
THE ROUNDHOUSE TRUST

Company Limited by Guarantee
Registered Charity

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2017

Registered Charity Number: 1071487
Company Number: 03572184

THE ROUNDHOUSE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

Introductions

An Inspirational Space

This is my first year as Chair of the Roundhouse, but I've long been an admirer of the organisation. This amazing building has thrown open its doors to everyone and anyone over the past 50 years. It's been a place of inspiration, entertainment, innovation and magic.

The Roundhouse has just celebrated an important anniversary — not only 50 years as a cultural venue, but ten years as a charity. And this is what makes it truly special — the life changing impact it has on more than 4,000 young people each year. That's why I love this place, and that's why it's such a privilege to be its new Chair.

Looking to the Roundhouse's future, we will continue to build on these solid foundations. Success will see us supporting a diverse workforce, developing exceptional arts activities and spaces with, for and by young people, producing life enhancing and transformational live productions and becoming an even more entrepreneurial organisation.

We have exciting and ambitious plans to expand our work to offer even more young people opportunities. We will develop the Roundhouse site by building a new Campus comprising of three additional studios and a creative centre for 18-30 year olds. We will lead the agenda of access, inclusion and diversity, enabling more young people than ever to find a better future.

As I join the organisation we are also seeing a change in the landscape for the Charity and Fundraising sector more generally. I was encouraged by how robust the governance of the Roundhouse was and welcome this drive for transparency in the sector. My role as the Chair is to ensure the board continues to scrutinise and be a critical friend to ensure we achieve our ambitions over the next five years. Our responsibility to our staff, audiences, donors, and young people will remain at the forefront as we undertake our fiduciary and stewardship role.

Simon Turner – Roundhouse Chair

A Year of Impact

This year has been one of celebration for the Roundhouse. We've reflected on 50 years as an arts venue and 10 years since Sir Torquil Norman reopened our renovated Grade II* building with a new sense of purpose — to transform the lives of young people through creativity.

It's also been a year in which we've continued our tradition of artistic innovation, with highlights including the The Last Word Festival and In the Round. And we've had the pleasure of watching home-grown talent take to the stage, with incredible performances by Roundhouse alumni — from Little Simz at Rising Festival to Scottee's directorial debut Putting Words in Your Mouth.

But as we celebrate the successes, we also recognise that there's a lot more work to be done. Our plans are more ambitious than ever as we look to expand our work through our new campus and through outreach activities with local, national and international communities. Creativity will remain at the core of our programmes, but we'll also focus on improving life skills, and demonstrate to the industry and beyond the value of open access and inclusion. We will bring new and extraordinary experiences to audiences by commissioning and presenting high-quality work that pushes boundaries, reflects society, showcases rising talent and, of course, involves young people.

I would like to take this opportunity to thank everyone who has supported us on our journey so far. I hope that you'll continue to support us into the future, so that we can give young people both the creative skills and the platform they need to reach further, dream bigger and achieve more.

Marcus Davey, OBE – Chief Executive & Artistic Director

Report of the Trustees Incorporating the Strategic Report

The Trustees of the Roundhouse Trust, who are also Directors of the Company for the purpose of Company Law, are pleased to present their Annual Report for the year ended 31 March 2017, including the Directors Report and the Strategic Report under the 2006 Act. The accompanying accounts include the consolidated results and balance sheet of the Roundhouse Trust and its active subsidiary. In reviewing the plans, results and achievements of the charity, this Trustee's report comments principally on the activities of this group as a whole.

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

The Trustees have considered the Charity Commission's guidance on public benefit and have set the annual objectives, strategies and activities of the organisation with the aim of delivering the benefits outlined above. Additionally, they have considered the Commission's guidance on fee charging; allowing the widest possible access to our productions and creative programme is crucial and something we strive for across the full range of our activities. There is a separate note below providing more details on our accessible pricing

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Why We Exist and What We Do

We create to transform

The Roundhouse is a hub of inspiration where artists and emerging talent create extraordinary work and where young people can grow creatively as individuals. We believe that creativity can change lives. By giving young people the chance to engage with the arts through our music, media and performance projects, we inspire them to reach further, dream bigger and achieve more. We do this because we believe creativity gives us freedom, hope and has the power to transform.

Each year, we give thousands of 11–25 year-olds the chance to develop their skills and confidence through creativity – in music, digital, media and the performing arts. We help them find new perspectives and new directions. Whether it's helping someone get into education, or out of a rut, or supporting their early career in the arts. Whatever the spark, we nurture it into a flame that can change everything.

Powering transformation

Every year we host hundreds of gigs, shows and events in our Main Space and throughout our building. Every ticket bought, drink sold and donation from our generous supporters and partners helps fund the transformational work we do with young people in our Paul Hamlyn Roundhouse Studios.

Charitable aims

All of our work is underpinned by three clear aims that are linked to goals identified when the charity was set up:

- To provide a programming framework, facilities and a supportive environment in which young people can realise their creative, personal and professional potential;
- To develop a broad and varied artistic programme which pushes artistic boundaries, bringing new and extraordinary experiences to London's audiences;
- To care for and celebrate our Grade II* listed landmark building, keeping the stories of its rich heritage alive and accessible to all.

2016-17 Objectives

1. Offer 3,000 young people exceptional creative opportunities every year, to enable them to build skills for employment and personal development.
2. Develop an artistically ambitious and digitally innovative artistic programme.
3. Develop clarity around key components of the Roundhouse's powerful and unique identity particularly our work with young people
4. Further develop the organisation by extending our income potential, reviewing our cost base and ensuring a sustainable financial model.
5. Celebrate and maintain our Grade II* listed building, plan the next phase of site development, develop our facilities and services and ensures an excellent visitor/client/ staff experience.

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Strategic Report

1. Offer 3,000 young people exceptional creative opportunities every year, to enable them to build skills for employment and personal development

In 2016/17 the Roundhouse exceeded its target and worked with 4,455 young people, developing their skills and confidence through creativity. We did this in the following ways:

Engaging with those hardest to reach

52% of young people accessing our programmes come from disadvantaged socio-economic backgrounds (exceeding our target of 33%). We continued to deliver our intensive NEET projects and working with young people who faced a number of disadvantages including recovering from substance abuse, homelessness and mental health issues.

We delivered a new spoken word project with 9 young offenders in Pentonville Prison who over 4 days put together a show for approximately 100 other inmates. This project was positively received by both staff and the participants who stated it increased their confidence; provided an outlet for their feelings and aggression and an opportunity to be themselves without judgement.

"When you have support from your own people you can do so much. Here there is usually the bravado not support. I feel so proud of everyone here, especially being in a place like this, more bad things than good things usually happen" Pentonville Prison project participant.

We worked with 205 young people from schools, community groups and local referral groups developing their skills through a regular programme of activities and projects. We set out a new five-year street circus strategy which highlighted the need for better on site facilities. This will now be housed in a triple height studio within our new Campus building which we secured planning permission for this year and hope to complete over the next few years, funding dependent. We have developed two new circus strands for schools and three community outreach programmes for young people at risk including weekly outreach sessions with LIFT Islington and the Queens Crescent Community Association. **446 young people** took part in our weekly taster sessions and we ran projects in partnership with the Red Cross, Mind and One Housing.

Opportunities for All.

We worked with 207 young people last year as part of our international projects in music, dance, circus, film and spoken word. The projects worked with young people in Trinidad & Tobago, India, Faroe Islands, Palestine, UAE, Brazil, Honduras, Hull, Birmingham, Glasgow, Edinburgh and Aberdeenshire and the work was showcased online and here at the Roundhouse festivals including Rising, The Last Word, Circus Fest and On Mass.

Our open access programme engages a diverse range of young people across both our term-time and holiday projects and through our Emerging Artist Membership programme which has grown to **2,608** individuals.

"Roundhouse is the only affordable space I know" Roundhouse Alumni

Developing the Next Generation of Talent

We supported young people not only to gain skills but also to make connections and build confidence. We introduced clearer pathways and progression routes for young artists, by establishing a talent development framework the Resident Artist programme. This provided **164** young artists space for rehearsals and experimentation, performance opportunities, and professional and employability skills development. We also offered **seven** traineeships last year. In addition to this **474** 11-25's gained professional or semi-professional experience through being part of special events, festivals and projects. Across the year we provided a number of professional performance opportunities for young people, in our studio theatre and at festivals. And, we platformed young artists in our main space during The Last Word and Rising festivals alongside curtain raisers during In the Round. Last year, we took groups from Music, Spoken Word and Circus across the UK to events such as Bestival, Love Box, and Glastonbury

Rising Festival was headlined by Little Simz - her building takeover "Welcome To Wonderland" was performed in front of 1,689 people. As a former Resident Artist, Little Simz has grown as an artist from our Paul Hamlyn Roundhouse Studios to our Main Stage.

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We provided sector specific master classes, panels and practical surgeries to maximise employability and CPD for young people. We are currently working towards our new Campus project which will host a 3 new studio spaces to extend our work with young people and will include a Centre for Creative Entrepreneurs for young people aged 18-30, extending our current age bracket of 11-26 to 11-30.

Making Young Voices heard

Enabling the voice of young people is at the heart of the Roundhouse's core ethos. Every year we appoint 2 young people to sit on the Board of Trustees and we continued to grow and develop our Roundhouse Youth Advisory Board which had 22 members in 2016/17. Our young trustees participated in interview panels, consulted on our plans for the future including our new Campus building and consulted on a range of fundraising events throughout 2016/17 to support the Roundhouse's anniversary year.

In 2017 we will publish our Guide to Youth Governance in partnership with the Arts Council that will support other organisations and encourage boards to incorporate young people into their governance structures.

"I really came to feel that I could contribute to – and question – anything that was discussed at Board meetings" Celia, Roundhouse Trustee 2016.

Areas for further development

Through 2016/17 we further developed our evaluation methodology to allow us to understand in more depth more the areas of high (and low) demand and critically the impact of our work. This information is already being used to shape our activity and target groups for the 2017/18 year and beyond. Data from the evaluation committee is presented to the Board on an annual basis and the committee will continue to develop their methodology throughout 2017/18 to inform our practice.

2. To develop an artistically ambitious and digitally innovative artistic programme

The Roundhouse presented a wide array of high quality productions in 2016/17 again placing an emphasis on our own produced festivals in order to build audiences for new work and artistic innovation. We presented the second series of our own curated music festival *In the Round*.

