

CHICKENSHED

THEATRE CHANGING LIVES



THE CHICKEN SHED THEATRE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31st March 2020

Company Registration Number: 02705172

Charity Number: 1012369

The Chicken Shed Theatre Trust

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The Chicken Shed Theatre Trust

Reference and Administrative Details

Directors:	Simon Allford Joshua Berger CBE Pete Constanti Martin Gafsen Anthony Gibbon (Chairman) Jacky Griffin (resigned 29 th September 2020) Christine Mason The Hon. Natasha Rayne Lady Rayne Lacey Aref Lahham James Lock Nick Millican Ashley Muldoon Matthew Rose (Treasurer) Prof. Jonathan Shalit OBE Jude Tyrrell (resigned 2 nd July 2020) Phoebe Vela-Hitchcox
Non-Executive Directors:	Dame Judi Dench CH DBE
Executive Officers:	Louise Perry (Managing Director) Paul Morrall (Director of Education & Training) Lou Stein (Artistic Director)
Honorary Presidents:	The Hon. Natasha Rayne (President) The Lady Rayne Lacey (President Emeritus)
Ambassadors & Guardians:	Jo Collins MBE (Founder) Mary Ward MBE (Founder)
Company Secretary:	Daniel Beacock
Registered Office:	Chicken Shed Theatre 290 Chase Side, Southgate, London, N14 4PE
Company Registration:	Number 02705172 (England and Wales)
Registered Charity:	Number 1012369
Bankers:	Barclays Bank plc Media Bank Centre 1st Floor, Soho Square London W1D 3QR
Auditors:	Alliotts LLP Imperial House 8 Kean Street, London WC2B 4AS

The Chicken Shed Theatre Trust

The Chairman's Summary

For the year ended 31 March 2020

This time last year we talked about how, despite having to deal with some significant 'bumps in the road' during the preceding years, it was possible to look ahead optimistically. We articulated confidence about continuing our work with young people from all backgrounds and abilities as well as expanding our reach and educational programs. The year to 31 March 2020 witnessed significant successes and improved financial performance.

However, just as the financial year came to a close, like just about everybody else involved in the Arts sector, we have been adversely affected by the impact of Covid 19. Whilst the Organisation's delivery of education has been able to adapt and continue, 'in-person' performance activities, along with the ability to use the Theatre building and facilities, have been restricted. Consequently, we have significantly reduced many of our operations and fundraising activities have been stymied. This has led to our needing to focus on controlling costs whilst continuing to provide education. We plan to follow this route into the new academic year which started in September 2020.

As things stand, whilst the future remains unclear, the Board remains positively engaged with the aim of ensuring that Chickenshed's work is able to continue and that we maintain our key values.

I would like to thank Louise Perry and her core staff, alongside the Trustee Board, for their help. All concerned have worked incredibly diligently in order to ensure that we remain as active as possible and seeking assistance from our stakeholders in these challenging times.



Tony Gibbon

Chairman, The Chicken Shed Theatre Trust

Oct 30, 2020

The Chicken Shed Theatre Trust

The Organisation

Chickenshed is an inclusive theatre company whose vision is the creation of a society which enables everyone (regardless of background, ability or affluence) to flourish – with the contributions to their communities actively welcomed. Our part in realising that vision, our mission, is to create entertaining and outstanding theatre, which celebrates diversity and inspires positive change.

Structure, Governance & Management

Legal Structure & Objects

The Chicken Shed Theatre Trust is a registered charity and a company incorporated by guarantee with no share capital, exempted under Section 5 of the Companies Act 2006 from the requirement to use "Limited" as part of its name. Members of the Board act as Trustees and Directors of the charity and company respectively. The overall objects and powers of the Trust are set out in the Memorandum and Articles of Association. The object for which the company is established is the advancement of education in the fields of the arts, principally for the benefit of young people including those who may require help with mobility, communication, behaviour or self-help skills and social development with a view to educating them in these areas and integrating them into the community by assisting them in their development as members of society.

Governance

The Board of Directors has full legal responsibility for the corporate governance of the Chickenshed Theatre Trust. Directors/Trustees are required to act in accordance with the company's Memorandum and Articles of Association and as required by Statute. From the seventeen Directors who served on the Board at the year beginning, one retired subsequent to year end in July 2020.

Directors are appointed on the basis of specific skills and knowledge to enable them to make a contribution to the management of the company. In order to understand their role and current issues facing the organisation, each new Director is provided with specific tailored information, including; copies of Governing Documents, Board Minutes, Annual Accounts and the Charity Commission's booklet *"The Essential Trustee: What you need to know"*. Opportunities are provided for new Directors to engage with the Chairman and Managing Director, as well as meeting with staff working within their own area of specialism.

In accordance with the Articles of Association the following Directors retired by rotation at the Annual General Meeting (17th June 2020) and, being eligible, sought re-appointment: Joshua Berger and Matthew Rose were re-appointed.

The Board meet quarterly and review cross-organisation performance and development. Finance is the responsibility of the Finance Committee, which in the year to 31 March 2020, consisted of the Deputy Chair (also the Treasurer of the Trust), Head of Finance (who is the Company Secretary) and Managing Director. This Committee convenes monthly. It oversees the development of business plans and recommends the Annual Budget to the Board. It reviews progress through the management account and re-forecasting process, tightly monitors overheads and exerts rigorous control over all outlays. Being responsible for monitoring income delivery is an essential part of the monthly discussions of the Finance Committee.

Management

The operational running of the theatre company is delegated to the Managing Director, supported by the Executive Team and Management Board. All groups meet regularly to discuss the operations of the company, assessing progress against artistic, education and business plans. Communication within the company, and to the wider Chickenshed community, is facilitated through face-to-face briefings (including departmental, staff and volunteer meetings), complemented by communications via the Sharepoint intranet and bespoke bulletins.

Key areas discussed by the Management Board include Health and Safety and Human

The Chicken Shed Theatre Trust

The Organisation (continued)

Resources. It is important to note that alongside paid staff, Chickenshed welcomes the contribution of over 300 volunteers, who continue to play a vital role in supporting our work.

Risk Assessment

Systems of internal control within the Trust are designed to provide reasonable reassurance against material mis-statement or loss. These include:

- Strategic and operational plans and an annual budget
- Consideration of financial and non-financial results on a regular basis
- Identification and management of risks

The Board has overall responsibility for ensuring that risk is managed in a constructive and considered manner and judge that the systems currently established mitigate the major risks identified and are appropriate for the present size of the charity.

The most significant risks affecting the Charity are liquidity and cash flow risk. The Finance Committee continues to monitor this aspect of the company's operations on behalf of the Directors, through review of management accounts and re-forecasting, particularly in relation to income.

Reserves Policy

The Charity continues its commitment to build meaningful reserves, and this year marked important progress in our steps to achieving this. At the year end the charity had free reserves of £7,331 (2019: deficit free reserves of £313,921). The Directors are aware of the need to restore and build these (see page 21, Going Concern) so that the Charity can meet unexpected shortfalls or cash flow difficulties. In the longer-term the Directors would wish to establish reserves of six months cover.

Statement of Public Benefit

The Directors confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity.

Format of Accounts

The accounts attached on pages 18 to 32 have been drawn up in compliance 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 1st January 2015), (Charities SORP FRS 102) and the Companies Act 2006.

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2020

Overview

Chickenshed is an inclusive theatre and education provider with a vision to support a society that enables everyone (regardless of background, ability or affluence) to flourish. Its mission is to develop a unique environment that empowers children, young people and adults to define and seek solutions to their individual, community and social challenges. Through programmes and activities facilitating education, theatre, participation, and professional training, Chickenshed breaks down barriers to inclusion and transforms wellbeing.

