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Registered number: 00593331  
Charity number: 219163

**Belgrade Theatre Trust (Coventry) Limited**

Trustees' report and financial statements

For the Year Ended 31 March 2019

 **DAINS**  
ACCOUNTANTS



**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

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**Belgrade Theatre Trust (Coventry) Limited**  
(A company limited by guarantee)

**Reference and administrative details of the Theatre, its trustees and advisers**  
**For the Year Ended 31 March 2019**

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<b>Trustees</b>	Mr S Fergusson, Chair Mr R M J Bailey (appointed 24 July 2019) Ms S A Bates Mr G W Brooke-Taylor (resigned 14 February 2019) Mr P Carvell Mr N Dodzo Mr W H Glen LLB Ms A Hay (appointed 14 February 2019) Cllr T J Mayer (resigned 20 July 2019) Mr A F Pollock Ms K J Reid BA Hons Cllr A C Skipper Mr J J Wilby (appointed 14 February 2019)
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**Funding Body Representatives entitled to attend Board meetings:**

Arts Council England West Midlands	Mr T Wildish (Theatre Officer)
Coventry City Council	Mr D Cockcroft (Asst. Director, City Centre & Development Services)

<b>Company registered number</b>	00593331
<b>Charity registered number</b>	219163
<b>Registered office</b>	Belgrade Theatre Belgrade Square Corporation Street Coventry West Midlands CV1 1GS
<b>Company secretary and Executive Director</b>	Ms K J Reid BA Hons
<b>Chief executive officer and Artistic Director</b>	Mr W H Glen LLB
<b>Independent auditors</b>	Dains LLP 15 Colmore Row Birmingham B3 2BH
<b>Bankers</b>	National Westminster Bank plc 24 Broadgate Coventry CV1 1NE

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Trustees' report**  
**For the Year Ended 31 March 2019**

The Trustees present their annual report together with the audited financial statements of the Group and the Theatre Belgrade Theatre Trust (Coventry) Limited (the Theatre and the Group) for the 1 April 2018 to 31 March 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015).

It has been an ambitious and successful year for the Theatre – drafting and developing a major project that will be delivered in partnership with City of Culture Trust for 2021; progressing plans to deliver our 2020 Capital Redevelopment Project; investing time and money in strategic work designed to maximise ticket income while protecting access; reviewing and refreshing our Brand. All alongside delivering an extremely busy year of work both in the Theatre's auditoria and in community centres and taking over the Coventry Telegraph Building to deliver a large-scale participation piece as well as driving income through all our ancillary and commercial activities.

It is therefore particularly pleasing that this year we have returned a surplus and reversed the trend of the previous two years whereby managing cuts in public funding had led to the creation of small trading deficits.

**Financial**

The year again saw us improve on our Earned vs Grant Ratio and the Belgrade's business model continues to prove itself to be flexible and robust:

- 75.5% earned (up from 46.4% in 2008/09), showing that we maintain an Above the Benchmark position on this
- Overall turnover increased by 7% to £6.2m
- Enterprises turnover at £1.6m representing 26% of turnover
- Box Office £2.65m which is 42% (up from 40.2%)
- Raised £209k of Contributed Income (3.3% of total)
- Earned/raised £182k specifically to support the Community & Education programme by enabling additional projects
- Net loss of resources expended of £261k (2018: net loss of £354k),
- Operating cash flows up 6% to £280k
- Total funds of £11.6m of which unrestricted funds down 3% to £251k (2018: £194k)
- Net cash funds up 0.2% to £1,359k after expenditure of £243k on capital expenditure.
- Net current assets reduced by £121k (2018: reduced by £165k)

**Operational**

- Played a leading role in Coventry securing the title of UK City of Culture 2021
- Delivered 466 performances of 127 different productions
- Hosted 210171 to shows, events and conferences including 175171 to shows
- Delivered 1101 different community workshop/rehearsals, taken up by 13471 participants
- We produced 14 fully staged productions and supported 10 more, and produced 23 further sharings
- 14% of our programme had a BAME (Black, Asian and Minority Ethnic focus)
- We continue to reach an atypical audience: 41% of our audience come from Coventry City Council priority postcode areas and the Audience Spectrum segments further evidences this wide reach with only 22% of our audience coming from High Arts Attender segments, 57% coming from Medium Arts Attender and 22% coming from Low Arts Attender segments.

*I felt a surge of pride in my city*

Behind the Arras

WE'LL LIVE & DIE IN THESE TOWNS

2019 What's On Readers' Award Winner: Best Arts/Theatre Venue in Warks.

**Belgrade Theatre Trust (Coventry) Limited**  
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**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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*Just sat on my own and ate lunch in the lobby of the Belgrade. It struck me that having been around the world several times I've never sat in a place with such an eclectic mix of people from all classes, abilities, races, sexualities, ages, cultures and backgrounds.*

*Absolutely magical place. X*

Tom Clarke, The Enemy, MD on WE'LL LIVE & DIE IN THESE TOWNS, October 2018

*One final point: I look around the stalls and from what I can see, the people of Coventry have turned out from all corners. It's quite simply the most diverse audience I've seen at a pantomime. And everyone's enjoying this peculiarly British tradition and having a great night at the theatre, and I think this is the kind of Britain I want to live in. Inclusive, good-natured and friendly. Well done, the Belgrade!*

<https://bumonaseat.wordpress.com/> Panto 2017

## **Objectives and Activities**

### **a. The Belgrade Theatre's Vision**

Now established as one of England's major producing houses, our mission is to grow the reach, excellence and engagement of all the work we produce and present.

We will provide a comprehensive performing arts service of the highest possible quality for Coventry and the surrounding regions and act as an ambassador for Coventry and the West Midlands when touring.

### **b. Mission**

The Belgrade Theatre is the largest producing theatre in Coventry, England's 11th most populous city and the second largest conurbation in the Midlands, and acts as the city and sub-region's commercial and producing theatre.

The Belgrade creates theatre because it enriches its community and fundamentally change peoples' lives for the better.

This mission is expressed by presenting a vibrant programme of produced, visiting and community work in our two auditoria and other spaces. It is informed by a distinctive artistic policy designed to attract local and national attention, cater to and develop the different audiences in and around Coventry, lift the profile of the Theatre as a producing theatre, bear witness to our community's experiences, find a unique voice for the Belgrade in the context of the region and attract leading theatre artists. In short to build on the vision, radicalism and internationalism that marked the opening of the Belgrade in 1958.

The Theatre's solo produced work, co-produced work and work developed and produced with our 'in association' artists and companies, together with our Springboard companies, is presented in both auditoria and is where the Theatre can best articulate its artistic policy. Each year the Theatre seeks to achieve a good balance between the different types of work we produce, support and present in order to serve and develop a wide range of audiences.

### **Public benefit**

The Trustees have each received copies of the Charity Commission "Guidelines on Public Benefit" and this forms part of the Induction pack for new trustees.

The Public Benefit provided by the Theatre includes

- promoting artistic appreciation.
- providing facilities for recreation.

**Belgrade Theatre Trust (Coventry) Limited**  
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**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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The beneficiaries are all members of the public and access is enabled as follows:

- through concessionary ticket schemes for paid activity.
- free access for community activity.
- all public areas of the building are wheelchair accessible.
- Relaxed performances, and regular Access performances are provided for those with hearing or sight impairment.

**c. Achievements and Performance**

The ambition and excitement of the artistic policy and the quality of the Theatre's work sustains its reputation in the profession and allows the Belgrade to attract increasing numbers of co producing, Springboard and 'in association' partners. The Theatre has built up reasonable levels of reserves which gives it much needed security at this time of economic uncertainty. The Theatre also has developed a flexible business model that has demonstrated its strength under these challenging conditions.

2018/19 again saw the Theatre deliver a very high level of produced work across the professional and community spectrum, achieving a balance in professional work between produced and presented work and a lively community, participation, education and talent development programme.

**Out of the broad range of work that the Theatre undertakes the Trustees wish to highlight progress made and challenges facing the Theatre in the following areas:**

- produced work including progress against Creative Case for Diversity /Talent Development and progress against our Equalities Action Plan
- talent development
- audiences
- work with young people,
- digital
- management and finance including environmental impact

**Produced Work**

It has been another good year in respect of progress against our SMART objectives. The Theatre produced/co-produced eight professional shows (against target of seven): four were PREMIERES, three of which engaged with CHILDREN AND FAMILIES; one for YOUNG PEOPLE with our strategic consortium led by Pilot that fitted with the national curriculum; one piece that addressed LOCAL STORIES; one BLACK, ASIAN or MINORITY ETHNIC (BAME) -LED production with the 2nd (coproduction with Eclipse) postponed by them to another year; and two co-produced COMMERCIAL pieces.

- WE'LL LIVE AND DIE IN THESE TOWNS – local piece by Geoff Thompson and music by Tom Clark.
- UNDER THE UMBRELLA by Amy Ng – BAME led that also did a short tour
- OCTOPUS SOUP! By Jack Milner & Mark Stevenson, commercial co-production that also did a long tour
- Alternative Christmas Show - OVER THE TOP by Nick Walker
- NATIVITY! – Commercial co-production for families that did a major tour
- NOUGHTS & CROSSES by Malorie Blackman – co-produced with our strategic partners Pilot and the Consortium and therefore toured
- Panto - SLEEPING BEAUTY by Iain Lauchlan
- BILLIONAIRE BOY by David Walliams – co-production for families that did a short tour

The Theatre further exceeded target and produced four COMMUNITY productions including the large scale site specific Coventry Evening Telegraph (CET) Project.