We continued to build on our partnerships and in January along with ZooNation and The Royal Opera House we co-produced *The Mad Hatter's Tea Party* which explored the theme of mental health. We offered accessible tickets and the opportunity to attend open dress rehearsals and relaxed performances during The Mad Hatter's Tea Party allowing those who would otherwise not attend to experience the show: 200 community contacts, 2,500 school children and 863 people attended. Mad Hatter's attracted an audience of 29,686 people and gave people the opportunity to see a large scale family show in our Main Space. It received critical and audience acclaim:

*"Fizzing with the go-getting energy of street dance and showbiz" The Mad Hatter's Tea Party 2017 (The Times *****)*

Circus Fest exceeded both attendance and box office targets and received great critical acclaim. There were five world premieres including three major commissions. We also presented work created in consultation with 14-25 year-olds which will be developed into a full length piece for *CircusFest 2018*.

As part of our 10th anniversary celebrations we brought back *Curtain Call* by the internationally renowned artist, Ron Arad. This featured 50% new commissions and offered audiences a unique opportunity to directly interact with and respond to art in our Main Space.

"I am an artist and musician living in London and I go to A LOT of concerts, exhibitions and dance events. This absolutely blew me away!!! It was a feast for the senses in so many ways and the Roundhouse was the perfect venue. All in all it felt an absolute privilege to be there. THANK YOU" Audience member, Curtain Call 2016

The third instalment of *The Last Word*, the UK's first dedicated spoken word festival, provided a showcase for the finest home grown Roundhouse talent and new shows from John Berkavitch, Mark Grist, Baba Israel and Debris Stevenson; an audio installation from Talia Randall and the biggest show ever from spoken word/music maestros Tongue Fu including performances from Irvine Welsh and Hollie McNish.

We finished our year-long collaboration with BBCIXTRA, winning the 'best initiative for reaching new audiences' category at the BBC Radio awards. We released 'Words First: Alone Together' the first non-factual

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commissions for Radio 1 and iXtra's iPlayer featuring Words First young poets as writers and performers. We engaged 94 young people across the UK in workshops and worked with 11 regional partners in Leeds, Manchester, Birmingham, Glasgow, Bristol and London. We also produced creative output on-air and online with BBC Worldwide, BBC Africa and BBC Wales.

Camden Beach welcomed **32,180** visitors and continued to engage local residents and families who would not normally come to ticketed events. Other events that attracted new audiences included the **Apple Music Festival** and the **Punk Weekender**, which included free performances in nearby Camden Market, and featured a strong female line-up.

Through productions such as **Coming Out**, **The Mad Hatter's Tea Party** and **Putting Words in Your Mouth**, we created dialogues with audiences, opening up debate around gender identities, love, sex, extremist views and mental health issues.

3. Develop clarity around key components of the Roundhouse's powerful and unique identity particularly our work with young people

In 2016 we celebrated our 10th year since reopening and our 50th anniversary as an arts and music venue. We used this as an opportunity to amplify the message about the work we do with young people.

We launched our new brand which has enabled us to implement consistency across our festivals and events and to communicate our role as a charity for young people across all of our marketing and branding.

Our 10th birthday party, held on the 1st June exactly ten years since reopening the building, was an evening of celebration for our supporters, artists, stakeholders and young people. Hosted by Associate Artist, Scottee it included performances from the Roundhouse Choir, our circus collective, and some of our Resident Artists.

We produced a digital microsite funded by the Heritage Lottery Fund with contributions from over 103 volunteers that aimed to tell our wider story and share our architectural and cultural heritage with new and existing audiences. The crowd-sourced mobile first website features 590 contributions from public memories, new articles, local history, and oral history with a range of people including Nick Mason (Pink Floyd), Sadie Frost, Arlene Philips, and Guy Garvey. Since its launch in October 2016, it has received 170,458 page views to date and reached over 2million on social media.

BBC Arena created and aired a documentary on the Roundhouse on 23rd October on BBC Four. The programme was a look at the potted history of the Roundhouse, told primarily through archive footage, from railway repair shed to radical arts venue to the charity today.

In November BBC 6 Music ran a 2-hour Roundhouse 50th BBC special with Gideon Coe which included some of the biggest performances from the last 50 years. On Boxing Day Radio 1 and iXtra ran a 3-hour special about the Roundhouse which included an interview with Roundhouse Radio Station Manager Niccy Logan which took listeners through our history and the current work we do with young people in the studios.

We launched our Next Generation fundraising campaign to support the Roundhouse's future ambitions including the development of a new Campus building. This included a series of fundraising activities new to the Roundhouse such as a Challenge Events, an in conversation event with Sanjeev Bhaskar, Michael Palin and Terry Gilliam and our own unique fundraising event, "Ride the Roundhouse" which saw our former Chair, Chris Satterthwaite and 69 other participants ride 100 miles each on stationary bikes in the Roundhouse's Main Space.

Areas for further development

Building on our rebrand in 2016/17 which enabled us to profile the work we do with young people we are now developing an advocacy and communications strategy to champion the issues facing young people to the widest and most appropriate audiences.

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4. Further develop the organisation by extending our income potential, reviewing our cost base and ensuring a sustainable financial model.

We continued to spread our income across a pool of diverse income streams ranging from trading and commercial income, trusts and foundations, corporate sponsorship, individual donors and fundraising events. This, linked with our business planning processes, allowing us to flex the allocation of our resources to meet changing economic environments.

In July 2015 we added an additional source of income via the rental of office space in our new administration building. Once we have repaid the related loans for it this will contribute a further £220,000 per annum to our charitable activities. However, as planned investment in the new office building has reduced our reserves below target levels, we have started the process of rebuilding these and are ahead of expectations at the end of the 2016/17 financial year.

Our biennial gala in March 2017 delivered another successful fundraising gala raising nearly £780k to support the charitable work of the Roundhouse. This source of unrestricted income is split across two financial years (2016/17 & 2017/18) to ensure financial stability.

In 2016/17 we also embarked on the private phase of our capital project, the Next Generation campaign, primarily raising funds through trust and foundations and major philanthropists. This will continue to be a priority for the fundraising team for the next two to three years.

Areas for further development

At the end of 2016/17 we completed a review of our food and beverage provision and made the decision to no longer have a permanent on-site restaurant. Instead we are working with pop-up food providers during specific periods in our programming calendar aimed at targeted audiences. This has had a positive impact on our net income in 17/18 and we are further developing a strategy to maximise a secondary spend from our food and beverage provision.

We are also looking to maximise the use of main venue space. Like most performance venues there are periods of high and low demand. Driving up utilisation in periods of low demand continues to be an area of focus for us.

5. Celebrate and maintain our Grade II* listed building plans the next phase of site development, develop our facilities and services and ensure an excellent visitor/client/ staff experience.

The original Roundhouse building is 170 years old and it has been 10 years since the Roundhouse reopened following a major capital development. We have a responsibility to regularly maintain this Grade II* listed building and it requires considerable management and care to protect its heritage assets and ensure it is fit for purpose as it is in use almost 365 days per year.

As well as day-to-day maintenance we made further improvements to the venue during the year including the resurfacing of the main space floor, replacement of the fire doors, upgrading of the sound-desk, as well as renewal of critical communication systems.

The Next Generation campaign launched in 2016 is a capital project that will deliver improvements to the Roundhouse to better care and manage its heritage assets. The growth and success of our programme of work with young people has pushed the current building beyond capacity. The project will include improvements to the historic site and the iconic Roundhouse venue and in addition will include a construction of a new Campus building that will comprise 3 new studios and a creative centre for entrepreneurs. Planning permission for this development was secured in May 2017.

The recent terrorist attacks that have often targeted crowded cultural venues puts pressure on the Roundhouse to ensure its venue is as safe and secure as possible. The Roundhouse has a robust health, safety and security measures in place and all staff and security personnel are regularly trained. This remains a continual priority for the Roundhouse.

Areas for further development

As the building moves past its 10th year since reopening, the renewal and replacement of some of the infrastructure is becoming an area of concentration. The funding of these projects as well as the scheduling of major works without disrupting ongoing operations is a key challenge for us.

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Future Plans

Over the past 10 years the Roundhouse has empowered more than 30,000 young people to change their lives and progress artistically by providing them with access to world-class facilities, training and opportunities.

Supporting this next generation of creative talent is central to the work of the Roundhouse and increasingly important in our challenging economy having seen demand grow by 1,000 young people over the last two years,.

Meanwhile, London is a global city and a creative industries "hotspot", with one of Europe's largest communities of creative start-ups and entrepreneurs. As one of the UK's leading organisations giving a home to tomorrow's creatives and diversifying the talent entering the creative industries, we have big ambitions to support young entrepreneurs within our sector on their journey to success.

2017/18 is the final year of our current three-year business plan and the objectives for this remain those we have been striving for over the last year namely:

1. Offer 3,000 young people exceptional creative opportunities every year, to enable them to build skills for employment and personal development.
2. Develop an artistically ambitious and digitally innovative artistic programme.
3. Develop clarity around key components of the Roundhouse's powerful and unique identity particularly our work with young people
4. Further develop the organisation by extending our income potential, reviewing our cost base and ensuring a sustainable financial model.
5. Celebrate and maintain our Grade II* listed building, plan the next phase of site development, develop our facilities and services and ensure an excellent visitor/client/ staff experience

Looking beyond this year we are looking to expand impact and activity. The vision for this will be covered in more detail in our new business plan due to be published in January 2018.

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Review of the Financial Position

Overview of Financial Model

The Roundhouse has a mixed but integrated financial model. There are a number of key income sources and activity areas.

We derive income from a wide range of activities

- Rental of the main auditorium space for third party events - including conferences galas and exhibitions etc*
- Rental of office space to a third party *
- Food and beverage income – this is mainly linked to music and artistic performance's*
- Rental of main auditorium space and associated services (including box office) for third party music hires.
- Ticket income and other sundry income from own promoted or commissioned music or artistic performances.
- Fundraising and sponsorship income through a mixture of donations from individuals, grants from trusts, corporate sponsorship and income from various membership schemes. There is also a biennial fundraising gala
- Government funding via Arts Council England as an National Portfolio Organisation
- Income linked to our creative programme being a mixture of course/project fees
- Investment income – this includes interest on deposits, but mainly comes from dividend and other income linked to the endowment funds.

