

CHICKENSHED

THEATRE CHANGING LIVES



THE CHICKEN SHED THEATRE TRUST ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31st March 2017

Company Registration Number: 2705172

Charity Number: 1012369

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Reference and Administrative Details

Directors:

Joshua Berger CBE (Chairman)
Nick Campsie (Deputy Co-Chairman)
Pete Constanti (From 7th June 2016)
Anthony Gibbon
Christine Mason
The Hon. Natasha Rayne
Lady Rayne Lacey
Alison Ritchie (Retired 8th December 2016)
Matthew Rose (Deputy Co-Chairman & Treasurer)
Prof. Jonathan Shalit OBE
Kate Varah (Retired 7th June 2016)

Non-Executive Directors:

Dame Judi Dench CH DBE
Sir Trevor Nunn

Executive Officers:

Gill Dodge (Managing Director)
Lily Davies (Director of Business Development, from 3rd May 2016)
Paul Morrall (Director of Education & Training)
Louise Perry (Director of Strategic Development & Impact)
Lou Stein (Artistic Director, from 4th April 2016)

Honorary Presidents:

The Hon. Natasha Rayne (President)
The Lady Rayne Lacey (President Emeritus)

Ambassadors & Guardians:

Jo Collins MBE (Founder)
Mary Ward MBE (Founder)

Company Secretary:

Daniel Beacock

Registered Office:

Chicken Shed Theatre
Chase Side, Southgate, London, N14 4PE

Company Registration:

Number 02705172

Registered Charity:

Number 1012369

Bankers:

Barclays Bank plc
Media Bank Centre
1st Floor, Soho Square
London W1D 3QR

Auditors:

Moore Stephens LLP
Chartered Accountants
150 Aldersgate Street
London EC1

The Organisation

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

Structure, Governance & Management

Legal Structure & Objects

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

Governance

The Board of Directors has full legal responsibility for the corporate governance of the Chickenshed Theatre Trust. Directors/Trustees are required to act in accordance with the company's Memorandum and Articles of Association and as required by Statute. Eleven Directors served on the Board this year.

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

In accordance with the Articles of Association the following Directors retired by rotation at the Annual General Meeting (22nd June 2017) and, being eligible, sought re-appointment: Joshua Berger OBE, Nick Campsie and Matthew Rose were re-appointed. Pete Constanti, co-opted in June 2016 was also re-elected.

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

The main Board is also supported by the Development Board (co-chaired by a trustee), which welcomes supporters to assist in the growth of new fundraising initiatives on behalf of the organisation. This group has continued to generate significant incremental revenue in the past year – their contribution is much appreciated.

Management

The operational running of the theatre company is delegated to the Managing Director, supported by the Executive Team and Management Board. All groups meet regularly to discuss the operations of the company, assessing progress against artistic, education and business plans. Communication within the company, and to the wider Chickenshed community, is facilitated

The Chicken Shed Theatre Trust

The Organisation (continued)

through face-to-face briefings (including departmental, staff and volunteer meetings), complemented by communications via the Sharepoint intranet and bespoke bulletins.

Key areas discussed by the Management Board include Health and Safety and Human Resources. It is important to note that alongside paid staff, Chickenshed welcomes the support of over 300 volunteers, who continue to play a vital role in supporting our work.

Risk Assessment

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

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

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

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

Reserves Policy

The Charity continues its commitment to build meaningful reserves. This year has been a very challenging period which has seen a significant reduction in reserve levels. The Directors are aware of the need to restore and build these so that the Charity can meet unexpected shortfalls or cash flow difficulties. A general reserve target of three months operating expenditure remains the short-medium term goal. At the year end the charity had free reserves of £281,716 (2016: £631,404). In the longer-term the Directors would wish to establish reserves of six months cover.

Statement of Public Benefit

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

Format of Accounts

The accounts attached on pages 15 to 28 have been drawn up in compliance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015), (Charities SORP FRS 102) and the Companies Act 2006.

Report of the Directors – Year ended 31st March 2017

Overview

The last year has been both an exciting and challenging one for Chickenshed. The organisation has continued to develop its work at its North London and West London bases, around the UK and beyond. The scope and scale of activities have continued to flourish and benefit those who participate in, and those who come into contact with, Chickenshed's work. Significant time and resource has also been devoted to future planning, with the aim of strengthening our contribution and relevance to society. Within our activities and planning, a key imperative, given the pervading financial climate, has been to continue to secure resources to deliver our work sustainably.

Without the inspiration of the young people we work with, the unsurpassed commitment and passion of our staff, the time and energy of our volunteers and the encouragement and generosity of all our supporters, Chickenshed would not be able to continue its ambition of delivering *Theatre Changing Lives*. We would also wish to acknowledge the support of the Boards of the Chicken Shed Property Company and the American Friends of Chickenshed.

The Board of Directors of the Chicken Shed Theatre Trust convey sincere thanks to all who have supported the organisation over the last year.

Plans for Future Periods

Since September 2015, our work has been guided by the recommendations of the Strategic Review approved by the Board of the Trust. (The future of Chickenshed had been considered through consultation with our staff, members, students, volunteers, supporters and partners and considered: where should we focus and what achievements would we want to be celebrating on our 50th anniversary in 2024.).

Our vision and mission remained unchanged. Our key measure of success was identified to be our ability to deliver measurable, positive change in the lives and opportunities of those we work and engage with. Key outcomes over the next 10 years would be to increase access to our work, deliver and demonstrate our impact and ensure we engage persuasively to promote an inclusive society. Five key areas of organisational focus were identified for the future:

- *Pure Theatre* - create a wider theatrical range of offerings, leveraging theatrical & digital channels.
- *Reach them Young* - develop an education programme that penetrates the wider Education Landscape.
- *Sphere of Influence* - adopt a strategic approach to external engagement, which delivers reach and influence within targeted groups.
- *A Sustainable Future* - develop a level of reserves which ensure continuity of services and allow investment for future development.
- *Invest in People* – through investment in best practice in Human Resources management, we deliver a highly trained and motivated workforce.

