, local drama and operatic societies, theatre and dance schools and the annual Wakefield College Performing Arts Festival that provides a stage for the College's end-of-year student shows.

During the year we entered into two new three-year partnerships; one with the National Theatre (the NT) and one with Mind the Gap (MtG). The NT's Theatre Nation Partnerships will work in just six areas across the country and Wakefield was selected due to the strength of our programme and the opportunities to increase engagement with the performing arts in the District. During the three years, Theatre Royal Wakefield will collaborate with the NT to develop and broaden engagement in theatre. During this first year of the partnership the NT's production of *Macbeth* was toured to six Wakefield secondary schools, performing to 910 young people, supported by training for teachers. The MtG partnership, 'Chime', is funded by The Youth Music Fund and allows us to run a participation programme with young learning disabled participants (aged 14-25 years) with a focus on music as a route into the performing arts. The project consists of a series of one, two or three day masterclasses for up to fifteen participants working intensively to develop skills and improve confidence. The project will allow us to develop our capacity and understanding of working with learning disabled participants, as well as developing further partnerships with local organisations working with learning disabled participants.

From January 2018 Theatre Royal Wakefield entered a 12-month partnership with Leeds based Red Ladder Theatre Company. We are working with Red Ladder to deliver their Northern Social Circuit programme in the Wakefield District, addressing under representation of theatre audiences from working class backgrounds. The programme takes new plays into non-theatre community venues; removing barriers that can prevent some people from accessing theatre – whether that's pricing, location or perception of who theatre is for.

In addition, we continued to develop the 'Passport to Theatre' programme of theatre visits supported by talks and events relevant to each chosen performance. This programme is designed to increase social activity, arts engagement and mental health wellbeing. Building on work started in 2016/17, the Learning and Participation team developed a range of more in-depth activities to engage participants from specific groups. This has resulted in senior citizens being able see their own life stories captured on film. It has also provided the opportunity to work with mental health service in-patients at Fieldhead Hospital to develop their creative and social skills. Working with a small number of patients enabled this work to have deep impact and be transformative to the individuals taking part.

We were proud to be commissioned by Wakefield Council as part of Culture Cures to develop and produce a new interactive performance for pre-school children and their families addressing school readiness. Performances of the resulting play, *Jimmy Scroggins - School Ready Superstar!*, in local community settings across the District commenced in March 2018 and will be completed in May 2018.

Wakefield Council also supported the Theatre with a revenue grant of £100k in 2017/18 and a capital grant of £200k to our new Centre for Creativity. Furthermore, Wakefield Council has committed to funding in 2018/19 of a one-off revenue grant of £75k and a one-off capital grant of £30k towards a new theatrical sound in the Matcham Auditorium. We remain very grateful to the local Council for the support given to the creative arts in the District.

Fundraising is a key activity for the ongoing viability of Theatre. We ensure that our fundraising complies with industry best practice. This includes maintaining strong relationships with donors and keeping them fully informed about how their donations are used. The fundraising team raised a total of £143,621 (excluding funds raised for capital works), resulting in a contribution of £115,569 following project costs (excluding salaries) (2016/17: £130,555; £108,242 contribution). This was a very strong performance by a small team, alongside significant capital fundraising for the construction of the Centre for Creativity.

The Theatre's fundraising portfolio features the annual Gala Dinner and Variety Performance, Golf Day and the Wakefield Annual Charity Christmas Lunch (WACCL), together with a programme of Pantomime-related fundraising. The programme includes funding for Performance Academy bursaries and Passport to Theatre activities. The Theatre has also developed a growing base of individual supporters through a number of successful campaigns, including the Big Give Christmas Challenge. Our Corporate Partnership programme

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and business advertising engaged with 36 companies, although this was a reduction in number of supporters from 2016/17 (2016/17: 42), a number of corporate partners enhanced their level of support, including funding for the Centre for Creativity. Maintaining strong relationships with our corporate partners continues to be a large focus of our fundraising efforts.

Maintaining audience interest across a wide range of the performing arts is an essential part of the Trust's creative and financial strategy, but in doing so the Trust must continue to offer a variety of experiences and this involves risk. There are a number of strategies that are adopted for effectively managing the risk. Aligning policy with those of funders and other external agencies helps, but ultimately it is about what is right for Wakefield in terms of audience and community development. The Trust's long term sustainability depends on ensuring that the relationships between audiences and programme remain strong and well balanced. Our increasingly diverse business model holds the key to ensuring a sustainable future for the theatre.

Financial Review

The prevailing operational climate remains extremely challenging. This challenge has been increased by running a capital giving campaign for the Centre for Creativity alongside revenue giving and operating the Theatre alongside construction. Despite these factors the Trust has had a successful financial year. During the year the theatre has once more reduced its accumulated unrestricted deficit by £63,221 and continued to build the financial resilience of the organisation.

The Trust held cash at the end of the period of £515,379 (2016/17: £350,355). Of this sum £110,131 of cash is restricted for particular purposes, including £110,041 for future capital development of the theatre. At the end of the period net assets of £1,533,389 (2016/17: £965,410) were held.

The unrestricted deficit at the end of the period is £10,731 compared to an opening deficit of £73,952. At the close of 2015/16 the deficit on unrestricted funds was £153,767. During these two years the deficit has been reduced by £143,036 or 93%.

In economic terms *Theatre Royal Wakefield* makes an important contribution to the cultural life of the District and, thereby, to the attractiveness of the area for inward investment. To sustain a successful 499-seat theatre that provides an inspiring creative programme and engages with the local community on a regular and on-going basis, requires a level of income, whether earned, donated and grant funded, that recognises the economic realities involved. Everyone involved with the Theatre – staff, board members and volunteers – are committed to delivering a sustainable future with the help of all those who believe that a theatre is a vital cultural asset that should be supported and nurtured for generations to come.