This variation spreads the financial risk of being reliant solely on one or two main income sources and enables us to plan and make longer term commitments to a range of activities to support our charitable aims. In a typical year for example we allocate the main auditorium space between music, events and our own commissions. The mix of this programming has a significant impact on the income mix. The mix of fundraising and sponsorship income also tends to vary between years, particularly in a year when we host a fundraising gala. Income from events and office space rental along with food and beverage income (the items marked with *) are channelled through Roundhouse Trading Limited with the net profits gift aided back to the charity (see note 4). The other elements appear on the consolidated statement of activity under Donations, Income from charitable activity or Investment income as applicable. The notes to the accounts 2, 3 & 5 provide a detailed breakdown.

Our Income and Expenditure in 2016-17

Total Revenue for the year was £12,403k (2016 £11,455k) and Total Resources expended by the group was £12,525k. (2016: £12,495k). Therefore net operating deficit before gains on investments was £122k (2016: £ (1,039) k).

The Net movement in funds for the year is a positive £812k (2016: negative £880k)

Income

Revenue from trading activity increased to £4,899k (2016 £4,149k) mainly due to a higher level of event bookings.

Charitable activities for the year stood at £6,793k (2016 £6,622k). This includes nearly £800k of income raised via the biannual fundraising gala. 50% of the net revenue from this event has been transferred from general funds to designated funds to help fund expenditure next year as well as this year thus so as spreading the benefit of this across two years. (See also note 18)

The restricted capital income received in the year of £100k represents funds received towards the Next Generation Campaign.

Expenditure

Within expenditure costs are reported under two broad categories Costs of raising funds and Expenditure on charitable income.

Under Costs of raising funds we include costs relating to the trading activity and those linked to fundraising. Total expenditure for the year for this area was £3,910k (2016 £3,600k). This increase is due to mixture of higher trading costs (linked to higher trading income), some non-recurring expenditure on specific anniversary activity and the cost of biennial fundraiser. Expenditure on charitable activity was £4,706k across the four areas (2016 £5,296k). For both years these numbers include an allocation of depreciation linked to the initial refurbishment of the building 10 years ago. Excluding this expenditure on charitable activity was £4,144k in 2017 and £4,387k in 2017 so broadly static. (See Note 7 for a more detailed analysis)

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Funds

Overall the consolidated result for the charity included a surplus on unrestricted funds of £619k (2016: £80k) after transfers from the endowment of £95k (2016: £50k). At the 31 March 2017 unrestricted funds carried forward were £3.8million.

The charity received £449k of restricted funds in the year towards specific noncapital projects. This added to the brought forward balance of £30k equalled £479k. £461k of this was spent in the year with the remainder carried forward to 2017-18 when these projects will be completed.

The capital funds balance at 31st March 2017 was £21,277k (2016: £2,746k). The expense of £568k (2016: £913k) represents depreciation on assets previously capitalised.

The endowment fund balance as at 31st March 2017 was £6,207k (2016: £5,534k). This represents restricted investments donated in 2011. The drawdown rules of the endowment allowed for a £224k drawdown in the year. £129k was through direct earned income with the remainder £95k made up of a transfer from the endowment fund to the unrestricted general fund.

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Risk Management

The risks the organisation faces have been reviewed on an ongoing basis throughout the year by the senior management and as part of the process have been reviewed by the Business, Audit and Risk Committee with significant risks also considered at the main Board.

The principal risks and uncertainties to which the charity is exposed along with the mitigating factors are:

Risk	Management
Financial	
Loss or reduction of key income stream(s) which hinders the organisation's ability to meet strategic objectives	<ul style="list-style-type: none"> ▪ Regular dialogue with key partners ▪ Building a range of diverse income sources ▪ Continue monitoring key areas and consider multi-year contracts or agreements where appropriate. ▪ The organisation's planning process allows considerable flexibility enabling us to vary our activities in response to unplanned variances.
Operational	
Risk that the organisation does not adequately plan for a major incident which results in significant curtailment of activity (including closure of the building or cancellation of one or more shows).	<ul style="list-style-type: none"> ▪ Documented and communicated Major Incident plan covering both decision making, operational and communication aspects ▪ Quarterly desk top and practical scenario planning ▪ Evacuation plans rehearsed every six months and when there is a change of lead Visitor Services staff ▪ Strong active relationship with Met Police and local authority ▪ Risk assessment in place for all events ▪ Experienced senior operational staff in dealing with incidents ▪ Close industry network and communications ▪ Thorough induction and training of new staff
Risk that the organisation does not have comprehensive plans to ensure the recovery from a significant destruction of property, IT system failure, data security or other equipment.	<ul style="list-style-type: none"> ▪ Data back-up procedures ▪ Documented Business Continuity Plan ▪ Documented and Communicated Data Security ▪ Emergency Recovery secondary site identified ▪ Business Continuity Insurance and comprehensive general asset insurance
Risk of diversion from day to day operations due to not effectively resourcing the delivery to new Campus and linked projects	<ul style="list-style-type: none"> ▪ Recruitment for dedicated Project Manager underway ▪ Ongoing review of the resource impact of the projects.
Risk of loss or inability to retain key members of senior management staff.	<ul style="list-style-type: none"> ▪ Succession Planning ▪ Extended notice period for Directors and key management staff ▪ Building network of key collaborators ▪ Spreading of operational responsibility across the directors and senior management group ▪ Development of more transparent progression routes
Compliance	
Implementation of revised processes in line with revised Data Protection Regulations and Fundraising guidelines to be completed by May 18.	<ul style="list-style-type: none"> ▪ Plans are in place to ensure compliance well within the regulatory timelines including Director led steering group and ensuring Trustees have continued oversight of our Fundraising practices.

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Key Policy Statements

Investment Policy

The investment policy is set by the Trustees and reviewed annually.

In March 2013 the charity appointed JO Hambros, later renamed Waverton Investment Management, to manage the investment of the £5m Paul Hamlyn Foundation endowment fund in a mix of investments within specified ethical guidelines. An Investment Committee was set up comprising Trustees, Paul Hamlyn officials and investment experts to monitor the fund. An investment policy has been set by the Trustees targeting an annual total return of CPI plus 4% with an emphasis on ethical guidelines.

For the 2016/17 financial year the CPI+4% benchmark equated to 6.2% against which the portfolio returned 12.0%. This portfolio is managed with a long-term view and it is encouraging that both this year and overall it has performed well against the benchmark. Since inception the CPI + 4% has been 18.4% against which the portfolio has returned 43.1%. Surplus cash is invested in low risk, high interest deposit accounts or on the money market to achieve as high a return as possible whilst not risking the capital funds. The Company does not act as custodian trustee on behalf of others.

Fundraising

The Roundhouse has a professional fundraising department led by the Director of Development & Communications. The team is responsible for fundraising from individuals, events, trust and foundations and businesses and works within the guidelines set out by the Fundraising Regulator and Code of Fundraising Practice. The Roundhouse's fundraising is supported by volunteer committees including a Gala Committee who help with the organisation of the biennial gala. In 2017 the Roundhouse is forming a Development Board, which will be chaired by a member of the Board of Trustees. The role of the committee will both monitor fundraising practice and expand the network of supporters to the Roundhouse.

The Roundhouse does not engage any external partners or fundraising agencies to carry out fundraising on its behalf. Nor do we engage in fundraising activities that would place vulnerable people at risk.

The Roundhouse has voluntarily subscribed to the Fundraising Regulator and signed up to the Fundraising Preference Service. The Head of Major Giving & Trusts is a member of the Institute of Fundraising.

Access for all

Our youth programmes span a range of art forms to excite, inspire and captivate young people from all backgrounds. We offer opportunities in music, theatre, circus, spoken word, and broadcast and digital, with a focus on developing skills and building confidence. One of our key roles is to engage young people who might not otherwise have access to the arts, and to challenge the growing divide in social mobility between different socio-economic groups.

Accessible tickets	We provide 16-25s access to £5 tickets for selected gigs and shows through the GET IN membership scheme. In addition to this we offered tickets to our open dress rehearsals and relaxed performances for the production of The Mad Hatter's Tea Party. This allowed those who would not otherwise have been able to attend to experience the show.
Pastoral support	Our Information & Advice Base, led by experienced Youth Support Workers, offers pastoral support on issues such as housing, employment, mental health, training, education and other arts opportunities
Tailored activities for target groups	We reach those who are most in need by offering taster and regular sessions to schools and community groups and providing intensive programmes for young people not in education, employment or training.
Ring-fenced places on projects	We set aside places for young people from our targeted programmes or supported by our community network partners for our open access projects. The places are held until shortly before the project starts to give these young people the best possible chance of access.
Bursaries	Our bursary scheme provides access to projects for young people who cannot afford to pay themselves. A travel bursary is also available. In 2016/17 we provided 145 bursaries with the average bursary being £73.
Subsidies	Our projects are affordable and heavily subsidised through our mixed economy business model. Young people tell us there is nowhere in London that offers spaces and projects at such good value.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

Volunteers

The Roundhouse relies heavily on a community of volunteers. In 2016/17 over 151 volunteers assisted with the stewarding of a variety of performances. They are a vital part of the visitors services team ensuring audiences have an enjoyable visit whilst enabling lower staff cost.

Disabilities in the workplace

As an employer we undertake not to discriminate against anyone. We conduct individual risk assessment for every applicant, employee or volunteer with a disability. This identifies any reasonable adjustments that need to be made.

Employee Involvement

Our decision-making processes include employee consultation through an Employee Forum and our line management structure. We also communicate regularly regarding the Trust's activity and financial performance through team briefings, monthly all-staff meetings and departmental updates including regular updates from the Chief Executive.

Reserves Policy

The Trustees' aim is to build-up Free Reserves to a level which could support the organisation through a period of financial and operational uncertainty.

The Roundhouse has a varied source of income; this, along with a good medium-term planning horizon and long-term commitments from a number of key stakeholders, mitigates these risks. However risks still persist, and over the next four years, the Trustees are targeting a Free Reserve of £1.1million to underpin activities. This level has been arrived at following consideration of a range of potential operational risks, including income generation from current activities, significant changes to voluntary and donated income, and the costs of emergency building repairs.

As at 31st March 2017, the total unrestricted reserves were £3.8 million (see note 18). Of this £2.5 million represents amounts invested in fixed assets net of associated loans and £0.4million has been designated. After taking these amounts into consideration there remains £0.9 million of Free Reserves.