The first step in realising these goals was to complement and strengthen the existing Senior Management Team through the recruitment of key senior posts. A Director of Human Resources was appointed in December 2015, with posts of Artistic Director and Director of Business Development both appointed in Spring 2016.

The Strategic Review identified the period 2016-19 where we would establish the building blocks for growth and leverage our current assets. Following a review of how best to deliver the objectives during this phase, an organisational restructure was implemented in September 2016. This aligned resources and enhanced clarity between/within divisions, alongside improved line-management structures. The changes aimed to enable teams and individuals to be better able to contribute to the future success of the organisation. A key change within the restructure was the creation of the new role of Director of Strategic Development and Impact. The role's responsibility was to champion and embed an 'impact-led' culture, working with the Senior Management Team to develop frameworks

Report of the Directors – Year ended 31st March 2017 (Continued)

to build a strong evidence-base for our inclusive practice. This should enable Chickenshed to better share and influence change beyond its own immediate sphere and further strengthen the organisation's ability to secure ongoing funding for our work. Cross-organisational activities to develop and trial appropriate frameworks commenced during this year, informed by approaches and learnings from other organisations.

Strategies employed to achieve the Charity's Aims and Objectives

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

Performance

At our facilities in Southgate we have two purpose built performance spaces – The Rayne and Studio Theatres (with capacities of 290 and 130 respectively). During this year, we sought to expand the number of performances delivered and the range of our repertoire. The aims were to increase participation opportunities for our students/members and increase audience access to our work, attracting new people to the Theatre.

During the year we welcomed 43,000 audience members to our public shows at Chickenshed and other external venues. Performances included *Adventure to Oz* and *Blowin' in the Wind* in the Rayne Theatre (Christmas 2016 and Spring 2017 respectively). The Studio shows were *In the Absence of Silence* (May 2016), *Kindertransport* (Autumn 2016) and *Trumpets and Raspberries* (February 2017) – these performances in particular brought audiences new to Chickenshed with their focus on the topics of domestic abuse, immigration and political satire. Our performances also received critical acclaim, including:

- *"If the first production to be directed by Chickenshed's newish artistic director Lou Stein is anything to go by, this small theatre, deservedly well known for inclusivity when it comes to both audience and theatre-makers, is set to become a mini-theatrical powerhouse."* Jewish Chronicle (*Kindertransport*, 4****)
- *"The whole thing is seamless and slickly choreographed with standards that the West End would be proud to present."* Remote Goat (*Adventure to Oz*, 4****)
- *"Chickenshed is renowned for moving and thought-provoking theatre and has surpassed itself with the current production."* Enfield Gazette (*Blowin' in the Wind*)

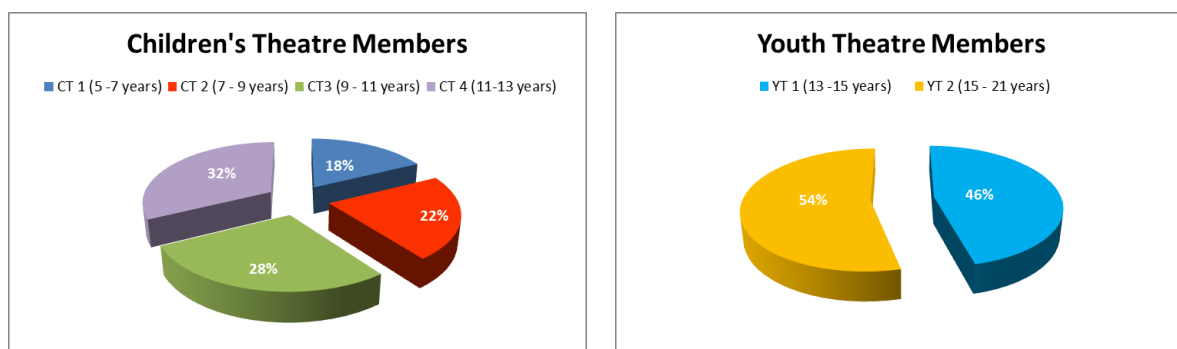
Our successful programme of Performances to Children (including *Tales from the Shed*, *Planet Play* and *Tales Big Days Out*) continued to reach out to our youngest audiences (from 0 upwards!), with performances at Southgate and beyond. We were delighted to partner with the Old Vic, Wilton's Music Hall, the Dugdale Theatre, The Tabernacle and the Royal Albert Hall amongst many others - presenting *Tales from the Shed* to their theatre audiences.

Within our performance activities, the Young Creators Scheme is a professional development programme which offers opportunities for 100 young people (14 - 25years) to experience and develop valuable practical skills in a live theatre setting (- including areas such as directing, choreography, back stage activities and creative writing). A review of the past three years' activities led to a restructuring of the programme – offering a broader more flexible programme. The introduction of an Advanced Trainee level has enabled more experienced young adults an intensive learning opportunity in their chosen area of specialism, deepening the impact of their learning experience. We are grateful to the grants received in support of this programme and the sponsorship offered by the Warner Brothers Creative Talent Scheme.

Report of the Directors – Year ended 31st March 2017 (Continued)**Membership**

Chickenshed's Children and Youth Membership delivers inclusive theatre education programmes. They participate in weekly sessions, with additional participation opportunities for young people available during weekend/school holiday schemes which run throughout the year. Much of their work culminates in performances which this year included reflections on Shakespeare, poems and a production by the Youth Theatre called *Feel the Love*.

The 600 members participated in groups based on their age:



One of our key aims is to ensure access for potentially marginalised groups. Evidence which supports our success in this area includes:

- We target a 1:4 ethnic diversity across our membership. At February 2016, 41% identified themselves as having an ethnic heritage.
- We target a 1:6 ratio of children/young people with additional educational needs. At February 2016, 17% of our membership fell within this definition.
- In 2015/16 fiscal year, 20% of members accessed fee subsidy or waiver via Chickenshed's Support Initiative. This scheme ensures no young person is prevented from joining Chickenshed due to a lack of financial resource.

In terms of impact, through the inclusive environment created in our membership sessions:

- almost 90% of participants believe they have improved their ability to form positive relationships.
- 95% of beneficiaries have experienced increased confidence.