The Pension Scheme for Administrative and Technical Staff in the Arts (PSATSA) of which the Trust is a contributory employer continues to require monthly payments from the Trust to fund their portion of the pension deficit. The monthly sum amounts to £852. The timescale for the recovery plan will cease on 31 May 2024 in order to clear the deficit.

Reserves Policy and Going Concern

The charitable company and group recognise that operating a venue and touring theatrical productions in the 21st century arts industry is a variable activity. Levels of income and expenditure can fluctuate significantly, despite the best endeavours of staff and board members. A downturn in business can happen relatively quickly, and may sustain itself over many months or even a number of years. The operation of a theatre venue is also subject to various risks, some of which may result in an interruption of business. The company holds business interruption insurance but any payment of this will not be immediate. Under these circumstances reserves would be required to cash flow the operation of the business, effect possible emergency repairs, pay salaries and wages and cover other unexpected items of major expenditure. The Trustees therefore believe that reserves equivalent to three months basic operating costs are required. In 2017/18 this amounted to £200,000.

The Trustees are aware that there is a lack of free reserves. The Theatre ended 2016/17 with an accumulated deficit of £73,952 on unrestricted funds. During the year significant improvements were made to the financial position and the Trust closes 2017/18 with an accumulated deficit of £10,731 on unrestricted funds. This is an improvement of £63,221 on the accumulated deficit and is the second year in a row that the deficit has been reduced. Recovering from this deficit position is a priority, however the current economic climate presents a number of challenges to achieving this in the short term. The Trust is reviewing how to achieve the reserves position within the 5-year business planning cycle.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The Trustees are endeavouring to further improve the sustainability of the Theatre with a combination of measures, by offering a creative programme that caters for broader audiences, working closely with our local authority partners and advocates of the arts to ensure their continued support. Our consolidated balance sheet remains strong with net assets of £1,533,389 (or net current assets of £55,083, included within these assets are advance ticket sales for shows in 2018/19) and ownership of the theatre building.

The Trustees have reviewed the circumstances of the Wakefield Theatre Trust and group, including reviewing current and forecast financial information and the relationship with funders, and consider that adequate resources continue to be available to fund the activities of the Trust and the group for the foreseeable future. The Trustees are of the view that Trust and group are a going concern.

Plans for future periods

During the year the construction was commenced for the Centre for Creativity, an extension designed by Halliday Clark Architects. After competitive tender the contract was awarded to Bermar Building Company Ltd, construction took place during the financial year and was nearing completion at year end. When completed the Centre for Creativity, will attract talented new artists and enable the very best in arts education to take place. The new Centre for Creativity will offer young artistic talent a creative space to write, prepare and showcase their talent within a new studio theatre. It will also provide a major extension to Theatre Royal Wakefield with direct public access from Westgate into the theatre's foyer and stalls seating area. It will provide increased hospitality facilities, which will help to transform the audience's journey through the theatre, allow artists to engage with audience members and increase the Trust's sustainability.

During the year we continued to develop relationships with artists to diversify the Trust's artistic output in preparation for programming the new Centre for Creativity and piloted new activities that will take place in the Centre.

Throughout the year we continued fundraising for the extension, from trusts and foundations, and with a public fundraising campaign inviting individuals and corporate donors to Buy A Star on our new extension's Wall of Fame. During the year we have invested £632,046 in building the extension and raised £601,277.

Construction will be completed at the start of 2018/19, when fit out of the extension can commence. At year end fundraising continues to fully fund the technical equipment required for the new Centre for Creativity. After some test events and fitting out, the Centre will fully open during 2018/19. The creative programme will be rolled out with the ambition to deliver: new art, new artists, new audiences.

Structure, governance and management

The Company is constituted as a Company Limited by Guarantee and having Charitable Status. The governing instrument is the Memorandum & Articles of Association.

Appointment of Directors/Trustees

The Directors (Trustees) are initially appointed by the Board and their appointment ratified at the next Annual General Meeting of all the company's members.

Currently there are 13 Directors, 2 of whom are nominated for appointment by Wakefield Metropolitan District Council annually. Others are appointed for their professional, business, creative or community experience in line with the Trust's need to ensure that it has all relevant expertise consistent with its principal role(s). A "Role and Specification" for Trustees has been drawn up and is the document that governs appointments and the conduct of Trustees. The maximum term of appointment is 10 years, served in three terms of 4, 3 and 3 years. This ensures that talented and committed Trustees can be retained whilst also encouraging change on a managed basis and offering opportunities for new people to become involved.

Recruitment is carried out on the basis of a skills audit and appropriate job descriptions are prepared. Applicants are then short-listed and interviewed with recommendations for appointment being made to the Board. Trustees make a personal commitment to participate in the company's activities, attend performances and meet with the staff.

The Chair is Gill Galdins, the Deputy Chair is Sue Williams and Sir Rodney Walker is Life President of the company, recognising his unique contribution to the establishment of theatre in Wakefield.

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Once appointed, new Directors are encouraged to participate in at least one of the sub-committees and engage with the senior staff team. Appropriate training is offered as and when specific changes occur, to ensure that Directors are completely conversant with their role and responsibilities.

Organisation and Structure

The charity owns 100% of the ordinary share capital of TRW Productions Limited, which develops, produces and runs productions for Wakefield Theatre Trust.

Day to day management of the Trust's business is vested in the Executive Director. The Executive Director reports to quarterly meetings of the Board. In addition, there are two Sub-Committees being Finance & General Purposes and Fundraising, which have specific powers and report back to the Board.

The Executive Director leads the executive management team, which includes the Head of Finance and Operations, Head of Fundraising and Partnerships and Head of Learning and Participation. The executive management team have responsibility for carrying out the Trust's business within the approved policies and budgets.