Chickenshed works with children and young people aged 0 - 21+ and adults of all ages. Our inclusive ethos means we welcome people from diverse backgrounds, and our community is made up of people from across all of society, including those experiencing social exclusion in mainstream environments for whom we provide additional support. These potential barriers to participation include: socio-economic disadvantage; learning disabilities (e.g. ASD, ADHD, Down's Syndrome); physical disabilities; illness and long-term medical conditions; sensory impairments; abuse and neglect; behavioural difficulties; mental health issues; school exclusion; involvement in crime; being in the care system; and having caring responsibilities.

We empower individuals, building transferable skills and providing platforms to reflect these back to their communities:

- We support the presence, participation and achievement of all citizens.
- We provide access to adaptable creative environments, which are defined by the positive contribution of every participant.
- We support individuals to recognise their existing skills, build new capacities and understand the relevance and transferability of these to other environments.

"Before Chickenshed was a very crazy time. Life's been up and down. I felt like I was a drop out and there was nothing for me. I got kicked out of school, got arrested, drugs, alcohol, anything. It all started from when I was 11 when my father passed away from alcohol. Coming to Chickenshed and I found somewhere I can be me. Now I want to be a strong role model to younger students and my peers. I am going to make the most of this course and go from the Foundation Degree to the BA Degree course. I can see others who have succeeded like this and they inspire me. Some of them are even teachers now. I want to inspire those who are younger like I have been inspired."
Chickenshed Student

We change hearts and minds—introducing new audiences to the positive impact of inclusion:

- We provide effective platforms for the lived experience to become a tool for social change.
- We challenge reductionism and silo thinking when designing interventions and programmes.
- Through relocation of resources and leadership responsibility, we reposition power for change back within the community.

"I think Chickenshed is a very special place where people can express themselves. When I dance there, audience members say it makes them feel moved and think about things in a different way. Now I am working with Chickenshed to train other people in companies in how to be more inclusive. I show them through my performance and talk to them about what can be achieved when we work together." Ben Bland, Chickenshed Graduate, Performer and Facilitator.

We transform institutions—generating evidence-based approaches that can lead to societal change:

- Through our projects and programmes, we establish an approach to inclusive practice and policy which can be relevant to other areas of arts and education sectors:

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2020 (Continued)

- We seek active partnerships with organisations that challenge the limitations of existing inclusion practice and policy, in order to establish the foundation that sustainable diversity requires.

"I want to thank you and the inspiring people we met yesterday for an absolutely awesome session that has challenged our thinking and beliefs. Everybody has been impacted in a positive way and most of us are still processing what this means to us. There's a real buzz around the team that something special has happened and it's striking how people are still talking about the individuals we met." Director, Lloyds TSB-following Inclusion in the Workplace Training, 2020

Throughout 2019, Chickenshed's Executive developed a draft five-year business plan, supported by a Cranfield Trust consultant. The planned strategy will focus on the establishment of a 'Community of Practice' for inclusive arts and education. The initial 18-month phase is designed to establish the tools, governance structures, research, deep understanding of services, partners and funding avenues to justify the transition, within the five-year period, to a National Centre of Excellence for Inclusive Arts and Education.

This planned strategy recognises the need to continuously improve existing services, while increasing operational sustainability. Rather than an attempt to significantly expand the number of services or programmes, the plan focuses on: maximising the impact of its current services; the reach of its approaches and methodologies across the inclusive arts and education field; and its leadership in the marketplace.

Plans for Future Periods

As a result of the impact of the COVID-19 pandemic, from March 2020, Chickenshed has embraced an emergent strategy, focused on reducing risk to its beneficiaries, core programmes and finances. From 1 May 2020 our Board of Directors of Chicken Shed Theatre Trust (CSTT) established a sub-committee of Directors with finance and fundraising expertise and Chickenshed management, to pool knowledge and experience and to provide guidance to the Executive. The objectives of this group are:

- to ensure the long-term financial sustainability of CSTT so that CSTT can continue to meet its charitable objectives.
- to generate as much income as possible over subsequent 18 months (period to be regularly reviewed).
- to reduce costs as far as possible over the next 18 months.
- to ensure that, for the next 18 months, the available cash balance is no less than £100,000.

The sub-committee reports into the wider Board, through regular meetings and interim communication, so that proposals can be assessed, and decisions made with full awareness of the range of insight offered by all Directors and within the charity's governance regulations. The approach is to monitor cash and budget forecast within the changing environment, providing the opportunity for the organisation to consider any necessary action to mitigate new risk or implement plans to pivot activity.

We are aware that challenges presented by the impact of COVID-19 will remain part of our existence for at least the next two years. We have both the support and guidance offered by our education regulators, The Office for Students, as to how to establish the balance between continuing to respond to the needs of our young people, whilst recognising some of the limitations of what we are able to achieve with our limited resources at the present moment. We have successfully applied for Government support through the Job Retention Scheme and plan to continue to seek this throughout the year to March 2021. Two major fundraising appeals were launched at the beginning of June and are performing to the targets set within the cash flow forecast. We have though been successful in obtaining funding from the UK Government Culture Recovery Fund. We face the combined challenges of being a charity that relies on fundraising and, as a theatre, an activity that is considered to be 'high risk' within a social distancing model. However, we are confident that we have the skills and resource to be adaptive and flexible.

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2020 (Continued)

Strategies employed to achieve the Charity's Aims and Objectives.

In pursuit of our charitable aim of the advancement of education in the fields of the arts, principally for the benefit of young people, we have continued to reach our beneficiaries through focusing our work in the key strategic areas of Performance, Education & Outreach and Membership. Key activities and achievements are detailed below.

Performance

Chickenshed offers, through its professional performance programme, opportunities for students and Young Company members to be mentored alongside our professional artistic staff, thus developing essential transferable skills for the future.

During 2019-2020, our performance programme ranged from our Off-West Award (Offie) winning production of *Snow White* to a national summer tour of *Mr Stink* with a commercial partner, Sam Bradshaw Productions. *Snow White* was the most successful Christmas show over the previous four years, drawing 14,500 people. The summer tour of *Mr Stink* saw 13,700 people attend during a 50-performance national tour through the length and breadth of the UK, ranging from the Everyman Theatre, Cheltenham to the Octagon Theatre, Bolton to the Floral Theatre in Llanelli, Wales. Most of the audiences who saw our inclusive style in action had never seen a Chickenshed show performance before.

An important part of the Theatre and Performance programme during 2019-2020 was to engage with external partners so that our community of young people and staff are learning and working in association with nationally recognised organisations when possible. A partnership between Chickenshed and TV production company *Chapter One* has been established with Chickenshed acting as a consultant to a new drama series, *Team Chocolate*, which has received development support from Channel Four.

Other programmes include the *Writer's Room*, led by the company's Artistic Director. In collaboration with the Director of Education and Young Company, a cohort of young people have been going through a systematic process of developing script ideas and dialogue for main house productions. The process enables the group to work collectively to be able to develop their creative writing skills.

Young Company

2019-20 saw the development of the Young Company model, with youth-led and youth-guided initiatives informing strategic planning across the division. Within performances this included:

- A development of our production of Clive King's *Stig of the Dump*, composed and directed by Young Company members.
- A Youth Theatre production of *Feel the Love*; a devised process, led by a team of young directors and creators facilitated by the Youth Theatre director.

A previously performed youth-led production, *(L)able*, devised through a process that explored the lived experience of the cast to create a collective creative voice, was re-launched to perform at the *International Youth Arts Festival* in July 2019 and again at the *Watford Fringe Festival* in October 2019. The piece has also been taken into schools and other youth theatre groups, to explore with other young people the impact of labels, stereotypes and preconceptions on their lives.

Within strategy development, this youth-led priority has been embedded through structures supporting the active contribution of young people in decision making; the inclusion of the youth forum perspective at senior management meetings, regular strategy exploration sessions between Executive and Young Company representatives, and joint training of staff and young people with external consultants.