The Trustees have considered this level of reserves and are confident the level is appropriate for the organisation at this time. This situation has been carefully considered and planned and we are mindful that through periods of significant capital expenditure it is not uncommon for a charity's reserves to fall below their long term targets. The Roundhouse's business plan anticipates that reserves will grow steadily from next year with an aim to have reached the Free Reserves target by 2021.

Total funds at the 31 March 2017 were £31.3 million (2016: £30.5million). This is made up of £3.8million unrestricted reserves as described above, as well as £21.3million (2016: £21.75million) restricted capital reserves, £0.02million restricted programme reserves (2016: £0.03million) and £6.2million (2016: £5.5million) of endowment funds. Note 18 provide more background to these reserves and funds including information on how designated funds will be spent or released.

Going Concern

We have set out above a review of The Roundhouse Trust's financial performance and the general reserves position. Our planning processes, including financial projections, have taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt The Trust's ability to continue to operate. Accordingly, the accounts have been prepared on the basis that The Roundhouse Trust is a going concern.

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

Structure, Governance and Management

Governing document and constitution

The governing document of the charity comprises its Memorandum and Articles of Association. The company is limited by guarantee not having a share capital, and possesses a license issued by the Department of Trade permitting the omission of the word "limited" from its name.

Trustee recruitment, induction and training

The Board appoints seven Trustees to serve on the Nomination Committee, whose role is to keep under review the structure, size and composition of the Board. As vacancies arise, potential candidates are approached on an individual, targeted basis.

Trustees are appointed for an initial period of three years. New Trustees are inducted into the workings of The Roundhouse Trust via various activities including briefings from the Chairman, Chief Executive and other staff as appropriate, a Trustee Induction Pack and tour of the Roundhouse site and offices. Ongoing training is provided to Trustees as required.

After two terms Chris Satterthwaite's tenure as Chair of the board came to an end in this year. Throughout 2016, the Nomination Committee undertook a thorough search working with an external consultant to find his successor. In January 2017 Simon Turner was appointed and officially took over as Chair of the Board at the March 2017 Board meeting.

In addition to this the terms of a number of other Trustees have also come to an end. The nominations committee, chaired by Nick Allott is recruiting replacements.

Organisational structure

The Board of Trustees meets formally every two months to review all the activities of the charity and to provide strategic direction and guidance to the Executive team. As a Trustee, the Chief Executive attends all Board meetings along with the other members of the Executive team.

In addition to the main Board of Trustees, there are Board committees which work with the Executive team to review and provide expertise and guidance on specific areas of the charity's activities. These comprise the Business, Audit and Risk Committee, the Nominations Committee and the Investment Committee.

The Chairman of the Board and the Chief Executive meet and/or speak regularly and the Chairman of the Business, Audit and Risk Committee has regular communication with the Finance Director

The Board and Executive team work together to establish and develop the charity's overarching objectives and strategic direction. Responsibility for the day to day operations of The Roundhouse Trust has been delegated by the Board to the Chief Executive, who, with the Executive team, works within the strategic framework, operational parameters and control environment established by the Board. The Directors' Group comprises the organisation's Chief Executive & Artistic Director, Commercial & Operations Director, Development and Communications Director, Finance Director, and Programmes Director. This meets monthly, receives feedback from all other organisational meetings and responds directly to the Board. There is a monthly staff meeting to disseminate important company information and receive comments and feedback from staff.

Subsidiaries

The charity has two 100% owned subsidiary companies: Roundhouse Trading Ltd and Roundhouse Productions Ltd. Roundhouse Productions Ltd.'s main activity is the production of Artistic performances. During the year there was no activity in this company. Roundhouse Trading Ltd.'s principal activities are the sale of private hire facilities and the operation of bar and catering facilities within the Roundhouse. Note 4 to the accounts provides information on the results of the subsidiary for the year.

The financial results of the trading subsidiaries are consolidated into those of the Roundhouse Trust in these statements.

Related parties and co-operation with other organisations

Any connection between a trustee or senior manager of the charity with a contractor, consultant, production company, contracted artist, performer or exhibitors must be disclosed to the full Board of the Trustees in the same way as any other contractual relationship with a related party. Note 22 details the related party transactions reported in the year. We would like to highlight here the following:

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

The Norman Trust holds an endowment for the benefit of the Roundhouse. Caspar Norman is a Trustee of both The Roundhouse Trust and The Norman Trust. Further details of the relationship between these two entities are presented in Note 22 to the accounts.

None of our Trustees receive remuneration or other benefits from their work as Trustees. Marcus Davey who is a Trustee receives remuneration for his role as Chief Executive and Artistic Director; further details are provided in Note 11 to the accounts.

Pay Policy for Executive Team

The Board has delegated the responsibility for deciding on the salary of the Chief Executive and his leadership team (the Executive team) to the Chair and subset of Trustees. Outside of the Executive team a committee comprising the Executive directors and the Head of HR are responsible for setting pay across the organisation.

Reference and Administrative Details

Charity number: 1071487
Company number: 03572184
Registered Office: The Roundhouse, Chalk Farm Road London NW1 8EH

The charity also makes itself known as The Roundhouse.

Trustees of The Roundhouse Trust

The following have been Trustees throughout the period to the date of this report, unless otherwise stated.

S Turner – Chairman (appointed 9 February 2017)
C Satterthwaite – Chairman (resigned 30 March 2017)
G M McIntosh - Vice Chair (resigned 30 March 2017)
A M M Elliott - Vice Chair
N Allott
E Bennett
P Buscombe (resigned 17 March 2016)
M Davey - Chief Executive & Artistic Director
E Johnson
A Knight (resigned 25 May 2017)
C J Norman
S O'Neill
M Palley
R Shennan
P Tambling (appointed 21 July 2016)
A Vidler (resigned 20 July 2017)
S Wood (appointed 30 June 2016)
P Woolcock (resigned 25 May 2017)

Each year the Roundhouse appoints at least two trustees who are under 25. They serve for a period of one year and act as a key voice for young people at board level on all matters. During 2016/17 the Young Trustees were;

M Wornell (appointed 25 May 2017)
S Kilburn (appointed 25 May 2017)
J Cheung (resigned 25 May 2017)
J Ball (resigned 25 May 2017)
C Knapp (resigned 26 May 2016)
N Mortlock (resigned 26 May 2016)
M Mosiah-Watson (resigned 26 May 2016)

Company secretary

Philip Watkins, Katten Muchin Rosenman UK LLP

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

Key management personnel for The Roundhouse Trust and its subsidiary

The Roundhouse Trust Executive Team at the date the report was approved

Marcus Davey – Chief Executive & Artistic Director
Tom King – Commercial and Operations Director
Delia Barker – Programmes Director (from 1 April 2017)
Michaela Greene – Development & Communications Director
Michael Dixon – Finance Director

The following were part of the Executive Team for all or part of the reporting year

Sarah Weir (until 31 March 2017)
Nicola Thorold **

** Nicola Thorold OBE – Roundhouse Executive Producer who loved the arts and inspired people 1965-2016

Executive team for Roundhouse Trading Limited at the date the report was approved

Marcus Davey - Director
Caspar Norman - Director
Michael Dixon - Director

Our Advisors

Auditors

Crowe Clark Whitehill LLP
St. Bride's House
10 Salisbury Square
London EC4Y 8EH

Bankers

Barclays Bank**
Soho Square Branch
27 Soho Square
London W1D 3QR

CAF Bank Limited***
25 Kings Hill Avenue
Kings Hill,
West Malling,
Kent ME19 4JQ

The Co-operative Bank***
P.O. Box 101
1 Balloon Street
Manchester M60 4EP

** Barclays Bank became the Roundhouse's house bank from 15 December 2015 (previously the Co-operative Bank). All day to day banking now goes through Barclays.

*** All bank accounts with The Co-operative Bank and CAF Bank were closed by December 2016

Investment Managers

Waverton Investment Management Limited
21 St James's Square
London,
SW1Y 4HB

Solicitors

Katten Muchin Rosenman LLP
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

THE ROUNDHOUSE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

Trustees' responsibilities in relation to the financial statements

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make 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 business.

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

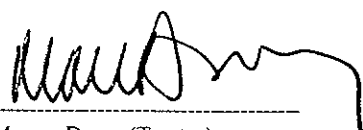
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to the disclosure to our auditors

In so far as we are aware:

- there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The annual report and accounts, including the strategic report, was approved by the Board of Trustees and signed on their behalf by:



Marcus Davey (Trustee)

On 17th November 2017

THE ROUNDHOUSE TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2017

Independent Auditor's Report to the Members of The Roundhouse Trust

We have audited the financial statements of the Roundhouse Trust for the year ended 31 March 2017 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Company Balance Sheets, the Group Cash Flow Statement and the related notes numbered 1 to 32.

The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose 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 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 Strategic report and 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 group's and the charitable company's affairs as at 31 March 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit we have not identified any material misstatements in the Strategic Report and Directors' Report.

Matters on which we are required to report by exception

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:

- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Tina Allison, Senior Statutory Auditor



For and on behalf of

Crowe Clark Whitehill LLP, Statutory Auditor, London Date : 24 November 2017

THE ROUNDHOUSE TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2017

INCOME AND EXPENDITURE

		Unrestricted Funds	Restricted Programme Funds	Restricted Capital Funds	Endowment Funds	Total Funds 2017	Total Funds 2016
		£	£	£	£	£	£
Income							
Donations	2	707,000	-	-	-	707,000	661,882
Income from charitable activity	3	6,244,054	449,304	100,000	-	6,793,358	6,621,927
Income from other trading activities :							
Commercial trading activities	4	4,899,383	-	-	-	4,899,383	4,149,287
Investment income	5	3,482	-	-	-	3,482	22,427
Total Income		11,853,919	449,304	100,000	-	12,403,223	11,455,523
Expenditure							
Cost of raising funds	6	3,866,950	-	6,250	36,672	3,909,872	3,599,508
Expenditure on charitable activities							
Roundhouse Creative Programme for Young People	7	2,282,778	82,647	45,861	-	2,411,286	2,236,793
Roundhouse Productions	7	2,677,827	378,894	36,444	-	3,093,165	3,256,954
Music Hires	7	1,684,005	-	30,194	-	1,714,199	1,720,750
Maintaining & improving the Building	7	947,461	-	449,360	-	1,396,821	1,681,028
Sub total		7,592,071	461,541	561,859	-	8,615,471	8,895,525
Total expenditure		11,459,021	461,541	568,109	36,672	12,525,343	12,495,033
Operating surplus/(deficit)		394,898	(12,237)	(468,109)	(36,672)	(122,120)	(1,039,510)
Gain on investments	14	129,144	-	-	804,744	933,888	159,091
Net income/(expenditure)		524,042	(12,237)	(468,109)	768,072	811,768	(880,419)
Transfer between funds	18	94,851	-	-	(94,851)	-	-
Net movement in funds		618,893	(12,237)	(468,109)	673,221	811,768	(880,419)
Reconciliation of funds							
Total Funds brought forward		3,142,997	30,204	21,746,037	5,533,802	30,453,040	31,333,459
Total funds carried forward	18	3,761,890	17,967	21,277,928	6,207,023	31,264,808	30,453,040

All transactions are derived from continuing activities. All recognised gains and losses are included in the statement of financial activities. The notes on pages 21 to 37 form part of these financial statements.