"One of the unique things that Chickenshed offers is for children of all ages to interact with children of lots of different ages and with adults too. This creates an incredible sense of self-worth and a real belief that even as a young child they have an important contribution to make". Parent

The Adult Theatre group and Community Choir activities have also continued to operate throughout the year. Membership groups had the opportunity to participate in our public shows, developing their performance skills through professional on-stage experiences.

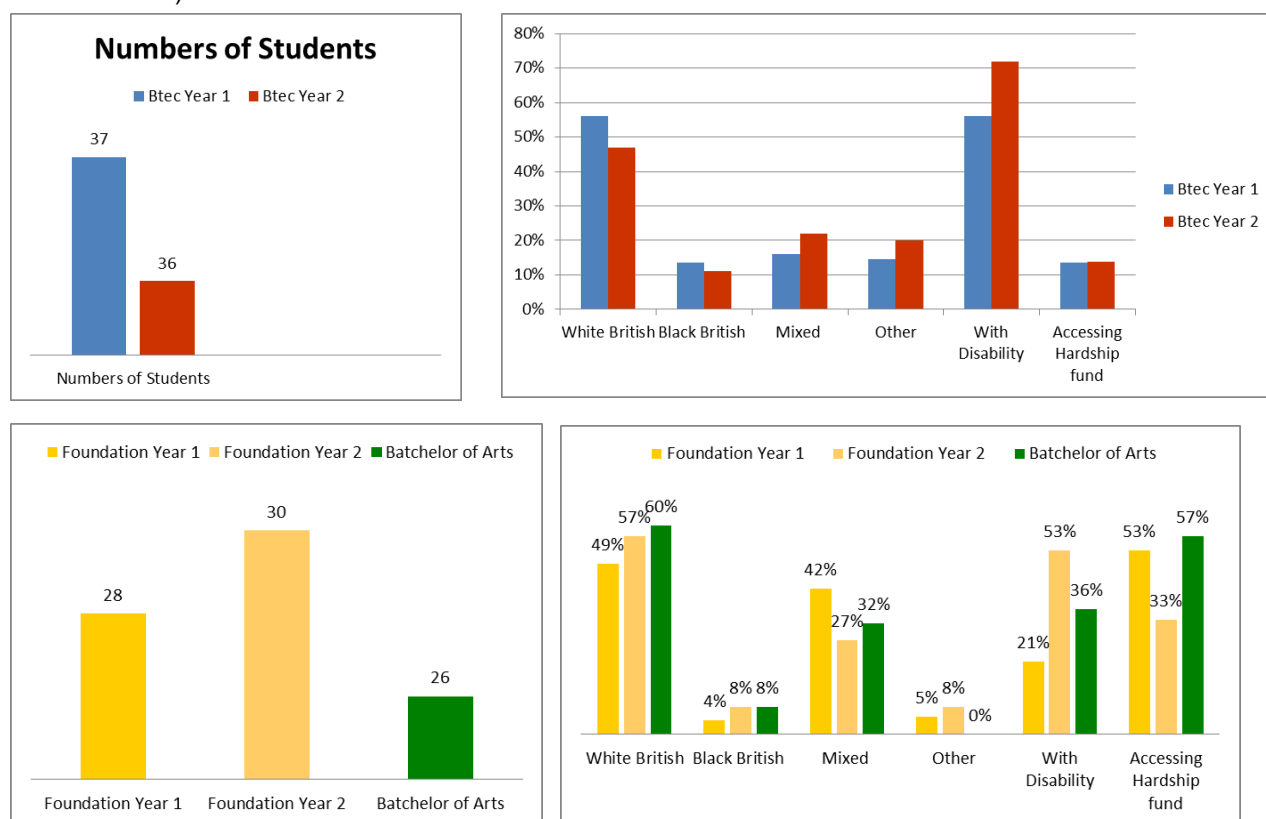
Education & Outreach**- Education**

"He walked through the doors of Chickenshed and immediately embraced another world, one that has given him confidence, support and provided an inclusive environment where he can be his real, independent self. It is a model of how true inclusion can be delivered, beyond any other place we have ever found. He just thrived, revealing to us a person who was far more capable than we ever imagined. We can honestly say that Chickenshed has changed Max's life – it allowed him to become alive." Parent

Report of the Directors – Year ended 31st March 2017 (Continued)

Chickenshed offer formal opportunities through the provision of Further and Higher Education courses in Performing Arts and Inclusive Performance respectively. Our BTec qualification (16 – 18 year olds) is administered through the College of Haringey, Enfield and North East London (COHENEL), with the Foundation and BA Degrees (18 – 21 year olds) being validated by the University of Middlesex. Our Theatre premises therefore act as an education campus for almost 160 students. Our Higher Education work continues to be monitored through the Qualifications and Assessment Authority (QAA) following a successful audit in 2015. The importance placed on the student 'voice' within our education practice was pivotal in QAA recognition of the quality of our work.

Approaching education with an inclusive agenda means that we seek to welcome young people from all backgrounds and previous educational experiences. The aim of ensuring a wide access for young people to our education courses is evidenced by the data below (academic year ending Summer 2016).



Academic year ending Summer 2016

Diversity is clearly seen with significant percentages of students from different ethnic groups and identifying as having some form of disability. Through our Hardship Fund we seek to support students whose financial positions are difficult and could jeopardise their studies. Support includes help with food vouchers and travel cards. As indicated above, in two of the Higher Education course cohorts over 50% of students had need to access the Fund in this year.

Outcomes from the courses have continued to meet or exceed national benchmarks for Further and Higher Education. Student retention remains high. Eighty five percent of Btec students successfully completed and passed their course. The Foundation Degree saw 21% of students achieving a Distinction, 17% a Merit. In the BA, 24% of students achieved a First Class Degree, with a further 28% achieving an Upper Second. The performance outcomes reflect huge efforts from staff and the young people themselves - to bridge gaps they have previously experienced and help them succeed through an inclusive educational environment. The support given

Report of the Directors – Year ended 31st March 2017 (Continued)

includes staff mentoring of students with high levels of disadvantage and mental health issues. We also provide complementary professional support through the services of a qualified Counsellor and Medical Support Assistant.