The Theatre continues to make an important contribution to the wider cultural agenda in Wakefield and West Yorkshire and the furtherance of specific policy objectives in the region. As a performing arts educational charity a clear focus is work for, with and by young people both in the theatre and within the various communities of the district.

Pay policy for senior staff

The board of directors, who are the Trust's Trustees, and the executive team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. Details of directors' expenses and related party transactions are disclosed in notes 13 and 14 to the accounts.

The pay of staff is reviewed annually and any increases are in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other provincial theatres and cultural organisations of a similar size.

Risk management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to mitigate these risks. Governance risks have been addressed by developing the Board of Trustees to support operational areas (such as trading activities). Operational risks are addressed through line management and budget control systems and through comprehensive and regularly reviewed policies in relation to key issues such as health and safety. Financial risks are addressed through regular monitoring by the Finance Committee and full Board, with the overall budget receiving a full reappraisal on a quarterly basis. Where necessary, insurance cover complements and supports other risk reduction mechanisms. External risks and questions of compliance are addressed by maintaining a strong relationship with key funders and regular contact with support and regulation agencies, and by promoting positive PR about the Trust and its programme.

Arts and cultural activity is an inherently risky business and thus controlling costs and maximising revenues from all sources hold the key to sustainability. However, effective organisational development requires the Trust to be innovative and thought provoking, which is not always wholly consistent with this objective. By effectively balancing the artistic programme and constantly seeking new forms of income from outside sources, as well as sharing risk whenever possible, the Trust strives to work within the resources available.

Auditors

Saffery Champness LLP have expressed their willingness to remain in office as auditors of the trust.

The report was approved by the Board of Trustees on 4 September 2018 and signed on its behalf by


.....
Gill Galdins
Trustee

WAKEFIELD THEATRE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2018

The Trustees (who are also directors of Wakefield Theatre Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WAKEFIELD THEATRE TRUST FOR THE YEAR ENDED 31 MARCH 2018**

Opinion

We have audited the financial statements of Wakefield Theatre Trust for the year ended 31 March 2018 which comprise the consolidated statement of financial activities including income and expenditure account, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2018 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable 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 Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Trustee's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WAKEFIELD THEATRE TRUST FOR THE YEAR ENDED 31 MARCH 2018**

- the Trustees' Annual Report which includes the Trustees' 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 the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- the group or 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 8, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WAKEFIELD THEATRE TRUST FOR THE YEAR ENDED 31 MARCH 2018**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor's under the Companies Act 2006 and report in accordance with that Act.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members and the Trustees, 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 and 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 charitable company, the charitable company's members and Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Sally Appleton BA (Hons) FCA (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

Chartered Accountants

Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

Statutory Auditors

Date: 11/4/18

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

WAKEFIELD THEATRE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2018

	Note	Unrestricted Fund	Restricted Fund	2018 Total	2017 Total
		£	£	£	£
Income from:					
Donations and legacies	5	110,000	506,598	616,598	292,064
Income from charitable activities	6	1,460,197	-	1,460,197	1,470,917
Income from other trading activities	7	303,917	25,938	329,855	343,584
Investment income		577	-	577	299
Total income		<u>1,874,691</u>	<u>532,536</u>	<u>2,407,227</u>	<u>2,106,864</u>
Expenditure on:					
Charitable activities	8	1,682,801	38,724	1,721,525	1,849,739
Raising funds	8	161,745	7,392	169,137	159,023
Total expenditure		<u>1,844,546</u>	<u>46,116</u>	<u>1,890,662</u>	<u>2,008,762</u>
Net income for the year		30,145	486,420	516,565	98,102
Transfer between funds		(18,337)	18,337	-	-
Corporation tax owed	11	<u>51,413</u>	<u>-</u>	<u>51,413</u>	<u>62,366</u>
Net movement in funds		63,221	504,757	567,978	160,468
Reconciliation of funds:					
Total funds brought forward		<u>(73,952)</u>	<u>1,039,362</u>	<u>965,410</u>	<u>804,942</u>
Total funds carried forward		<u>(10,731)</u>	<u>1,544,119</u>	<u>1,533,388</u>	<u>965,410</u>

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

There were no activities acquired or discontinued during either of the above two financial years.

WAKEFIELD THEATRE TRUST
(Company number 1173859)

BALANCE SHEET AS AT 31 MARCH 2018

	Notes	Group		Charity	
		2018 £	2017 £	2018 £	2017 £
Fixed assets					
Tangible assets	15	1,626,906	983,439	1,626,906	983,439
Investment in subsidiary	16	<u>-</u>	<u>-</u>	<u>10</u>	<u>10</u>
		1,626,906	983,439	1,626,916	983,449
Current assets					
Stocks	17	3,960	4,051	3,960	4,051
Debtors and prepayments	18	219,910	209,610	165,990	144,746
Cash at bank and in hand		<u>515,378</u>	<u>350,355</u>	<u>515,333</u>	<u>350,355</u>
		739,248	564,016	685,283	499,152
Creditors					
Amounts falling due within one year	19	<u>(684,165)</u>	<u>(494,210)</u>	<u>(681,615)</u>	<u>(489,121)</u>
Net current assets		<u>55,083</u>	<u>69,806</u>	<u>3,668</u>	<u>10,031</u>
Creditors					
Amounts falling due after more than one year	19	(148,601)	(87,835)	(148,601)	(87,835)
Net assets		<u>1,533,388</u>	<u>965,410</u>	<u>1,481,983</u>	<u>905,645</u>
Funds					
Unrestricted	21	(10,731)	(73,952)	(62,136)	(133,717)
Restricted	22	<u>1,544,119</u>	<u>1,039,362</u>	<u>1,544,119</u>	<u>1,039,362</u>
Total funds		<u>1,533,388</u>	<u>965,410</u>	<u>1,481,983</u>	<u>905,645</u>

The financial statements were approved by the Trustees on 4 Sept 2018 and signed on their behalf.