This statement separates the financial results into the separate funds that the charity manages. Note 18 provides more information on each of these. The majority of the charity's ongoing activity is reflected in the column marked unrestricted funds the movement on which was £618,893.

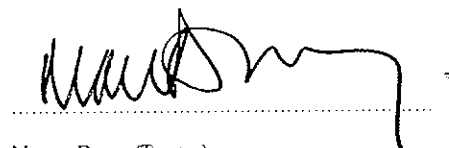
THE ROUNDHOUSE TRUST
CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH 2017

	Notes	2017 Group £	2017 Charity £	2016 Group £	2016 Charity £
FIXED ASSETS					
Intangible fixed assets	12	24,107	24,107	11,880	11,880
Tangible fixed assets	13	24,404,460	24,404,460	25,173,246	25,173,246
Investments	14	6,207,023	6,207,024	5,533,802	5,533,803
Total fixed assets		30,635,590	30,635,591	30,718,928	30,718,929
CURRENT ASSETS					
Stock		56,087	-	55,053	-
Trade and other debtors	15	2,245,414	3,273,917	1,821,386	1,334,026
Cash at bank and in hand		4,087,602	1,462,640	2,719,906	1,601,245
Total current assets		6,389,103	4,736,557	4,596,345	2,935,271
Creditors: Amounts falling due within one year	16	(5,009,885)	(3,357,340)	(3,862,233)	(2,201,160)
NET CURRENT ASSETS		1,379,218	1,379,217	734,112	734,111
TOTAL ASSETS LESS CURRENT LIABILITIES		32,014,808	32,014,808	31,453,040	31,453,040
Creditors: Amounts falling due in over one year	16	(750,000)	(750,000)	(1,000,000)	(1,000,000)
TOTAL NET ASSETS		31,264,808	31,264,808	30,453,040	30,453,040
FUNDS AND RESERVES					
Endowment funds	18	6,207,023	6,207,023	5,533,802	5,533,802
Restricted income funds	18	17,967	17,967	30,204	30,204
Restricted capital funds	18	21,277,928	21,277,928	21,746,037	21,746,037
Unrestricted funds	18	3,761,890	3,761,890	3,142,997	3,142,997
TOTAL FUNDS AND RESERVES		31,264,808	31,264,808	30,453,040	30,453,040

With income of £8,307,753 and expenditure of £10,539,003 the net expenditure for the year for the charitable company totalled £2,231,250 (2016: Net expenditure of £2,963,927)

The notes on pages 21 to 37 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on their behalf by:



Marcus Davey (Trustee)

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	2017 £	2016 £
Net cash provided by operating activities	A	1,538,659	1,055,314
Cash flows from investing activities			
Interest Income		3,482	22,426
Purchase of tangible & intangible fixed assets		(185,112)	(962,279)
Disposal of fixed assets investments		260,667	435,398
Net cash used in investing activities		79,037	(504,455)
Cash flows from financing activities			
Cash outflow from repayment of borrowings		(250,000)	-
Net cash used by financing activities		(250,000)	-
Change in cash and cash equivalents in the reporting period		1,367,696	550,859
Cash and cash equivalents at the beginning of the reporting year		2,719,906	2,169,047
Total cash and cash equivalents at the end of the reporting year	B	4,087,602	2,719,906
		2017 £	2016 £
A. Reconciliation of net movement in funds from operating activities			
Net (expenditure)/Income for the reporting period As reported on the statement of financial activities		811,768	(880,419)
Add back depreciation charge		941,671	1,277,078
Gains or losses on investments		(933,888)	(159,091)
Income shown in investing activities		(3,482)	(22,427)
Loss on disposal of fixed assets		-	14,102
(Increase)/decrease in stock		(1,034)	15,032
(Increase)/decrease in debtors		(424,028)	235,969
Increase in creditors		1,147,652	575,070
Net cash provided by operating activities		1,538,659	1,055,314
B. Analysis of cash and cash equivalents			
Cash in hand		4,087,602	2,469,906
Notice Deposits (less than 3 Months)		-	250,000
Total Cash and cash equivalents		4,087,602	2,719,906

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

1. ACCOUNTING POLICIES

Basis of preparation

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 Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015) - (Charity SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (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 notes.

Preparation of the accounts on a going concern basis

The Trustees, having assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash forecasts for the 12 months from the date of signing, the trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

Legal Status of the Trust

The Roundhouse Trust (Charity Number 1071487, Company Number 03572184) is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The Trust's address is The Roundhouse, Chalk Farm Road, London, NW1 8EH.

Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its active subsidiary, Roundhouse Trading Limited, on a line by line basis.

As permitted by section 408 of the Companies Act 2006 the income and expenditure of the charity is not presented as part of these accounts. The profit and loss account for the trading subsidiary is presented separately in Note 4.

The parent charity has taken advantage of the disclosure exemption under FRS 102 to separately disclose categories of financial instruments and items of income, expenses, gains or losses relating to instruments as these have been presented on a group basis in the notes to the accounts and from also preparing a parent entity only cash flow statement..

Critical accounting judgements and key source of estimation uncertainties

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees the only significant estimations are those linked to the allocation of support costs across our charitable and non-charitable activities. Allocations of this nature inherently require estimation of time spent on certain activities, space used and other resources use judgements. Note 8 provides more information on the allocation methodology.

Income

All income is recognised when the charity has entitlement to funds, any performance conditions have been met, it is probable that the income will be received and the amount of the receipt can be measured with reasonable accuracy. Grant income is accounted for when the charity is entitled to recognise the monies, and is deferred if there are preconditions for use. Income from venue hires and trading activities are accounted for on a receivable basis. Income from ticket sales, included within Artistic Programme, is deferred if the performance takes place in the next accounting period.

Production costs and income

Pre-production costs incurred in respect of a theatre production are released to the Statement of Financial Activities over its run, except when it is anticipated that future production income will be insufficient to cover these costs.

Similarly production specific income or grants received in advance are also carried forward and released over the period of the production run.

Donated services and facilities

Gifts and services received in kind are included within donations and charged to the respective expenditure heading within the Statement of Financial Activities at the best estimate of their open market value or their value to the charity.

In accordance with the Charities SORP (FRS102) the volunteer time is not recognised in financial terms. See page 12 of the trustee's annual report for more information about this valuable contribution

Expenditure

Expenditure including irrecoverable VAT is charged to the Statement of Financial Activities on an accruals basis. Costs of generating funds are those costs incurred to raise voluntary income, the costs of trading activities for the purpose of raising funds and investment management fees.

THE ROUNDHOUSE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

Costs of activities in furtherance of charitable objectives represent the direct costs of each activity together with an allocation of support costs. The allocation of support costs is made on the basis of a proportion of expenditure incurred in that activity or headcount whichever is the more relevant cost driver.

Governance costs are incurred in meeting the constitutional and statutory requirements of the charity.

On occasion, management decides to make redundancy or termination payments for operational reasons. These are expensed in the SOFA on an accruals basis.

Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation has been charged on the renovation costs on the basis of the remaining lifetime of each individual asset and charged to the restricted capital fund. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold property and building fabric	over the period of the lease (currently 85 years remaining)
Renovation costs	between 10 and 50 years
Furniture and equipment	various rates between 2 and 10 years

The group's policy is to capitalise all items above a value of £500. The carrying value of the leasehold property is evaluated for impairment on a regular basis. Where the carrying value of the property is considered to be impaired the difference between the existing carrying value and the written down value is taken to reserves.

Intangible fixed assets

The purchase of new computer software has been capitalised within intangible assets as they relate to specific expenditure which drives anticipated future benefits. Once brought into use intangible assets are amortised on a straight line basis over the anticipated useful life of the software, typically 3-5 years.

Fixed asset investments

Fixed asset investments are included on the balance sheet at market value. Realised and unrealised gains and losses at the year-end are credited and debited to the statement of financial activities in the year in which they arise.

Pension contributions

The charity operates two stakeholder pension schemes which are available to all employees. Pension contributions are charged to the Statement of Financial Activities as they become due.

Fund accounting

Unrestricted funds represent trading or other income received with no restriction on use. Designated funds are amounts designated by the Trustees from unrestricted reserves for the specific purposes outlined in the notes. Restricted funds are amounts received towards a particular programme or project. Capital funds are amounts received towards the purchase of capital assets. Endowment funds are amounts received for investment to produce regular income to fund activities.

Stock

Stock is valued at the lower of cost and net realisable value.

Financial instruments

The Trust has financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, other debtors and accrued income. Financial liabilities held at amortised cost comprise trade and other creditors and accruals.

Leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term. Where income is receivable under office space rental agreements it is recognised in the Statement of Financial Activities on a straight line basis over the lease term.

2. INCOME FROM DONATIONS

	2017	2016
	£	£
Gifts	588,053	498,666
Donated Services	118,947	163,216
	707,000	661,882

The income from donations for the year was £707,000; all of this was unrestricted.

The Trust is grateful to Katten Muchin Rosenman UK LLP for their ongoing legal support across a range of areas. The value of their support in the year has been estimated as £91,944 (2016 £138,216). Donated services in 2017 also include £19,453 (2016 £25,000) of interest costs on the loan from the Norman Trust which they have generously waived and £7,550 (2016: £NIL) of advice provided by RB Health and Safety Solutions Ltd. The estimated value of the support is recognised within income and an equivalent charge included within support costs.

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The Roundhouse has ongoing and very valuable support from a group of volunteers who help with visitor services for incoming music and artistic performances. In accordance with FRS 102 and the Charities SORP (FRS102) the economic contribution of general volunteers is not recognised in the accounts.