Studying Inclusive Performance at Chickenshed is hugely facilitated by being part of an active Theatre. End of year shows devised and performed by the students included: *Gut Girls*, *Citizens of Where?*, *This Way to Adulthood* and *Man or Mineral*.

- *Outreach*

A key platform within our Outreach work continues to be '*Crime of the Century*'. This initiative focuses on working within schools and reaching out to at risk groups (such as Care Leavers and Young Offenders, and those experiencing related issues such as addiction). Approaching 5,000 young people aged between 10 and 21 years have benefitted from performances and workshops within this specific programme, helping them make more positive choices about their futures.

"You cannot underestimate the work you are doing for our young people. There is a child in the group you worked with who saw his father murdered two years ago and who has needed your amazing work to help him to talk again about the situation. Giving him opportunities to explore outside of his own direct experience is such an important step. You must take our word about how important your work is."

Teacher at Northumberland Park School

(This is amongst the 5% most disadvantaged schools in the country, according to a wide range of target group representation indicators).

"The girl in your group in your smaller group was not coming in on Friday mornings and she can get into so much trouble. Her attendance worker phones her and the family and says Chickenshed are coming in. And she comes in. You need to know the good you do. That young man. He is 12 He was threatened by a group with a knife yesterday evening. He of course says he needs a knife to protect himself. Working with you with the way you talk about how weapons makes you more of a target. And hearing it he knows it's real. It will change his thinking."

Head of Department, Tottenham Secondary School

"Our students (and teachers) love working with Chickenshed. I am absolutely convinced the work makes our students really think about the dangers of carrying a knife. Chickenshed really highlight the devastating impact of gang violence with excellent drama and workshops. This is vital as we have students who have lost family members and friends through gang related violence. The impact of this crime is so significant on those directly affected and the wider community"

Vice Principal, Bridge Academy Hackney

Partnership working is a fundamental aspect of Chickenshed's work – no more so than in Education and Outreach. These have included working with:

- over 60 primary schools and 50 secondary schools across the UK
- Barnardo's and Young Minds and other organisations involved with social justice, mental health and youth advocacy
- CARAS (Community Action for Refugees and Asylum Seekers) and over 30 other youth and children's centres
- The Royal London and Great Ormond Street Hospitals
- Domestic abuse and drug dependency services in Wales and 10 other UK agencies addressing issues of adult isolation
- The 15 independent satellite 'Sheds' that we have helped to create throughout the UK and Europe. Our international influence has included working with Bo Ai Primary School for Disadvantaged Children, Shiaizhuang, China.

Chickenshed's process of legacy building is being delivered through inspirational projects and the strong innovative processes between student and outreach activities – from workshop programmes through to attendances/performances at conferences to promote inclusive practice.

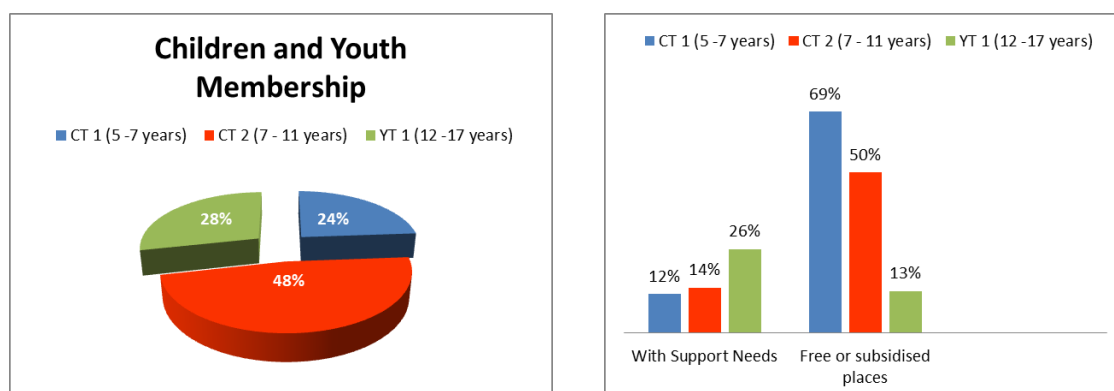
The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2017 (Continued)

Chickenshed Kensington and Chelsea (CKC)

CKC allows the organisation to offer a presence in West London through membership, outreach, partnership and performance opportunities. This work is made possible through invaluable support from the founding corporate partners, Albays London and Brookfield Multiplex.

Our membership work has continued with over 100 young people participating during the year. We continue to facilitate access to marginalised groups – with significant numbers having support needs and being able to participate through subsidised or free places.



Performances devised and created by the children and youth membership included: a Shakespeare Festival, Take Away (as part of the National Theatre initiative) and A Brimful of Grimm.

Our Adult Theatre Membership stood at 23 participants during the year. Across the membership, 80% describe themselves as coming from a non-white ethnic background indicating diverse participation.

Outreach work continued with a key focus on reaching early years children. Almost 1,000 disadvantaged children benefitted from Big Stories from the Little Box early years workshops, delivered in Children's Centres in West London.

"As the term progressed, her unacceptable behaviours declined and she began to grow as a critical and creative thinker. Her ability to rhyme, hear pitch, tone and segmentation dramatically increased and she began to show a real skill in her phonics based learning. By the end of her Chickenshed participation she had developed into an engaged and eager learner. Her interrupting decreased and she willingly took turns with respect for the people around her. She was able to grow and develop within boundaries where her imagination was extended and challenged. Her behaviour was channelled into a drama based skill set where she could be successful and show her personality in the right ways."

Children's Centre Manager

Other outreach partnerships have included the strategic alliances with the Tri-Borough Music Hub and Early Years Consortium. The successful programme of Saturday morning workshops at Chelsea and Westminster Hospital for paediatric patients and their siblings has continued to offer support to young people facing isolation through illness.

CKC's Dreams of Freedom, a partnership project with Amnesty International, has progressed. 500 children from across the capital will perform to an audience of 2,000 at the Royal Albert Hall in June 2017. The preparations for the event are culminating in rehearsing the performances which have been devised by the young people and reflect their thoughts, opinions, ideas and dreams about building a better world for young people.