Gill Galdins
Chair



Claire Lawton
Trustee

The notes on pages 15 to 31 form part of these accounts.

WAKEFIELD THEATRE TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Cash generated by operating activities	27	839,823	223,383
Cash flows from investing activities			
Interest income		577	299
Purchase of tangible fixed assets	15	(675,376)	(113,103)
Cash used in investing activities		(674,799)	(112,804)
Cash used in financing activities			
Increase in cash and cash equivalent in the year		<u>165,024</u>	<u>110,579</u>
Cash and cash equivalent at the beginning of the year		<u>350,354</u>	<u>239,775</u>
Cash and cash equivalent at the end of the year		<u>515,378</u>	<u>350,354</u>

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wakefield Theatre Trust meets the definition of a public benefit entity under FRS 102.

Preparation of the accounts on a going concern basis

Without the support of our loyal supporters it is doubtful that the Trust could continue operating. The Trustees are endeavouring to ensure the success with a combination of measures by offering a creative programme that caters for broad audiences, working closely with advocates of the arts to ensure their continued support. Our consolidated balance sheet remains strong with net assets of £1,533,388 (or net current assets of £55,084) and ownership of the theatre building. The Trustees have reviewed the circumstances of the Wakefield Theatre Trust and group, including reviewing current and forecast financial information, the relationship with funders, and the Trust's reserves policy (as set out on page 5). The Trustees consider that adequate resources continue to be available to fund the activities of the Trust and the group for the foreseeable future. The Trustees are of the view that the Trust and group are a going concern.

Basis of consolidation

The group consolidates the financial statements of the charity and its subsidiary undertaking line by line. A separate Statement of Financial Activities and Income and Expenditure Account has been presented for the charity in note 4.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income, it is probable that income will be received and the amount can be measured reliably.

Donations

Grants/donations, including local government grants, are recognised in incoming resources in the year in which they are receivable, except as follows:

- When donors specify that grants/donations given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use are met.

Investment income is recognised on a receivable basis.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised. The Trustees' annual report includes more information about their contribution. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting policies (continued)

Income from charitable activities

Theatre income – income from box office, performance fees and sundry other theatrical income is included in incoming resources in the period in which the relevant show takes place.

Project specific funding – when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Resources expended

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when there is a legal or constructive obligation to incur the costs.

Costs of generating funds

Costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Support costs

The administrative and overhead costs associated with running the office from which the company operates. An allocation has been made to the costs of generating funds based upon the estimated usage. The balance is charged to charitable activities.

Governance costs

Costs associated with the constitutional and statutory requirements of the charity are recognised within charitable activities.

Current taxation

The company is a registered charity and therefore not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The subsidiary company is claiming theatre tax relief in respect of production costs incurred during the year.

Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost.

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

Freehold land and buildings	-	straight line over fifty years
Fixtures, fittings and equipment	-	10-20% on cost/15% on reducing balance
Motor vehicles	-	20% on cost

No depreciation has been charged against the Centre for Creativity during the year as construction work was still ongoing at the year end date and the asset was therefore not ready for its intended use.

Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

Production costs in advance

Costs incurred in respect of a theatre production which opens in the following accounting period, and which are not covered by restricted fund income, are carried forward at the balance sheet date.

Fund accounting

Funds held by the charity are either:

Unrestricted General funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting policies (continued)

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Pension costs

Defined contribution scheme

Wakefield Theatre Trust contributes to defined contribution pension schemes including to individual personal pensions. The assets of the schemes are held separately from those of the charity. Pension costs charged in the statement of financial activities in respect of pension costs are the contributions payable in the year.

Defined benefit scheme

The Company participates in a defined benefit scheme but is unable to identify its share of the underlying assets and liabilities. The pension costs charged to the statement of financial activities are the contributions payable to the scheme in respect of the accounting period. Further details relating to this scheme are set out in note 13.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The trust only 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 their settlement value.

2. Legal status

The company, incorporated in the United Kingdom (company number 1173859), is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31 March 2018 there were 23 members.

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

3. Comparative Statement of Financial Activities

	Unrestricted Fund £	Restricted Fund £	2017 Total £
Income from:			
Donations and legacies	102,000	190,064	292,064
Income from charitable activities	1,459,233	11,684	1,470,917
Income from other trading activities	310,591	32,993	343,584
Investment income	299	-	299
	<hr/>	<hr/>	<hr/>
Total income	1,872,123	234,741	2,106,864
	<hr/>	<hr/>	<hr/>
Expenditure on:			
Charitable activities	1,702,806	146,933	1,849,739
Raising funds	<u>151,868</u>	<u>7,155</u>	<u>159,023</u>
Total expenditure	1,854,674	154,088	2,008,762
	<hr/>	<hr/>	<hr/>
Net income for the year	17,449	80,653	98,102
Transfer between funds	-	-	-
Corporation tax owed	<u>62,366</u>	<u>-</u>	<u>62,366</u>
Net movement in funds	79,815	80,653	160,468
Reconciliation of funds:			
Total funds brought forward	<u>(153,767)</u>	<u>958,709</u>	<u>804,942</u>
	<hr/>	<hr/>	<hr/>
Total funds carried forward	<u>(73,952)</u>	<u>1,039,362</u>	<u>965,410</u>
	<hr/>	<hr/>	<hr/>

