

REGISTERED COMPANY NUMBER: 2994954 (England and Wales)
REGISTERED CHARITY NUMBER: 1042870

**REPORT OF THE TRUSTEES AND CONSOLIDATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017
FOR
SOUTHWARK PLAYHOUSE THEATRE COMPANY**

SOUTHWARK PLAYHOUSE THEATRE COMPANY

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FOR THE YEAR ENDED 31 DECEMBER 2017**

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SOUTHWARK PLAYHOUSE THEATRE COMPANY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number	2994954 (England and Wales)
Registered Charity number	1042870
Registered office	77-85 Newington Causeway London SE1 6BD
Trustees	C Gagnon – appointed 20/04/2018 S Hickson R N Pearson J Roberts – resigned 16/10/2017 G Semper K Serkis T Wood G Wellman
Patrons	Peter Gill OBE Simon Hughes MP Sir Michael Caine Andy Serkis
Company Secretary	C Smyrnios
Key Management:	
Chief Executive Director/Artistic Director	C Smyrnios
General Manager	R Seary – Until September 2017 C Beaver – From September 2017
Youth & Community Director	D Workman
Press & PR Manager	S Safavi
Theatre Manager	J Deighan
Technical & Production Manager	C Randall – From February 2017
Auditors	Wilkins Kennedy Audit Services Bridge House London Bridge London SE1 9QR
Bankers	HSBC 28 Borough High Street London SE1 1YB

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016).

OBJECTIVES AND ACTIVITIES

Southwark Playhouse is all about telling stories and inspiring the next generation of storytellers and theatre makers. It aims to facilitate the work of new and emerging theatre practitioners from early in their creative lives to the start of their professional careers.

Through our schools work we aim to introduce local people at a young age to the possibilities of great drama and the benefits of using theatre skills to facilitate learning. Each year we engage with 100s of school pupils through free schools' performances and long-term in-school curriculum support.

Through our Young Company (YoCo), a youth-led theatre company for local people between the ages of 14-25, we aim to introduce young people to the many and varied disciplines of running a semi-professional theatre company. YoCo provides a training ground to build confidence and inspire young people towards a career in the arts.

Our work in the community aims to engage with local people, of all ages and backgrounds, by bringing them together to exchange ideas and promote cohesion through meaningful, long-term drama related projects.

Our theatre programme aims to facilitate and showcase the work of some of the UK's best up and coming talent with a focus on reinterpreting classic plays and contemporary plays of note. Our two flexible theatre spaces enable us to offer theatre artists and companies the opportunity to present their first fully realised productions. Over the past 24 years we have produced and presented early productions by many aspiring theatre practitioners many of whom are now enjoying flourishing careers.

ACHIEVEMENT AND PERFORMANCE

The trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

THEATRE PROGRAMME

Southwark Playhouse hosted 22 productions across its two theatre spaces playing to 73,955 people. The programme continued to present a wide variety of shows by the best new and emerging theatre companies and practitioners (plus a few established ones too.)

On average we played to just under 61% capacity and took just over £1.05m in ticket sales.

The Large

Promises, Promises Book by Neil Simon; Based on the Screenplay The Apartment by Billy Wilder and I.A.L Diamond;
Music by Burt Bacharach & Lyrics by Hal David
Produced by Aria Entertainment & Senbla; Directed by Bronagh Lagan

Roundelay by Sonja Linden
Produced by Visible; Directed by Anna Ledwich
World Premiere

The Life Music by Cy Coleman; Lyrics by Ira Gasman; Book by David Newman, Ira Gasman, and Cy Coleman with additional material by Michael Blakemore
Produced by Amy Anzel, Matt Chisling and Catherine Schreiber; Directed by Michael Blakemore
UK Premiere

A Lie of the Mind by Sam Shepard
Produced by Defibrillator in association with Eilene Davidson; Directed by James Hillier

