

Company number 0585723
Charity number 210262

Theatre Centre Limited

(Limited by Guarantee)

Report and Financial Statements

for the year ended 31 March 2017

Breckman & Company Ltd
Chartered Certified Accountants
49 South Molton Street
London W1K 5LH

Theatre Centre Limited
(Limited by Guarantee)

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Theatre Centre Limited

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Reference and Administrative Details

Constitution

The company is incorporated under the Companies Act, company number 0585723 and its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 210262.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association each trustee shall hold the office for a term of three years. A trustee is eligible for reappointment for a further term of three years upon the expiry of his or her previous term of office. A trustee who holds the office for two consecutive terms shall not be permitted to hold the office for a further term unless a period of not less than one year has elapsed from the date of the expiry of the previous term of office. Notwithstanding the foregoing, the directors may by simple majority waive the One Year Restriction in respect of any director who has served two consecutive terms (and who would therefore otherwise be required to retire) if they consider (acting reasonably) that such waiver would be in the best interests of the charity.

The trustees during the year and since the year end, were :

Alistair Melville-Smith	Resigned 2 November 2016
Beverley Russell	Resigned 2 November 2016
Dawn Ingleson	Resigned 2 November 2016
Roy Williams OBE	
Lynn Sear	
Kemi Amondi	
Christopher Hogg	
Tanya Sharma	
Jennifer Ball	
Katrina Ellis	
David Luff	
Alexandra Perricone	Chair

Secretary

Hal Management Limited

Chief executive/day to day management

Natalie Wilson

Auditors

Breckman & Company Ltd, Chartered Certified Accountants, 49 South Molton Street, London W1K 5LH.

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Reference and Administrative Details

Bankers

Barclays Bank plc. 128 Moorgate, London EC2M 6SX.

Virgin Money. The Gosforth Centre, Tyne & Wear NE3 1JZ.

United Trust Bank Ltd. 1 Ropemaker Street, London EC2Y 9AW.

Aldermore Bank plc. Aldermore 1st floor, Block B Western House, Lynch Wood, Peterborough PE2 6FZ.

The Charity Bank Ltd. Fosse House, 182 High Street, Tonbridge TN9 1BE.

Solicitors

Harbottle & Lewis, Hanover House, 14 Hanover Square, London W1S 1HP.

Operation address

Shoreditch Town Hall, 380 Old Street, London EC1V 9LT.

Registered office

Hanover House, 14 Hanover Square, London W1S 1HP.

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Trustees' Report

The trustees present their annual report together with the financial statements of the charity for the year ended 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative details set out on pages 1 and 2 forms part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Principal activity

The principal activity of the company during the year continued to be the encouragement of the arts by the production of educational plays.

Achievements and performance

Layla's Room

A new Theatre Centre commission, Layla's Room by award winning poet and playwright Sabrina Mahfouz, sparked important conversations about sexual harassment in secondary schools. Collected from a national survey, Sabrina Mahfouz weaved together the voices of 1,000 teenagers trying to make sense of the realities, difficulties and absurdities of their lives in the UK today.

"Mahfouz makes Layla a rounded, complex character with potential for numerous stories rather than becoming a single-issue driven vehicle; an excellent cast and supporting characters give the play depth and an appeal to its teenage target audience." (The Play's the Thing)

"Consistently the best theatre group I have had the pleasure of bringing into our school. Experiences that our students wouldn't get elsewhere." (Director of Humanities, Harris Boys Academy)

"I love that the writing is new, deals with contemporary issues, uses innovative writers - has young people as the target audience. Directing, acting and sets always so professional - excellent professional standard without fail." (Head of Drama, Wyggeston and QE1 College, Leicester)

"I loved it because I could relate and it made me open my eyes to what has been going on in my everyday life." (Student, New Vic College, Stratford)

"Aimed at a 14+ audience, there is something here for us oldies too. Though-provoking - but perhaps most concerning is that while our Layla can articulate and escape, most will not have that luxury, and the system will inevitably fail them." (Reviews Hub)