We have built four STRATEGIC PARTNERSHIPS to deliver against our Creative Case for Diversity plan: Curve (for South Asian heritage work), Pilot (Young People), Eclipse (African Caribbean), Tamasha (South Asian). We worked with Yellow Earth (East Asian national touring company) and started a further strategic partner to produce BAME work with Tara Arts (South Asian).

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We presented 127 DIFFERENT PRODUCTIONS to enable the theatre to serve and develop a wide range of audiences, including one DISABILITY-LED production and engaging with Dan Daw, whose new show has been pencilled for 2019/20.

We are also members of The Children's Partnership and The Touring Partnership to develop work of excellence for UK wide presentation and so extend the reach of the work.

**Creative Case for Diversity and Talent Development**

We produced our FIRST PIECE OF EAST ASIAN narrative work, UNDER THE UMBRELLA that received wide and positive media coverage. Led by our Sustained Regional Producer, it was toured by Yellow Earth. Also we delivered work through two STRATEGIC PARTNERSHIPS: Tamasha and Pilot - work for BAME audiences/young people: we presented APPROACHING EMPTY and co-produced NOUGHTS & CROSSES. We presented THE TWISTED TALE OF HANSEL & GRETEL created by Open Theatre and others and integrating LEARNING DISABLED actors and are growing a relationship with Open Theatre. Our new SPRINGBOARD companies join existing members SHOOT and NEW ENGLISH OPERA: MAOKWO (working with migrant artists), UNDERGROUND LIGHTS (with homeless people and people with mental health issues), and RICHARD & RICHARD (diverse-led and integrated learning disabled theatre partnership). We also supported local diverse-led dance company ASCENSION DANCE. IN ASSOCIATION WITH relationships delivered: FREEMAN with Springboard-graduated black-led company STRICTLY ARTS; and SAVE OUR SCHOOL DINNERS... JAMIE with Second Generation; and we continue discussions with Phyzzical (both South Asian led). Our annual £7.5k budget for TALENT DEVELOPMENT (focused on those underrepresented in the sector) was boosted by money from our Sustained Consortium project. Four PAID ASSISTANT DIRECTOR roles were offered (three female, three BAME) and two directing opportunities for emerging youth talent (two female BAME). We offered various TALENT DEVELOPMENT OPPORTUNITIES: one emerging producer of East Asian origin (18 months paid); one Disabled Artist in Residence (to develop own work and consult on our engagement with disabled artists, communities and audiences); eight writers of colour (Critical Mass Programme); 16 producers - four BAME, five disabled (China Plate's The Optimists programme that we supported / co-recruited to). Two non-graduate apprenticeships were completed in the year; one paid Graduate Internship (lower socio-economic background); 13 university placements; 12 week-long work experience placements (two BAME; one learning disabled)

Progress under our Equalities Action Plan (which won us the national UK Theatre Award for the Promotion of Diversity 2016) has been good. The programme continues to extend reach to COMMUNITIES UNDER-REPRESENTED in the sector, with two pieces of East Asian theatre; TRANS TALKS, a hosting a supper for Trans people to archive their experiences; NOUGHTS & CROSSES, bringing racial issues to a youth audience; HANSEL & GRETEL, foregrounding Midlands actors with learning disabilities; WE'LL LIVE & DIE IN THESE TOWNS reaching white working class audiences; and CITY FINAL / CET PROJECT, bringing together 100+ diverse community participants in a site-specific production in the old Coventry Evening Telegraph building.

Relationships are strong with BAME National Portfolio Organisations (NPOs) - Tamasha, Eclipse, Tara and a new relationship growing with Yellow Earth. Through a new partnership with Stage Sight, the Belgrade is playing an active role in diversifying back stage roles. Our new Springboard companies increase the diversity of this portfolio, whilst former Springboard Company Strictly Arts has been made Associate. Our Talent Development programme was particularly strong, ensuring that targets were exceeded. The Click Spring ethos was launched, articulating the Theatre's clear commitment to a pathway from participation and education, through talent development to impacting the work on our stages. We successfully secured our City of Culture project which aims to create a model for a Regional Theatre that reflects the diverse make-up of the communities that we serve. The policy of 'accessible hires' has led to a significant increase in the use of the foyers by a range of groups from very diverse backgrounds - from Bollywood dancing to conversation cafés for migrants. There has been an increase in the number of applications for jobs from BAME applicants and the Sustained Consortium Project with Tamasha has had significant impact on the organisation. Some significant progress has been made in diversifying the Board and Committees in terms of both ethnic background and age

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**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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Our Equalities Action Plan aims to increase the diversity of our Workforce and Board and raising the understanding of importance of Diversity /Equal Ops among staff. Our review and refreshment of our Brand embeds further participation, diversity and talent development across all elements of the organisation. We hold three cross departmental Equalities meetings annually. Staff discuss Equalities issues in a safe and non-judgemental environment. We note that individuals attending these meetings increase in confidence and awareness of EO matters. We seek to diversify our Creative teams and are working with organisations such as Stage Sight to drive change. Our new Respect and Dignity Sessions is an effective awareness raising tool and is delivered on the first day of all Belgrade Theatre Productions and is attended by Company, Creatives and staff. Our biggest intervention in this area has been the design and development in partnership with City of Culture of our project HANDING OVER THE KEYS. This seminal project draws on and celebrates the city's diversity whilst driving leadership and organizational change within the region and the wider theatre industry. It aims to reflect the city's largest ethnic communities in the Belgrade's senior workforce and leadership and respond positively to the historical lack of culturally diverse staff at this level in the UK's producing theatres outside London. It also seeks to transform the operations of the Theatre and the way we make work. Our creative team will be joined by two Creative Leads and there will be four other new producing positions. We are particularly seeking applicants from diverse backgrounds.

**Audiences**

The Belgrade seeks to grow and to serve a wide range of audiences and is proud to have an audience profile that is a-typical for an arts venue, appealing to a broad spectrum of socio-economic groupings. During the year we offered 127 different productions and played to 175,000 which is a 10% increase on last year (and an additional 35,000 visit us through our Events and Conferencing work). Our community and participation programme worked with 13,471 participation opportunities across 1,101 workshops/performances.

Our marketing campaigns combine audience development work, press, outdoor and digital, and are now being enhanced by working with consultants The Results Group for the Arts (TRG) with whom we are mining our audience data so that we can design a bespoke strategy to maximise ticket income while protecting access. This year our own shows have beaten target (53% achieved) especially family productions NATIVITY! and BILLIONAIRE BOY. NOUGHTS & CROSSES was popular with schools and young people; New Writing pieces WE'LL LIVE AND DIE IN THESE TOWNS and UNDER THE UMBRELLA told local and global stories. OCTOPUS SOUP! provided a light hearted start to the year. Our Festive offerings were a hugely successful panto SLEEPING BEAUTY and the alternative OVER THE TOP. CITY FINAL /CET Project was a popular site-specific community performance piece in the 1950s CET building just before the building began its redevelopment into a 1950s boutique hotel and played to capacity. Quality Drama audience was down on % but up in number and Family audiences met % target with numbers continuing to grow as do Big Night Out audiences, who reflect our a-typical audience profile and represent the majority of our ticket sales. Audience Development shows had been good until the final few months of the Season when a number of challenging shows reduced the attendance figure although overall numbers were higher than two years ago. The number of BAME specific shows have grown and attendances with it. Audience Finder's Commuterland Culturebuff segment is up in number while % is down on target. Digital continues to be at the heart of marketing activities with carefully created content helping to drive traffic to our social media channels and website. Our Schools Offer continues to be very healthy with an 18% increase in pupils attending reflecting continued positive relationships with schools.

Our Evaluation of productions via e-surveys has continued and the positive star ratings have provided us with an indication of success and quality.

**Our Participation Work**

The Belgrade continued to deliver a broad reaching open-access workshop programme. Most of this is for young people, reaching some of the hardest-to-reach groups – including programmes targeted at those from BAME or socio-economically disadvantaged backgrounds. We gave 12 regular youth workshop programmes. A further five regular workshop programmes were delivered for adults – two adult acting; three 50+ programme (including those with early onset dementia).



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**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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Thanks to additional funding from the Great Places Project, we produced CITY FINAL, a large-scale site-specific community production in the old Coventry Evening Telegraph Building, featuring 100+ diverse community participants (80+ being young people).

RISE, the Belgrade's latest Young Company Show (celebrating the potential of a diverse group of young women, whilst exposing their challenges) was invited to perform at Birmingham's BY, WITH, FOR FESTIVAL OF EUROPEAN YOUTH THEATRE in Summer 2018. Other performance work included: WHAT WE SEE IN DARKNESS (National Maths & Science College); BLANK (LifeStage); our annual Theatre in Education (TiE) piece Big School about the transition from Primary to Secondary School, and end-of-term sharings from all regular groups.

We ran 11 Career Development/Open Doors Events that provided young people with opportunities to understand the range of careers available in the theatre - three careers days / mock interview sessions; six backstage tours; two post-show page-stage workshops.

One Afterschool Club was run with Potters' Green Primary (priority postcode area), but was ended due to a change of Head Teacher. Growth in schools buying enrichment workshops for their students is broadening our reach and generating income. We are reaching Coventry's 33 Arts Mark Schools through broad communications about available programmes / productions, whilst also growing deeper relationships with individual schools through a range of targeted projects including digital work, performance opportunities in B2, CPD opportunities, TiE tours; work with Young at Risk.

