

# BackstageTrust

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 5 APRIL 2018**

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

## TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2018

Backstage Trust was established under a Trust Deed dated 30 January 2012 and the Trustees submit their report for the year ended 5 April 2018.

### 1. Objectives and Scope of Grant Making

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 main focus for Backstage grants is live theatre and music in performance. Small theatres with an adventurous and exciting programme are often the starting point for exceptional new writing, and for talented young actors, musicians and directors to launch their careers. But the sector relies heavily on private philanthropy as public bodies cannot take the necessary risks to make a difference.

The primary focus of Backstage's grant programme is on projects involving the live performing arts, mainly theatre and music. Most grants are awarded proactively and provide support in diverse areas. Backstage can only offer assistance to registered charities or to activities which have clear charitable aims; the trust cannot fund individuals directly.

The majority of grants awarded since the Trust was established come under one of the following headings:

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

There is clear evidence that involvement in the performing arts can help people – in particular young people – to articulate their fears, experiences and problems. They can learn to share difficult situations they are facing at home, at school, in the workplace, and find ways of expressing their emotions through drama and music and learning coping strategies. It is clear that participation in acting, improvisation and mime has produced positive results. In many cases it can help young people learn to control volatile and explosive behaviour. We know that seeing live performance can have a beneficial effect.

The need for a constant and generous element of philanthropic funding to promote the arts will remain acute. Successive governments have eroded the budget for all the arts, leaving many organisations struggling in the face of chronic under-funding. Such organisations 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. Trustees will hope to be considering proposals for support from organisations with a relevant, realistic and clearly expressed set of aims.

### APPLYING TO BACKSTAGE

Applicants should demonstrate clearly the potential viability of their project, and provide evidence 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 while Backstage might act as a catalyst to encourage other grant-giving bodies, it should not be regarded as sole funder. A critical need for most arts organisations – in addition to enthusiasm, energy and a determination to make a difference – is professional advice providing support in areas where they, understandably, are unable to access or afford professional guidance. Backstage can provide



guidance for fund-raising, HR law, setting up a capital project, and many other areas where paying for professional help would be beyond their means.

While performing arts will remain 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. These wonderful artworks, created by artist Paul Cummins and installation designed by Tom Piper, which were originally displayed at the Tower of London, have reached the end of a remarkable UK tour and, having been gifted to the Nation, now reside at their permanent homes at the Imperial War Museums in London and Manchester.

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. Trustees are appointed by existing Trustees and are provided with relevant information relating to their responsibilities as Trustees.

## **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 £2,581,368 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 charity 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. The charity does not raise funds from 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 totalling £2.2m. During the year the trustees approved 43 grants which totalled £2.1m. The activities for the year resulted in a net deficit of £0.4m and total reserves at the year-end amounted to £1,403,180, which are all part of the expendable endowment.

## 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 2016/17 and not included in the accounts amounted to £70,000 and those which were entered into during 2017/18 and not included in the accounts amounted to £178,500 (note 10). The grants approved during the year may be analysed by number and by value in the categories set out below:

	Grants Approved	Value £
Arts	42	2,091,475
General	1	20,000
	<hr/> 43 <hr/>	<hr/> 2,111,475 <hr/>

## Main Grants Approved

### **Arts**

High Tide Theatre	£50,000
Support for collaboration with 4 independent producers re Edinburgh Fringe Festival 2018 mentoring scheme	
Historic Royal Palaces	£50,000
East Wall Project at the Tower of London	
Soho Theatre	£50,000
Support to recruit a new Development Manager	
Stephen Joseph Theatre	£50,000
Core funding to invest in artistic excellence, new work and emerging talent	
Cardboard Citizens	£55,000
Core funding to develop the post of Communications and Digital Manager	

Punchdrunk £60,000

Continued support for "Lost Lending Library"

Regents Park Open Air Theatre £75,000

Funding to support capital project to carry out major improvements to the rehearsal facilities

East Central & Southern Africa College of Physicians £90,000

Fundraising and grants management activities in the UK and Africa

English Stage Company Limited £90,000

Support of the 'Young Court' project

14-18NOW £100,000

Final season of Armistice

Rose Theatre £150,000

Grant towards core funding of their 10th Anniversary campaign for auditorium enhancements and the creation of an education & rehearsal space

Little Angel Theatre £350,000

Capital project to improve the theatre space and surrounding areas

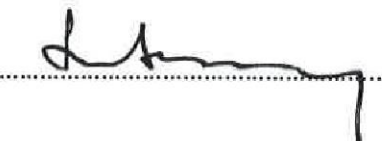
Royal Academy of Music £500,000

Additional capital support - Theatre and Recital hall

## Future plans

The Trust will continue to support the activities set out on pages 4 and 5 by award of grants.