There were 72 performances of Layla's Room in schools and 18 performances in venues in 2016/17. The production was targeted at audiences of 14+, playing to Key Stages 3 and 4 as well as to adult audiences, and reached 6,002 people in schools and 1400 in theatres. Layla's Room toured to 46 schools and 10 theatres during an 11 week tour which included performances in Brighton, Cambridge, Clacton, Durham, Lancaster, Leicester, London, Lyme-Regis, Manchester, Oxford, Plymouth, Sheffield, Sheringham in Norfolk and Taunton. The tour exceeded the target set for the year of visiting 40 schools during a 10 week tour.

86% of students who completed feedback forms said that after seeing the play they had a greater understanding of the issues surrounding gender equality and how they affected them in their own lives. 83% felt that the workshop helped them to build new skills or gain new knowledge. 73% of respondents thought they would be likely or extremely likely to stand up to people who are sexist or to challenge sexist behaviour as a result of watching the play. We are pleased to report that 94% of teachers and 80% of students rated the production excellent.

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Trustees' Report

Level Playing / Little Boxes

Theatre Centre developed the Level Playing project to test a new model of production for Year 5 and 6 pupils, with the aim of integrating participation and performance to empower young people and deepen their engagement with culture. The project was made possible by the generous support of the Paul Hamlyn Foundation through an Explore and Test Grant from their Arts Based Learning Fund.

Research and development work took place in collaboration with 4 primary schools in Greater London, the North East, North West and South East of England focussing on schools in areas of low socio-economic status. The creative team included award-winning playwright Robert Alan Evans, Director Amelia Sears and Developmental Psychologist Dr Natasha Kirkham. Two day residencies took place in each of the four partner schools. Following on from the research process, the team worked with a small group of actors to develop and devise an interactive experience, that positioned the children as both audience and collaborator, which became the show Little Boxes.

The final production Little Boxes was an exploration of gender and what it means to be a boy, a girl and somewhere in between. It toured to 17 schools and was seen by 1,400 young people.

"This performance was pitched perfectly at upper Key Stage 2. The show was just as enjoyable and informative to adults and extremely well performed. A very talented company!" (Andy, Year 5 teacher)

79% of pupils who took part in the research and development workshops rated them good or great. 83% of pupils rated the production of Little Boxes good or great and 82% of teachers rated the work excellent. 100% of teachers who saw the production felt that it had given them new ideas in regard to exploring the subject of gender with their classes.

Switched On

Switched On is a portfolio of short PSHE driven (Personal, Social, Health and Economic education) audio dramas which act as a stimulus to a structured, drama-facilitated debate amongst young people on the given content. Switched On is an innovative new programme of activity that aims to empower both students and teachers to explore sensitive issues affecting young people and develop their mental and wellbeing capital.

This year Theatre Centre has commissioned three playwrights to write three new audio plays: Sarah Woods (Excellent Sheep); Nessah Murthy (Viral); Sarah Davies (One Million Likes). The plays were recorded and edited by award-winning Sound Editor Eloise Whitmore.

Awards

At the Writers' Guild of Great Britain Awards in January 2017, two Theatre Centre commissions jointly won the Best New Play for Young People. What the Thunder Said by Ed Harris (for ages 9-11 years) and Rise Up by Lisa Evans (for ages 13+) demonstrated the consistent quality of the work we produce for young people.

Fundraising

We set an ambitious fundraising target of £75,000 for the year and were successful in reaching 79% of target, raising £59,196 in grant income. We were delighted to be successful in our application to be part of Arts Council England's Catalyst Evolve programme, a strategic investment to support philanthropic giving in the arts and cultural sector.

Financial Review

The organisation receives public funding from Arts Council England supplemented by generation of income from performances, educational resources and projects, fundraising and donations.

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Trustees' Report

Following the reduction in funding from Arts Council England which came into effect in April 2015, we have continued to maintain our progress in both developing our fundraising and generating income from our productions and projects. In 2012/13 the proportion of our income from self-generated sources was 16%. This figure rose to 36% in 2015/16 and was achieved once again in 2016/17.