Working from the book by Studs Terkel; Adapted by Stephen Schwartz and Nina Faso; With additional contributions by Gordon Greenberg; Songs by Craig Carnelia, Micki Grant, Lin-Manuel Miranda, Mary Rodgers & Susan Birkenhead, Stephen Schwartz and James Taylor
Produced by Jack Maple, Ramin Sabi, Christopher Ketner & D.E.M. Productions; Directed by Luke Sheppard
European Premiere

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017**

ACHIEVEMENT AND PERFORMANCE - continued

Dessert by Oliver Cotton

Produced by David Adkin; Directed by Sir Trevor Nunn
World Premiere

Kiki's Delivery Service by Eiko Kadono; adapted for the stage by Jessica Siân

Produced by Southwark Playhouse; Directed by Kate Hewitt

Doubt, A Parable By John Patrick Shanley

Produced by Making Productions & Grafitti Productions in association with MBL Productions and ProdUse Theatre;
Directed by Che Walker

A Day by the Sea by N C Hunter

Produced by Two's Company and Karl Sydow, in association with Master Media Ltd; Directed by Tricia Thorns

Mother Courage and her Children by Bertolt Brecht; translation by Tony Kushner

Produced by Danielle Tarento; Directed by Hannah Chissick

Bananaman Book, Music & Lyrics by Leon Parris

Produced by Sightline Entertainment; Directed by Mark Perry

The Little

The Tempest by William Shakespeare

Produced by Southwark Playhouse; Directed by Amy Draper

School Play by Alex MacKeith

Produced by antic | face, in association with Nik Holtum Productions; Directed by Charlie Parham
World Premiere

The Diary of a Teenage Girl by Marielle Heller

Produced by Atomicus Entertainment, Jack Maple Productions, David Wilder Productions and Emily Lunnnon Productions; Directed by Alexander Parker and Amy Ewbank
UK Premiere

Natives by Glenn Waldron

Produced by Boundless Theatre; Directed by Rob Drummer
World Premiere

The Cardinal by James Shirley

Produced by Troupe; Directed by Justin Audibert

The Island by Athol Fugard, John Kani and Winston Ntshona

Produced by The Theatre, Chipping Norton; Directed by John Terry

Superhero by Richy Hughes, Joseph Finlay and Michael Conley; Based on an original idea by Richy Hughes

Produced by Tim Johanson Productions; Directed by Adam Lenson
World Premiere

Dangling by Abigail Hood

Produced by Abigail Hood; Directed by Kevin Tomlinson
World Premiere

Mrs Orwell by Tony Cox

Produced by Proud Haddock; Directed by Jimmy Walters

CASA Latin American Theatre Festival 2017

Trestle by Stewart Pringle

Produced by Papatango Theatre Company; Directed by Cathal Cleary
World Premiere

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

ACHIEVEMENT AND PERFORMANCE - continued

Dear Brutus by J. M. Barrie

Produced by Troupe; Directed by Jonathan O'Boyle

Awards

During the 2017 season our productions were nominated for and given the following awards:

Off West End Theatre Awards (The Offices)

Supporting Female in a Play – Winner (Jo Martin for Doubt: A Parable)

Female in a Musical – Winner (T'Shan Williams for The Life) & Nominated (Daisy Maywood for Promises, Promises)

Supporting Female in a Musical – Winner (Sharon D Clarke for The Life) & Nominated (Alex Young for Promises, Promises)

Male in a Musical – Winner (Michael Rouse for Superhero) & Nominated (Peter Polycarpou for Working & Gabriel Vick for Promises, Promises)

Supporting Male in a Musical – Winner (Cornell S John for The Life)

Musical Production – Winner (The Life) & Nominated (Working)

New Musical – Winner (Superhero) & Nominated (The Life)

What'sOnStage Awards

Best Off-West End Production – Nominated (Working)

YOUTH & COMMUNITY

Young Company

14 – 18 age group

Lucy Dear and Ibrahim Shote have been the Company Directors for this group in 2017.