Approved by the Trustees on 27<sup>th</sup> November 2018 signed on their behalf by:



TRUSTEE



**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE 12 MONTHS ENDED 5 APRIL 2018**

	Notes	Unrestricted Funds	Endowment Funds	Total Funds 2018	Total Funds 2017 *
		£	£	£	£
<b>Income and Endowments from:</b>					
Donations and gifts		47,719	2,154,600	2,202,319	3,483,418
Investments		28,091	-	28,091	14,143
<b>Total Income</b>		<b>75,810</b>	<b>2,154,600</b>	<b>2,230,410</b>	<b>3,497,561</b>
<b>Expenditure:</b>					
Charitable activities					
Grant-making	2	2,619,138	-	2,619,138	2,629,619
Grant related support costs	3	64,469	-	64,469	41,670
<b>Total Expenditure</b>		<b>2,683,607</b>	<b>-</b>	<b>2,683,607</b>	<b>2,671,289</b>
Net gains/(losses) on investments	5	26,429	-	26,429	-
<b>Net (Expenditure)/Income</b>		<b>(2,581,368)</b>	<b>2,154,600</b>	<b>(426,768)</b>	<b>826,272</b>
Transfers between funds		2,581,368	(2,581,368)	-	-
<b>Net movement in funds</b>		<b>-</b>	<b>(426,768)</b>	<b>(426,768)</b>	<b>826,272</b>
Total funds brought forward		-	1,829,948	1,829,948	1,003,676
<b>Total funds carried forward</b>		<b>-</b>	<b>1,403,180</b>	<b>1,403,180</b>	<b>1,829,948</b>

\* See note 4.

The notes on pages 9 to 14 form part of these accounts.

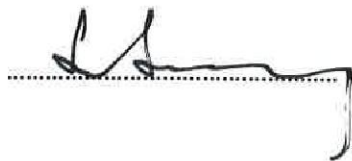
# BackstageTrust

5 April 2018

## BALANCE SHEET AS AT 5 APRIL 2018

	Notes	2018 £	2018 £	2017 £
<b>CURRENT ASSETS</b>				
Short term investments	5	2,152,750		2,235,322
Debtors	6	140,000		362,500
Cash at bank and in hand		517,732		958,200
		<u>2,810,481</u>		<u>3,556,022</u>
<b>LIABILITIES</b>				
Creditors - amounts falling due within 1 year	7	<u>1,407,301</u>		<u>1,726,074</u>
<b>NET CURRENT ASSETS</b>			1,403,180	1,829,948
<b>NET ASSETS</b>			<u>1,403,180</u>	<u>1,829,948</u>
<b>THE FUNDS OF THE CHARITY:</b>				
Endowment funds	8		1,403,180	1,829,948
			<u>1,403,180</u>	<u>1,829,948</u>

Approved by the Trustees on 27<sup>th</sup> November 2018 and signed on their behalf by:



TRUSTEE

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



**CASH FLOW STATEMENT  
FOR YEAR ENDING 5 APRIL 2018**

	2018 £	2017 £
Net Movement in Funds per Statement of Financial Activities	(426,768)	826,272
Decrease/(increase) in debtors	222,500	(362,500)
Decrease in creditors	(318,773)	(2,065,019)
Income received in shares	(488,200)	(643,500)
Loss on sale of shares	7,172	-
Income from Investments	(28,091)	(14,143)
<b>Net cash (used in)/provided by operating activities</b>	<b>(1,032,160)</b>	<b>(2,258,890)</b>
<b>Cash flows from Investing Activities</b>		
Income from Investments	28,091	14,749
Proceeds from investments	636,329	-
<b>Net decrease in cash and cash equivalents</b>	<b>(367,740)</b>	<b>(2,244,141)</b>

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

	2018 £	2017 £	Change in year £
Cash at bank and in hand	517,732	958,200	(440,468)
Short term investments	1,664,550	1,591,822	72,728
<b>Cash and cash equivalents at the end of the year</b>	<b>2,182,282</b>	<b>2,550,022</b>	<b>(367,740)</b>

## 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.

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.
- (iii) Donated shares have been recognised at market value at the date of transfer.