Theatre Centre made a surplus for the year of £10,888. The balance sheet shows reserves totalling £392,775. Of this sum there are restricted funds of £49,170 and unrestricted funds of £343,605 carried forward to the balance sheet. £319,000 of the unrestricted amount has been designated for specific purposes, the major sum of which is to ensure Theatre Centre has sufficient monies put aside for contingency costs as per the organisations' reserves policy.

Reserves policy

Where possible the Trustees intend to maintain a designated operational reserves funds at a level which equates to 6 months of trading activity in order to provide financial cover for contingent situations such as shortfall in income from productions and projects, funding and fundraising activity. The level of the operational reserves fund is currently in line with the policy.

Risk Management

As an ongoing process, the Trustees have put in place systems to identify and mitigate any major risks that the organisations may be exposed to. Any potential risks are monitored quarterly and reviewed annually at the Trustees meeting. The area to be considered to be of most risk to the company is achieving targets for fundraised income and earned income from productions and projects. The Trustees ensure realistic and achievable targets are set and progress is monitored throughout the year. Arts Council England has classified Theatre Centre's overall risk category as Minor.

Future plans and activities

Twist, by Chino Odimba is newly commissioned adaptation of Oliver Twist by Charles Dickens. The play is a radical reimagining of the classic novel, transposing the story of Oliver's search for sanctuary to a contemporary refugee narrative. We are touring the production to schools and venues in autumn 2017.

Home is a young-person centred theatre project working with 13-16 year olds in Newham, Hackney and Tower Hamlets to explore their understanding of multiculturalism, identity, culture, home and belonging. We will facilitate workshops on the theme with three East London schools, culminating in a 5 day workshop residency at Theatre Royal Stratford East.

Creative Roots is a week of free intensive drama workshops run by Theatre Centre for 15-19 year olds living, working or studying in Hackney. Part of the Discover Young Hackney Festival, and run by practitioners experienced in the fields of directing, acting, writing and workshop leading, Creative Roots will build confidence and open doors to new career possibilities in the arts and creative industries.

Theatre Centre's Writelines Fellowship Programme is a new initiative which develops new writing talent over an extended period of learning and commissioning. The aim is to invest in the resilience and creativity of the next generation of writers for young audiences and cultivate new commissions for future programming.

Revival of The Muddy Choir (2018), a revival of Theatre Centre's successful production of The Muddy Choir by Jesse Briton. First produced in 2014 at the start of the centenary commemoration of WW1, the revival will mark the end of the 14-18 centenary programme.

Theatre Centre will continue to develop and offer Switched On and Standpoint projects.

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Trustees' Report

Structure, governance and management

Organisational Structure

Theatre Centre Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 16 March 2016. It is registered as a charity with the Charity Commission, registration number 210262. There are currently 9 members, each of whom agrees to contribute up to £1 in the event of the charity winding up. The Charity is administered by a board of 9 Trustees and a company secretary, with a Chair being periodically elected. New Trustees are appointed by existing Trustees at a General Meeting of the company.

The day to day activities of the organisation are managed by an Artistic Director (CEO), Executive Director, Associate Producer, Finance Manager, Programme and Administration Manager and Marketing and Development Officer.

Remuneration for all Theatre Centre staff, both employees and freelancers, is discussed and agreed annually by the board of Trustees.

Major Risks

As an on-going process, the Trustees have put in place systems to identify and mitigate and major risks that the organisation may be exposed to. This is monitored quarterly and reviewed annually at the Trustees meetings.

Objectives and activities

The purpose of the charity remains to promote, maintain, improve and advance education, particularly by the production of educational plays and the encouragement of the arts. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The principal activity of the company during the year continued to be the production of educational plays and projects. The principal strategy for achieving the stated objectives is in the commissioning of new plays and participatory projects and engaging artistic teams to create the specific works. In pursuing the goals, development work with schools and target audiences help to ensure the integrity that is implicit in the charity's objectives.