**Digital**

Our Digital Plan to inform creation and decision making was implemented by identifying skills, resources and equipment needed through a digital audit, establishing a training budget to attend digital events and have access to digital artists. This approach has already delivered new, low-fi/low creative content and operational benefits from digital tools.

With practitioners, companies and educational partners we created digital experiences for children and young people including NOUGHTS & CROSSES which created a virtual world that responds to the productions themes, and UNDER THE UMBRELLA which delivered Pecha Kuchas to different audiences, pre-show teaser videos and alternative digital poster design activity.

Digital activity is embedded in our Audience Engagement work using social media, vox pops, competitions, advertising, pod casts and blog posts. Digital Data Collection IGITAL is now integrated with ACE data collection to grow understanding of audiences and develop innovative content on various social media channels. Followers/likes for each of these channels continues to grow and be healthy and are a key tool to directing visits to our website.

Our Business Process Review identified digital platforms to: drive new revenue sources; optimise processes and reduce duplication. Resulting investment was made into: TRG Arts to analyse booking data and customer behaviour and maximise ticket sales; an upgrade to our events management system to optimise the use of the venue for programming and commercial use and investment into LED and low energy production technology and staging as part of our 2020 Redevelopment project. A priority is to ensure the Belgrade is fully wired to become a superfast hotspot and can fully benefit from Coventry City Super-Fast 5G Broadband. We have also been reviewing our server platforms and begun to move to a 'cloud based' environment to support increased number of platforms and programmes.

**d. Management**

The Belgrade seeks to create an organisational culture of involvement, development and continuous performance improvement and used the closure and reopening period (2006-2007) to design and implement this new approach. This is a constant process but the Belgrade considers it has succeeded in its ambition and enjoys the services of a skilled, committed and motivated staff.

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**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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The Theatre's results speak for themselves. Continued flexibility and creative problem solving continues. High standards of performance continue to be striven for in all areas and very high standards are recognised by all staff to be essential if the Belgrade's aspirations are to be reached, particularly in such a tough economic climate as currently exists. The image – and the reality – of the Belgrade must be of an efficient and professional organisation.

The principal aims of the organisation, simply stated, are as follows:

- To develop and implement an artistic policy which furthers the objects of the organisation
- To produce and present a body of work to the highest achievable standards
- To achieve the widest possible engagement with that work from all sections of the community
- To achieve high levels of customer satisfaction and service
- To maintain financial viability and good managerial practice

The Belgrade has been actively working to reduce its carbon footprint since 2007 and our Environmental Action Plan and Reports detail the various and many initiatives we have progressed in this time. We report our progress to Julie's Bicycle annually on utilities, transport and waste. Since 2009/10 we have reduced electricity and gas consumption in the Theatre by 20.7% and per performance by 13.2%. The 2020 Redevelopment Project includes the installation of photovoltaics to further reduce our carbon footprint. Summer 2018 we successfully eliminated using single use plastics in our café and bars by changing to using compostable veggieware.

**e. Training and Development**

The Theatre remains committed to providing training and development opportunities for entry-level posts as well as for existing staff. We offer a broad range of experiences throughout various departments of the Theatre, as well as specialist industry-based training.

Everyone who is employed receives a full induction and those engaging with the Click Spring programme, whether a full-time employee, casual, freelancer, volunteer or work placement, receive safeguarding training because they will be working with children, young people and vulnerable adults.

This year (year one of our Digital Strategy), we undertook a digital skills audit to identify skills gaps and provide training where needed. We also introduced on-demand mental health first aid training and have established Respect & Dignity training delivered early on in the rehearsal process for all Belgrade productions to cast, creatives and staff.

Volunteer contributions continued to grow during 2018/19: 51 volunteers contributed 1,322 hours; we hosted 25 work experience students of which 12 were school age and 13 were students from the two local universities who collectively completed 1,140 placement hours; 26 Artist development and mentoring opportunities were provided; and a total of 13,471 participation opportunities for young people and the community were taken up.

Three Apprentices were recruited in: Click Spring, Operations and Catering. Two of the Apprentices came from low socio-economic backgrounds. We also appointed a female BAME to the two-year traineeship post in technical theatre.

We provided six paid trainee female assistant director positions to work on projects of varying scale in 2018/19, five of which were BAME.

The success of our development programme was evidenced by two of our Click Spring Volunteers progressing to being paid support workers with our youth groups and our 2016/17 Apprentice becoming a regular support worker on a number of our programmes. Finally, our 2015/16 Apprentice secured a full time position in the theatre as Production Administrator.

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**Trustees' report (continued)**  
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**Capital Development**

We reopened in September 2007 having completed the major capital project that resulted in the creation of B2, provision of on-site rehearsal space and new improved entrances and front of house. The company works hard to maintain the fabric of the building so that it continues to hold on to its new shine.

The feasibility study for the development of an underused area of its existing footprint in order to create a rehearsal / workshop space for the community and education work was delivered but remained on hold due to the economic climate although the 2020 Redevelopment Project may now allow an element of this to be delivered.

A new 30 year lease is now in place for the Theatre's workshops, with the Theatre being granted the option to purchase the site, should the Council look to sell it. During Summer 2013 the Board made a major investment in the fabric to make it fit for purpose, secure its use for 50 years and reduce its carbon footprint, as a result of which the Council agreed to an increased lease of 50 years.

In 2016, the Board approved plans to deliver some essential electrical works associated with the existing building and main auditorium which were carried out Summer 2017 and formed the first part of a larger capital project (2020 Redevelopment Programme) that centres on the refurbishment of the Main Stage auditorium to ensure the Theatre is City of Culture 2021 ready and expanding the Theatre's footprint with a view to increasing its future earned income opportunities. The works are taking place Summer 2019 and planned for Summer 2020, minimising the closure period and to be complete for City of Culture 2021. The project has been costed at around £5m.

**Approach to Fund Raising**

The Belgrade is voluntarily registered with the Fundraising Regulator and follows the Code of Fundraising Practice. The Fundraising Promise and details of the Belgrade's commitment to open, honest and transparent fundraising is outlined on <http://www.belgrade.co.uk/support-us/why-we-are-a-charity/>.

The Belgrade's Trustees also follow the Charity Commission's (CC20) guidance regarding fundraising compliance, and this is monitored by the Development Committee which is chaired by a Trustee. The Belgrade's Fundraising Policy states the process for asking for support – in line with the Code of Fundraising Practice and GDPR regulations that came into force on 25 May 2018. The Belgrade has a Fundraising Policy which is approved by the Board of Trustees/Directors and monitored by the Development Committee. The Belgrade's fundraising activity is led by the Head of Development, with support from a Development Officer and Development Assistant. Whilst all staff are encouraged (and where appropriate provided training) to signpost potential donors/supporters, it is the Development team who are suitably qualified professional fundraisers with the responsibility of raising funds. Occasionally, for specific projects, external fundraising consultants' advice is sought (i.e. 2020 Redevelopment Project). All fundraising activities are carried out by the Development team and where suitable (e.g. for bucket collections) other Belgrade staff members – who have also been taken through fundraising training.

No fundraising complaints were received by the Belgrade in 2018-19.

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**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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**Strategic report**

**Achievements and performance**

**a. Review of activities**

The Theatre met all its obligations under its third National Portfolio Organisations (NPO) Agreement with Arts Council England (ACE), which started this year and which runs until March 2020. The Belgrade is supporting ACE's mission GREAT ART & MUSEUMS FOR EVERYONE and making specific contributions to its strategies in talent development, the creative case for diversity and quality professional theatre for young people. The three year business plan continues to see particularly ambitious fund raising targets. The Theatre manages this substantial risk in two main ways. It divides the target into achievable, which can thus be planned to be spent, and ambitious, which can only be spent when it is raised. It underpins this activity with its reserves, created by trading surpluses in recent years. The new theatre tax relief scheme also makes a significant contribution and thus enables more artistic work.

**Financial review**

**a. Year result**

The year again saw us improve on our Earned vs Grant Ratio and the Belgrade's business model continues to prove itself to be flexible and robust:

- 75.5% Earned (up from 46.4% in 2008/09) showing that we maintain an above the Benchmark position on this
- Overall turnover increased by 7% to £6.2m
- Enterprises turnover at £1.6m representing 26% of turnover
- Box Office £2.65m which is 42% (up from 40.2%)
- Raised £209k of Contributed Income (3.3% of total)
- Earned/raised £253k specifically to support the Community & Education programme by enabling additional projects
- Net loss of resources expended of £261k (2018: net loss of £354k),
- Operating cash flows up 6% to £280k
- Total funds of £11.6m of which unrestricted funds down 3% to £251k (2018: £194k)
- Net cash funds up 0.2% to £1,359k after expenditure of £243k on capital expenditure.
- Net current assets reduced by £121k (2018: reduced by £165k)

Income continues to be spread across different sources which spreads risk; financial control continues to be tight; and staff continue to respond creatively to the various income challenges. Box Office income was extremely variable during the year but we managed to steer the Theatre through to return a reasonable surplus that can replenish our reserves after the small losses of the two most recent years.

Our NVC/Booking Fees are proving an extremely important source of income and this year contributed £231k. Commercial sales are gaining strength under new leadership but suffered some big swings largely associated with audience numbers. Belgrade Production Services (BPS) necessary high operating costs has forced a big reduction in anticipated net contribution. Fund raising continues to be a challenge in a relatively low income city with few businesses head quartering here and competition for funds. Theatre Tax Relief is allocated on a cash basis and amounted to £165k, a depressed claim largely due to key staff changeover and one that we anticipate with grow in future years.