3. INCOME EARNED FROM CHARITABLE ACTIVITIES

	2017	2016
	£	£
Ticket and related income from Roundhouse commissioned work	2,481,156	1,315,064
Income from Music Hires	1,163,270	2,767,745
Biennial Fundraising Gala	768,601	-
Arts Council England - National Portfolio Funding	974,713	974,713
Arts Council England - Other	109,410	155,667
Membership Schemes	266,766	222,200
Income from Trusts & Foundations	570,141	814,879
Corporate Sponsorship (linked to charitable activity)	270,638	228,510
Course & Project fees (including related room hire income)	176,302	118,371
Other Sundry Income	12,361	24,778
	<u>6,793,358</u>	<u>6,621,927</u>

Of the total income of £6,793,358 in the year £549,304 (2016: £458,877) was restricted under agreements to support a mixture of Roundhouse Creative programmes, a developing capital project and to support our own commissions.

The Roundhouse stages a major fundraising gala every two years with the net revenue from this earmarked for projects spanning those two years. The total income received from this event during the year is disclosed under the Biennial Fundraising Gala heading above however 50% of the net revenue has been allocated to 2017-18 projects via designated funds (See Note 18)

The Roundhouse receives a grant from Arts Council England, a government funded organisation, as one of their National portfolio organisation. 2016-17 was the second of a three year grant agreement which will see the Roundhouse receive £974,713 each year through to 2017-18. These grants are unrestricted funding to the organisation.

In both the 2016-17 and 2015-16 years Art Council England also awarded the Roundhouse additional grants to support specific programmes of work. These amounts are shown under Arts Council England Other. In particular included in the Arts Council England Other income figures across these two years is grant totalling £180,000 for the *Words First* project. These funds were spent in full across the two years and that expenditure forms part of these audited accounts.

4. Income from other trading activities

The charity has two 100% owned subsidiary companies: Roundhouse Trading Limited and Roundhouse Productions Limited. (Company number 05672688). Roundhouse Productions Ltd is currently not trading. The registered office of both companies is the same as the parent charity as detailed in note 1.

Roundhouse Trading Limited's (Company number 05672691) principal activities are the sale of private hire facilities and the operation of bar and catering facilities within the Roundhouse, and the rental office rental space. Summarised financial information is set out below:

	Total 2017	Total 2016
	£	£
Profit and Loss		
Income from Private Hire	1,933,515	1,164,383
Income from Bar & Catering operations	2,644,124	2,797,643
Other Trading Income	321,744	187,261
	<u>4,899,383</u>	<u>4,149,287</u>
Cost of sales	(1,986,339)	(2,077,254)
	<u>2,913,044</u>	<u>2,072,033</u>
Gross profit	831	1,314
Interest receivable	(2,913,875)	(2,073,347)
Donation via Gift Aid	-	-
Result for the period	<u>-</u>	<u>-</u>
Balance sheet		
Net current assets	1	1
Share capital	<u>1</u>	<u>1</u>

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5. INVESTMENT INCOME

The Trust's investment income is derived from restricted endowment fund investment income and income from interest bearing deposit accounts. Interest income for the year was £3,482 (2016: £22,427)

6. ANALYSIS OF COST OF RAISING FUNDS

	Note	2017 £	2017 £	2016 £	2016 £
Commercial trading operations cost of sales	4	1,986,339		2,077,254	
Share of support costs, governance & depreciation	8	813,227		825,662	
			2,799,566		2,902,916
Investment management fees			36,672		35,398
Direct Costs of fundraising and publicity		988,359		577,237	
Share of support, governance and depreciation costs	8	85,275		83,957	
			1,073,634		661,194
			<u>3,909,872</u>		<u>3,599,508</u>

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Roundhouse Creative Programme	Roundhouse Productions	Music Hire	Maintaining & Improving the building	Total
	£	£	£	£	£
Artistic & creative fees	21,441	604,431	1,975	-	627,847
Costume & set build costs	12,714	259,528	10,341	-	282,583
Direct live streaming cost	6,765	46,836	386	-	53,987
Tutor & course leader fees	249,422	25,978	1,456	-	276,856
Direct management, producer and coordinator fees	1,259,519	817,363	491,201	346,369	2,914,452
Direct security costs	374	33,269	321,578	243	355,464
Direct insurance costs	-	10,300	-	-	10,300
Equipment hire & maintenance	22,121	152,233	207,684	18,420	400,458
Performing rights society royalties	76	15,954	138,418	1,072	155,520
Travel & subsistence	50,176	104,238	9,659	337	164,410
Direct marketing support	56,987	335,778	26,923	430	420,118
Credit card transaction fees	37	22,562	66,422	-	89,021
Fees and other expenditure associated with gaining planning permission	-	-	-	179,863	179,863
Other miscellaneous	29,203	23,733	46,238	86,416	185,590
Governance & support costs (See Note 8)	569,757	547,576	340,025	198,072	1,655,430
Share of depreciation charge (see Note 8)	132,694	93,386	51,893	565,599	843,572
Total	2,411,286	3,093,165	1,714,199	1,396,821	8,615,471

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8. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The table below details the Roundhouse's support costs by area. These costs are apportioned using the basis summarised below across the charitable activities undertaken, fundraising activities and the commercial operations. The governance costs are a subset of each area and have been identified by consideration of the costs in each category and are allocated on the same basis as the support costs. Depreciation is being shown separately due to the significant effect it has on the overall apportionment. Due to the integrated nature of our support function the basis of allocation uses a number of assumptions and estimates.

	General Support Costs	Governance	Total	Basis for allocation
	£	£	£	
Senior management oversight	116,701	60,233	176,934	Allocated on time
Finance	267,676	17,500	285,176	Allocated on activity /time
HR	302,575	-	302,575	Allocated on time
IT support	315,655	-	315,655	Allocated on activity/time
Central marketing & box office Support	96,683	-	96,683	Allocated on time
Visitors services and general security	107,540	-	107,540	Allocated on time
Building operations, maintenance & cleaning	863,206	2,120	865,326	Allocated on activity
Administration office	189,662	-	189,662	Estimate of space used
Technical management support	116,282	-	116,282	Allocated on auditorium activity
Total support costs excluding depreciation	2,375,980	79,853	2,455,833	
Total Depreciation	941,671	-	941,671	Estimate of space /Asset use
Total Support Costs	3,317,651	79,853	3,397,504	

The above Support and depreciation costs were allocated across the following areas

	General Support Costs	Depreciation	Total
	£	£	£
In support of commercial trading operations (see Note 6)	736,478	76,749	813,227
In support of fundraising and publicity (See Note 6)	63,925	21,350	85,275
In Support of charitable activities (See Note 7)	1,655,430	843,572	2,499,002
	2,455,833	941,671	3,397,504

9. NET INCOMING RESOURCES AND EXPENDITURE FOR THE YEAR

	2017	2016
	£	£
This is stated after charging:		
Depreciation	910,358	1,277,078
Amortisation of lease	31,313	31,313
Auditors' remuneration – audit services	17,500	17,500
Trustee Indemnity Insurance	2,120	2,052

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10. ANALYSIS OF STAFF COSTS, STAFF NUMBERS AND THE COSTS OF KEY MANAGEMENT PERSONNEL

	2017 £	2016 £
Staff costs during the year were as follows:		
Wages and salaries	4,624,597	4,237,420
Social security costs	391,848	346,250
Other pension costs	92,863	82,222
	<u>5,109,308</u>	<u>4,665,892</u>

Pension Costs are allocated to activities in line with the related staffing costs and are wholly charged to unrestricted funds.

Redundancy payments totalling £11,372 (2016: £NIL) were paid during the year.

Ex-gratia payments totalling £12,641 (2016: £NIL) were paid during the year, relating to staff leaving the charity.

The number of employees earning over £60,000 per annum were

	2017 Number	2016 Number
£60,001 - £70,000	3	1
£70,001 - £80,000	2	1
£80,001 - £90,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

Six employees (2016: Three) receiving remuneration of £60,000 or more participated in the charity's pension scheme. The total employer contribution for them in the year was £29,639 (2016: £17,809).

The average number of employees during the year were:

	2017	2016
Fundraising	12	9
Creative Programme & Production	69	54
Food & Beverage & Events	74	76
Technical & Build Services	57	41
Visitors Services	44	45
Other Support staff	34	34
	<u>290</u>	<u>259</u>

The key management personnel of the group and the charity comprise the Trustees and the Executive Directors. The total value of the employee benefits of the key management personnel for the year were £483,407 (2016 £410,453).

11. TRUSTEES' REMUNERATION AND EXPENSES

In accordance with the authority contained in clause 4 (b) of the charity's Memorandum and Articles of Association, one trustee who is also an employee of the company received remuneration during the year. Details of the amount paid are set out below.

Three other trustees received remuneration for their services during the year that totalled £15,856 (2016: £13,589). These services related to employment and freelance work for the charity and not for their duties as trustees, which was unpaid.

None of the Trustees were paid expenses in either 2016/17 or 2015/2016.

	Salary and benefits		Pension Contributions	
	2017	2016	2017	2016
	£	£	£	£
M J Davey	125,000	116,150	20,000	15,327

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12. INTANGIBLE FIXED ASSETS

Group & charity	System Software
Cost	£
At 1 st April 2016	11,880
Additions	17,828
At 31 st March 2017	<u>29,708</u>
Amortisation	
At 1 st April 2016	-
Amortisation for year	5,601
At 31 st March 2017	<u>5,601</u>
Net Book Value	
At 31 st March 2017	<u>24,107</u>
At 1 st April 2016	<u>11,880</u>

13. TANGIBLE FIXED ASSETS

Group and charity	Leasehold Property	Renovation & Other Building Costs	Furniture & Equipment	Total
Cost	£	£	£	£
At 1 st April 2016	3,100,000	28,327,157	4,617,546	36,044,703
Additions	-	20,010	147,274	167,284
At 31 st March 2017	<u>3,100,000</u>	<u>28,347,167</u>	<u>4,764,820</u>	<u>36,211,987</u>
Depreciation				
At 1 st April 2016	407,068	7,011,771	3,452,618	10,871,457
Depreciation for year	31,313	601,736	303,021	936,070
At 31 st March 2017	<u>438,381</u>	<u>7,613,507</u>	<u>3,755,639</u>	<u>11,807,527</u>
Net Book Value				
At 31 st March 2017	<u>2,661,619</u>	<u>20,733,660</u>	<u>1,009,181</u>	<u>24,404,460</u>
At 1 st April 2016	<u>2,692,932</u>	<u>21,315,386</u>	<u>1,164,928</u>	<u>25,173,246</u>

All fixed assets are used for charitable purposes, apart from assets relating to bar and catering equipment and those relating to the construction and fit-out of *Made*. The cost and net book values of these are £339,974 and £148,731 respectively.