Theatre Centre has continued to deliver a programme of work to further our aim of empowering young leadership and youth activism through the arts, supporting young people to change the world by enriching their learning and leadership potential with theatre productions, creative projects and resources. We have delivered two national tours and accompanying participatory programmes, visiting 10 venues, 46 secondary schools and 17 primary schools, exceeding the number of schools visited in the previous year. Within the year we reached audiences totalling 8,608 people across England.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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 2015 (FRS 102);

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Trustees' Report

- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware at the time of approving our trustees' annual report:

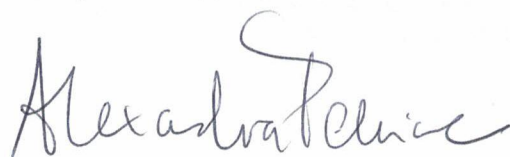
- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the charitable company's auditor that they ought to have individually taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 9 November 2017 and signed on its behalf by:



Alexandra Perricone
Chair of the Board of Trustees

Independent Auditors' Report to the Members of Theatre Centre Limited

We have audited the financial statements of Theatre Centre Limited for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes numbered 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 6 and 7, 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.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practices;
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent Auditors' Report to the Members of Theatre Centre Limited

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Annual Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Mr Kevin Beale (Senior Statutory Auditor)
For and on behalf of Breckman & Company Ltd
Chartered Certified Accountants and
Statutory Auditor

49 South Molton Street
London W1K 5LH

9 November 2017

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Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total £	Unrestricted funds £	Restricted funds £	2016 Total £
Income and endowments from:	2						
Donations and legacies - page 11		245,088	-	245,088	247,949	-	247,949
Charitable activities							
Theatre income - pages 11 - 12		46,036	59,196	105,232	46,255	83,008	129,263
Investments - page 12		3,489	-	3,489	4,033	-	4,033
Other - page 12	3	8,550	-	8,550	2,872	-	2,872
Total		303,163	59,196	362,359	301,109	83,008	384,117
Expenditure on:							
Charitable activities:							
Production and operation costs - page 13		278,224	73,247	351,471	294,778	63,834	358,612
Total		278,224	73,247	351,471	294,778	63,834	358,612
Net income/(expenditure)/ net movement in funds:	4	24,939	(14,051)	10,888	6,331	19,174	25,505
Reconciliation of funds:							
Total funds brought forward		318,666	63,221	381,887	312,335	44,047	356,382
Total funds carried forward	13, 14	343,605	49,170	392,775	318,666	63,221	381,887

The notes on pages 17 to 25 form an integral part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

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Year ended 31 March 2017

	2017 £	2016 £
Income from donations and legacies		
Grants		
Arts Council England	240,000	240,000
Reuben Foundation	-	250
The Pennycress Trust	-	300
	<u>240,000</u>	<u>240,550</u>
Donations		
Other	5,088	7,399
	<u>245,088</u>	<u>247,949</u>
Income from charitable activities		
Theatre income		
Performances/workshops	45,610	44,919
Other income	426	1,336
	<u>46,036</u>	<u>46,255</u>

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Year ended 31 March 2017

	2017	2016
	£	£
Income from charitable activities (continued)		
Project specific funding		
Grants		
Arts Council England - Catalyst: Evolve	27,500	-
Paul Hamlyn Foundation	-	41,801
Hadrian Trust	-	1,000
Arts Council England	-	7,500
Garfield Weston Foundation	5,000	-
John Lyon's Charity	4,500	3,000
Big Lottery Fund	9,696	5,707
Newcomen Collett Foundation	1,000	1,000
London Borough of Tower Hamlets	-	500
Ernest Cook Trust	-	2,500
City Bridge Trust	-	20,000
Derwent London Community Fund	5,000	-
Discover Young Hackney	2,000	-
Santander Discovery Grant	1,500	-
The Leche Trust	2,000	-
Charlotte Bonham-Carter Charitable Trust	1,000	-
	<u>59,196</u>	<u>83,008</u>
Investment income		
Bank Interest	<u>3,489</u>	<u>4,033</u>
Other		
Theatre tax relief (TTR)	<u>8,550</u>	<u>2,872</u>