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

4. Charity statement of financial activities

	Unrestricted Fund	Restricted Fund	2018 Total	2017 Total
	£	£	£	£
Income				
Donations and legacies	110,000	506,598	610,998	292,064
Charitable activities	2,077,886	-	2,077,886	2,097,850
Other trading activities	303,917	25,938	335,455	343,584
Investment income	577	-	577	299
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total income	<u>2,492,380</u>	<u>532,536</u>	<u>3,024,916</u>	<u>2,733,797</u>
Expenditure				
Charitable activities	2,239,142	38,724	2,277,866	2,432,487
Raising funds	163,321	7,392	170,713	172,496
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditure	<u>2,402,463</u>	<u>46,116</u>	<u>2,448,579</u>	<u>2,604,983</u>
Net income for the year	89,917	486,420	576,337	128,814
Transfer between funds	(18,337)	18,337	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net movements in funds	71,580	504,757	576,337	128,814
Total funds brought forward	(133,716)	1,039,362	905,646	776,831
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds carried forward	<u>(62,136)</u>	<u>1,544,119</u>	<u>1,481,983</u>	<u>905,645</u>

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

There were no activities acquired or discontinued during either of the above two financial years.

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

5. Donations and legacies

	Unrestricted Fund £	Restricted Fund £	2018 Total £	2017 Total £
Donations				
Wakefield Annual Charity Christmas Lunch	-	7,650	7,650	5,000
Andrew Lloyd Webber Foundation	-	-	-	2,000
Other donations	-	12,288	12,288	100,987
	<u>-</u>	<u>19,938</u>	<u>19,938</u>	<u>107,987</u>
Grants				
Wakefield MDC – Main funding	100,000	-	100,000	100,000
Arts Council England – Wakefield Mysteries	-	-	-	30,000
WMDC New Build Development	-	200,000	200,000	-
WMDC Culture Cares – Wakefield Mysteries	-	-	-	10,000
Nova - Memories Project	-	-	-	3,700
Creative Minds - SWYPFT	-	3,200	3,200	4,555
Theatres Trust – Spend a Penny	-	-	-	14,822
Arts Council England – G4A Capital Grant	-	42,000	42,000	21,000
Yorkshire Health Charity – New Build	-	15,000	15,000	-
Myerscough Charitable Trust – New Build	-	20,000	20,000	-
Foyle Foundation – New Build	-	50,000	50,000	-
Power to Change – New Build	-	100,000	100,000	-
Community Foundation Wakefield – New Build	-	25,000	25,000	-
Royal National Theatre Foundation	10,000	-	10,000	-
Passport to Theatre	-	9,210	9,210	-
Steel Charitable Trust	-	7,500	7,500	-
D'Oyley Carte – Bursaries	-	3,550	3,550	-
WMDC – Culture Cures	-	11,200	11,200	-
	<u>110,000</u>	<u>486,660</u>	<u>596,660</u>	<u>184,077</u>
Total donations and legacies	<u>110,000</u>	<u>506,598</u>	<u>616,598</u>	<u>292,064</u>
Investment Income				
Bank Interest	<u>577</u>	<u>-</u>	<u>577</u>	<u>299</u>

6. Charitable activities

	Unrestricted Fund £	Restricted Fund £	2018 Total £	2017 Total £
Income from Charitable Activities:				
<i>Operation of the Theatre</i>				
Box office	730,725	-	730,725	812,798
Other theatre income	24,568	-	24,568	27,646
Touring income	292,022	-	292,022	292,707
Education and outreach income	141,929	-	141,929	104,935
Commission rec'd for performance	50,000	-	50,000	-
Theatre production charges	69,106	-	69,106	50,750
Theatre hires	65,581	-	65,581	81,589
Ticket levies	86,265	-	86,265	100,492
	<u>1,460,197</u>	<u>-</u>	<u>1,460,197</u>	<u>1,470,917</u>
Total Charitable income received	<u>1,460,197</u>	<u>-</u>	<u>1,460,197</u>	<u>1,470,917</u>

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

7. Activities for generating funds

	Unrestricted Fund £	Restricted Fund £	2018 Total £	2017 Total £
Trading activities	156,804	-	156,804	172,062
Membership scheme	2,574	-	2,574	3,006
Commission and recharges receivable	42,680	-	42,680	45,967
Sponsorship and development	101,859	25,938	127,797	122,549
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total income received	303,917	25,938	329,855	343,584
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8. Expenditure

	Direct cost of activities £	Support costs £	Restricted £	Total funds 2018 £	Total funds 2017 £
Charitable Activities					
Artistes' costs	-	-	-	-	13,693
Stage expenses	14,966	-	110	15,076	41,606
Technical and front of house costs	212,237	-	-	212,237	220,678
Visiting producers fees	257,636	-	-	257,636	338,276
TRW running and production costs	629,633	-	-	629,633	647,027
Touring costs	41,063	-	-	41,063	18,984
Education and outreach fees	149,201	-	20,704	169,905	133,421
Other direct costs	-	-	-	-	270
Marketing	-	113,141	-	113,141	136,008
Other support costs	-	255,081	17,910	272,991	287,312
Governance	-	7,293	-	7,293	9,914
Governance - Subsidiary	-	2,550	-	2,550	2,550
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Charitable Activities	1,304,736	378,065	38,724	1,721,525	1,849,739
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Activities for generating funds					
Fundraising	63,641	-	6,449	70,090	49,353
Trading activities	74,565	-	-	74,565	82,881
Marketing	-	5,955	-	5,955	7,159
Other support costs	-	17,200	943	18,143	19,108
Governance	-	384	-	384	522
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total activities for generating funds	138,206	23,539	7,392	169,137	159,023
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditure	1,442,942	401,604	46,116	1,890,662	2,008,762
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

9. Allocation of support costs

The charity allocates its support costs as shown in the table below. The support costs are allocated on a basis of premises costs based on floor space and the other costs are consistent with the use of resources.