Due to some advantageous co-production deals we have produced eight professional shows against target of seven. In addition to our core participation programme we delivered a major Great Places Project in the Coventry Telegraph Building.

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**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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We are investing a considerable sum in our TRG project which is designed to increase box office through management of demand and offering fewer ticketing models but with a wider range of prices enabling better access at the lower end. We expect to see results in 2019/20 figures.

We hold reserves that have paid off the 2007 Capital Project in full; a £105k designated reserve towards the new Capital Project and £200k for revenue projects. Our trading result for 2018/19 has increased our free reserves to £251k.

The Theatre is doing a lot of additional work with the opportunities afforded by winning City of Culture. On top of delivering our normal business to the best of our abilities we are working on the 2020 Redevelopment Project (budget £4.8m) that will run until late summer 2020, the £1.1m HANDING OVER THE KEYS for 2021 (May 2019 to March 2022), with data mining specialists TRG a major TICKETING REVIEW that is designed to increase our box office income and revising and refreshing our brand that we created for our reopening after the 2007 project. There is full involvement from the Board and staff in all these projects.

The results are evidence that the Theatre continues to work hard to increase its earnings from existing and new sources. Our commercial set building company, Belgrade Production Services (BPS) had another difficult year with changeover of key staff and new staff structure still impacting and interrupting its steady growth, resulting in a much lower net contribution to the Theatre than had originally been budgeted but now considered to be much more realistic and figures on which we can plan. Events & Conferencing is increasingly contributing more to the Theatre's income, and now enjoys a regular hire by a Pentecostal church on Sundays. Catering had a very successful third year inhouse, with the winning of an external contract to cater for local students. Sales in the Theatre itself are still affected by audience numbers but a day time trade is establishing itself. All these elements of operation come through the Theatre's wholly owned trading subsidiary Enterprises whose turnover grew to £1.611m (£1.417m in 2018). Enterprises' net profit was £387k (£322k in 2018) that is donated in full to the Charity.

Theatre tax relief likewise is an invaluable source of support at £164k (claimed directly and via third parties) which is used proportionately to fund professional and the community activity of the Theatre by reducing the expenditure on individual artistic projects, enabling an increase in artistic activity.

The principal income for the Charity was self-generated income, achieving a record 75.5% (up from 72.8% in 2017) of turnover. The principal funding sources came from Arts Council England and Coventry City Council (core grants totalling £1,537,268); project funding from various sources mainly to support specific community, participation and talent development projects; and restricted purpose grants totalling £102k. This area of work's self generated income in the year was £253k and this year earned a record £45k from its additional workshops that are charged for entry. Our project with over 50s, called Arts Gymnasium is in its third year having won a major Esmée Fairbairn grant to support it over several years.

Although it has not proved possible to replace entirely the loss of income from statutory sources the Theatre's business model is proving its efficacy in enabling the Theatre to continue to offer a vibrant and successful programme of work on stage and through our participation, education and talent development programmes despite the obvious economic pressures we face.

Trustees feel that compliance with Charity Accounting Standards gives a potentially misleading picture of the Theatre's financial health, due to the way the Theatre's main asset (the fully funded theatre) is unwound (showing a cost to the SOFA of £309k). This compliance means the Charity's ongoing operating activities, as reported in the SOFA, show a deficit of £261k. The Trustees wish it to be noted that at the same time, Net Movement in Funds in the Year was (£264k) and the Charity has also generated net operating cash of £280k (note 21).

**b. Investment policy and performance**

Cash flow is carefully managed to ensure that surplus cash is put on short or long term deposit with financial institutions having appropriate credit ratings. The Charity does not deal in equities and derivative instruments.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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**c. Reserves policy**

The Trustees have established a level of reserves (that is, those funds that are freely available) that the Charity ought to have. Reserves are needed to bridge the funding gaps between spending on productions and events and receiving resources through admission charges and grants that provide funding. Unexpected variations in box office sales, which form a substantial part of the Theatre's income, represents the largest risks to its financial security during any one year. While every effort is made to minimise risk by setting realistic targets, the Board considers it appropriate to hold a level of reserves on the balance sheet to protect the Theatre against this eventuality. The ending of the substantial capital project and of the subsequent workshop refurbishment project have removed major financial risk.

Beginning a £5m 2020 Redevelopment Project has introduced some major risks but these are carefully monitored and reported on. In preparation for this project the Trustees reconsidered the designation of its funds and moved much of its £1/2m designated funds away from the 2020 Redevelopment Project in order to close off the remaining gap between funds raised and secured on the 2007 Project. The latter Project is now fully funded and £105k remained available to designate towards the 2020 Redevelopment Project.

Due to the Theatre's positive trading result this year it has been able to increase its level of unrestricted reserves to £251k (2018: £194k). There is also a designated fund of £200,000 towards revenue projects, which will act as a contingency or "venture fund" in the build up to and delivery of UK City of Culture. During the year £50k was committed towards a production of CARMEN JONES that played in New York and this investment has secured the Theatre the right to host the opening of the UK production which it is hoped will be in 2021. This investment has been recorded as a cost during the year. It is the Trustees' view that it is prudent to use the funds it has available in order to give it the ability to increase its self-generated income while at the same time ensuring that there are sufficient reserves to provide financial flexibility over the course of the forthcoming challenges. The Trustees have decided that as long as the level of free reserves remains sufficient, the policy shall be to invest a proportion of future trading surpluses in revenue activity, allowing more home produced shows, particularly those with a commercial potential, B2 to be open for the year, the Theatre's community, participation and talent development programme to deliver more work and capital projects that will provide the Theatre with new income streams.

**Structure, governance and management**

**a. Constitution**

The Theatre is incorporated under the Companies Act 1948 being a Company Limited by Guarantee and not having a share capital with the company number 00593331.

The Theatre is constituted dated 21 October 1957 and is a registered charity number 219163.

**b. Policies adopted for the induction and training of Trustees**

New trustees undergo a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity. The new Trustees also meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

**c. Setting the Pay and Remuneration of the Charity's Key Management Personnel**

The Board approves the specific pay levels of senior staff, and the level of the general pay award to all staff.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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**d. Organisational structure and decision making**

The Memorandum and Articles specify that the Board shall consist of not less than 11 and no more than 15 persons, two being nominated by Coventry City Council and not less than nine and no more than 13 from outside the city council, who shall be nominated by the Board. These nominations are selected to meet a balance of skills and representation in the make up of the Board. A series of committees oversee specific elements of operation and make reports, with recommendations, to the Board. The Board makes the final strategic decisions, delegating decisions regarding day to day operations to the Chief Executive and Executive Management.

During the year no Extraordinary General Meetings were held

The company is limited by guarantee so the Directors have no interest in any shares. The company is a registered charity. The Directors are Trustees of the charity and, except for the Chairman there is no power for them to receive remuneration for their service as Directors. The senior officers remain employees of the company while also acting as Directors. Approval was granted by the Charity Commission on 11 August 2005 to pay the Chairman a limited sum under specific circumstances and to pay the Artistic Director/Chief Executive and Executive Director, and on 3 August 2006 to make payment to a Director's company in return for professional services.

Stewart Fergusson was appointed as Chairman September 2012. The Theatre is very fortunate to have a very able and committed Board. The composition includes a good cross section of experience and representation.

Detailed work is delegated to committees in the following areas:

Arts Policy – chaired by Jonathan Davidson / Nathan Dodzo

Audit – chaired by Paul Carvell

Development – chaired by Geoff Brooke-Taylor

Capital Development – committee restarted, chaired by the Chairman of the Board

Community & Education – chaired by Pat Johnstone / Sheila Bates

Communications – chaired by Alan Pollock

Nominations & Governance – chaired by the Chairman of the Board

Each committee is made up of at least one or two Board members and a number of additional members with appropriate expertise. The Chairman of the Board, the Artistic Director/Chief Executive and the Executive Director are ex-officio members of all committees to provide communication and overall cohesion.

**e. Related parties**

The Charity has a wholly-owned trading subsidiary, Belgrade Theatre Enterprises Limited, a company incorporated in England. Its nature of business is to carry out the trading activities of the company and it "gift aids" all profits to the Charity.

The Charity also has created two other wholly-owned trading subsidiaries Belgrade Theatre Productions Ltd and Belgrade Theatre Commercial Ltd, companies incorporated in England. Their nature of business is to carry out production activities as agreed with the Charity, to claim Theatre Tax Relief and to gift aid any income to the Charity.

The Charity had an interest in the ordinary shares of a joint venture company, Belgrade Ventures Limited. These shares had a nominal value of £1 each. This company was wound down in 2010.

The Charity co operates with other charities (including theatres) and non-charities (including commercial theatre companies, governmental and non governmental organisations, businesses) in the pursuit of its charitable objectives.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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**f. Risk management**

As part of the Stabilisation Technical Assistance programme awarded by Arts Council England prior to the 2006 start of the major capital project, a review was undertaken of the major risks facing the Theatre in implementing its strategy for change and a risk register drawn up.

The severity and likelihood of the risks are regularly assessed and measures to mitigate them are identified. These are reviewed at each Board Meeting. A separate review was undertaken of the risks associated with the major capital scheme and these were regularly reviewed throughout the project and the same pattern would be adopted for new capital schemes.

The Theatre has noticed an increase in exposure to third party risks due to the necessity of co-producing with other theatre companies and collapsing of Visiting Company tours at short notice.