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2020 (Continued)

Key partnerships were developed during this year, with *London Youth* commissioning the Young Company to deliver on their London and sector-wide Diversity and Inclusion training sessions, at their HQ in Old Street. The *Keats House Museum* commissioned the Young Company to develop a site-specific production, for performance across March 2020, as part of their *Keats 200* celebrations. Unfortunately, after the dress rehearsal of *Writ in Water* at Keats House on Wednesday 11 March the subsequent performances were cancelled due to government guidance on theatre performances and the subsequent lockdown. We hope to resume the project later in the year.

Within our Children's Theatre, the *Every Child a Dreamer* project was designed to highlight, and be led by, the voice of the child. Following the research and development phase by the child-led steering groups, the themes of climate, waste and power emerged. The steering groups have designed an engagement plan which includes the involvement of politicians, writers and other members of the adult community.

Between April 2019 and March 2020, the Young Company worked with a total membership of 617 beneficiaries. Of these, 119 identified as having an additional support need or were at risk within their community.

Chickenshed Kensington & Chelsea

Throughout the year, our Young Company youth-led model was transferred to the Children's and Youth Theatre at our branch in Kensington and Chelsea, with members of our Young Company leading the projects across all three groups. The children who are part of the Oxford Garden project, and those based at the Wharf Rooms explored the themes of *Every Child a Dreamer*. While the youth-led practice training for the CKC Youth Theatre was delivered through their devised production of *Louder Whispers*.

In September 2019 *The Box Full of Tales* project launched its first John Lyon's funded year working in Children's Centres throughout the tri-borough area, developing links and relationships with organisations throughout the borough. This project will enable Chickenshed's early-years performance work to reach hundreds of children and their families over the three years this project is funded.

Education & Outreach

Chickenshed's Education and Outreach programmes have provided a foundation of stability during a complex year. A huge part of this is the creativity and consistency of students, both in terms of their enthusiasm to contribute to course engagement, enhancement and representation, and their enthusiasm for continuation, retention and achievement. This determined, consistent progress has enabled Chickenshed to overcome external complexities, barriers and variables, and keep its creative and youth empowerment voice alive and thriving.

Students have been able to play a major role in Theatre and Performance casting and creative direction enabling projects such as the *Mr Stink* (David Walliams) public national tour, the Christmas Production and the *Waiting for the Ship to Sail* production on migrant and refugee issues - to take place and succeed.

Students are also represented in Chickenshed public awareness programmes and external organisation training programmes such as Diversity and Inclusivity and Unconscious Bias. The diversity and inclusivity of students across all equality areas and areas of underrepresentation reflects their ability to represent, model and lead the breadth and depth of inclusive practice. Education staff and students are themselves engaged actively in assessing and setting goals for improved diversity and inclusivity.

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2020 (Continued)

There has been a very positive, ongoing flow of information between the Education Committee, Finance Committee and board of Directors. The Education Committee, composed of three board Directors, two external education specialists, Chickenshed's Head of Education, Outreach and Training and the Managing Director, explores a full range of Further and Higher Education student issues and wider student education development and management issues, feeding discussion and points for action back into the wider Trustee Board.

Outcomes data collected demonstrates overall achievement progress and success, but also achievement success for a number of "underrepresented priority target groups" as defined by the Office for Students. Chickenshed's students from BAME and disadvantaged backgrounds have no equality gap, and are often achieving higher outcomes than student peers. For students with externally and self-identified disabilities, outcomes are improving with greatly reducing equality gaps. Chickenshed also track, in this case, the 'distance travelled' by those students. That is, the journey from often huge barriers to Education achievement pre-Chickenshed and GCSE - to a situation of positive, improved achievement after progressing through Chickenshed's Btec programme, and then HE programme.

Chickenshed is committed to very positive target levels of representation and Access in its Education courses including, for 2019/20, 70%+ externally identified disability in its Fd2 and BA groups and 60% + in Fd1 and Btec FE groups. Other outcomes for Access include 45-50% BAME, 50% identified disadvantage and 60%- 70% students with multiple areas of underrepresentation, meaning multiple disability need and disability linked to multiple deprivation. These are very challenging targets - targets which are either met or exceeded this academic year. It is important that these levels of inclusion are recognised, as we develop the educational, organisational and research practices to acknowledge the value, and overcome the barriers, they continue to represent.

Some of the most important and complex challenges come in the area of post-course progression - particularly considering the impact of Covid-19. The uncertainty for performing arts related careers adds another level of barrier to progress for consistent performing arts progression for all students, and this is increased for students from areas of underrepresentation.

Outreach programmes

The Outreach programme and the Education programmes are inextricably linked due to the level of student voice, engagement and enhancement opportunities. Student and staff teams are able to represent, and role model, development and positive practice for the children and young people in the areas of disadvantage and multiple deprivation, which form the vast majority of areas, venues and organisations where Chickenshed targets its outreach activities. In this way Chickenshed supports and fuels its own agenda to widening access and participation in education and theatre.

The external partnerships which Chickenshed develop are crucial to this process. Since 2019, *Crime of the Century* - our flagship anti-gang/anti- youth social exclusion production, and *Day 1 Big School* - our flagship transition and anti-exploitation primary production, have between them reached 7,000 beneficiaries. New partner organisations have included Metropolitan Police, Edmonton Community Partnership, College of North West London, Institute of Social Care, Surrey Social Work Academy, Young Carers North London, Whitefield School, Ark Royal Academy and Capital City Academy, three new schools in the Enfield Learning Trust, Attigo Learning Trust, South Essex College amongst others. There were also reawakened links made with Edmonton County School, Barnardo's, and Integrated Services Partnership, one of the largest providers of care and leaving care services. It is always a target to develop partnerships across a range of sectors including education, community, social inclusion, social services, social care and other statutory services such as police and safeguarding providers. This wide net for outreach projects then supports potential progression and employability possibilities for our students and Alumni.

90% of Chickenshed's Outreach programme targets areas of the most disadvantaged and

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2020 (Continued)

Deprivation on the Index of Multiple Deprivation (IMD scale).

Chickenshed Outreach is also now funded by the Mayor's Young Londoners Fund in two streams both in a partnership with Shared Vision, and as a commission by Enfield Borough and the Violence Reduction Unit.

Preparations for Education and Outreach provision continued in a very proactive way through the lockdown period following March 2020. The Education and Outreach teams have developed online resources and programmes for both *Crime of the Century* and *Day 1 Big School*. The aim remains to reach 600+ beneficiaries through primary and secondary school liaisons, to support the transition process from year 6 to year 7, a need highlighted by Enfield Borough Leaders in March following Young Londoner Fund Project priority meetings. Further high profile Enfield Borough leadership liaison is taking place with Chickenshed, Shared Vision and Education/Community/Youth Services to fulfil youth voice representation in the youth social exclusion issues of serious youth violence reduction/anti-gang/anti-child-exploitation.

Research

This year, we launched a longitudinal study (3 years) exploring the impact of targeted creative learning interventions for home and school on children's (early years) language, literacy and numeracy skills, with the aim to reduce the attainment gap for young children aged 2-5 years. Funded by The Mercers' Company, and with research partners from the Open University, this project supports the foundation of an evidence-base from which to increase the impact of future early-years arts intervention projects, through improved design and methodology dissemination.

In January 2020, delivery began of a one-year research project, exploring the ways performing arts and community engagement workshops can support and improve the mental health and wellbeing of participants in their mid-life. This project emerges from an intergenerational programme, *The Space Between Us*, which brings together people from diverse, and often separated backgrounds, to celebrate differences and similarities through the creative exploration of their lived experience. This project, funded by the BUPA Foundation, supported the training of 15 of our staff and participants in Participatory Action Research methods. This form of action research, which situates power within the research process with those who are most affected by a programme, complements our inclusive creative approach, and we intend to continue to explore its value across a full range of our projects and programmes.