Report of the Directors – Year ended 31st March 2017 (Continued)

Fundraising

The Fundraising Team have continued to work hard to maintain and develop income, through a year which saw internal change and a challenging external environment for charitable and philanthropic giving. Our non-earned income totalled £1,667,835. Chickenshed continues to operate as a true social enterprise, with earned and charitable income each representing half of our total revenue.

Individual donations remained stable at £303k. The organisation continued to receive significant support from trusts and grant giving bodies, totalling almost £438,000. This funding continues to provide recognition of the value of our services to our target beneficiaries. A listing of those organisations supporting us can be found in note 3 to the accounts – we are most appreciative of their support. The grants income represented a decrease of £136,000 relative to the previous year's trust revenue. This decrease had been anticipated within the Budget and reflected a one-off major grant received in 2015/16.

The Development Board has continued to play an active role in helping to build a broader portfolio of events through the year and introduce new contacts and corporates to Chickenshed. This work has helped counter the reduced financial performance experienced in some other areas of our fundraising activities, most notably the two major gala events held during the year (- together resulting in a fall in income of almost £200k year on year).

Since March 2016, the Fundraising Department has been restructured to facilitate established and new income stream targets. This has resulted in increased income in a number of areas – most notably in: the nurturing of high net worth donors, introduction of further events with lower risk and higher returns on investment, corporate support and the building of a corporate training programme. Excluding the gala events, these activities have helped deliver an increase in ROI on fundraising activities of 11%, providing further resilience in an uncertain economic climate for fundraising.

Volunteers

In 2016/17, over 300 volunteers gave an estimated total of 18,845 hours to Chickenshed – an increase of 12% year on year. (This excludes hours given voluntarily by members of staff, students and membership.) When multiplied by the London Living Wage rate (£9.75/hr), an estimated *minimum* monetary value of £183,700 can be attributed to this service. Volunteers support us across many areas of our work, including: front of house duties (over 7,800 hours by 122 volunteers across 326 performances), 64 volunteers provided regular support across the organisation including help with administration and fundraising activities. The contribution of our Trustees & support of senior advisors/professionals represented a gift of over 2,100 hours to the organisation.

The contribution of our volunteers is immeasurable – beyond the hours they give, their energy, enthusiasm and encouragement are a key element of the Chickenshed community and contribute to the organisation's success. We continue to be most appreciative of their support.

Financial Results and Commentary

The deficit on unrestricted funds for the year ended 31st March 2017 amounted to £349,688 (2016: deficit on unrestricted funds £141,325). Total income year on year was down by 4% (£164k), costs increased by 8% (£315k) – generating a net deficit (including depreciation) of £583k. Depreciation charged in the year through the restricted and unrestricted funds amounted to £158,185 (2016: £162,614).

2016 – 2017 proved to be a very challenging year for the charity. Investment behind the objectives cited in the Strategic Review coincided with an unanticipated, significant decline in income. Corrective action was taken during the year to look at how the cost base could be reduced. This included review of both our human resource costs (positions and contracted hours) and direct costs. Changes were instituted which aimed to deliver £150k savings across a full financial year.

Report of the Directors – Year ended 31st March 2017 (Continued)

Auditors

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

The Chicken Shed Theatre Trust

Report of the Directors – Year ended 31st March 2017 (Continued)

Disclosure of information to auditors

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

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

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

By Order of the Board



JOSHUA BERGER

28 December 2017

Statement of Director's Responsibilities – Year ended 31st March 2017

The Directors of the Company are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent Auditors' Report – Year ended 31st March 2017

We have audited the financial statements of The Chicken Shed Theatre Trust for the year ended 31 March 2017 which are set out on pages 15 to 28. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 12, the Directors 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 the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 Chicken Shed Theatre Trust

Independent Auditors' Report – Year ended 31st March 2017 (continued)

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Moore Stephens LLP

Philip Clark
Senior Statutory Auditor
For and on behalf of Moore Stephens LLP, Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

28 December 2017

The Chicken Shed Theatre Trust

Statement of Financial Activities – (incorporating an income and expenditure account)**For the year ended 31st March 2017**

	<u>Note</u>	<u>Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>2017 Total</u>	<u>Unrestricted Fund</u>	<u>Restricted Fund</u>	<u>2016 Total</u>
Income from:							
Donations and legacies		251,090	51,890	302,980	243,225	70,498	313,723
Charitable activities:							
Grants	3	84,530	353,805	438,335	137,536	436,819	574,355
Productions		463,273	4,011	467,284	435,686	9,102	444,788
Subscriptions		197,771	17,046	214,817	150,190	17,818	168,008
Education		1,373,155	6,977	1,380,132	1,239,026	2,400	1,241,426
Agency, royalties and other income		3,054	-	3,054	18,555	-	18,555
Merchandising		14,426	-	14,426	17,879	-	17,879
Bar and catering		35,501	-	35,501	34,884	-	34,884
Other trading activities:							
Fundraising events and activities		749,936	176,584	926,520	981,968	151,625	1,133,593
Investments		96	-	96	218	-	218
Total Income		<u>3,172,832</u>	<u>610,313</u>	<u>3,783,145</u>	<u>3,259,167</u>	<u>688,262</u>	<u>3,947,429</u>
Expenditure on:							
Raising funds	4	978,357	151,539	1,129,896	761,192	97,520	858,712
Charitable activities	5	2,463,157	683,880	3,147,037	2,564,788	529,113	3,093,901
Other	6	81,006	8,346	89,352	74,512	24,669	99,181
Total Resources Expended	8	<u>3,522,520</u>	<u>843,765</u>	<u>4,366,285</u>	<u>3,400,492</u>	<u>651,302</u>	<u>4,051,794</u>
Net Income/(expenditure)		(349,688)	(233,452)	(583,140)	(141,325)	36,960	(104,365)
Fund balance brought forward at 1st April 2016		<u>631,404</u>	<u>2,917,510</u>	<u>3,548,914</u>	<u>772,729</u>	<u>2,880,550</u>	<u>3,653,279</u>
Fund balance carried forward at 31st March 2017		<u>£ 281,716</u>	<u>£2,684,058</u>	<u>£2,965,774</u>	<u>£ 631,404</u>	<u>£2,917,510</u>	<u>£3,548,914</u>

All sources of income are from continuing operations.