#### 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 fair value consist of shares, and 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 fair value of £488,200 (2017: £643,500), financial assets at amortised cost of £2,182,281 (2017: £2,550,022) and financial liabilities at amortised cost of £1,407,301 (2017: £1,726,074).

#### 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

	2018 £	2017 £
<b>Reconciliation of grants payable:</b>		
Commitments at 6 April	1,716,482	3,779,943
Grants approved in the year	2,111,475	2,395,303
Grants approved in prior year	756,163	990,479
Grants not accrued at 5 April	(248,500)	(756,163)
	2,619,138	2,629,619
<b>Grants payable for the year</b>	<b>4,335,620</b>	<b>6,409,562</b>
Grants paid during the year	(2,938,956)	(4,693,080)
<b>Commitments at 5 April due within one year (note 7)</b>	<b>1,396,664</b>	<b>1,716,482</b>



## NOTES TO THE ACCOUNTS (continued)

### 2. GRANT EXPENDITURE (continued)

	2018 £
Chisenhale Dance Space	23,000
Royal Armouries	25,000
The Tron Theatre	30,000
Arts & Business Cymru	30,000
The Bush Theatre (Middle Child Theatre company)	32,000
National Youth Arts Wales	36,000
Punchdrunk	40,000
Mayflower Theatre	40,000
Stephen Joseph Theatre	50,000
Historic Royal Palaces	50,000
EGO Performance Company	50,000
Clean Break	50,000
Soho Theatre	53,500
Cardboard Citizens	55,000
English Stage Company Limited at the Royal Court Theatre	60,000
Chester Performs Charity	65,000
Papatango Theatre Company	70,000
Regents Park Open Air Theatre	75,000
Young Vic	90,000
East Central & Southern Africa College of Physicians	90,000
Hightide Theatre Festival	100,000
Rose Theatre	150,000
Little Angel Theatre	240,000
Brighton Dome and Festival	300,000
14-18NOW	310,000
StreetInvest	321,229
Mountview Academy	500,000
Royal Academy of Music	1,070,000
Grants up to £20,000 were also made	329,891

**Total Grants Payable per Statement of Financial Activities**      **4,335,620**

### 3. ALLOCATION OF SUPPORT COSTS

	Charitable Activity	Governance	2018 Total	2017 Total
	£	£	£	£
Bank and Custody fees	1,470	-	1,470	507
Gift of Staff Time	47,719	-	47,719	27,418
Legal and professional fees	9,022	990	10,012	8,476
Auditors' remuneration	-	5,268	5,268	5,269
	<b>58,211</b>	<b>6,258</b>	<b>64,469</b>	<b>41,670</b>



## NOTES TO THE ACCOUNTS (continued)

### 3. ALLOCATION OF SUPPORT COSTS (continued)

Included above is £5,477 payable for legal services to Portrait Solicitors, a firm in which Mr Dominic Flynn is a partner and £47,719 being the estimated cost of services provided by employees of Lady Sainsbury. No Trustees received remuneration or were reimbursed expenses during the year.