Training and dissemination of practice

During the year we continued to explore a range of training delivery approaches for our self-advocacy/lived experience 'Unconscious Bias' training programme. As well as the corporate partners who are engaging with us, we are receiving requests from public sector clients, such as NHS and the Independent Office for Police Complaints.

We have continued to deliver bespoke 'Inclusive Theatre practice and methodology' training packages to creative partners within the UK and internationally (Finland, China, New York).

The focus over the next 18 months will be to streamline our training programmes, and ensure they have the capacity to adapt to online delivery. We will also be engaging more formally with our Shedlink network (16 national and 4 international organisations), as a central element to establishing a 'community of practice'.

Fundraising

Chickenshed generates revenue through earned income from its charitable activities (performance receipts, membership subscriptions, education tuition and support fees). Every pound earned is targeted to be matched by funds generated through donations, gifts and grants, and from fundraising events and activities.

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2020 (Continued)

During the financial year 2019/20, the Fundraising Team were reduced to 4 posts (3.5 FTE) from a team of 7 (6.5 FTE) the previous year. The Director of Fundraising & Marketing role was not replaced amid measures to increase the efficiency of all areas of the business. The team was effective and multi-skilled, with the ability to generate income from a wide variety of sources and a focus on building positive, long term relationships. As a result of this, the team achieved a non-earned income total of £1,632,822, an increase of 2% on 2018/19.

Events and activities saw a slight decrease of 10.7% from £732,742 in 2018/19 to £654,096 in 2019/20, but in November 2019, however, a key large scale event to celebrate the 45th Anniversary of Chickenshed was delivered at Kensington Palace by the wholly owned subsidiary of the trust, Chickenshed Trading Limited. This event majored a high table price and no fundraising activity on the night. Net income was £210k (£364k income against £380k target, £154k costs). The event helped to create new audiences and donors for Chickenshed – with a further £40k generated for the trust in follow-up meetings and communications.

During 2019-20, targets for smaller annual fundraising events were exceeded and resulted in an uplift in net income of between 5%-40%. Two particular successes were the Brompton Bath to Chickenshed Bicycle Challenge, which raised £107k against a target of £75k – also *Sharing the Dream*, which saw a return of fundraising events at Chickenshed itself and achieved an ROI of 8:1. The Hard Rock Event again offered an excellent ROI – 23:1 due to donated venue/catering costs. Significant efforts continued in creating coherent fundraising messaging to accompany performance at events, which was particularly reinforced by the appointment of Louise Perry as MD. The pledge theme for the year was youth-led change and empowerment, focussing on Chickenshed's ability to build transferable skills for young people to improve their communities. The high-level renewal of core messaging, impacts and outcomes helped the team to feel more confident about the clarity of our charitable mission and related goals.

Trusts & Foundations saw an increase of 20%, from £463,622 in 2018/19 to £559,822 in 2019/20, against a target of £390k. This was due to the growth of significant multi-annual grant agreements from The Mercers' Company and the Mayor's Young Londoners Fund, as well as two large grants of £50k from the Ernest Hecht Charitable Foundation for access equipment and captioned/signed performances, and £50k from the Thompson Family Charitable Trust for education mentoring. The team continued to reassure potential funders as to the changing financial narrative of 2019-20 into 2020-21, particularly around the successes of Q3 & 4.

Major donor giving displayed a consistent level of income, c.£77k in 2019/20 and 2018/19. The programme has grown, however, since it began in 2015 (some previous individual donors now give via trusts) and has displayed numerous wins in terms of the increase in warm, long term relationships. Hopes are to now grow major donor income further with the support of the Board.

As we saw trends in charitable giving in the sector show a growth in online donations, so it was reflected at Chickenshed. Fledgling efforts at growing this stream were successful, both from new and existing donors, as well as bolt-on donations with ticket purchases – in 2019, £25k was raised online, where previously online giving was not feasible. The arrival of Spektrix in mid 2018 enabled us to review our systems and start to leverage a much more effective customer management tool, with the possibility to derive the propensity to give from customer activity, all in one place. A focus on data and recording of relationship stewardship through a dedicated fundraising module pipeline began, which will benefit the team and all related communications going forward, helping to modernise and professionalise our activities.

Regular giving and the Friends patronage scheme (c. £1,300 per month) achieved a slight increase in income as it became possible to sign up to regular giving online/via Spektrix at the end of 2019/20, in a way which minimises previous time-heavy administration. This is a huge area of potential growth and future security for the charity and one which must be a priority going forwards in terms of achieving greater numbers of monthly donors, giving anything from £5 to £200 per month.

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2020 (Continued)

Corporate income from corporate patrons (£5k per annum) did not transpire in the way it was hoped during 2019/20, (£47k below budget). Further strategy, and potentially resource, is required if we wish grow this income stream from warm corporate relationships across the organisation or further afield. Multi-annual corporate partnership agreements continued in the same vein as 2018/19 with key sponsorship from BH2, Multiplex, Warner Bros and Derwent London.

In total, costs of c. £460k over the year resulted in a similar net overall surplus to the previous year. (c. £1,419k in 2018/19 v. £1,409k in 2019/20).

The development and enrichment of the Board of Trustees in 2019/20 provided a boost of dynamic energy, enthusiasm and skill, which the fundraising team benefitted from.

Volunteers

In 2019/20, over 300 volunteers gave an estimated total of approximately 20,000 hours to Chickenshed. (This excludes hours given voluntarily by members of staff, students and membership.) When multiplied by the London Living Wage (£10.55/hr), an estimated minimum monetary value of £211k can be attributed to this service. In accordance with FRS102 and the Charities SORP (FRS 102), the economic contribution of volunteers is not recognised in the accounts.

Volunteers support us across many areas of our work and are at the heart of the Chickenshed community. Our front of house volunteers gave approximately 9,000 hours of support. A further 9,000 hours of help were given on-site and off-site, including help with administration and fundraising activities. The contribution of our Trustees & support of senior advisors/professionals, (who bring specialist support), was a gift of over 1,500 hours to the organisation.

The contribution of our volunteers is immeasurable —beyond the hours they give, their energy, enthusiasm, dedication and goodwill are vital to Chickenshed. Our volunteers are a precious resource and enable us to deliver our programmes and activities for young people. We are truly indebted to them.

Financial Results and Commentary

In September 2019 the trust set up a new, wholly owned, trading subsidiary named Chickenshed Trading Limited, as a result of which the financial statements for the year end 31st March 2020 now show the trust and the trading subsidiary as a group. All profits from the trading subsidiary are donated to the trust through the Gift Aid scheme. The financial performance of the trust alone can be found in Note 4 to the accounts: **Financial Performance of the charity** on page 26 of the accounts. The financial performance of the trading subsidiary can be found in Note 6: **Income earned from other activities** on page 27 of the accounts.

The surplus on unrestricted funds for the group for the year ended 31st March 2020 amounted to £321,252 (2019: deficit on unrestricted funds £220,019). Total income was 12% higher at £3.99m, and costs decreased by 4.7% (£177,800) – generating a net surplus (including depreciation) of £394,701 (2019: net deficit £213,679). Depreciation charged in the year through the restricted and unrestricted funds amounted to £145,895 (2019: £147,963).

During the year 2019/20, the management continued the business plan, approved by the Trustees, which sought to deliver an improved position year on year – targeting income growth and reduced costs. Earned income saw growth in membership subscriptions, through a better understanding of membership movements during the year to optimise membership levels. Education & Outreach income experienced a further decline, (again, as with last year, mainly through reduced support fees due to pressures within education sector funding), being £28.2k lower than 2018/19.