In addition to the interest held in the Roundhouse by The Norman Trust, disclosed in note 16, five funding bodies have legal charges over the Roundhouse. In total the amounts granted for the development project which are the subject of the charges amount to £11,379,000.

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14. INVESTMENTS

	2017	2016
	£	£
Market Value at 1 April 2016	5,533,802	5,810,109
Withdrawals	(224,000)	(400,000)
Investment fees	(36,667)	(35,398)
Realised gains in year	129,144	148,931
Unrealised gains in year	804,744	10,160
Market Value at 31 March 2017	<u>6,207,023</u>	<u>5,533,802</u>
UK Fixed Interest	292,207	144,724
UK Equities	462,465	562,105
Overseas Equities	4,431,186	3,411,724
Overseas Fixed Interest	731,485	642,056
Cash held for investment	289,680	773,193
Market Value at 31 March 2017	<u>6,207,203</u>	<u>5,533,802</u>
Historic Cost at 31 March 2017	<u>5,052,459</u>	<u>4,887,659</u>

No individual investment held is greater than 5% of the total portfolio

15. TRADE AND OTHER DEBTORS

	Group	Charity	Group	Charity
	2017	2017	2016	2016
	£	£	£	£
Trade debtors	1,364,517	548,778	1,330,907	559,924
Due from trading subsidiary	-	1,915,457	-	252,412
Other debtors and prepayments	880,897	809,682	490,479	471,232
VAT recoverable	-	-	-	50,458
	<u>2,245,414</u>	<u>3,273,917</u>	<u>1,821,386</u>	<u>1,334,026</u>

Amounts due from subsidiary is the amalgamation of amount payable by the subsidiary due to the gift aid donation £2,913,875 and the trade creditor balance of (£998,418). The 2016 comparatives were £2,073,347 and (£1,820,935) respectively. Note 4 provides more detail on the amounts donated under gift aid amounts.

16. CREDITORS: amounts falling due within one year

	Group	Charity	Group	Charity
	2017	2017	2016	2016
	£	£	£	£
Trade creditors	1,131,711	993,274	663,595	609,082
Deferred income	2,645,715	1,496,859	2,225,374	925,776
Other creditors and accruals	866,462	701,088	733,981	568,678
Other taxes and social security	365,997	166,119	239,283	97,624
	<u>5,009,885</u>	<u>3,357,340</u>	<u>3,862,233</u>	<u>2,201,160</u>

Deferred income comprises amounts received or billed for which the service, project or expenditure occurs in a future financial year. All of the 2016 brought forward balances for both the group and the charity were released in 2017.

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**CREDITORS: amounts falling due
after one year**

	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Loan from The Norman Trust	750,000	750,000	1,000,000	1,000,000

In December 2015 The Norman Trust made an unsecured loan to The Roundhouse Trust of £1,000,000. The loan was made to support the building of new administration offices at the site in Chalk Farm Road. It is repayable in equal instalments over four years with the next repayment due in July 2017. The total balance is therefore due within 1-5 years as per below:

	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Loan payable falling due within 1 year	250,000	250,000	250,000	250,000
Loan payable falling due in more than 1 year but less than 5 years	500,000	500,000	750,000	750,000
	<u>750,000</u>	<u>750,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

17. OPERATING LEASE COMMITMENTS

There were no outstanding operating lease commitments in either 2016 or 2017

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18. ANALYSIS OF FUNDS

	1 st April 2016 £	Incoming Resources £	Resources Expended £	Gain on Investment £	Transfers Between Funds £	31 st March 2017 £
Unrestricted funds:						
General reserve	603,908	11,853,919	(11,279,158)	129,144	(417,653)	890,160
Other funds:						
Designated fixed assets	2,439,089	-	-	-	61,550	2,500,639
Designated funds other	100,000	-	(179,863)	-	450,954	371,091
Total Unrestricted funds	3,142,997	11,853,919	(11,459,021)	129,144	94,851	3,761,890
Restricted funds:						
Programme fund	30,204	449,304	(461,541)	-	-	17,967
Endowment fund	5,533,802	-	(36,672)	804,744	(94,851)	6,207,023
Restricted capital funds:	21,746,037	100,000	(568,109)	-	-	21,277,928
	30,453,040	12,403,223	(12,525,343)	933,888	-	31,264,808

General reserve

The unrestricted general reserve fund is available to meet the targets set out in the Reserves Policy as described in Trustees Report on page 13. The transfer between funds value is the net of the transfers (to)/from the following funds:

	£
Transfer from Endowment Fund	94,851
Transfer to designated Fixed Asset Fund	(61,550)
Transfer to Designated Funds Other	(450,954)
	417,653

An explanation of these transfers is provided under the relevant headings below.

Designated fixed asset fund

The unrestricted designated fixed asset fund represents the portion of unrestricted funds which has been invested in the Roundhouse tangible and intangible assets net of related outstanding loans. It has been calculated as follows:

	Note	£
Total Net Value of Intangible Fixed assets	12	24,107
Total Net Value of Tangible fixed assets	13	24,404,460
Less value covered by Restricted Capital Fund (see below)	See below	(21,177,928)
Less Loan attributed to Capital investment	16	(750,000)
		£ 2,500,639

The transfer between funds value of £61,550 represents the amount transferred from the general reserve to bring the value of this fund up to the required level. This designated fund will be released over the life of the assets to which it relates; these assets have lives spanning up to 85 years.

Designated funds other

A total of £450,954 has been transferred to designated reserves during the year. With £100,000 brought forward from the previous year and £179,863 expended in the year, the balance at the 31 March is £371,091.

The brought forward balances at 1 April 2016 of £100,000 represents amounts designated last year to cover consultancy and other fees linked to obtaining planning permission for a new building on the Camden site. In total £179,863 was spent on architecture fees, other consultancy and project management fees. Planning permission was granted in May 2017.

The balance in designated funds at the end of the year is as follows:

	£
Nicola Thorold fund	(a) 32,153
Building Projects	(b) 29,500
Fundraising Gala (50% of net revenue)	(c) 289,301
Interim project management for new building	(d) 20,137
	371,091

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- During the year we received a range of unrestricted donations in memory of a much loved colleague who passed away in 2016. These amounts have been amalgamated into a single fund. This fund will be used to fund specific projects in the future.
- There were a number of building development projects which spanned the year end – this element of the designated fund has been set aside to cover the remainder of the costs. None of these amounts had been committed at the year end.
- The Roundhouse stages a major fundraising gala every two years the income from which is earmarked for projects spanning those two years. This element of designated funds represents 50% of the net revenue from the gala.
- As highlighted above The Roundhouse has developed plans to add additional facilities to its Camden site. This element of the designated funds has been set aside to cover anticipated project management fees mainly linked to the next stage of the venture.

Restricted programme fund

The restricted programme funds represent funds received specifically for certain creative programmes and other operational aspects of the Roundhouse. There was £17,967 of unspent programme funds as at 31 March 2017.

Endowment fund

The Endowment fund represents amounts originally received from The Paul Hamlyn Foundation. These are invested in a portfolio managed by Waverton Investment Management in order to maximise income to be applied to the Roundhouse's creative programmes for young people. Under the drawdown rules of the endowment £224,000 was made available for the Roundhouse's charitable activities. £129,144 was earned directly from investment income with the remainder transferred through reserves.

Restricted capital fund

The restricted capital funds are made up of two amounts:

	£
Original capital renovations funds	21,177,928
New Building funds	100,000
	<u>21,277,928</u>

Original capital renovations funds represents amounts received for the renovation of the Roundhouse (including funding to purchase the leasehold interest) as well as other funding for specific aspects of the redevelopment which have been expended in accordance with the terms and conditions of the donors.

New building funds represents amounts received in 2016-17. This £100,000 is restricted to expenditure on the building for which we received in planning permission in May 2017. This remains unspent at 31 March 2017

Analysis of funds comparatives from the 2015/16 year:

	1 st April 2015 £	Incoming Resources £	Resources Expended £	Gain on Investment £	Transfers Between Funds £	31 st March 2016 £
Unrestricted funds:						
General reserve	1,209,324	11,045,577	(11,117,244)	-	(533,749)	603,908
Other funds:						
Designated fixed assets	1,854,271	-	-	-	584,818	2,439,089
Designated funds other		100,000	-	-	-	100,000
Total Unrestricted funds	<u>3,063,595</u>	<u>11,145,577</u>	<u>(11,117,244)</u>	<u>-</u>	<u>51,069</u>	<u>3,142,997</u>
Restricted funds:						
Programme fund	-	458,877	(428,673)	-	-	30,204
Endowment fund	5,610,109		(35,398)	10,160	(51,069)	5,533,802
Restricted capital funds:	22,659,755		(913,718)	-	-	21,746,037
	<u>31,333,459</u>	<u>11,604,454</u>	<u>(12,495,033)</u>	<u>10,160</u>	<u>-</u>	<u>30,453,040</u>

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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Restricted Endowment Funds	31 st March 2017
Intangible fixed assets	24,107	-	-	24,107
Tangible fixed assets	3,226,532	21,177,928	-	24,404,460
Investments	-	-	6,207,023	6,207,023
Current assets	6,271,136	117,967	-	6,389,103
Creditors: amounts falling due within one year	(5,009,885)	-	-	(5,009,885)
Creditors: amounts falling due over year	(750,000)	-	-	(750,000)
Total net assets	<u>3,761,890</u>	<u>21,295,895</u>	<u>6,207,023</u>	<u>31,264,808</u>

Analysis of Net Assets between funds comparatives from the 2015/16 year:

	Unrestricted Funds	Restricted Funds	Restricted Endowment Funds	31 st March 2016
Tangible & intangible fixed assets	2,439,089	22,746,037	-	25,185,126
Investments	-	-	5,533,802	5,533,802
Current assets	4,566,141	30,204	-	4,596,345
Creditors: amounts falling due within one year	(3,862,233)	-	-	(3,862,233)
Creditors: amounts falling due after year	-	(1,000,000)	-	(1,000,000)
Total net assets	<u>3,142,997</u>	<u>21,776,241</u>	<u>5,533,802</u>	<u>30,453,040</u>

20. TAXATION

The Roundhouse Trust is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

Roundhouse Trading Ltd is the wholly owned trading subsidiary of The Roundhouse Trust. Profits arising from the activity of Roundhouse Trading Ltd are passed to The Roundhouse Trust under the gift aid scheme.