The group's main production this year was Little Foot by Craig Higginson (originally written for the National Theatre's Connections scheme and subsequently revised by the playwright).

The show took place in April, in the Tiny (the upstairs rehearsal space here at Southwark Playhouse). The production employed puppetry as well as movement to convey the strange atmosphere the play conjures up, and so the group got the chance to work with puppeteers Mikey Brett and Oliver Hymans to develop their skills in this area – as well as working with fight director Ronin Traynor. Ten members of the group participated.

Set primarily underground in a series of caves, the Tiny was transformed into an immersive space through the hanging of decorated material from the ceiling and some clever lighting. To assist us in this, we recruited a design team of soon-to-be graduates from Rose Bruford College and the Central School of Speech and Drama. This felt very much in line with YoCo's ethos of supporting young professionals at the start of their career, and we hope to work with them and other students in a similar capacity again in the future.

The production ran for three days, with all performances sold out.

We had a truncated summer term due to many of our members having exams, and reconvened in the Autumn.

The Autumn Term saw the group working on spoken word poetry and prose. Alongside poet Moses Ssebandeke, they took on themes and topics that were important to them – including gender inequality and the everyday pressures of social media – and wrote their own short pieces, performed in a short showcase at the end of the year.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

ACHIEVEMENT AND PERFORMANCE - continued

19 – 25 age group

Chelsea Walker and David Workman have been the Company Directors for this group in 2017.

Our older group started the year with a small-scale project focused on monologues, something many of the group are interested in exploring as they think about preparing for drama school auditions. Across six weeks the group directed each other in a range of both classic and contemporary scenes. We then brought in a professional filmmaker who recorded a selection of these for posterity. We will be making some of these public soon.

Following this, Chelsea Walker, directed our main house production, *Beast* by Mariko Primarolo, which was performed for a week in the Little Theatre in July.

Mariko is a former member of Young Company, whose work Chelsea and the Company wanted to support. Her play was written specifically for the group, and for a large cast, and was set in the offices of 'Banners Corp' as it prepare to market a new energy drink with sinister properties, the titular 'Beast'.

Working alongside Chelsea we had a professional design team (Holly Piggott on Set and Costume, Jamie Platt on Lighting and Harry Blake on sound), with some of the cast also assisting on stage management and design.

The production was a great success, with positive feedback from both audiences and the Company themselves, and set a high bar for future projects.

The Autumn term started with another commission from Tate Modern (following our project at Christmas 2016 with the 14-18 Company). The theme of the September Uniqlo Tate Lates event was 'South London', and so members of the group performed a number of readings from poems, prose, speeches and songs by people from, and about South London – including Kate Tempest, the band Squeeze and Sadiq Khan.

Subsequently, Chelsea and Youth and Community Director David Workman directed a series of duologues from a range of contemporary plays, for a one-off performance to an invited audience. Scenes included extracts from plays by Charlotte Keatley, Penelope Skinner and Martin Crimp.

Elders Company

Re:Union

The start of 2017 saw founding company director Estelle Buckridge leave to start a family and move to the South West. We also had to say goodbye to assistant facilitator Mariko Primarolo this year, who took up a full time role elsewhere.

This gave us a slightly truncated start for our next project, which drew inspiration from the idea of a school reunion. Initially working with practitioner Joanna Holden, the group devised a series of scenes around this topic, both improvised and drawn from their own stories and experiences.

Following on from this, director Anna Girvan took all the material devised in rehearsals and fashioned it into a script focused around the forty-five year reunion of a group of old schoolmates. The play explored the effect their schooldays had – or didn't have – on the characters, and how much or how little they had changed since then. As the play comes to a climax, it turns out one of the members of the group has a secret to reveal...