The Chicken Shed Theatre Trust**Report of the Directors – Year ended 31st March 2020 (Continued)**

The first steps in the trusts aim to return the charity to a more secure surplus position of reserves, were promising in 2019/20 resulting in a small positive balance of £7k of unrestricted reserves, and reserves overall increasing from £2.19m to £2.59m.

The plans presented to the Trustees provided them with the assurance of the continued viability of the Trust and give them confidence that these accounts can be presented in recognition of the delivery of their responsibility for the ongoing sustainability of the organisation.

Auditors

The auditors, Alliotts LLP, are willing to continue in office. A resolution for their reappointment and authorising the directors to fix their remuneration will be submitted to the Annual General Meeting.

The Chicken Shed Theatre Trust**Report of the Directors – Year ended 31st March 2020 (Continued)**

Disclosure of information to auditors

Each of the persons who are directors at the time when this report is approved confirms that:

(a) so far as each director is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and

(b) each director has taken all the steps that ought to have been taken as a director, including making appropriate enquiries of fellow directors and of the company's auditors for that purpose, in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

The Report of the Directors was approved and signed on behalf of the trustees on Oct 30, 2020

By Order of the Board



TONY GIBBON

The Chicken Shed Theatre Trust**Statement of Directors' Responsibilities – Year ended 31st March 2020**

The Directors of the Company are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group. Directors must also be satisfied with 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any differences disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper and adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group. The financial statements should 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.

The Chicken Shed Theatre Trust

Independent Auditor's Report to the Members of The Chicken Shed Theatre Trust

Year ended 31st March 2020

Opinion

We have audited the financial statements of The Chicken Shed Theatre Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 parent charitable company's affairs as at 31 March 2020 and of group's and the parent charitable company'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 have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

The Chicken Shed Theatre Trust

Independent Auditor's Report to the Members of The Chicken Shed Theatre Trust (continued)

Year ended 31st March 2020

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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 and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs(UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The Chicken Shed Theatre Trust**Independent Auditor's Report to the Members of The Chicken Shed Theatre Trust (continued)****Year ended 31st March 2020**

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

Use of our report

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

Christopher Mantel

Christopher Mantel (Oct 30, 2020 11:44 GMT)

Christopher Mantel (senior statutory auditor)

For and on behalf of Alliotts LLP, Statutory Auditor

Alliotts LLP
Imperial House
8 Kean Street
London
WC2B 4AS

Date: Oct 30, 2020

The Chicken Shed Theatre Trust

Consolidated Statement of Financial Activities – (incorporating consolidated income and expenditure account)

For the year ended 31st March 2020

	Note	Unrestricted Fund	Restricted Fund	2020 Total	Unrestricted Fund	Restricted Fund	2019 Total
Income from:							
Donations and legacies		380,504	38,400	418,904	340,551	62,417	402,968
Charitable activities:							
Grants	3	64,000	495,822	559,822	27,750	435,872	463,622
Productions		437,604	4,617	442,221	530,577	3,005	533,582
Subscriptions		210,243	15,291	225,534	202,219	13,382	215,601
Education		1,093,823	10,262	1,104,085	1,125,998	6,322	1,132,320
Agency, royalties and other income		75,648	(845)	74,803	17,602	-	17,602
Merchandising		4,458	-	4,458	19,200	-	19,200
Bar and catering		11,384	-	11,384	40,315	-	40,315
Other trading activities:							
Fundraising events and activities		654,096	-	654,096	657,082	75,660	732,742
Commercial trading	6	492,841	-	492,841	-	-	-
Investments		703	-	703	319	-	319
Total Income		3,425,304	563,547	3,988,851	2,961,613	596,658	3,558,271
Expenditure on:							
Raising funds:							
Fundraising, marketing and promotional	5	738,815	42,077	780,892	869,749	143,269	1,013,018
Commercial trading	6	322,707	-	322,707	-	-	-
Charitable activities	7	1,969,673	445,136	2,414,809	2,241,827	439,188	2,681,015
Other	8	72,857	2,885	75,742	70,056	7,861	77,917
Total Resources Expended	10	3,104,052	490,098	3,594,150	3,181,632	590,318	3,771,950
Net Income/(expenditure)		321,252	73,449	394,701	(220,019)	6,340	(213,679)
Fund balance brought forward at 1 st April 2019		(313,921)	2,502,601	2,188,680	(93,902)	2,496,261	2,402,359
Fund balance carried forward at 31 st March 2020		£ 7,331	£ 2,576,050	£ 2,583,381	(£ 313,921)	£ 2,502,601	£ 2,188,680

All sources of income are from continuing operations. The financial performance of the trust on its own can be found on note 4.

The Chicken Shed Theatre Trust

Consolidated Balance Sheet

As at 31 March 2020

	<u>Note</u>	Group 2020	Group 2019	Trust 2020	Trust 2019
Fixed assets					
Tangible assets	12	2,314,055	2,368,957	2,309,060	2,368,957
Investment	13	-	-	1	-
		2,314,055	2,368,957	2,309,061	2,368,957
Current Assets					
Stocks – goods for resale		2,545	2,545	2,545	2,545
Debtors	14	321,402	297,168	649,688	297,168
Bank and cash balances		417,967	192,888	332,993	192,888
		741,914	492,601	985,226	492,601
Creditors, amounts falling due within one year	15a	(340,818)	(572,878)	(749,270)	(572,878)
Net Current assets		401,096	(80,277)	235,956	(80,277)
Total Assets less Current Liabilities		2,715,151	2,288,680	2,545,017	2,288,680
Creditors, amounts falling due after more than one year	15b	(131,770)	(100,000)	(131,770)	(100,000)
Net Assets		<u>£ 2,583,381</u>	<u>£ 2,188,680</u>	<u>£ 2,413,247</u>	<u>£ 2,188,680</u>
Funds					
Restricted	17	2,576,050	2,502,601	2,576,050	2,502,601
Unrestricted	17	7,331	(313,921)	(162,803)	(313,921)
		<u>£ 2,583,381</u>	<u>£ 2,188,680</u>	<u>£ 2,413,247</u>	<u>£ 2,188,680</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the Board of Directors and authorised for issue on Oct 29, 2020..... and are signed on their behalf by:

Matthew S Rose
Matthew S Rose (Oct 29, 2020 17:46 GMT)

MATTHEW ROSE
Director

Company Registration number: 1012369

The Chicken Shed Theatre Trust

Consolidated Cash Flow Statement

For the year ended 31st March 2020

	<u>Note</u>	Group 2020	Group 2019	Trust 2020	Trust 2019
Net Cash Inflow/(Outflow) From Operating Activities		315,371	144,678	225,403	144,678
Returns on Investment and Servicing of Finance					
Interest Received		703	319	703	319
Capital Expenditure					
Purchase of tangible fixed assets		(90,995)	(25,542)	(86,000)	(25,542)
Investments				(1)	
Increase/(Decrease) in cash		<u>£ 225,079</u>	<u>£ 119,455</u>	<u>£ 140,105</u>	<u>£ 119,455</u>

**Reconciliation of Net Outgoing Resources to
Net Cash (Outflow)/Inflow from Operating Activities**

	Group 2020	Group 2019	Trust 2020	Trust 2019
Net Incoming/(Outgoing) Resources	394,701	(213,679)	224,567	(213,679)
Interest Received	(703)	(319)	(703)	(319)
Depreciation	145,897	147,963	145,897	147,963
Decrease/(Increase) in stock	-	-	-	-
(Increase)/Decrease in debtors	(24,234)	198,381	(352,520)	198,381
Increase/(Decrease) in creditors	(200,290)	12,332	208,162	12,332
Net cash Inflow/(Outflow) from Operating activities	<u>£ 315,371</u>	<u>£ 144,678</u>	<u>£ 225,403</u>	<u>£ 144,678</u>

Analysis of Net Cash

	Group	Trust
Cash at bank and in hand – at 1 st April 2019	£ 192,888	£ 192,888
Increase/(Decrease) in cash during the year	£ 225,079	£ 140,105
Cash at bank and in hand – at 31 st March 2020	£ 417,967	£ 332,993

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020

1. Background

The Chicken Shed Theatre Trust (also referred to as Chickenshed) is a registered charity and a company incorporated by guarantee with no share capital, exempted under Section 5 of the Companies Act 2006 from the requirement to use "Limited" as part of its name. It is incorporated in England and Wales under registration number 02705172 and its registered office is Chicken Shed Theatre, 290 Chase Side, Southgate, London N14 4PE.