**Plans for future periods**

**a. Future developments**

The key opportunity is brought about by Coventry's win to be UK City of Culture 2021, a win in which the Theatre played a major part. The Theatre is readying itself to embrace the significant opportunities the title brings and to make the most of the short term stabilising effect on core funding that is anticipated.

We have been successful to date in dealing with a drastic reduction in core funding over the last five years, through a combination of increasing ticket prices, increasing earnings from new and existing sources, increasing fund raising and two small restructurings (April 2013 and April 2016) to reduce overhead costs. There has also been a small reduction in artistic output and of sharing more artistic costs through co-production. At the same time we have maximised opportunities of additional funding streams such as the Catalyst Grant and Theatre Tax Relief to boost our artistic activity so that in spite of a significant cut in core funding received during the period, we were able to deliver on all our obligations under our NPO agreements. In recent years the Board has confirmed that the Theatre should plan to continue to maximise the Theatre's output and if necessary use reserves as venture funding to enable this. This approach enabled the Theatre to produce another busy year with a minimum draw on reserves. Plans continue to be based on the Theatre at least meeting its producing obligations under the NPO Agreement while programming B2 for most weeks and expanding the participation, education and talent development programmes. The Theatre is only able to do this because of the health of the Theatre's reserves combined with the proven ability of the staff and executive to manage and control costs and maximise income opportunities. The critical need of the Theatre is to maintain a reasonable balance between in-house and presented work and to deliver on its funding obligations, even in the face of declining levels of public funding.

Looking forward we are confident in our ability to earn more and in recent years we have appointed additional staff to our development and communications teams and during last year appointed permanent staff to our BPS team, all with the charge that these teams must increase income in all of these areas. However despite our success in earning and raising more of our own income we will always remain reliant on a reasonable level of core revenue funding to enable us to operate. If post City of Culture, Coventry City Council funding continues to decline, even with the Theatre's current income generating success, the Theatre's future as a producing theatre with a big community and education programme will be under severe threat. Our main auditorium is just not big enough to allow us to generate sufficient income to replace public funding. Both our chief funders recognise the crucial creative and community work of the Belgrade, and the important role we play in the economy of the City and region and in the City's successful bid to be UK City of Culture 2021.

The Theatre will however continue to make the case for sustained revenue funding from ACE and CCC and will continue to make the case to the public and to government for subsidy for the arts because of the economic and social benefits the arts bring cities and their citizens, particularly in times of stress such as these. The Belgrade Theatre's vision does not exist in isolation from the City of Coventry 10 Year Cultural Plan and strategic vision, and latterly the West Midlands Combined Authority's Midlands Engine vision, and indeed it supports all. This



**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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means the Belgrade is and must remain a major contributor to Coventry's main targets within its current Community Plan, as well as strategic targets within economic development, including the growth agenda for the City and wider region. Evidence from around the UK demonstrates conclusively that cities can regenerate and reinvent themselves through the success of their cultural institutions because those institutions not only help to project the city's profile nationally, they also serve the city's needs locally. The Belgrade is excited by Coventry's success at winning UK City of Culture in 2021 and will play a leading part in its delivery in 2021.

The Theatre has an excellent recent track record of successful adaptation and we believe we are in an excellent position to continue to secure our future core funding. The Theatre believes this because of our robust business model driving our current successful trajectory in serving wider audiences, increasing engagement from a wide range of audiences, increasing our earnings from non-grant income to the impressive 75.5% this year and because of the fact that the Belgrade Theatre is Coventry's only producing and commercial theatre and is critical to the City and Region's plans to be an attractive place for businesses to locate and thrive.

The Trustees and the senior management team continue to develop Belgrade 2020, a vision for the future of the Theatre. Its main thrust was to develop our role in four main areas:

- Audiences
- As a cultural hub
- Young People
- Enterprise

It is designed to ensure that the Belgrade remains an innovative organisation.

Artistically speaking we believe that we are meeting the key challenge of continuing to articulate a bold artistic policy intended to differentiate the Belgrade. On a national level, we aim to contribute to the Arts Council's strategic plan GREAT ART & MUSEUMS FOR EVERYONE. On a regional level to the City's strategic plans, while responding to a more conservative audience attitude toward new and challenging work. Our success at delivering in full on our NPO Award and being key players in the City's bid for UK City of Culture supports those beliefs but we recognise that there is no room for complacency and we will continue to be ambitious in how we make our contribution to the City, region and nation's cultural health.

**Trustees' responsibilities statement**

The Trustees (who are also directors of Belgrade Theatre Trust (Coventry) Limited for the purposes of company law) are responsible for preparing the Trustees' 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. Under company 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 charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the Year Ended 31 March 2019**

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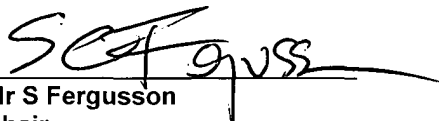
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable Group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable Group's auditors are aware of that information.

This report was approved by the Trustees, on 26 September 2019 and signed on their behalf by:

  
**Mr S Fergusson**  
**Chair**

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Independent auditors' report to the members of Belgrade Theatre Trust (Coventry) Limited**

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**Opinion**

We have audited the financial statements of Belgrade Theatre Trust (Coventry) Limited (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the consolidated statement of financial activities, the consolidated and Theatre balance sheets, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2019 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Independent auditors' report to the members of Belgrade Theatre Trust (Coventry) Limited**

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**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 auditors' 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report including the Group strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Group strategic report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Group strategic report.

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

- the parent charitable Theatre 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 Theatre 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 trustees' responsibilities statement, the Trustees (who are also the directors of the charitable Theatre 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Independent auditors' report to the members of Belgrade Theatre Trust (Coventry) Limited**

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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.

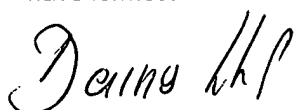
**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 auditors' report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Morris FCA (senior statutory auditor)

for and on behalf of

**Dains LLP**

Statutory Auditor  
Chartered Accountants

Birmingham  
26 September 2019

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Consolidated statement of financial activities**  
**(incorporating income and expenditure account)**  
**for the year ended 31 March 2018**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income and endowments from:</b>						
Donations and legacies	2	1,563,389	137,292	-	1,700,681	1,601,999
Charitable activities	3	2,938,824	-	-	2,938,824	2,737,611
Other trading activities	4	1,592,260	-	-	1,592,260	1,417,263
Investments	5	5,102	-	-	5,102	1,357
<b>Total income and endowments</b>		<b>6,099,575</b>	<b>137,292</b>	<b>-</b>	<b>6,236,867</b>	<b>5,758,230</b>
<b>Expenditure on:</b>						
Raising funds	4,6	1,210,804	-	-	1,210,804	1,071,306
Charitable activities	7,8,9	4,830,906	709,103	88,806	5,628,815	5,041,038
<b>Total expenditure</b>	10	<b>6,041,710</b>	<b>709,103</b>	<b>88,806</b>	<b>6,839,619</b>	<b>6,112,344</b>
<b>Net income / (expenditure) before transfers</b>		<b>57,865</b>	<b>(571,811)</b>	<b>(88,806)</b>	<b>(602,752)</b>	<b>(354,114)</b>
Transfers between Funds	19	(50,000)	-	50,000	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>7,865</b>	<b>(571,811)</b>	<b>(38,806)</b>	<b>(602,752)</b>	<b>(354,114)</b>
<b>Net movement in funds</b>		<b>7,865</b>	<b>(571,811)</b>	<b>(38,806)</b>	<b>(602,752)</b>	<b>(354,114)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		193,825	9,565,755	2,085,923	11,845,503	12,199,617
<b>Total funds carried forward</b>		<b>201,690</b>	<b>8,993,944</b>	<b>2,047,117</b>	<b>11,242,751</b>	<b>11,845,503</b>

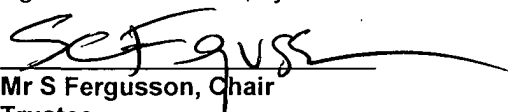
The notes on pages 24 to 44 form part of these financial statements.

**Belgrade Theatre Trust (Coventry) Limited**  
 (A company limited by guarantee)  
 Registered number: 00593331

**Consolidated balance sheet**  
**As at 31 March 2019**

	Note	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	13		11,257,371		11,740,384
<b>Current assets</b>					
Stocks	15	52,487		77,414	
Debtors	16	398,833		550,648	
Cash at bank and in hand		1,358,559		1,356,273	
		<u>1,809,879</u>		<u>1,984,335</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(1,618,745)</u>		<u>(1,657,244)</u>	
<b>Net current assets</b>			<u>191,134</u>		<u>327,091</u>
<b>Total assets less current liabilities</b>			<u>11,448,505</u>		<u>12,067,475</u>
<b>Creditors: amounts falling due after more than one year</b>	18		<u>(205,754)</u>		<u>(221,972)</u>
<b>Net assets</b>			<u><u>11,242,751</u></u>		<u><u>11,845,503</u></u>
<b>Charity Funds</b>					
Designated funds	19		2,047,117		2,085,923
Restricted funds	19		8,993,944		9,565,755
Unrestricted funds	19		201,690		193,825
<b>Total funds</b>			<u><u>11,242,751</u></u>		<u><u>11,845,503</u></u>

The financial statements were approved and authorised for issue by the Trustees on 26 September 2019 and signed on their behalf, by:

  
 Mr S Fergusson, Chair  
 Trustee

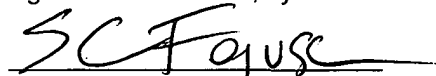
The notes on pages 24 to 44 form part of these financial statements.