### 4. STATEMENT OF FINANCIAL ACTIVITIES FOR THE 12 MONTHS ENDED 5 APRIL 2017

	Notes	Unrestricted Funds	Endowment Funds	Total Funds 2017
		£	£	£
<b>Income:</b>				
Donations and gifts		27,418	3,456,000	3,483,418
Investments		14,143	-	14,143
<b>Total Income</b>		<b>41,561</b>	<b>3,456,000</b>	<b>3,497,561</b>
<b>Expenditure:</b>				
Charitable activities				
Grant-making	2	2,629,619		2,629,619
Grant related support costs	3	41,670		41,670
Cost of charitable activities		2,671,289		2,671,289
<b>Total Expenditure</b>		<b>2,671,289</b>		<b>2,671,289</b>
<b>Net (Expenditure)/Income</b>		<b>(2,629,728)</b>	<b>3,456,000</b>	<b>826,272</b>
Transfers between funds		2,629,728	(2,629,728)	-
<b>Net movement in funds</b>		<b>-</b>	<b>826,272</b>	<b>826,272</b>
Total funds brought forward		-	1,003,676	1,003,676
<b>Total funds carried forward</b>		<b>-</b>	<b>1,829,948</b>	<b>1,829,948</b>

### 5. SHORT TERM INVESTMENTS

	2018	2017
	£	£
J Sainsbury plc shares		
Market Value at the beginning of the year	643,500	-
Plus: Gift of Shares	454,600	643,500
Less: Disposals	(636,329)	-
Net gains (losses) on revaluation	26,429	-
Market Value at end of financial year	488,200	643,500
Instant access call accounts with UK banks	1,664,550	1,591,822
	<b>2,152,750</b>	<b>2,235,322</b>

## NOTES TO THE ACCOUNTS (continued)

### 6. DEBTORS

	2018	2017
	£	£
Gift aid tax repayment	140,000	362,500
	<u>140,000</u>	<u>362,500</u>

### 7. CREDITORS

	2018	2017
	£	£
Grants payable (note 2)	1,396,664	1,716,482
Legal fees	5,477	4,432
Audit fees	5,160	5,160
	<u>1,407,301</u>	<u>1,726,074</u>

### 8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2018
	£	£	£
Fund balances at 5 April 2018 are represented by :			
Current assets	1,407,301	1,403,180	2,810,481
Current liabilities	(1,407,301)	-	(1,407,301)
<b>Total net assets</b>	<u>-</u>	<u>1,403,180</u>	<u>1,403,180</u>

	Unrestricted Funds	Expendable Endowment	Totals 2017
	£	£	£
Fund balances at 5 April 2017 are represented by :			
Current assets	1,726,074	1,829,948	3,556,022
Current liabilities	(1,726,074)	-	(1,726,074)
<b>Total net assets</b>	<u>-</u>	<u>1,829,948</u>	<u>1,829,948</u>

	Unrestricted Funds	Expendable Endowment	Totals 2018
	£	£	£
<b>Movement in the year</b>			
Opening balance as at 5 April 2017	-	1,829,948	1,829,948
Total income and endowments	75,810	2,154,600	2,230,410
Charitable activities	(2,683,607)	-	(2,683,607)
Net gains on investments	26,429	-	26,429
Transfers between funds	2,581,368	(2,581,368)	-
<b>Closing balance as at 5 April 2018</b>	<u>-</u>	<u>1,403,180</u>	<u>1,403,180</u>

## NOTES TO THE ACCOUNTS (continued)

### 8. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

Movement in the year	Unrestricted Funds	Expendable Endowment	Totals 2017
	£	£	£
Opening balance as at 5 April 2016	-	1,003,676	1,003,676
Total income and endowments	41,561	3,456,000	3,497,561
Charitable activities	(2,671,289)	-	(2,671,289)
Net gains on investments	-	-	-
Transfers between funds	2,629,728	(2,629,728)	-
Closing balance as at 5 April 2017	-	1,829,948	1,829,948

### 9. RELATED PARTY TRANSACTIONS

Gift Aid donations from the Trustees totalling £560,000 (2017 £1,450,000) 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.

A donation of shares was also received from the Trustees of 200,000 J Sainsbury plc ordinary shares (valued at £454,600 at the time of donation) was received during the year (2017: 250,000 shares valued at £643,500 at time of donation).

### 10. CONTINGENT LIABILITIES

At 5 April 2018, grants approved amounting to £248,500 (2017 £756,163) 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

### Opinion

We have audited the financial statements of Backstage Trust for the year ended 5th April 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charity's affairs as at 5th April 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### 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 charity 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 charity'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 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.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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

5 April 2018

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.

Crowe U.K. LLP

Crowe U.K. LLP  
Statutory Auditor  
London

6.12.18

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.