	Charitable activities £	Trading activities £	2018 Total £	2017 Total £
Administration salaries	123,557	6,503	130,060	109,566
Other staff costs	914	48	962	17,174
Premises costs	83,777	8,185	91,962	97,077
Computer, stationery and postage costs	19,960	1,051	21,011	27,706
Telephone	6,167	324	6,491	9,090
Travelling and subsistence costs	1,084	57	1,141	1,133
Legal and professional costs	9,214	485	9,699	26,403
Bank charges	7,167	377	7,544	5,879
Interest payable	5,789	305	6,094	168
Other sundry expenses	995	53	1,048	5,020
Depreciation of fixtures, fittings & equipment	15,114	795	15,909	7,202
Profit on disposal of fixed assets	(747)	(40)	(787)	-
Marketing	113,141	5,955	119,096	143,167
Governance costs	7,293	384	7,677	10,436
Governance costs – subsidiary	2,550	-	2,550	2,550
	<hr/>	<hr/>	<hr/>	<hr/>
	395,975	24,482	420,457	462,572
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted	17,910	943	18,853	38,030
Unrestricted	378,065	23,539	401,604	424,542
	<hr/>	<hr/>	<hr/>	<hr/>
Total	395,975	24,482	420,457	462,572
	<hr/>	<hr/>	<hr/>	<hr/>

10. Subsidiary trading company

The charity has one wholly-owned trading subsidiary (incorporated on 10 October 2014), TRW Productions Limited, which develops, produces and runs productions for Wakefield Theatre Trust.

A summary of the trading results of the subsidiary is shown below:

Profit and loss account

	2018 £	2017 £
Turnover	629,633	647,027
Cost of sales and administrative costs	(632,243)	(649,633)
	<hr/>	<hr/>
Operating (Loss)	(2,610)	(2,606)
Theatre Tax relief	51,413	62,366
Distribution to parent charity under Gift Aid	(57,162)	(28,106)
	<hr/>	<hr/>

11. Taxation

The subsidiary trading company is entitled to theatre tax credits of £51,413 (2017: £62,366) in the period.

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

12. Net expenditure for the year

Net expenditure is stated after charging:	2018	2017
	£	£
Operating leases	884	768
Depreciation	31,909	23,202
Profit on disposal of fixed assets	(787)	-
Auditor's remuneration:		
Audit fees - Charity	6,760	6,760
Audit fees - Subsidiary	2,600	2,600
Assistance with preparation of statutory accounts in prior year	-	2,800
Other	750	1,750

13. Staff costs, Trustees' remuneration and expenses and cost of key management personnel

Staff costs	2018	2017
	£	£
Salaries and wages	659,096	667,634
Social Security costs	38,863	39,625
Pension costs	8,007	11,169
	<u>705,966</u>	<u>718,428</u>

No employee earned £60,000 or more during the year (2017: none).

Trustees' emoluments

During the year Jon Ingham was the Head of Fundraising and Partnerships and a Trustee of the company with charity commission consent (2017: one Trustee was also an employee, Jon Ingham). The remuneration related to his services as employee and no remuneration was received for his duties as Trustee. He received remuneration as follows:

	2018	2017
	£	£
Salaries (2018 salary)	30,300	30,300
Company pension contributions	245	245
	<u>30,545</u>	<u>30,545</u>

The number of Trustees for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017: 1).

Expenses relating to travel and subsistence costs amounted to £24 (2017: £0) and no costs, (2017: £0 related to expenses incurred fulfilling duties as Trustee).

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

13. Staff costs, Trustees' remuneration and expenses and cost of key management personnel (continued)

Key management personnel

The key management personnel of the parent charity comprise the Trustees, and the Executive Team, made up of Executive Director, Head of Finance and Operations, Head of Fundraising and Partnerships and Head of Learning and Participation. The total employee benefits of the key management personnel of the trust were £145,573 (2017: £129,169).

The key management personnel of the group comprise the Executive Team and Gill Galdins, an unpaid director. The total employee benefits of the key management personnel of the group were £145,573 (2017: £129,169).

Staff numbers

The average head count was 37 staff (2017: 38 staff) and the average monthly number of full-time equivalent employees (including casual and part time staff) during the year was made up as follows:

	2018 Number	2017 Number
Stage crew and technicians	6	6
Box office, marketing and front of house	8	8
Bar	1	1
Education	2	2
Own productions	4	5
Support	5	4
	—	—
	26	26
	=====	=====

Pension

The company participates in the Pension Scheme for Administration and Technical Staff in the Arts (PSATSA), which is a multi-employer defined benefit scheme. In 2012 the Trustees closed the scheme to new entrants and ceased accrual.

The Company remains liable for its portion of the deficit in scheme funds. The assets of the scheme are administered by a Trustee, in a fund independent from those of the Company. The scheme is a multi-employer scheme and the Company is unable to identify its share of the underlying assets and liabilities. Accordingly in compliance with FRS 102, it has been accounted for as a defined contributions scheme on the basis of contributions actually payable to the scheme in the year.

The principal conclusions of the last triennial valuation at 31 March 2016 estimated a funding shortfall of £8,243,000. Wakefield Theatre Trust, as one of several employers responsible for funding this shortfall, agreed to make an increased monthly contribution of £852 for the remainder of the new recovery plan. This is an increase of £56 per month from £796 which will commence in June 2017 and end on the 31 May 2024. As at the 31 March 2018 a liability of £58,029 (2017: £69,224) was recognised in relation to payments agreed to fund the deficit.

The next triennial valuation will be made 31 March 2019.

The company also contributes to the Equity pension scheme for actors upon request when actors are contracted to productions.

The cost to the company for the year ended 31 March 2018 in respect of the defined benefit scheme was £4,842 (2017: £5,616), and £2,914 (2017: £5,553) in respect of auto enrolled pensions.