2. Principal Accounting Policies

(a) Basis of preparation

The financial statements are 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 1st January 2015), (Charities SORP FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal activities are set out below.

The Chicken Shed Theatre Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or estimated fair value in respect of gifted assets.

(b) Going concern

The ability of the company to undertake its activities is largely dependent upon the receipt of donations, gifts and grants, and revenue from fund raising events and activities. Those revenues cannot be guaranteed and are heavily dependent upon the efforts and contributions of volunteers, staff, the Executive and the Trustees.

After two years of financial uncertainty between 2017/18 and 2018/19, resulting from unexpected cuts in education support funding, the Trust adapted its strategic approach, committing to the delivery of only fully funded projects, with processes in place to explore opportunities for new projects which could evidence viability.

The result of this has been evident from the 2019/20 results, and the Trusts budget for 2020/21 reinforced this strategy, with the priority being to return to a positive unrestricted reserve balance.

Whilst the Trust's education provision remains viable with ring-fenced funding, other areas of the theatre's programme remain uncertain with ongoing Government restrictions. Following the impact and ongoing effects of the pandemic the Trust addressed the increased risk to financial sustainability through increased application to Covid-19 related support funds, a reduction of costs (approx. £670k) and utilisation of the Government supported Job retention Scheme.

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

2. Principal Accounting Policies (Continued)

Following the significant financial improvement that was achieved during 2019/2020, the COVID-19 pandemic has inevitably affected our confidence in the stability of our finances. However, recent cash flows demonstrate that this has stabilised. As both a theatre and a charity, it is reasonable to assume that we will continue to be affected in some way for, at least, the next 18 months. The approach we take to maintaining stability needs to embrace the uncertainty of the time and the changing priorities of our stakeholders (both the community and funders). The cashflow projections considered by the trustees indicate the group has sufficient resources available to meet its liabilities as they fall due for at least 12 months from the date of signing the financial statement and hence they continue to prepare the accounts on a going concern basis.

(c) Tangible fixed assets

Fixed assets are stated at cost, or at estimated value in the case of assets donated. Depreciation is calculated with the intention to write off the cost or valuation of fixed assets on a straight line basis over their expected useful lives at the following rates per annum:

Leasehold property	2 per cent
Theatre equipment	10 - 20 per cent
Fixtures, fittings and other equipment	10 - 20 per cent

(d) Income

Subscriptions, grants, donations, legacies and gifts are recognised in the period in which the charity is entitled to the funds, any performance conditions attached to an award have been met, it is probable that income will be received and the amount can be measured reliably. Income is deferred if received in advance of entitlement. Entitlement to income is deemed to be the date when the service is provided or an event takes place. All income is stated net of VAT. Donated services and goods are recognised as income when the economic benefit can be measured reliably. General volunteer time is not recognised as income.

(e) Allocation of expenditure

Expenditure on raising funds includes all costs incurred in respect of activities to raise voluntary income.

Expenditure on Charitable activities includes all costs incurred to enable the charity to meet its charitable objectives.

Other costs represent those costs incurred relating to strategy, compliance, constitutional and regulatory matters.

General overheads, which includes management and administration costs are allocated in proportion to salary cost and direct costs.

(f) Restricted/Unrestricted Funds

Income recorded within restricted funds represents funds that can only be utilised for a project specified by the donor/grantor. Income received for a designated purpose that is part of the integrated service provided by the Charity is considered to be an unrestricted fund. Costs allocated against restricted funds include direct costs and an allocation of overheads.

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

2. Principal Accounting Policies (Continued)

Unrestricted funds represent funds received which are expendable at the discretion of the trustees in furtherance of the charity's objectives.

(g) Pension costs

Contributions to a defined contribution scheme are charged as incurred.

(i) Operating leases

The costs of operating leases are charged to the profit and loss account as incurred.

(j) Financial instruments

The Charity 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.

(k) 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 Charity 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.

Income is accrued and deferred based upon estimates of future income entitlement and the timing of when activities will take place.

Fixed assets are depreciated over their expected lives.

(l) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Chickenshed Trading Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

3. Grant Analysis

Grants received during the year include the following:

	<u>2020</u> £	<u>2019</u> £
For theatre equipment:		
The Rose Foundation	-	5,000
For Children's and Youth Theatre:		
Boris Karloff Charitable Foundation	-	1,000
BBC Children in Need	9,967	10,758
The Childhood Trust	10,500	-
The Greenoaks Charitable Trust	3,800	-
John Horniman's Children's Trust	3,000	5,000
Kensington & Chelsea Foundation	15,000	-
The Mackintosh Foundation	1,680	2,000
The Mercers' Company	91,345	91,078
Newman's Own Foundation	3,717	-
Stichting Polar Lights Foundation	-	131,360
The Vandervell Foundation	3,000	3,000
Young Creators scheme:		
EBM Charitable Trust	15,000	-
For Production:		
The Childhood Trust	-	10,500
Ernest Hecht Charitable Foundation	8,528	8,140
The Music Sales Charitable Trust	-	1,000
For Education:		
The Edward Gosling Foundation	-	10,000
Ernest Hecht Charitable Foundation	50,339	-
The Freed-Phillips Family Fund	5,000	-
Goldman Sachs Gives	5,000	-
The Greater London Authority – Young Londoners Fund	23,986	-
The Joseph Levy Foundation	25,000	75,000
Killick & Co Charitable Trust	2,500	2,500
Kirby Laing Foundation	5,000	5,000
Office for Students	51,261	-
The Presidents Club	14,500	-
The Red Hill Trust	3,200	3,000
The Thomson Family Charitable Trust	50,000	-
For building and facilities:		
The Span Trust	2,500	-
The Story of Christmas	40,000	-
For Outreach projects:		
Anonymous	-	2,500
Bupa UK Foundation	23,000	-
City Bridge Trust	-	4,244
John Lyon's Charity	29,000	26,500
The Royal Borough of Kensington and Chelsea	-	893
Westway Trust	-	2,400

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

3. Grant Analysis (continued)

General:

The A & R Woolf Charitable Trust	500	-
The Andor Charitable Trust	7,500	10,000
Anonymous	5,000	5,000
Chapman Charitable Trust	2,000	2,000
Christos Lazari Foundation	-	15,000
The E C Sosnow Charitable Trust	3,000	5,000
Goldman Sachs Gives (UK)	-	15,000
International Music and Art Foundation	18,000	-
The Madison Foundation	10,000	-
The Marina Kleinwort Trust	-	500
Masonic Charitable Foundation	-	1,000
Mazars Charitable Trust	1,000	1,000
Multithon Trust	100	-
The Sheldonia Charitable Trust	3,900	1,250
The Sir Robert Horton Charitable Trust Fund	1,000	-
Stanley & Zea Lewis Trust	-	5,000
Taurus Foundation	10,000	-
The Worshipful Company of Builders' Merchants	2,000	2,000

All grants have been recorded within unrestricted funds in accordance with note 2(f) of principal accounting policies, with the exception of grants received for projects that are not part of the integrated service provided by the Charity, totalling £495,822 (2019: £435,872), which have been recorded within restricted funds.