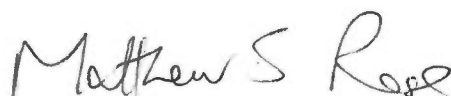
The Chicken Shed Theatre Trust

Balance Sheet – 31st March 2017

Company number: 1012369

	Note	2017	2016
Fixed Assets			
Tangible assets	10	2,623,997	2,728,131
Current Assets			
Stocks - goods for resale		2,099	2,480
Debtors	11	711,586	843,979
Bank and cash balances		183,304	414,798
		<u>896,989</u>	<u>1,261,257</u>
Creditors, amounts falling due within one year	12	<u>(555,212)</u>	<u>(440,474)</u>
Net Current Assets		<u>341,777</u>	<u>820,783</u>
Net Assets		<u>£ 2,965,774</u>	<u>£ 3,548,914</u>
Funds			
Restricted	14	2,684,058	2,917,510
Unrestricted	14	281,716	631,404
		<u>£ 2,965,774</u>	<u>£ 3,548,914</u>

These financial statements were approved
by the Board of Directors and signed on their behalf by:



MATTHEW ROSE

28 December 2017

The Chicken Shed Theatre Trust

Cash Flow Statement**For the year ended 31st March 2017**

	<u>2017</u>	<u>2016</u>
Net Cash (Outflow)/Inflow from Operating Activities	(177,539)	59,628
Returns on Investment and Servicing of Finance		
Interest received	96	218
Capital Expenditure		
Purchase of tangible fixed assets	(54,051)	(167,946)
(Decrease)/Increase in cash	£ <u>(231,494)</u>	£ <u>(108,100)</u>
 Reconciliation of Net Outgoing Resources to Net Cash (Outflow)/Inflow from Operating Activities		
Net (Outgoing)/Incoming Resources	(583,140)	(104,365)
Interest Received	(96)	(218)
Depreciation	158,185	162,614
Decrease/(Increase) in stock	381	2,953
(Increase)/Decrease in debtors	132,393	(49,593)
(Decrease)/Increase in creditors	114,738	48,237
Net cash (Outflow)/Inflow from operating activities	£ <u>(177,539)</u>	£ <u>59,628</u>
 Analysis of Net Cash		
	At 1st April <u>2016</u>	Cash flow <u>At 31st March 2017</u>
Cash at bank and in hand	£ <u>414,798</u>	£ <u>(231,494)</u> £ <u>183,304</u>

Notes to the Financial Statements**For the year ended 31st March 2017**

1. Background

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

2. Principal Accounting Policies**(a) Basis of preparation**

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015), (Charities SORP FRS 102) and the Companies Act 2006.

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

(b) Going concern

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

Following a challenging year in 2016/17, the management developed a business plan for 2017/18 on behalf of the trustees, which sets out the manner in which they will raise revenue to meet the company's expected expenditure. The management consider that the financial budget supporting the plan will deliver a significantly improved position and demonstrates the financial viability of the trust going forward.

The trustees are particularly aware of the historic position of the trust never having been supported through externally sourced debt and the flexibility of the company to rapidly contract to control costs in the event of income targets not being achieved. Because of this the trustees consider that the financial projections presented to them provide suitable assurances in the continuing viability of the trust. These accounts have been drawn up in full recognition of the trustees' responsibilities in achieving these financial projections.

Beyond the current financial year 2017/18, significant work is ongoing to consider how Chickenshed continues to deliver its charitable objectives within a strengthened impact-led model (see page 4). This seeks to ensure that resources are aligned such that the organisational structure and activities deliver enhanced evidence-based impact measurement of our work and support the ongoing sustainability of the organisation.

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****2. Principal Accounting Policies (Continued)****(c) Tangible fixed assets**

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

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

(d) Income

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

(e) Allocation of expenditure

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

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

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

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

(f) Restricted/Unrestricted Funds

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

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

(g) Pension costs

Contributions to a defined contribution scheme are charged as incurred.

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****2. Principal Accounting Policies (Continued)****(i) Operating leases**

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

(j) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(k) Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

Fixed assets are depreciated over their expected lives.

3. Grant Analysis

Grants received during the year include the following:

	<u>2017</u> £	<u>2016</u> £
For theatre equipment:		
Birkdale Trust	1,000	-
Presidents Club Charitable Trust	-	18,000
Greenoaks Charitable Trust	-	5,744
For Children's and Youth Theatre:		
American Friends of Chicken Shed	9,073	60,708
Angle House Foundation	-	3,000
Boris Karloff Charitable Foundation	1,000	2,500
BBC Children in Need	25,137	20,758
The Goldsmith's Company Charity	-	3,000
The Thomson Family Charitable Trust	-	50,000
The Mackintosh Foundation	1,000	1,500
The Marina Kleinwort Trust	-	3,000
Newman's Own Foundation	3,740	-
Rix-Thompson-Rothenberg Foundation	-	4,000
Santander Foundation	4,920	-
The Vandervell Foundation	3,000	3,000

The Chicken Shed Theatre Trust

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****3. Grant Analysis (continued)**