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

14. Related party transactions

John Godber, a Trustee of Wakefield Theatre Trust, received £46,978 (2017 £35,070) via his agents Alan Brodie Representations Limited for royalties and work done on "The Empty Nesters Club", "The Kings of Hull" and "The Scary Bikers". On the 31 March 2018 Wakefield Theatre Trust owed £12,973 to Alan Brodie Representations Limited for royalties on "The Scary Bikers". The tour will be completed in the following period so this cost is included in accruals.

The John Godber Company, of which John Godber is a director, paid 50% of the losses incurred on "The Empty Nesters" which amounted to £2,648 in total. The John Godber Company also received £29,365 (2017 £25,383) for the share in profits of "Kings of Hull" and "Wuthering Heights". There is an accrual of the share in profits for "The Scary Bikers" tour of £21,091, as the tour will be completed in 2018/2019.

John Godber received £11,600 for acting and directing "The Scary Bikers" there is an accrual of £2,000 for actor's fees for "The Scary Bikers"

Jane Godber, his wife, received £10,125 for acting in "The Scary Bikers" and Elizabeth Godber, his daughter, received £300 for an assistant director's fee for "The Kings of Hull"

The Royal Court Liverpool Trust of which John Godber is a director received £1,317 for producing "Judy and Liza" at the theatre. There was also a recharge from the theatre of £569 for the same show.

Tim Welton, a Trustee of Wakefield Theatre Trust, is a Partner at Williams & Co. Williams & Co paid £660 to attend the Golf Day and the Annual Gala Dinner.

Claire Lawton, a Trustee of Wakefield Theatre Trust, is a Partner at Jolliffe Cork Chartered Accountants. Jolliffe Cork paid £740 for their Christmas function. Jolliffe Cork also paid £950 to attend the Gala Dinner. They also paid £1,000 as part of the Buy a Star fundraising.

Lindsey Davies, a Trustee of Wakefield Theatre Trust, is a Director at Open Communications. Open Communications paid £1,630 to sponsor the Theatre and attend the Gala Dinner held in March 2018.

Sue Slassor, a Trustee of Wakefield Theatre Trust from May 2017 is Executive Director Quality and Planning at Wakefield College. Wakefield College paid Wakefield Theatre Trust £5,125 (2017: £5,733) to mount the College Festival and Children's University Graduation. Wakefield College also paid £1,200 in corporate sponsorship.

Gill Galdins, a Trustee of Wakefield Theatre Trust is a Shareholder of Table Top Television Limited. Table Top Television Limited paid £950 to attend the Gala Dinner held in March.

Wakefield Theatre Trust paid Wakefield College £8,257 (2017: £11,642) during the period for meeting room hire and performance rehearsal space. The rooms are often provided at preferential rates. All other services are provided on normal commercial terms.

The following transactions took place during the year between the Trust and its wholly owned subsidiary TRW Productions Ltd ("TRW"):

	2018	2017
	£	£
Transactions:		
Production costs recharged to TRW	560,527	596,277
Theatre and utilities recharged to TRW	69,106	50,750
Commission fee charged by TRW	(629,633)	(647,027)
Gift aid from TRW to the trust	57,102	28,106
Year end balances:		
Amounts receivable from TRW	56,610	28,100

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

15. Tangible fixed assets

Group and charity:

	Freehold land and buildings £	New Build development costs £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
1 April 2017	885,000	74,886	443,204	5,520	1,408,610
Additions	-	658,136	17,240	-	675,376
Disposals	-	-	-	(5,520)	(5,520)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2018	885,000	733,022	460,444	-	2,078,466
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
1 April 2017	48,000	-	371,651	5,520	425,171
Charge for year	16,000	-	15,909	-	31,909
Depreciation on Disposals	-	-	-	(5,520)	(5,520)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2018	64,000	-	387,560	-	451,560
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book values					
31 March 2018	821,000	733,022	72,884	-	1,626,906
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31 March 2017	837,000	74,886	71,553	-	983,439
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

16. Investments

The charity holds 10 shares of £1 each in its wholly owned trading subsidiary company TRW Productions Limited, Company number 09258386, which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised in note 10.

17. Stock

Group and Charity

	2018 £	2017 £
Bar and refreshments	3,960	4,051
	<hr/>	<hr/>
	3,960	4,051
	<hr/>	<hr/>

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

18. Debtors

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	99,064	57,579	101,614	57,579
Other debtors	-	738	-	739
Amounts owed by subsidiary company	-	-	140	28,111
Prepayments	46,877	54,458	46,877	54,458
Accrued income	17,359	3,859	17,359	3,859
Theatre tax relief	56,610	92,976	-	-
	<u>219,910</u>	<u>209,610</u>	<u>165,990</u>	<u>144,746</u>

19. Creditors

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Amounts falling due within one year:				
Trade creditors	90,590	121,253	90,590	118,704
Taxation and social security	8,604	34,361	8,604	34,361
Other creditors	5,802	10,967	5,802	10,977
Accruals	189,290	58,177	186,741	55,627
Deferred Box Office Income (note 20)	255,995	225,079	255,995	225,079
Other Loans	25,308	7,896	25,308	7,896
Deferred Income	98,798	25,826	98,798	25,826
Pension contributions payable	9,777	10,651	9,777	10,651
	<u>684,165</u>	<u>494,210</u>	<u>681,615</u>	<u>489,121</u>

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Amounts falling due in more than one year:				
Pension contributions payable	48,252	58,206	48,252	58,206
Other Loans	100,349	29,629	100,349	29,629
	<u>148,601</u>	<u>87,835</u>	<u>148,601</u>	<u>87,835</u>

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

20.	Deferred income	2018 £	2017 £
	Box Office		
	Balance as at 1 April 2017	225,079	206,081
	Amount released to incoming resources	(225,079)	(206,081)
		-	-
	Amount deferred in the year	255,995	225,079
		255,995	225,079
	Theatre Hires/Sponsorship Annual Agreements		
	Balance as at 1 April 2017	25,826	13,164
	Amount released to incoming resources	(25,826)	(13,164)
		-	-
	Amount deferred in the year	98,798	25,826
		98,798	25,826
	Balance as at 31 March 2018	354,793	250,905
	Due within 1 year	354,793	250,905
	Due after more than 1 year	-	-

Deferred income consists of box office income received in advance for productions which took place after the year end and deposits for theatre hires which took place after the year end.