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

4. Financial Performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Chickenshed Trading Ltd, which operates the trading arm of the trust and the in-house catering facilities.

The summary financial performance of the charitable company alone is:

	<u>2020</u>	<u>2019</u>
Income	3,496,010	3,558,271
Total Income	3,496,010	3,558,271
Expenditure on:		
Raising Funds	780,892	1,013,018
Charitable Activities	2,414,809	2,681,015
Other	75,742	77,917
Total Resources Expended	3,271,443	3,771,950
Net income	224,567	(213,679)
Total funds brought forward	2,188,680	2,402,359
Total funds carried forward	2,413,247	2,188,680
Represented by:		
Restricted funds	2,576,050	2,502,601
Unrestricted funds	(162,803)	(313,921)
	2,413,247	2,188,680

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

5. Expenditure on raising funds

	<u>2020</u>	<u>2019</u>
Wages		
- Promotion and public relations	278,114	411,925
Other expenses		
- Event Costs	170,243	181,730
- Promotional costs	11,405	18,235
- Depreciation (Restricted Fund)	14,004	17,808
	<u>195,652</u>	<u>217,773</u>
Allocation of support costs	307,126	383,320
	<u>£ 780,892</u>	<u>£ 1,013,018</u>

6. Income earned from other activities

The wholly owned trading subsidiary, Chickenshed Trading Ltd, was incorporated in the UK (company number 12173455) during the year and resolved to pay all of its profits earned until 31 March 2020 to the charity under the gift aid scheme. Since becoming active Chickenshed Trading Ltd has operated the in-house catering facilities and all commercial trading operations carried on at the Chicken Shed Theatre Trust, as well as some major events held at external locations.

The summary of the financial performance of the subsidiary alone is:

	<u>2020</u>	<u>2019</u>
Turnover	492,841	-
Cost of sales and administration costs	322,707	-
Net profit	<u>170,134</u>	-
Amount gift aided to the trust	-	-
Retained in subsidiary	<u>170,134</u>	-
The assets and liabilities of the subsidiary were:		-
Current assets	537,511	-
Current liabilities	(367,376)	-
Total net assets	<u>170,135</u>	-
Share capital and reserves	<u>170,135</u>	-

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

7. Expenditure on Charitable Activities

	<u>2020</u>	<u>2019</u>
Wages		
- National Development and Training Programme	418,648	467,981
- Production and Artistic Direction	361,315	448,093
- Front of House and Box Office	111,660	105,499
- Education	497,218	541,738
	<u>1,388,841</u>	<u>1,563,311</u>
Other direct expenses		
- Production and Workshops	167,563	205,270
- Education	158,106	129,644
- Merchandise	1,053	6,971
- Bar and Catering	614	5,316
- Depreciation (Restricted Fund)	69,933	67,585
	<u>397,269</u>	<u>414,786</u>
Allocation of support costs	628,699	702,918
	<u>£ 2,414,809</u>	<u>£ 2,681,015</u>

The costs of employing staff are allocated between the headings set out above on the basis of estimated time allocation but also recognise that many employees are multifunctional. Costs allocated to the restricted fund include depreciation of £69,933 (2019: £67,585), and wages & direct expenses of £375,203 (2019: £371,603).

8. Other costs

	<u>2020</u>	<u>2019</u>
Wages	39,023	48,495
Audit	19,000	11,125
Allocation of support costs	17,719	18,297
	<u>£ 75,742</u>	<u>£ 77,917</u>

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

9. Support costs

	<u>2020</u>	<u>2019</u>
Wages	397,698	498,854
Depreciation	61,958	62,570
Rent	66,996	66,355
Light and heat	52,516	60,821
Cleaning	30,055	37,608
Maintenance	85,094	82,133
Insurance	38,679	41,811
Legal fees	-	932
Consultancy Fees	12,869	10,951
Telephone	9,507	19,133
Postage	3,555	5,247
Printing, stationery and computer costs	20,330	20,480
Travel and Motor	7,712	7,731
Miscellaneous	42,981	52,230
Loan interest	2,000	1,733
Irrecoverable VAT	118,490	125,884
Bad Debt Expense	-	-
Training and recruitment	3,104	10,062
	<u>£ 953,544</u>	<u>£ 1,104,535</u>

Support costs allocated to the restricted fund are in respect of Kensington & Chelsea and amount to £45,891 (2019: £45,625).

Allocations are based upon the proportion of direct expenses with weighting given to direct payroll charge to:

	<u>2020</u>	<u>2019</u>
Charitable expenditure	628,699	702,918
Raising funds	307,126	383,320
Other costs	17,719	18,297
	<u>£ 953,544</u>	<u>£ 1,104,535</u>

10. Net income/(expenditure)

(a) Net income/(expenditure) is stated after charging:

	<u>2020</u>	<u>2019</u>
	£	£
Depreciation - restricted fund	83,937	85,393
- unrestricted fund	61,960	62,570
Audit fees	19,000	11,125
Operating leases - land and buildings	66,996	66,355
	<u>£ 231,903</u>	<u>£ 225,443</u>

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

11. Staff Costs

Staff costs during the year were as follows:

	<u>Group 2020</u>	<u>Group 2019</u>	<u>Trust 2020</u>	<u>Trust 2019</u>
Wages and salaries	1,948,613	2,229,739	1,871,650	2,229,739
Social security costs	154,746	171,253	149,023	171,253
Other pension costs	51,512	59,820	51,049	59,820
Contract staff	31,579	59,935	31,579	59,935
Termination payments	374	1,840	374	1,840
	<u>£ 2,186,824</u>	<u>£ 2,522,587</u>	<u>£ 2,103,675</u>	<u>£ 2,522,587</u>

The average monthly number of persons, full and part time, employed by the charity during the year was:

	<u>Group 2020</u>	<u>Group 2019</u>	<u>Trust 2020</u>	<u>Trust 2019</u>
Administration and finance	10	10	10	10
Artistic and education	52	61	52	61
Fund raising and publicity	8	13	8	13
Production	5	5	5	5
General management:				
Front of house	3	3	3	3
Box office	7	8	7	8
Building maintenance	8	9	8	9
Catering	10	-	-	-
	<u>103</u>	<u>109</u>	<u>93</u>	<u>109</u>

The staff numbers above include 44 full time staff (2019: 45) and 59 part time (2019: 64), but exclude a pool of over 200 regular volunteers.

None of the directors received any remuneration in respect of services provided, neither were they reimbursed expenses incurred on behalf of the charity. Remuneration to key management personnel, who are considered to be the executive officers amounted to £185,713 (2019: £269,792).

One employee (2019 – 1) earned more than £60,000 in the band £60,000 - £70,000.

Pension costs:

The charity contributes to a defined contribution scheme. The charge to the profit and loss account was £51,511 (2019: £59,820) and at the year-end there were outstanding contributions of £11,327 (2019: £9,143).