	<u>2017</u> £	<u>2016</u> £
For Production:		
American Friends of Chicken Shed	-	3,177
Cockayne - Grants for the Arts/The London Community Foundation	-	10,000
Royal Victoria Hall Foundation	-	1,000
Wixamtree Trust	1,000	-
For Education:		
EBM Charitable Trust	20,000	-
Ernest Cook Trust	-	3,000
Garfield Weston	20,000	-
The Girdlers' Company Charity Trust	-	2,000
Golden Bottle Trust	-	1,000
MK Rose Charitable Trust	25,000	-
The Percy Bilton Charity	-	5,516
The Red Hill Trust	2,500	4,000
For Outreach projects:		
The Cutler Trust	500	500
Hammersmith United Charities	-	3,000
John Horniman's Children's Trust	-	5,000
John Lyon's Charity	26,500	5,000
Joseph Levy Charitable Foundation	10,000	10,000
Newman's Own Foundation	-	15,836
The Roddick Foundation	-	34,690
The Sobell Foundation	-	5,000
Thomas's Schools Foundation	4,086	3,140
Disability Access Support:		
Ernest Hecht Charitable Foundation	-	8,000
Young Creators scheme:		
Andrew Lloyd Webber Foundation	15,000	15,000
The Monument Trust	90,000	90,000
Warner Brothers	-	30,000
Anonymous	5,000	-
Outreach Trainee scheme		
ICAP	100,000	-
Internships		
Creative and Cultural Skills	9,750	6,750
General:		
American Friends of Chicken Shed	8,229	15,670
Anonymous	-	24,789
The Andor Charitable Trust	7,500	7,500
British Council – Ukraine	2,200	-
Chapman Charitable Trust	-	2,000
Civen Foundation	500	-
The Dischma Charitable Trust	-	2,000
The Freemasons' Grand Charity	-	500

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****3. Grant Analysis (continued)**

	<u>2017</u> £	<u>2016</u> £
General (continued):		
Ian McTaggart Trust	2,500	-
International Music and Art Foundation	18,000	17,977
JP Getty Jnr Charitable Trust	-	5,000
Kleinwort Benson - anonymous	500	500
Lindley Foundation	-	500
M and C Trust	5,000	5,000
Mazars Charitable Trust	-	1,000
The Multithon Trust	100	100
Old Possum's Practical Trust	5,000	10,000
Popli Khalatbari Charitable Foundation	-	15,000
Rothschild Foundation	-	3,000
The Royal Borough of Kensington and Chelsea	600	-
The Sackler Trust	10,000	-
Trusthouse Charitable Foundation	-	7,000

All grants have been recorded within unrestricted funds in accordance with note 2(f) of principal accounting policies, with the exception of grants received for projects that are not part of the integrated service provided by the Charity, totalling £353,806 (2016: £436,819), which have been recorded within restricted funds.

4. Expenditure on raising funds

	<u>2017</u>	<u>2016</u>
Wages		
- Promotion and public relations	373,518	322,879
Other expenses		
- Event Costs	306,620	258,790
- Promotional costs	17,777	33,021
- Depreciation (Restricted Fund)	14,990	14,276
	339,387	306,087
Allocation of support costs	416,991	229,746
	<u>£ 1,129,896</u>	<u>£ 858,712</u>

Costs allocated to restricted fund include Kensington & Chelsea fundraising event costs of £58,270 (2016: £50,741).

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****5. Expenditure on Charitable Activities**

	<u>2017</u>	<u>2016</u>
Wages		
- National Development and Training Programme	371,571	341,955
- Production and Artistic Direction	688,234	637,809
- Front of House and Box Office	140,692	119,473
- Education	646,380	624,306
	<u>1,846,877</u>	<u>1,723,543</u>
Other direct expenses		
- Production and Workshops	293,099	204,045
- Education	112,067	139,951
- Merchandise	6,332	9,191
- Bar and Catering	5,335	5,515
- Depreciation (Restricted Fund)	74,118	76,205
	<u>490,951</u>	<u>434,907</u>
Allocation of support costs	809,209	935,451
	<u>£ 3,147,037</u>	<u>£ 3,093,901</u>

The costs of employing staff are allocated between the headings set out above on the basis of estimated time allocation but also recognise that many employees are multifunctional. Costs allocated to the restricted fund include depreciation of £74,118 (2016: £76,205), and wages & direct expenses of £609,762 (2016: £452,908).

6. Other costs

	<u>2017</u>	<u>2016</u>
Wages	50,385	48,677
Audit	16,890	19,509
Allocation of support costs	22,077	30,995
	<u>£ 89,352</u>	<u>£ 99,181</u>

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****7. Support costs**

	<u>2017</u>	<u>2016</u>
Wages	578,191	503,371
Depreciation	69,080	72,133
Rent	57,344	48,263
Light and heat	54,855	53,438
Cleaning	35,289	34,296
Maintenance	92,672	89,462
Insurance	37,059	43,058
Legal fees	1,800	-
Consultancy Fees	32,585	37,062
Telephone	14,325	12,638
Postage	8,418	10,686
Printing, stationery and computer costs	28,994	30,076
Travel and Motor	9,723	8,579
Miscellaneous	46,494	52,871
Loan interest	233	-
Irrecoverable VAT	145,447	171,752
Bad Debt Expense	18,920	10,432
Training and recruitment	16,848	18,075
	<u>£ 1,248,277</u>	<u>£ 1,196,192</u>

Support costs allocated to the restricted fund are in respect of Kensington & Chelsea and amount to £46,602 (2016: £58,037).

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

	<u>2017</u>	<u>2016</u>
Charitable expenditure	809,209	935,451
Raising funds	416,991	229,746
Other costs	22,077	30,995
	<u>£ 1,248,277</u>	<u>£ 1,196,192</u>

8. Net income/(expenditure)

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

	<u>2017</u>	<u>2016</u>
	£	£
Depreciation - restricted fund	89,108	90,481
- unrestricted fund	69,077	72,133
Audit fees	16,890	19,509
Operating leases - land and buildings	55,455	48,263
	<u></u>	<u></u>

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****9. Staff Costs**

Staff costs during the year were as follows:

	<u>2017</u>	<u>2016</u>
Wages and salaries	2,539,880	2,326,993
Social security costs	210,616	192,586
Other pension costs	70,674	63,523
Contract Staff	27,801	15,368
	<u>£ 2,848,971</u>	<u>£ 2,598,470</u>

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

	<u>2017</u>	<u>2016</u>
Administration and finance	11	11
Artistic and education	64	61
Fund raising and publicity	13	11
Production	7	7
General management:		
Front of house	3	3
Box office	8	8
Building maintenance	10	10
	<u>116</u>	<u>111</u>

The staff numbers above include 52 full time staff (2016: 53) and 64 part time (2016: 58), but exclude a pool of over 200 regular volunteers.

None of the directors received any remuneration in respect of services provided, neither were they reimbursed expenses incurred on behalf of the company. Remuneration to key management personnel, who are considered to be the executive officers amounted to £312,591 (2016: £281,707).