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Year ended 31 March 2017

	2017	2016
	£	£
Expenditure on charitable activities		
Production/project costs		
Production costs	19,070	13,084
Salaries/social security costs	-	25,380
Fees	70,878	64,490
Actors pension scheme costs	-	77
Royalties/writers fees	17,864	5,480
Touring allowances/subsistence	8,162	9,485
Travel/transport	8,757	6,208
Marketing	8,924	7,138
	<u>133,655</u>	<u>131,342</u>
Support costs - pages 14 - 15	203,826	213,232
Governance costs - pages 14 - 15	13,990	14,038
	<u><u>351,471</u></u>	<u><u>358,612</u></u>

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Year ended 31 March 2017

	2017		2016	
	£	£	£	£
Support and governance costs				
Support costs				
Office overheads				
Office rent/storage	20,591		25,832	
Rates	697		973	
Light/heat	736		1,195	
Telephone/fax/internet	(192)		2,901	
Insurance	1,639		1,572	
Repairs/renewals/cleaning	516		1,129	
Office relocation costs	-		477	
Computer/equipment maintenance	4,927		4,086	
Depreciation of production/office equipment	716		717	
Depreciation of computer equipment	3,306		3,306	
		32,936		42,188
Administration costs				
Salaries/social security costs	150,559		101,066	
Staff pension costs	4,425		3,103	
Executive director fees	-		26,970	
Staff training	1,575		738	
Staff welfare	462		668	
Staff recruitment	1,454		711	
Accommodation/subsistence	445		425	
Travel/transport	744		1,454	
Printing/postage/stationery	304		2,315	
Tickets	238		278	
Subscriptions/memberships	1,378		1,767	
Sundries	448		1,860	
		162,032		141,355
Professional/financial				
Fundraising/consultancy fees	8,700		29,500	
Bank charges	158		189	
		8,858		29,689
Carried forward		203,826		213,232

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Year ended 31 March 2017

	2017		2016	
	£	£	£	£
Support and governance costs (continued)				
Brought forward		203,826		213,232
Governance costs				
Board expenses	346		256	
Legal/professional	2,116		3,350	
Bookkeeping	4,428		5,182	
Accountancy/consultancy	2,850		1,500	
Audit	4,000		3,500	
Charity SORP/FRS 102 amendments	250		250	
		13,990		14,038
		<u>217,816</u>		<u>227,270</u>

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Balance Sheet
31 March 2017

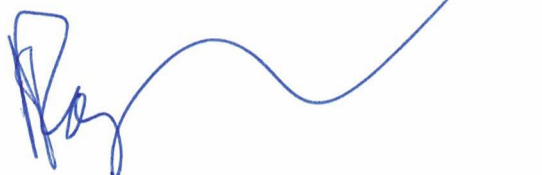
		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		4,023		8,045
Current assets					
Debtors	10	38,391		73,430	
Cash at bank and in hand		368,244		319,821	
		<u>406,635</u>		<u>393,251</u>	
Liabilities					
Creditors: amounts falling due within one year	11	<u>(17,883)</u>		<u>(19,409)</u>	
Net current assets			<u>388,752</u>		<u>373,842</u>
Total assets less current liabilities			<u>392,775</u>		<u>381,887</u>
The funds of the charity:					
Unrestricted funds	13				
- General fund			24,605		17,666
- Designated funds			319,000		301,000
			<u>343,605</u>		<u>318,666</u>
Restricted funds	14		<u>49,170</u>		<u>63,221</u>
Total charity funds			<u>392,775</u>		<u>381,887</u>

The trustees have prepared these 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.

The financial statements were approved by the Board of Trustees on 9 November 2017 and signed on its behalf by



Alexandra Perricone
Chair of the Board of Trustees



Roy Williams OBE
Trustee

The notes on pages 17 to 25 form an integral part of these financial statements.