**Belgrade Theatre Trust (Coventry) Limited**  
(A company limited by guarantee)  
Registered number: 00593331

**Theatre balance sheet**  
As at 31 March 2019

	Note	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	13		11,257,371		11,740,384
Investments	14		4		4
			<u>11,257,375</u>		<u>11,740,388</u>
<b>Current assets</b>					
Stocks	15	24,578		24,380	
Debtors	16	1,019,164		1,026,572	
Cash at bank and in hand		629,763		776,346	
		<u>1,673,505</u>		<u>1,827,298</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(1,482,375)</u>		<u>(1,500,211)</u>	
<b>Net current assets</b>			<u>191,130</u>		<u>327,087</u>
<b>Total assets less current liabilities</b>			<u>11,448,505</u>		<u>12,067,475</u>
<b>Creditors: amounts falling due after more than one year</b>	18		<u>(205,754)</u>		<u>(221,972)</u>
<b>Net assets</b>			<u><u>11,242,751</u></u>		<u><u>11,845,503</u></u>
<b>Charity Funds</b>					
Designated funds	19		2,047,117		2,085,923
Restricted funds	19		8,993,944		9,565,755
Unrestricted funds	19		201,690		193,825
<b>Total funds</b>			<u><u>11,242,751</u></u>		<u><u>11,845,503</u></u>

The financial statements were approved and authorised for issue by the Trustees on 26 September 2019 and signed on their behalf, by:

  
Mr S Fergusson, Chair  
Trustee

The notes on pages 24 to 44 form part of these financial statements.



**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Consolidated statement of cash flows**  
**For the Year Ended 31 March 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	<u>118,280</u>	<u>264,056</u>
<b>Cash flows from investing activities:</b>			
Interest received / (paid)		(6,898)	(11,278)
Purchase of tangible fixed assets		<u>(81,656)</u>	<u>(223,556)</u>
<b>Net cash used in investing activities</b>		<u>(88,554)</u>	<u>(234,834)</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		<u>(27,440)</u>	<u>(14,805)</u>
<b>Net cash used in financing activities</b>		<u>(27,440)</u>	<u>(14,805)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>2,286</b>	<b>14,417</b>
Cash and cash equivalents brought forward		<u>1,356,273</u>	<u>1,341,856</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>1,358,559</u></u>	<u><u>1,356,273</u></u>

The notes on pages 24 to 44 form part of these financial statements.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

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**1. Accounting policies**

Belgrade Theatre Trust (Coventry) Limited is a charitable company incorporated under the Companies Act in England and Wales and registered with the Charity Commission for England and Wales. The address of the registered office is given in the reference and administration section. The nature of the charity and group's activities are given in the Trustees' report.

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with 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.

Belgrade Theatre Trust (Coventry) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Theatre and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Theatre alone as permitted by section 408 of the Companies Act 2006.

**1.2 Going concern**

The financial statements have been prepared on a going concern basis, the validity of which is dependent upon the charitable company continuing to receive adequate financial support from Coventry City Council and Arts Council England. Coventry City Council support is agreed on a one year rolling agreement and Arts Council England support has been agreed until March 2021.

The Trustees have prepared cash flow forecasts through to September 2020, incorporating the confirmed financial support from Coventry City Council and Arts Council England, which demonstrates that the group continues to be able to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. The Trustees therefore feel that it is appropriate to prepare the financial statements on a going concern basis.

**1.3 Company status**

The Theatre is a company limited by guarantee incorporated under the Companies Act in England and Wales. The members of the company are the Trustees named on page 1. In the event of the Theatre being wound up, the liability in respect of the guarantee is limited to £1 per member of the Theatre.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

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**1. Accounting policies (continued)**

**1.4 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Theatre and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Theatre for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.5 Income**

All income is recognised once the Theatre has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

**1.6 Expenditure**

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Theatre's operations, including support costs and costs relating to the governance of the Theatre apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**1.7 Tangible fixed assets and depreciation**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold property	-	50 years
Furniture and fittings	-	3 to 10 years
Computer equipment	-	3 to 5 years
Event programme equipment	-	10 years
Sundry equipment	-	3 to 10 years
Motor vehicles	-	5 years
Theatre refurbishment	-	2 - 50 years

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

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**1. Accounting policies (continued)**

**1.8 Investments**

Investments in subsidiaries are valued at cost less provision for impairment.

**1.9 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Theatre; this is normally upon notification of the interest paid or payable by the Bank.

**1.10 Operating leases**

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

**1.11 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**1.12 Debtors**

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

**1.13 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.14 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Theatre anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.15 Financial instruments**

The Theatre 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Belgrade Theatre Trust (Coventry) Limited**  
(A company limited by guarantee)

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

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**1. Accounting policies (continued)**

**1.16 Taxation**

The Theatre is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Theatre is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.17 Pensions**

The Theatre operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid, the Charity has no further payment obligations.

The contributions are charged to the income and expenditure account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Charity in independently administered funds.

**1.18 Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions:**

The Theatre makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Critical areas of judgement:**

Management have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**2. Income from donations and legacies**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	26,122	-	-	26,122	26,231
Coventry City Council	595,052	-	-	595,052	595,053
Arts Council England	942,215	-	-	942,215	942,215
Capital development project 2020	-	35,092	-	35,092	-
Esmée Fairbairn Foundation funding	-	52,520	-	52,520	38,500
STRAPP Project (Tamasha)	-	49,680	-	49,680	-
<b>Total donations and legacies</b>	<b>1,563,389</b>	<b>137,292</b>	<b>-</b>	<b>1,700,681</b>	<b>1,601,999</b>
<b>Total 2018</b>	<b>1,563,499</b>	<b>38,500</b>	<b>-</b>	<b>1,601,999</b>	

**3. Income from charitable activities**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £	Total funds 2018 £
Box office	2,650,866	-	-	2,650,866	2,428,684
Grant and other income	287,958	-	-	287,958	308,927
	<b>2,938,824</b>	<b>-</b>	<b>-</b>	<b>2,938,824</b>	<b>2,737,611</b>
<b>Total 2018</b>	<b>2,737,611</b>	<b>-</b>	<b>-</b>	<b>2,737,611</b>	

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**4. Commercial trading operations and investment in trading subsidiaries**

The charity has three wholly owned trading subsidiaries Belgrade Theatre Enterprises Limited, Belgrade Theatre Productions Limited and Belgrade Theatre Commercial Limited which are incorporated in England and Wales.

The financial results for Belgrade Theatre Enterprises Limited are shown below.

	2019 £	2018 £
<b>Income</b>		
Ice cream and merchandise	119,375	107,218
Conferencing	119,994	124,917
Workshop	831,970	741,683
Drama classes	48,099	49,867
Catering	491,569	393,578
	<hr/>	<hr/>
Total income	1,611,007	1,417,263
<b>Expenditure</b>		
Cost of sales	(1,170,506)	(1,053,987)
Administrative expenses	(53,594)	(41,047)
	<hr/>	<hr/>
Profit for the financial year	386,907	322,229
Payment under gift aid to the theatre	(386,907)	(322,229)
	<hr/>	<hr/>
Retained earnings at the year end	-	-
	<hr/> <hr/>	<hr/> <hr/>

**The assets and liabilities of the subsidiary were:**

	2019 £	2018 £
Current assets	807,021	719,607
Creditors: amounts falling due within one year	(807,019)	(719,605)
	<hr/>	<hr/>
Total net assets	2	2
	<hr/> <hr/>	<hr/> <hr/>

**Represented by:**

	2019 £	2018 £
Called up share capital	2	2
	<hr/>	<hr/>
Shareholders funds	2	2
	<hr/> <hr/>	<hr/> <hr/>

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**4. Commercial trading operations and investment in trading subsidiaries (continued)**

The financial results for Belgrade Theatre Productions Limited are shown below:

	2019 £	2018 £
Sales	1,575,387	1,039,485
Cost of sales	(1,575,387)	(1,039,485)
Administrative expenses	(2,315)	(2,023)
Theatre tax relief	164,465	151,391
Profit for the financial year	162,150	149,368
Payment under gift aid to the theatre	(162,150)	(149,368)
Profit for the year	-	-

The assets and liabilities of the subsidiary were:

	2019 £	2018 £
Current assets	3,500	151,394
Creditors: amounts falling due within one year	(3,499)	(151,393)
Total	1	1

Represented by:

	2019 £	2018 £
Called up share capital	1	1

Belgrade Theatre Commercial Limited is a dormant company.