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

12. Tangible Fixed Assets – for the Group

		<u>Leasehold Property</u>	<u>Theatre Equipment</u>	<u>Fixtures, Fittings and other Equipment</u>	<u>Total</u>
Cost or valuation					
At 1st April 2019		3,458,160	845,887	793,997	5,098,044
Additions		-	3,633	87,362	90,995
Disposals		-	-	-	-
At 31st March 2020	£	<u>3,458,160</u>	£ <u>849,520</u>	£ <u>881,359</u>	£ <u>5,189,039</u>
Depreciation					
At 1st April 2019		1,389,149	731,535	608,403	2,729,087
Charge for the year		69,166	28,081	48,650	145,897
Disposals		-	-	-	-
At 31st March 2020	£	<u>1,458,315</u>	£ <u>759,616</u>	£ <u>657,053</u>	£ <u>2,874,984</u>
Net book value					
At 31st March 2020	£	<u>1,999,845</u>	£ <u>89,904</u>	£ <u>224,306</u>	£ <u>2,314,055</u>
At 31st March 2019	£	<u>2,069,011</u>	£ <u>114,352</u>	£ <u>185,594</u>	£ <u>2,368,957</u>

For the Charitable company

		<u>Leasehold Property</u>	<u>Theatre Equipment</u>	<u>Fixtures, Fittings and other Equipment</u>	<u>Total</u>
Cost or valuation					
At 1st April 2019		3,458,160	845,887	793,997	5,098,044
Additions		-	3,633	82,367	86,000
Disposals		-	-	-	-
At 31st March 2020	£	<u>3,458,160</u>	£ <u>849,520</u>	£ <u>876,364</u>	£ <u>5,184,044</u>
Depreciation					
At 1st April 2019		1,389,149	731,535	608,403	2,729,087
Charge for the year		69,166	28,081	48,650	145,897
Disposals		-	-	-	-
At 31st March 2020	£	<u>1,458,315</u>	£ <u>759,616</u>	£ <u>657,053</u>	£ <u>2,874,984</u>
Net book value					
At 31st March 2020	£	<u>1,999,845</u>	£ <u>89,904</u>	£ <u>219,311</u>	£ <u>2,309,060</u>
At 31st March 2019	£	<u>2,069,011</u>	£ <u>114,352</u>	£ <u>185,594</u>	£ <u>2,368,957</u>

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

12. Tangible Fixed Assets (continued)

The net carrying value of tangible fixed assets for the group and charity company includes the following in respect of assets held under finance leases or hire purchase contracts. £38,285 (2019: £nil). Depreciation charge for the year in respect of leased items was £nil (2019: £nil).

13. Investments

During the year the Chicken Shed Theatre Trust purchased 1 ordinary share of £1 in its wholly owned trading subsidiary Chickenshed Trading Limited, which is incorporated in England and Wales with registered address 290 Chase Side, Southgate, London, N14 4PE. These are the only shares allotted, called up and fully paid. The activities and results of the subsidiary are summarised in note 6.

14. Debtors

	Group <u>2020</u>	Group <u>2019</u>	Trust <u>2020</u>	Trust <u>2019</u>
Trade debtors	62,701	61,489	55,615	61,489
Accrued income	157,372	113,014	157,371	113,014
Prepayments	65,022	105,325	65,022	105,325
Amount due from subsidiary	-	-	339,719	-
Other debtors	36,307	17,340	31,961	17,340
	<u>£ 321,402</u>	<u>£ 297,168</u>	<u>£ 649,688</u>	<u>£ 297,168</u>

15a. Creditors, amounts falling due within one year

	Group <u>2020</u>	Group <u>2019</u>	Trust <u>2020</u>	Trust <u>2019</u>
VAT, payroll taxes and social security payable	65,894	68,205	48,031	68,205
Deferred income	76,906	209,534	73,066	209,534
Accruals	74,142	70,927	68,392	70,927
Amount due to subsidiary	-	-	440,725	-
Other creditors	123,876	224,212	119,056	224,212
	<u>£ 340,818</u>	<u>£ 572,878</u>	<u>£ 749,270</u>	<u>£ 572,878</u>

Income has been deferred where it is considered that conditions relating to the recognition of income have not been met or where income specifically relates to an activity that will take place subsequent to the year end. All income deferred in the prior year was recognised in the current period.

The Chicken Shed Theatre Trust
Notes to the Financial Statements
For the year ended 31st March 2020 (continued)
15b. Creditors, amounts falling due after more than one year

	<u>Group 2020</u>	<u>Group 2019</u>	<u>Trust 2020</u>	<u>Trust 2019</u>
Loans	100,000	100,000	100,000	100,000
Hire purchase agreement	31,770	-	31,770	-
	<u>£ 131,770</u>	<u>£ 100,000</u>	<u>£ 131,770</u>	<u>£ 100,000</u>

The repayment date of the £100,000 loan from The Chicken Shed Property Company to The Chicken Shed Theatre Trust is 31st March 2022.

Assets purchased under HP are secured against the liability due.

16. Taxation

The charitable parent company is exempt from taxation of income and gains falling within Section 478 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent they are applied to its charitable objects.

There is no tax due on the surplus of the trading subsidiary, due to having made a gift aid donation of all of its surplus within 9 months of the year end.

17. Analysis of Net Assets Between Funds

2019: Group and Charitable Company	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total</u>
Fixed assets	2,123,175	245,782	2,368,957
Net current assets	379,426	(559,703)	(180,277)
	<u>£ 2,502,601</u>	<u>£ (313,921)</u>	<u>£ 2,188,680</u>
 2020: Group	 <u>Restricted Funds</u>	 <u>Unrestricted Funds</u>	 <u>Total</u>
Fixed assets	2,059,278	254,777	2,314,055
Net current assets	516,772	(247,446)	269,326
	<u>£ 2,576,050</u>	<u>£ 7,331</u>	<u>£ 2,583,381</u>
 2020: Charitable company	 <u>Restricted Funds</u>	 <u>Unrestricted Funds</u>	 <u>Total</u>
Fixed assets	2,059,278	249,783	2,309,061
Net current assets	516,772	(412,586)	104,186
	<u>£ 2,576,050</u>	<u>£ (162,803)</u>	<u>£ 2,413,247</u>

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2020 (continued)

Group and charitable company Restricted funds (continued)

	Brought Forward	Incoming Resources	Outgoing Resources	Carried Forward
National lottery	2,036,856	-	(69,165)	1,967,691
Minibus	6,762	-	(2,459)	4,303
New classroom	12,842	-	(4,038)	8,804
Building Management System	3,040	2,500	(830)	4,710
Artistic programme	91,078	99,873	(53,128)	137,823
Chickenshed Kensington & Chelsea	-	45,225	(30,225)	15,000
Children & Youth theatre Programme	-	35,663	(13,291)	22,372
Education programme	79,896	243,286	(141,215)	181,967
Student Hardship Fund	550	-	(550)	-
Outreach programme	65,032	52,000	(39,576)	77,456
Trainee Scheme	25,728	-	(25,728)	-
AV/IT & theatre equipment	45,960	-	(1,962)	43,998
Studio theatre development	31,476	-	(902)	30,574
Young Creators programme	77,034	45,000	(102,249)	19,785
Kitchen Refurbishment	-	40,000	-	40,000
Rayne Theatre Flooring	15,480	-	(2,580)	12,900
Air Conditioning System	1,000	-	(1,000)	-
Office Refurbishment	9,667	-	(1,000)	8,667
Hand Dryers	200	-	(200)	-
	<u>£2,502,601</u>	<u>£ 563,547</u>	<u>£ (490,098)</u>	<u>£ 2,576,050</u>

National Lottery funding is restricted to the costs of the construction and furnishing of the theatre building, and depreciation of those costs, over the period of the lease.

18. Lease and capital Commitments

Total lease commitments in respect of operating lease rentals which expire:

	<u>Land and Buildings</u>			
		<u>2020</u>		<u>2019</u>
Due within 1 year	£	46,220	£	52,650
Within 2-5 years	£	46,667	£	24,855

All lease rental costs exclude VAT, the cost of which is mostly irrecoverable.

19. Related Party Transactions

The Chicken Shed Theatre Trust rents a property which is owned by The Chicken Shed Property Company. An annual rent of £28,000 (2019: £28,000) is payable and at 31st March 2020 The Chicken Shed Property Company owed The Chicken Shed Theatre Trust £12,867 (2019: Chicken Shed Theatre Trust owed the Chicken Shed Property Company £74,185).

Creditors include a long term loan from the Chicken Shed Property Company of £100,000 on which interest at the rate of 2% per annum is payable.