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Notes to the Financial Statements for the year ended 31 March 2017

1. Accounting policies

1.1. Basis of preparing the 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)), and the Companies Act 2006.

The charity 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 note(s).

1.2. Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

There was no requirement for restatement.

1.3. Incoming resources

All incoming resources are included in the Statement of Financial Activities when:

- the charity is legally entitled to the funds
- any performance conditions attached to the income have been met or are fully within the control of the charity
- there is sufficient certainty that receipt of the income is considered probable
- the amount can be reliably measured

- Donations and legacies

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

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

- Charitable activities

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

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

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Notes to the Financial Statements for the year ended 31 March 2017

- Investment income

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

1.4. Expenditure

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when:

- there is a legal or constructive obligation to make a payment
- it is probable that settlement will be required
- the amount of the obligation can be measured reliably

- Charitable activities

Production costs - costs incurred in the production and running of productions toured in the year.

- Support costs

The administrative and overhead costs associated with running the office from which the company operates as well as governance costs. Support are wholly attributable to theatre production costs.

- Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

1.5. Leasing

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

1.6. Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised as expenditure when due.

1.7. Tangible fixed assets and depreciation

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

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

Production/office equipment	-	33% on cost
Motor vehicles	-	25% on cost
Computer equipment	-	33% on cost

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Notes to the Financial Statements for the year ended 31 March 2017

1.8. Fund accounting

Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Designated funds - these are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

1.9. Debtors

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

1.10. 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.

1.11. Creditors and provisions

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

1.12. 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 (with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method).

2. Incoming resources

The total incoming resources for the year have been derived from the principal activity undertaken wholly in the UK.

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**Notes to the Financial Statements
for the year ended 31 March 2017**

3. Other income

	2017	2016
	£	£
Theatre Tax Relief (TTR)	<u>8,550</u>	<u>2,872</u>

**4. Net income/(expenditure) for the year is
stated after charging:**

	2017	2016
	£	£
Depreciation of tangible fixed assets	4,022	4,023
Auditors' remuneration		
- external audit	4,000	3,500
- other services	<u>3,100</u>	<u>1,750</u>

5. Trustees' emoluments and reimbursed expenses

The trustees received no remuneration during the year (2016 - £ nil).

The aggregated amount reimbursed to trustees during the year was £ nil (2016 - £ nil).

Theatre Centre Limited

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**Notes to the Financial Statements
for the year ended 31 March 2017**

6. Staff costs and numbers	2017 £	2016 £
Staff costs		
Salaries and wages	139,408	116,888
Social security costs	11,151	9,558
Pension costs	4,425	3,180
	<u>154,984</u>	<u>129,626</u>

No employee earned £60,000 or more during the year (2016 - nil).

The key management personnel of the charity comprise the Trustees and the Senior Management Team. The total employee benefits of the key management personnel of the charity were £45,000 (2016: £40,030).

Staff numbers

The average numbers of employees (including casual and part time staff) during the year was made up as follows:

	2017 Number	2016 Number
Support	3	3
Production	1	1
	<u>4</u>	<u>4</u>

7. Pension costs

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £4,425 (2016 - £3,180).

8. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

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Notes to the Financial Statements
for the year ended 31 March 2017

9. Fixed assets - tangible assets

	Production/ office equipment £	Motor vehicles £	Computer equipment £	Total £
Cost				
1 April 2016 /				
31 March 2017	14,523	27,700	18,019	60,242
Depreciation				
1 April 2016	13,091	27,700	11,406	52,197
Charge for year	716	-	3,306	4,022
31 March 2017	13,807	27,700	14,712	56,219
Net book values				
31 March 2017	716	-	3,307	4,023
31 March 2016	1,432	-	6,613	8,045

10. Debtors

	2017 £	2016 £
Trade debtors	4,200	-
Other debtors	3,816	3,683
Prepayments/accrued income	30,375	69,747
	38,391	73,430

11. Creditors: amounts falling due
within one year

	2017 £	2016 £
Trade creditors	4,384	10,556
Other taxation/social security	4,121	2,305
Other creditors	408	908
Accruals	8,970	5,640
	17,883	19,409

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**Notes to the Financial Statements
for the year ended 31 March 2017**

12. Limited by guarantee

The company is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31 March 2017 there were 9 members.

13. Unrestricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	17,666	303,163	(278,224)	(18,000)	24,605
Designated funds:					
Operational fund	250,000	-	-	-	250,000
Premises fund	4,000	-	-	-	4,000
Website Upgrade fund	5,000	-	-	5,000	10,000
ICT Upgrading fund	-	-	-	2,000	2,000
Production Equipment fund	2,000	-	-	8,000	10,000
Vehicle Replacement fund	35,000	-	-	3,000	38,000
Rebrand Costs	5,000	-	-	-	5,000
	<u>318,666</u>	<u>303,163</u>	<u>(278,224)</u>	<u>-</u>	<u>343,605</u>

Operational fund

The operational fund is to cover six months trading activity in the event of any unforeseen direct charitable and administrative costs.

Premises fund

The premises fund is used to cover refurbishment of building.

Website Upgrade fund

To cover upgrade costs of website.

ICT Upgrading fund

To cover upgrade costs of ICT Equipment.

Production Equipment fund

To cover costs of new production equipment.

Vehicle Replacement fund

To cover costs of new touring van.

Rebrand Costs

To cover costs of rebranding the company and its marketing.

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**Notes to the Financial Statements
for the year ended 31 March 2017**

14. Restricted funds	Brought forward	Incoming resources	Outgoing resources	Carried forward
	£	£	£	£
Creative Roots	-	7,000	(1,904)	5,096
Adrienne Benham Award	1,420	-	(500)	920
Home Project	-	9,696	(661)	9,035
Catalyst Evolve	-	27,500	(9,460)	18,040
Switched On (PSHE Drama Debates)	20,000	-	(12,743)	7,257
Level Playing	41,801	4,500	(37,479)	8,822
Layla's Room	-	10,500	(10,500)	-
	<u>63,221</u>	<u>59,196</u>	<u>(73,247)</u>	<u>49,170</u>

Creative Roots

Workshops for 13-19 year olds to learn new drama skills, build confidence and open doors to a creative career. The workshops will take place in the week commencing 24 July 2017. The project is funded by Derwent London Community Fund and Discover Young Hackney.

Adrienne Benham Award

This is a grant (Writers Bursary) given to a writer to develop a new play.

Home Project

A week-long series of drama workshops for 13-16 year olds taking place at Theatre Royal Stratford East in May/June 2017. The project is funded by Awards for All and the majority of expenditure will be incurred in 2017/18.

Catalyst Evolve

Strategic funding of £75,000 from Arts Council England available over a 3 year period to develop philanthropic giving in the arts and culture sector. £22,500 is available for organisational development, the remainder as match funding for donations and sponsorship received at a ratio of 1:1.

Switched On (PSHE Drama Debates)

A portfolio of short PSHE driven (Personal, Social, Health and Economic education) audio dramas which act as a stimulus to a structured, drama-facilitated debate amongst young people on the given content.

Level Playing

A research project taking place in primary schools. The project is developing a methodology that integrates participation and performance.

Layla's Room

A new play for secondary school audiences discussing issues of sexual harassment and gender equality.

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**Notes to the Financial Statements
for the year ended 31 March 2017**

15. Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Tangible fixed assets	4,023	-	-	4,023
Net current assets	20,582	319,000	49,170	388,752
	<u>24,605</u>	<u>319,000</u>	<u>49,170</u>	<u>392,775</u>

16. Financial commitments

At 31 March 2017 the company had total future commitments under non-cancellable operating leases as follows:

	2017 £	2016 £
Within one year	9,686	7,250
Between one and five years	-	1,080
	<u>9,686</u>	<u>8,330</u>

17. Related party transactions

During the year the company had no related party transactions that require disclosure.