**5. Investment income**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £	Total funds 2018 £
Interest receivable	5,102	-	-	5,102	1,357
Total 2018	1,357	-	-	1,357	



**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**6. Costs of raising funds**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs					
Fundraising cost of grants and donations	14,795	-	-	14,795	11,873
<b>Total 2018</b>	11,873	-	-	11,873	

**7. Direct costs**

	Operational Theatre Total 2019 £	Operational Theatre Total 2018 £
Production costs	2,101,380	1,745,096
Community education projects	63,161	86,253
Front of house costs	8,625	12,969
Production/activity marketing and advertising	283,838	299,456
Premises costs	112,964	118,281
Interest payable	12,000	12,635
Professional and feasibility costs	161,572	-
Wages and salaries	1,392,852	1,343,297
Actors' salaries and musician costs	244,284	368,354
Depreciation	544,656	408,160
	<b>4,925,332</b>	<b>4,394,501</b>
<b>Total 2018</b>	<b>4,394,501</b>	

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**8. Support costs**

	Operational Theatre Total 2019 £	Operational Theatre Total 2018 £
Administration overheads	168,263	168,058
IT costs	92,346	80,266
Legal and professional charges	37,333	15,029
Wages and salaries	374,772	350,122
Depreciation	16,413	20,039
	<u>689,127</u>	<u>633,514</u>
<b>Total 2018</b>	<u>633,514</u>	

**9. Governance costs**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £	Total funds 2018 £
Auditors' remuneration	6,750	-	-	6,750	6,650
Legal and professional services	7,606	-	-	7,606	6,373
	<u>14,356</u>	<u>-</u>	<u>-</u>	<u>14,356</u>	<u>13,023</u>

The amount of administration support costs in connection with governance matters is considered insignificant.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**10. Analysis of Expenditure by expenditure type**

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income	-	-	14,795	14,795	11,873
Expenditure on fundraising trading	598,188	-	597,821	1,196,009	1,059,434
<b>Costs of raising funds</b>	<b>598,188</b>	<b>-</b>	<b>612,616</b>	<b>1,210,804</b>	<b>1,071,307</b>
Operational Theatre	2,011,908	561,069	3,041,482	5,614,459	5,028,015
Expenditure on governance	-	-	14,356	14,356	13,023
	<u>2,610,096</u>	<u>561,069</u>	<u>3,668,454</u>	<u>6,839,619</u>	<u>6,112,345</u>
<b>Total 2018</b>	<u><u>2,584,465</u></u>	<u><u>428,199</u></u>	<u><u>3,099,681</u></u>	<u><u>6,112,345</u></u>	

**11. Net income/(expenditure)**

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	561,069	428,199
Auditors' remuneration	6,750	6,650
Operating lease costs	25,000	40,000
	<u><u>592,819</u></u>	<u><u>474,849</u></u>

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**12. Staff costs**

	2019 £	2018 £
Wages and salaries (including actors)	2,393,500	2,445,729
Social security and pension costs	216,596	138,736
Total	<u>2,610,096</u>	<u>2,584,465</u>

**Trustees' emoluments including pension contributions**

	2019 £	2018 £
Senior officers' emoluments	<u>156,333</u>	<u>154,188</u>

The senior officers Ms K J Reid and Mr W H Glen were appointed directors / trustees on 6 October 2005. They are paid in respect of their duties as employees, notwithstanding that they may also be directors / trustees of the Charity. Following approval from the Charity Commission the Charity's Memorandum & Articles of Association have been altered accordingly.

The two senior officers named above received reimbursement of expenses of £3,274 (2018: £4,199). These expenses related to expenses paid on behalf of the Charity. They did not relate to expenses incurred in acting as a Trustee of the Charity.

All other members of the board of management act in an unpaid capacity.

The average number of persons employed by the Theatre during the year was as follows:

	2019 No.	2018 No.
Actors and production	52	33
Front of house, catering and cleaning	54	70
Marketing	6	7
Administration	16	14
	<u>128</u>	<u>124</u>

Average headcount expressed as a full time equivalent:

	2019 No.	2018 No.
Actors and production	48	22
Front of house, catering and cleaning	30	35
Marketing	6	7
Administration	12	10
	<u>96</u>	<u>74</u>

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**12. Staff costs (continued)**

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1

During the year, the key management personnel of the Charity received total compensation of £156,333 (2018: £154,188).

**13. Tangible fixed assets**

Group and Theatre	Theatre refurbishment £	Long leasehold property £	Events equipment £	Furniture, equipment & vehicles £	Assets under construction £	Total £
<b>Cost</b>						
At 1 April 2018	15,275,128	740,026	505,920	1,719,323	-	18,240,397
Additions	-	-	-	79,096	2,560	81,656
Disposals	-	-	-	(3,600)	-	(3,600)
Transfer between classes	(174,220)	-	-	-	174,220	-
At 31 March 2019	15,100,908	740,026	505,920	1,794,819	176,780	18,318,453
<b>Depreciation</b>						
At 1 April 2018	4,457,358	167,221	505,920	1,369,514	-	6,500,013
Charge for the year	293,350	14,801	-	87,551	165,367	561,069
Transfer between classes	(8,853)	-	-	-	8,853	-
At 31 March 2019	4,741,855	182,022	505,920	1,457,065	174,220	7,061,082
<b>Net book value</b>						
At 31 March 2019	10,359,053	558,004	-	337,754	2,560	11,257,371
At 31 March 2018	10,817,770	572,805	-	349,809	-	11,740,384

**Secured assets**

The fixed assets of the Charity are secured by way of a legal charge, made on 16 November 2005, securing all monies and obligations should it be necessary to repay a grant made by the Arts Council England to the Charity for the purposes of the acquisition, re-development, extending and equipping of The Belgrade Theatre, Coventry.

Some of the fixed assets of the Charity are secured by way of fixed and floating charges, made on 17 September 2007, securing all monies and liabilities covenanted to be paid and discharged under the Deed of Charge and outstanding from time to time to The Arts Council of England and The Trustees of the National Heritage Memorial Fund.

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**14. Fixed asset investments**

	Shares in group undertakings £	
<b>Theatre</b>		
<b>Cost</b>		
At 1 April 2018 and 31 March 2019		<u>4</u>
<b>Theatre investments at cost comprise:</b>		
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Group undertakings	<u>4</u>	<u>4</u>

Investments in group undertakings are in the following subsidiaries:

- Belgrade Theatre Enterprises Limited
- Belgrade Theatre Productions Limited
- Belgrade Theatre Commercial Limited (dormant)

**15. Stocks**

	<b>Group</b>		<b>Theatre</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Materials and goods for resale	<b>38,203</b>	40,173	<b>24,578</b>	24,380
Work in progress	<b>14,284</b>	37,241	-	-
	<u><b>52,487</b></u>	<u>77,414</u>	<u><b>24,578</b></u>	<u>24,380</u>

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**16. Debtors**

	<u>Group</u>		<u>Theatre</u>	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	209,143	263,481	155,723	179,405
Amounts owed by group undertakings	-	-	674,146	713,963
Other debtors	41,525	157,441	41,525	5,864
Prepayments and accrued income	148,165	129,726	147,770	127,340
	<u>398,833</u>	<u>550,648</u>	<u>1,019,164</u>	<u>1,026,572</u>

The amount due to group undertakings represents the gift aid payments due together with normal commercial recharges.

**17. Creditors: Amounts falling due within one year**

	<u>Group</u>		<u>Theatre</u>	
	2019	2018	2019	2018
	£	£	£	£
Bank loans and overdrafts	13,776	-	13,776	-
Coventry City Council loan	16,337	15,559	16,337	15,559
Trade creditors	290,021	164,063	277,204	115,603
Other taxation and social security	87,914	125,552	60,764	125,552
Deferred income	942,161	956,057	853,491	857,498
Accruals	268,536	396,013	260,803	385,999
	<u>1,618,745</u>	<u>1,657,244</u>	<u>1,482,375</u>	<u>1,500,211</u>

	<u>Group</u>		<u>Theatre</u>	
	2019	2018	2019	2018
	£	£	£	£
<b>Deferred income</b>				
Deferred income brought forward	956,057	751,870	857,498	665,578
Resources deferred during the year	972,717	956,057	884,047	857,498
Amounts released from previous years	(956,057)	(751,870)	(857,498)	(665,578)
Deferred income carried forward	<u>972,717</u>	<u>956,057</u>	<u>884,047</u>	<u>857,498</u>

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**18. Creditors: Amounts falling due after more than one year**

	<b>Group</b>		<b>Theatre</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Coventry City Council loan	<b>205,754</b>	221,972	<b>205,754</b>	221,972

Included within the above are amounts falling due as follows:

	<b>Group</b>		<b>Theatre</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Between one and two years</b>				
Other loans	<b>17,274</b>	16,337	<b>17,274</b>	16,337
<b>Between two and five years</b>				
Other loans	<b>56,783</b>	54,079	<b>56,783</b>	54,079
<b>Over five years</b>				
Other loans	<b>131,697</b>	151,556	<b>131,697</b>	151,556

Creditors include amounts not wholly repayable within 5 years as follows:

	<b>Group</b>		<b>Theatre</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Repayable by instalments	<b>131,697</b>	151,556	<b>131,697</b>	151,556

The Coventry City Council loan is repayable in annual repayments of £27,440 from 1 April 2010 to 31 March 2029 and the sum of £17,310 from 1 April 2029 to 31 March 2030. Interest on the loan is calculated at 5%.