One employee (2016 – 1) earned more than £60,000 in the band £60,000 - £70,000.

Pension costs:

The company contributes to a defined contribution scheme. The charge to the profit and loss account was £70,674 (2016: £63,523) and at the year end there were outstanding contributions of £10,953 (2016: £11,216).

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****10. Tangible Fixed Assets**

		<u>Leasehold Property</u>	<u>Theatre Equipment</u>	<u>Fixtures, Fittings and other Equipment</u>	<u>Total</u>
Cost or valuation					
At 1st April 2016		3,458,160	803,244	736,970	4,998,374
Additions		-	27,158	26,893	54,051
Disposals		-	-	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st March 2017	£	<u>3,458,160</u>	£ <u>830,402</u>	£ <u>763,863</u>	£ <u>5,052,425</u>
Depreciation					
At 1st April 2016		1,181,651	649,248	439,344	2,270,243
Charge for the year		69,166	26,861	62,158	158,185
Disposals		-	-	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st March 2017	£	<u>1,250,817</u>	£ <u>676,109</u>	£ <u>501,502</u>	£ <u>2,428,428</u>
Net book value					
At 31st March 2017	£	<u>2,207,343</u>	£ <u>154,293</u>	£ <u>262,361</u>	£ <u>2,623,997</u>
At 31st March 2016	£	<u>2,276,509</u>	£ <u>153,996</u>	£ <u>297,626</u>	£ <u>2,728,131</u>

11. Debtors

	<u>2017</u>	<u>2016</u>
Trade debtors	251,410	158,087
Accrued income	255,838	482,020
Prepayments	168,555	140,710
Other debtors	35,783	63,162
	<u> </u>	<u> </u>
	£ <u>711,586</u>	£ <u>843,979</u>

12. Creditors, amounts falling due within one year

	<u>2017</u>	<u>2016</u>
VAT, payroll taxes and social security payable	131,288	71,262
Deferred income	146,258	133,204
Accruals	76,871	90,470
Other creditors	200,795	145,538
	<u> </u>	<u> </u>
	£ <u>555,212</u>	£ <u>440,474</u>

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

Notes to the Financial Statements**For the year ended 31st March 2017 (continued)****13. Taxation**

The company is not subject to taxation on its charitable activities.

14. Analysis of Net Assets Between Funds

	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total</u>
Fixed assets	2,294,577	329,420	2,623,997
Net current assets	389,481	(47,704)	341,777
	<u>£ 2,684,058</u>	<u>£ 281,716</u>	<u>£ 2,965,774</u>

In previous years the financial statements have disclosed separately a fund of £90,000 designated by the trustees towards artistic development. This is no longer considered to be relevant.

Restricted funds

	Brought Forward	Incoming Resources	Outgoing Resources	Carried Forward
National lottery	2,244,351	-	(69,165)	2,175,186
Minibus	14,139	-	(2,459)	11,680
New classroom	27,652	-	(5,922)	21,730
Chickenshed Kensington & Chelsea	126,786	266,180	(392,966)	-
Children & Youth theatre Programme	42,500	39,797	(72,637)	9,660
Crime of the Century Initiative	-	10,000	(7,068)	2,932
Outreach programme	43,030	31,086	(29,342)	44,774
Trainee Scheme	-	100,000	-	100,000
AV/IT & theatre equipment	55,364	1,000	(3,880)	52,484
Studio theatre development	56,895	-	(19,185)	37,710
Studio theatre productions	11,000	-	(11,000)	-
Young Creators programme	248,106	110,000	(163,111)	194,995
Disability Access Support	8,000	-	(8,000)	-
Rayne Theatre Flooring	23,220	-	(2,580)	20,640
Air Conditioning System	7,000	-	(2,000)	5,000
Office Refurbishment	8,667	-	(2,000)	6,667
Hand Dryers	800	-	(200)	600
Education programme	-	42,500	(42,500)	-
Internships	-	9,750	(9,750)	-
	<u>£2,917,510</u>	<u>£ 610,313</u>	<u>£ (843,765)</u>	<u>£ 2,684,058</u>

The Chicken Shed Theatre Trust

Notes to the Financial Statements

For the year ended 31st March 2017 (continued)

15. Lease and capital Commitments

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

	<u>Land and Buildings</u>			
	<u>2017</u>		<u>2016</u>	
Within 2-5 years	£	139,463	£	120,208
After 5 years	£	28,000	£	35,333

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

16. Related Party Transactions

The Chicken Shed Theatre Trust rents a property which is owned by The Chicken Shed Property Company. An annual rent of £28,000 (2016: £22,000) is payable and at 31st March 2017 The Chicken Shed Property Company owed The Chicken Shed Theatre Trust £8,938 (2016: £14,381).

Other Creditors include a loan from the Chicken Shed Property Company of £70,000 on which interest at the rate of 2% per annum is payable. At the year end this loan was repayable on the 18th January 2018. The loan repayment date was extended to 18th January 2019 subsequent to the year end.

17. Other financial commitments

The original founders of Chickenshed, Jo Collins and Mary Ward, were each awarded £15,000 per annum for 5 years on their retirement.

The Chicken Shed Theatre Trust

Supplementary Schedules

For the year ended 31st March 2017

1. Merchandising Income

	<u>2017</u>	<u>2016</u>
Income	14,426	17,879
Cost of sales	(6,332)	(9,191)
	<hr/>	<hr/>
(Loss)/Profit	£ 8,094	£ 8,688
	<hr/>	<hr/>

Profits on the sale of gifted merchandise are recognised at the date of sale.

2. Bar and Catering Income

	<u>2017</u>	<u>2016</u>
Income	35,501	34,884
Cost of sales	(5,335)	(5,515)
	<hr/>	<hr/>
Net profit	£ 30,166	£ 29,369
	<hr/>	<hr/>

At the beginning of September 2010 the internal catering service was outsourced to a third party, Brooklyn's Grill Ltd, under a licence agreement. Income is receivable from Brooklyn's via a monthly licensing fee of £1,288, (2016:£1,288), and a 5% commission fee on all sales, net of VAT.