21. **Unrestricted funds**

Group:

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	(73,952)	1,926,104	(1,844,546)	(18,337)	(10,731)

Charity:

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	(133,716)	2,492,380	(2,402,463)	(18,337)	(62,136)

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

22. Restricted funds

Group and charity:

	Balance 31 March 2017 £	Incoming resources £	Outgoing resources £	Transfers 2017 £	Balance 31 March 2018 £
Fixed assets	820,559	-	(16,000)	-	804,559
Centre for Creativity (CfC)	201,725	501,277	-	18,337	721,339
Memories Grant – Nova	3,026	-	(3,026)	-	-
Passport to Theatre	6,472	9,209	(6,182)	-	9,499
WACCL	5,000	7,650	(5,000)	-	7,650
Creative Minds Grant - SWYPFT	2,580	3,200	(5,508)	-	272
Culture Cures	-	11,200	(10,400)	-	800
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,039,362	532,537	(46,117)	18,337	1,544,119
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Fixed assets

This fund consists of grants/donations received specifically for the purchase of fixed assets and associated costs. The funds are transferred to the general fund over the expected useful life of the assets. The balance at 31 March 2018 is entirely attributable to freehold land and buildings.

Centre for Creativity

Grants received to fund a future capital extension to the theatre building. During the year expenditure of £658,136 has been incurred on construction costs, professional fees and charges and fit-out costs relating to the project. The costs have been capitalised as at the 31 March 2018

Memories Grant - Nova

Funds received from NOVA to deliver Passport to Theatre and other initiatives through Think Healthy Think Learning about positive mental health to service users within the District.

Passport to Theatre

Funds received from Minster Law & Yorkshire Health Charity to deliver Passport to Theatre and other initiatives through Think Healthy Think Learning about positive mental health to service users within the District.

WACCL

Two donations were received from WACCL. One of £7,650 to support the provision of bursaries and assisted places in the Performance Academy and the other of £5,000 was towards the Centre for Creativity (which is included within the Centre for Creativity income above).

Creative Minds Grant – South West Yorkshire Partnership Foundation Trust (SWYPFT)

Funds received from SWYPFT to deliver Passport to Theatre and other initiatives through Think Healthy Think Learning about positive mental health to service users within the District.

Culture Cures

Funds received from Wakefield Council to address health inequalities by delivery of a project about school readiness for pre-school children in the Wakefield District.

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

23. Analysis of group net assets between funds

	General Funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible fixed assets	89,325	1,537,581	1,626,906
Cash in hand	405,247	110,131	515,378
Other net current (liabilities)	(434,205)	(26,090)	(460,295)
Long term (liabilities)	(71,098)	(77,503)	(148,601)
	(10,731)	1,544,119	1,533,388
	(10,731)	1,544,119	1,533,388

24. Financial commitments

At 31 March 2018 the company had annual commitments under non-cancellable operating leases as follows:

	2018 £	2017 £
Expiry date:		
Within one year	768	768
Between one and five years	1,152	1,920
	1,920	2,688
	1,920	2,688

25. Contingent liability

The company participates in the Pension Scheme for Administration and Technical Staff in the Arts, which is a multi-employer defined benefit scheme. In 2012 the scheme closed to new entrants and ceased accrual. A participating Employer may be required to contribute towards any shortfalls identified in any future valuations. A liability has been recognised for the agreed future deficit payments. Further details are given in note 13.

26. Government grants

Income from Government Grants comprises performance related grants made by local authorities to fund the artistic and theatrical programme of the Wakefield Theatre Trust. See notes 5 and 22 for more information and to the amount and source of these grants.

27. Reconciliation of group net movements in funds to net cash flow from operating activities

	2018 £	2017 £
Net movement in funds	567,979	160,469
Depreciation charge	31,909	23,202
Loss on disposal of fixed assets	-	-
Interest income	(577)	(299)
Increase in stock	91	784
Increase in debtors	(10,300)	(15,532)
Increase/(decrease) in creditors	250,721	54,759
	839,823	223,383
Net cash generated by/(used in) operating activities	839,823	223,383

WAKEFIELD THEATRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

28. Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>116,423</u>	<u>62,177</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>411,339</u>	<u>227,922</u>

29. Capital commitments

At the time of signing the Final Account regarding the construction of the Centre for Creativity has not yet been received from Bermar Building Ltd.

30. Post balance sheet events

Since year end the construction phase of the Centre for Creativity has been completed. Wakefield Theatre Trust has successfully run test events and performances in the new Centre and Walker Studio Theatre. The Centre for Creativity was officially opened on 9 July and daytime trading in the new café/bar space has commenced.

Twelve performances have taken place to the end of July 2018, ten of which have played to audience capacity exceeding 85%. The Centre has also been used for outreach sessions, rehearsals and has been hired for external events.

At year end Wakefield Theatre Trust was still awaiting the Final Account for the construction phase and fundraising to complete the fit out works to fully equip the new Walker Studio theatre with theatrical lighting and sound. The fit out of theatrical lighting and sound took place in August 2018.