**Belgrade Theatre Trust (Coventry) Limited**  
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**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**19. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
<b>Unrestricted funds</b>					
General fund	193,825	6,099,575	(6,041,710)	(50,000)	201,690
<b>Designated funds</b>					
Leasehold office buildings (fixed assets)	244,402	-	(7,638)	-	236,764
Renewals reserve	69,473	-	-	-	69,473
Lighting & sound desks 2013 (fixed assets)	33,837	-	(5,617)	-	28,220
Capital development project 2007 (fixed assets)	1,015,000	-	-	-	1,015,000
Revenue projects/ UK City of Culture	250,000	-	(50,000)	-	200,000
E-Marketing project	35,000	-	-	-	35,000
Red Lane improvement 2013 (fixed assets)	227,830	-	(7,163)	-	220,667
Air cooling project 2012 (fixed assets)	40,591	-	(10,918)	-	29,673
CNC router project 2015 (fixed assets)	64,790	-	(7,470)	-	57,320
Capital redevelopment project 2020 (formerly Auditorium refurbishment)	105,000	-	-	50,000	155,000
	<u>2,085,923</u>	<u>-</u>	<u>(88,806)</u>	<u>50,000</u>	<u>2,047,117</u>
<b>Restricted funds</b>					
Capital development project (fixed assets)	9,551,817	-	(277,972)	-	9,273,845
ERDF - capital grant (fixed assets)	13,938	-	(1,992)	-	11,946
Esmée Fairbairn Foundation funding	-	52,520	(52,520)	-	-
STRAPP Project (Tamasha)	-	49,680	(49,680)	-	-
Capital redevelopment project 2020	-	35,092	(326,939)	-	(291,847)
	<u>9,565,755</u>	<u>137,292</u>	<u>(709,103)</u>	<u>-</u>	<u>8,993,944</u>
<b>Total of funds</b>	<u>11,845,503</u>	<u>6,236,867</u>	<u>(6,839,619)</u>	<u>-</u>	<u>11,242,751</u>

**Leasehold office buildings**

This designated fund represents the capital element of the asset less the loan from Coventry City Council. The loan has now been repaid hence the outstanding amount is the capital element.

**Renewals reserve**

This designated fund is being built up to cover any required renewals, repairs or maintenance on the Theatre and its equipment.

**Belgrade Theatre Trust (Coventry) Limited**  
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**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

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**19. Statement of funds (continued)**

**Lighting & sound desks 2013**

This designated fund represents the cost of renewals made in 2013. It is represented by fixed assets.

**Capital development project 2007**

This designated fund represents the element of the capital development project which the charity is to fund itself. It is represented by fixed assets.

**Revenue projects**

This designated fund is being created from trading surpluses to allow the Theatre to increase its core activity of producing shows, the Community & Education programme and programming the new B2 auditorium.

**E-Marketing projects**

This designated fund has been created to cover known and anticipated web and new media marketing projects.

**Red Lane improvement project 2013**

This designated fund has been created to cover known and anticipated improvements to the leased property. It is represented by fixed assets.

**Air cooling rectification project 2012**

This designated fund represents rectifications made to the air cooling system within the Theatre. It is represented by fixed assets.

**CNC Project**

This designated fund has been created to fund the installation of a CNC router for set making.

**Capital redevelopment project 2020 (formerly Auditorium refurbishment)**

This designated fund has been created towards known and anticipated costs for the future capital redevelopment project 2020.

**Capital development projects**

This restricted fund was established out of the various grants and donations awarded for the above projects. It is represented by fixed assets.

**ERDF funding**

Restricted part funding for the CNC Router and associated capital works at Red Lane, applied for through the Growth Hub.

**Esmée Fairbairn funding**

Restricted funding received for the "Arts Gymnasium" project; working with older people, using theatre as a way to improve physical and emotional health & well being.

**STRAPP Project (Tamasha)**

Restricted funding received for the Sustained Theatre Regional Associate Producer Programme in partnership with Tamasha Theatre Company Limited.

**Capital redevelopment project 2020**

This restricted fund has been established in relation to donations received for the above project during the year and expenditure incurred in respect of the project. Whilst the fund is in deficit at the balance sheet date, this project is part funded by the Government's Local Growth Fund through the Coventry and Warwickshire Local Enterprise Partnership and by Coventry City Council and income will be received and recognised in subsequent accounting periods.

**Belgrade Theatre Trust (Coventry) Limited**  
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**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**19. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
General fund	212,982	5,719,730	(5,733,282)	(5,605)	193,825
<b>Designated funds</b>					
Leasehold office buildings (Fixed Assets)	252,040	-	(7,638)	-	244,402
Renewals reserve	69,473	-	-	-	69,473
Lighting & sound desks 2013 (Fixed Assets)	39,454	-	(5,617)	-	33,837
Capital development project 2007 (Fixed Assets)	620,000	-	-	395,000	1,015,000
Revenue projects/ UK City of Culture	250,000	-	-	-	250,000
E-Marketing project	25,000	-	-	10,000	35,000
Red Lane improvement 2013 (Fixed Assets)	234,993	-	(7,163)	-	227,830
Air cooling project 2012 (Fixed Assets)	51,509	-	(10,918)	-	40,591
TiE festival celebration reserve	4,395	-	-	(4,395)	-
CNC router project 2015 (Fixed Assets)	72,260	-	(7,470)	-	64,790
Capital redevelopment project 2020 (formerly Auditorium refurbishment)	500,000	-	-	(395,000)	105,000
	<u>2,119,124</u>	<u>-</u>	<u>(38,806)</u>	<u>5,605</u>	<u>2,085,923</u>
<b>Restricted funds</b>					
Capital development project	9,851,581	-	(299,764)	-	9,551,817
ERDF - Capital grant	15,930	-	(1,992)	-	13,938
Esmée Fairbairn Foundation funding	-	38,500	(38,500)	-	-
	<u>9,867,511</u>	<u>38,500</u>	<u>(340,256)</u>	<u>-</u>	<u>9,565,755</u>
<b>Total of funds</b>	<u>12,199,617</u>	<u>5,758,230</u>	<u>(6,112,344)</u>	<u>-</u>	<u>11,845,503</u>

**Summary of funds - current year**

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
General funds	193,825	6,099,575	(6,041,710)	(50,000)	201,690
Designated funds	2,085,923	-	(88,806)	50,000	2,047,117
Restricted funds	9,565,755	137,292	(709,103)	-	8,993,944
	<u>11,845,503</u>	<u>6,236,867</u>	<u>(6,839,619)</u>	<u>-</u>	<u>11,242,751</u>

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**19. Statement of funds (continued)**

**Summary of funds - prior year**

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
General funds	212,982	5,719,730	(5,733,282)	(5,605)	193,825
Designated funds	2,119,124	-	(38,806)	5,605	2,085,923
Restricted funds	9,867,511	38,500	(340,256)	-	9,565,755
	<u>12,199,617</u>	<u>5,758,230</u>	<u>(6,112,344)</u>	<u>-</u>	<u>11,845,503</u>

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £
Tangible fixed assets	381,376	9,288,351	1,587,644	11,257,371
Current assets	1,312,246	38,160	459,473	1,809,879
Creditors due within one year	(1,286,178)	(332,567)	-	(1,618,745)
Creditors due in more than one year	(205,754)	-	-	(205,754)
	<u>201,690</u>	<u>8,993,944</u>	<u>2,047,117</u>	<u>11,242,751</u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Designated funds 2018 £	Total funds 2018 £
Tangible fixed assets	538,179	9,565,755	1,636,450	11,740,384
Current assets	1,496,362	38,500	449,473	1,984,335
Creditors due within one year	(1,618,744)	(38,500)	-	(1,657,244)
Creditors due in more than one year	(221,972)	-	-	(221,972)
	<u>193,825</u>	<u>9,565,755</u>	<u>2,085,923</u>	<u>11,845,503</u>

**Belgrade Theatre Trust (Coventry) Limited**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

**21. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net expenditure for the year (as per Statement of Financial Activities)	<b>(602,752)</b>	<b>(354,114)</b>
<b>Adjustment for:</b>		
Depreciation charges	<b>561,069</b>	<b>428,199</b>
Interest received	<b>(5,102)</b>	<b>(1,357)</b>
Interest paid	<b>12,000</b>	<b>12,635</b>
(Gain)/Loss on the sale of fixed assets	<b>3,600</b>	<b>-</b>
Decrease in stocks	<b>24,927</b>	<b>13,099</b>
Decrease/(increase) in debtors	<b>151,815</b>	<b>(41,698)</b>
(Decrease)/increase in creditors	<b>(27,277)</b>	<b>207,292</b>
<b>Net cash provided by operating activities</b>	<b>118,280</b>	<b>264,056</b>

**22. Analysis of cash and cash equivalents**

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash in hand	<b>741,314</b>	<b>620,403</b>
Cash held in deposit accounts	<b>617,245</b>	<b>735,870</b>
<b>Total</b>	<b>1,358,559</b>	<b>1,356,273</b>

**23. Operating lease commitments**

At 31 March 2019 the total of the Group's future minimum lease payments under non-cancellable operating leases for land and buildings was:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Group and Charity</b>		
<b>Amounts payable:</b>		
Within 1 year	<b>25,000</b>	<b>25,000</b>
Between 1 and 5 years	<b>100,000</b>	<b>100,000</b>
After more than 5 years	<b>1,430,000</b>	<b>1,455,000</b>
<b>Total</b>	<b>1,555,000</b>	<b>1,580,000</b>

**Belgrade Theatre Trust (Coventry) Limited**  
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**Notes to the financial statements**  
**For the Year Ended 31 March 2019**

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**24. Related party transactions**

During the year, the Charity has transacted with a wholly owned subsidiary, Belgrade Theatre Enterprises Limited. Recharges of £18,747 were made by the Charity to the subsidiary during the year and a balance of £670,647 (2018: £562,570) was outstanding to the Charity as at 31 March 2019.

During the year, the Charity received £162,150 (2018: £149,368) from another wholly owned subsidiary, Belgrade Theatre Productions Limited, as a payment under gift aid. The Charity also incurred expenses on behalf of Belgrade Theatre Productions Limited during the year amounting to £2,250 (2018: £2,200). At the balance sheet date a balance of £3,498 (2018: £151,393) was due to the Charity from Belgrade Theatre Productions Limited.

During the year, the Charity received donations of £2,148 from its trustees, inclusive of Gift Aid.