21. LIABILITY OF MEMBERS

The Roundhouse Trust is constituted as a company limited by guarantee and has no share capital. The liability of each member is limited to the sum of £10 per member. At 31 March 2017 there were 18 members (2016: 18 members).

22. RELATED PARTY TRANSACTIONS

- 1) Caspar Norman is a trustee of both The Roundhouse Trust and The Norman Trust.

On 1st January 2002 The Roundhouse Trust acquired a 99 year leasehold interest in the Roundhouse from The Norman Trust for £3.1m. The funding for this purchase was provided by the DfES. As part of the funding agreement with the DfES, The Roundhouse Trust entered into a Pre-Emption Agreement with the DfES and The Norman Trust in 2005. This agreement grants certain pre-emption rights to The Norman Trust in the event that, as a result of a default by The Roundhouse Trust, the DfES exercises its rights to appoint a receiver or seeks to dispose of the 99 year leasehold interest in the Roundhouse. In March 2004 The Norman Trust granted to The Roundhouse Trust a 25 year lease at a nominal rent of land adjacent to the Roundhouse.

In December 2015 The Norman Trust loaned The Roundhouse Trust £1m to support the building of the new office accommodation. This loan will be repaid over four years starting in July 2016. As at 31 March 2017 £750,000 was outstanding.

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- 2) Sally O'Neill is a Trustee of The Roundhouse Trust and also the Chief Operating Officer of the Royal Opera House.

The Roundhouse Trust and the Royal Opera House were co-production partners for *The Mad Hatter's Tea Party* which was performed at the Roundhouse in January 2017. Under the terms of the co-production agreement, the income and the cost of the venture were shared equally. Sally O'Neill was not involved in the negotiation of the co-production agreement.

The two organisations are also co-production partners for *Ulysses* which will be performed at the Roundhouse in 2018. Under the terms of the co-production agreement, the income and the cost of this venture are also being shared equally. Sally O'Neill was not involved in the negotiation of the co-production agreement.

In August 2017 The Roundhouse and Studio Wayne MacGregor are coproducing +/- *Human*. Via Studio Wayne MacGregor relationship with the Royal Opera House, Dancers from the Royal Ballet will perform as part of this co-production. Sally O'Neill was not involved in the negotiation of the co-production agreement.

- 3) The total amount of donations received from Trustees during the year was £150,516 (2016: £140,907). All of these amounts in both years were donated without conditions.
- 4) The Trust has one active wholly owned subsidiary, Roundhouse Trading Limited, which is responsible for income generating activities which are incidental to the Trust's charitable purposes. These mainly relate to the organisation's food and beverage operation, events hires and office rental. During the year Marcus Davey and Michael Dixon who are key management personnel for the Trust and Caspar Norman who is Trustee were directors of the company. Roundhouse Trading Limited gifted £2,913,875 to the Trust during 2016-17 (see also note 4). At the year end the company owed the Trust £1,915,457 (2016: £252,412).
- 5) Simon Turner was appointed as Chair of the Roundhouse Trust in March 2017. Subsequent to his appointment he has made two introductions to the organisation which have led to commercial contracts between those companies and Roundhouse Trading Limited which forms part of the consolidated accounts.
- a) Simon Turner is an investor and investment advisor to Inflexion funds that have made a minority investment into Outdoor Plus Limited. Outdoor Plus Limited took over the rental contract of our advertising billboards on Chalk Farm Road in May 2017. This was conducted on an arm's length basis and Simon Turner was not involved in any of the negotiations for the contract.
- b) On the Beach Limited, a company previously controlled by Inflexion funds, are a sponsor linked to the summer beach activity at the Roundhouse which took place in July 2017 and August 2017. Simon Turner was not involved in any of the negotiations for the contract.
- 6) Delia Barker joined the Roundhouse in April 2017 as part of the Executive Team (see Page 15) and as such is part of the key management personnel. Delia Barker is Chair of Studio Wayne MacGregor with whom The Roundhouse is coproducing +/- *Human* in August 2017. Delia Barker took no part in the negotiations for the coproduction contract.

23. COMMITMENTS

	31 ST March 2017	31 ST March 2016
Assets under construction	-	-

24. OPERATING LEASE

In July 2015 the Roundhouse Trust signed a space rental lease with a third party organisation. Under the terms of this lease future minimum lease receivables under non-cancellable operating leases are as follows:

	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Amounts receivable within 1 year	220,000	220,000	220,000	220,000
Amounts receivable in more than 1 year but less than 5 years	550,000	550,000	770,000	770,000
	<u>770,000</u>	<u>770,000</u>	<u>990,000</u>	<u>990,000</u>

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25. CONTINGENT LIABILITIES

There were no contingent liabilities as at the balance sheet date

29. FINANCIAL INSTRUMENTS

At the balance sheet date the consolidated group held financial assets at amortised cost comprising cash and short term deposits, trade debtors, other debtors and accrued income of £6,188,658 (2016: £4,439,357) and financial liabilities at amortised cost, comprising trade creditors, other creditors and accruals of £1,998,170 (2016: £1,397,576).

Total interest income received in respect of financial assets held at amortised cost totalled £3,482 (2016: £22,427).

The group held assets at fair value through income and expenditure of £6,207,023 (2016: £5,533,802). Movements in the year through the statement of financial activities comprised gains of £933,888 (2016: £159,259).

30. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2016

		Unrestricted Funds	Restricted Programme Funds	Restricted Capital Funds	Endowment Funds	Total Funds 2016
		£	£	£	£	£
Income						
Donations	2	661,882	-	-	-	661,882
Income from charitable activity	3	6,163,050	458,877	-	-	6,621,927
Income from other trading activities :						
Commercial trading activities	4	4,149,287	-	-	-	4,149,287
Investment income	5	22,427	-	-	-	22,427
Total Income		10,996,646	458,877	-	-	11,455,523
Expenditure						
Cost of raising funds	6	3,559,422	-	4,688	35,398	3,599,508
Expenditure on charitable activities						
Roundhouse creative programme for young people	31	2,060,103	132,704	43,986	-	2,236,793
Roundhouse productions	31	2,926,729	295,969	34,256	-	3,256,954
music hires	31	1,691,182	-	29,568	-	1,720,750
Maintaining & improving the Building	31	879,808	-	801,220	-	1,681,028
Sub total		7,557,822	428,673	909,030	-	8,895,525
Total Expenditure		11,117,244	428,673	913,718	35,398	12,495,033
Operating surplus/(deficit)		(120,598)	30,204	(913,718)	(35,398)	(1,039,510)
Gain on investments	14	148,931	-	-	10,160	159,091
Net income/(expenditure)		28,333	30,204	(913,718)	(25,238)	(880,419)
Transfer between funds	18	51,069	-	-	(51,069)	-
Net movement in funds		79,402	30,204	(913,718)	(76,307)	(880,419)
Reconciliation of Funds						
Total Funds brought forward		3,063,595	-	22,659,755	5,610,109	31,333,459
Total funds carried Forward	18	3,142,997	30,204	21,746,037	5,533,802	30,453,040

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31. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES FOR YEAR ENDED 31 MARCH 2016

	Roundhouse Creative Programme	Roundhouse Productions	Music Hire	Maintaining & Improving the building	Total
	£	£	£	£	£
Artistic & creative fees	22,433	809,019	2,040	-	833,492
Costume & set build costs	7,886	227,671	2,632	-	238,189
Direct live streaming cost	2,022	34,104	-	-	36,126
Tutor & course leader fees	313,721	34,151	50	-	347,922
Direct management, producer and coordinator Fees	1,022,995	733,268	497,202	309,981	2,563,446
Direct security costs	224	38,043	302,950	92,830	434,047
Direct insurance costs	-	15,944	-	-	15,944
Equipment hire & maintenance	8,084	141,442	223,985	35,345	408,856
Performing rights society royalties	-	17,880	146,365	2,139	166,384
Travel & subsistence	60,466	126,792	10,863	118	198,239
Direct marketing support	56,204	346,477	20,367	49,525	472,573
Credit card transaction fees	36	23,452	60,552	-	84,040
Other miscellaneous	13,803	35,377	32,649	131,980	213,809
Governance & support costs	587,125	572,712	357,929	205,949	1,723,715
Share of depreciation charge	141,794	100,622	63,166	853,161	1,158,743
Total	2,236,793	3,256,954	1,720,750	1,681,028	8,895,525

32. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS FOR YEAR ENDED 31 MARCH 2016

The table below details the Roundhouse's support costs by area. These costs are apportioned using the basis summarised below across the charitable activities undertaken, fundraising activities and the commercial operations. The governance costs are a subset of each area and have been identified by consideration of the costs in each category and are allocated on the same basis as the support costs. Depreciation is being shown separately due to the significant effect it has on the overall apportionment. Due to the integrated nature of our support function the basis of allocation uses a number of assumptions and estimates.

	General Support Costs £	Governance £	Total £	Basis for allocation
Senior management oversight	173,209	68,411	241,620	Allocated on time
Finance	211,957	17,500	229,457	Allocated on activity /time
HR	345,389	-	345,389	Allocated on time
IT support	370,985	-	370,985	Allocated on activity/time
Central marketing & box office Support	122,572	-	122,572	Allocated on time
Visitors services and general security	71,438	-	71,438	Allocated on time
Building operations, maintenance & cleaning	887,388	2,052	889,440	Allocated on activity
Administration office	155,297	-	155,297	Estimate of space used
Technical management support	88,801	-	88,801	Allocated on auditorium activity
Total support costs excluding depreciation	2,427,036	87,963	2,514,999	
Total depreciation	1,277,078	-	1,277,078	Estimate of space /asset use
Total Support Costs	3,704,114	87,963	3,792,077	

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Note 32. Continued

The above Support and depreciation costs were allocated across the following areas

	General Support Costs £	Depreciation £	Total £
In support of commercial trading operations	726,898	98,764	825,662
In support of fundraising and publicity	64,386	19,571	83,957
In Support of charitable activities	1,723,715	1,158,743	2,882,458
	<u>2,514,999</u>	<u>1,277,078</u>	<u>3,792,077</u>