The production, titled *Re:Union* and directed by Anna with support from Toby Clarke, was performed for three nights in September, as a script-in-hand performance. Some members of the group learnt their lines, others used their scripts, but all found it a satisfying challenge to be a part of, and it acted as a major milestone in the journey this group has gone on.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

ACHIEVEMENT AND PERFORMANCE - continued

Mind the Gap

Our other major project of the year took place the week after the Re: Union performance. We were approached by Gill Foster, the Head of Arts and Performance at our close neighbour, London South Bank University. Gill had invited the Education team from the New York Theatre Workshop over to the UK, to run a version of their 'Mind the Gap' project.

Mind the Gap is a free workshop in which half of the participants are elders aged 60 and up and half are teenagers aged 14-19. Over the course of 10 sessions, participants work in pairs to interview each other and write plays inspired by their partner's personal stories. Gill wanted second and third year students to work on this alongside members of the Elders Company.

Initially trepidatious, both groups came together for a week of workshops and devising, led by Alex Santiago-Jiarau and Andrew Garrett from NYTW. The week ended in a work-in-progress sharing in LSBU's theatre. Aside from the performance, it was clear that a huge shared sense of community had been created between the two groups, and a real 'company' was formed. We have hopes of continuing our work with LSBU and its students in the future.

Following these two projects, we have had a quieter Autumn. Not meeting regularly, we held one-off workshops on singing, text analysis and improvisation. We have welcomed a number of new members, and have recruited Jenni Elbourne as the director from January onwards.

The Tempest – Shakespeare for Schools Production

Following on from the success of Macbeth in 2016, this year's production of a Shakespeare play for local schools was The Tempest, which we presented across a four-week run in the Little in January.

Once again adapted and directed by Amy Draper, set and costume design was provided by Ele Slade. Sarah Readman designed lighting, and Candida Caldicot composed music alongside percussionist Andrew Meredith.

A cast of six performed all the roles – Sarah Malin (Prospero); Peter Caulfield (Ariel); Benjamin Cawley (Ferdinand/Stephano/Sebastian); Gemma Lawrence (Miranda/Trinculo/Antonio); Stanton Plummer-Cambridge (Caliban/Alonso) and Andrew Meredith providing onstage percussion and sound effects as one of the ensemble.

The theatre was transformed into a semi-immersive space, with platforms and performance areas in amongst the audience. Structures at either end of the auditorium allowed the performers to climb above the audience.

Twenty-four performances were held, twelve of which were special matinee performances during the week only for schools. Across these, 1300 young people were able to see a production for free – more than double the number in 2016.

Feedback from schools was very positive from both students...

"I loved this play because of the set, cast and design. My favourite part was at the end when Prospero said "We are such stuff as dreams are made of".

"I liked the whole play because I found it funny, scary, romantic, dramatic and interesting".

...and teachers...

"The dialogues or group discussions were the easiest to follow; the meaning of the monologues got a bit lost for me. The children, however, insisted that they had followed everything"

"We really enjoyed the play. I brought our Gifted and Talented children to see it and was really impressed by how they followed it. They loved the storm at the beginning and found it exciting and scary! It supported my teaching as I am working with these children in a group activity and they were struggling with the drama as they didn't know how to portray different characters. After seeing The Tempest they now know that they just need to change something about their appearance or facial expression and they can become someone else."

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

ACHIEVEMENT AND PERFORMANCE - continued

In total, 24 schools came to see a performance:

St John's Catholic School, Bessemer Grange, Holy Trinity and St Silas, Platanos College, Charlotte Sharman Primary School, Archbishop Sumner Primary School, St James the Great Primary School, Sacred Heart Catholic School, Dalmain School, Kingsdale Foundation School, Forest Hill School, Crawford Primary School, Friars Primary School, St Thomas the Apostle College, Notre Dame RC High School, St Francis RC Primary School, Michael Faraday Primary School, ARK All Saints Academy, Harris Girls' Academy East Dulwich, St George's Cathedral Catholic Primary School, ARK All Saints Academy, Sudbourne Primary School, Hollydale Primary School, John Ball Primary

Across the public performances, 2,655 people came to see the show, which sold out towards the end of its run. Reviews in the press were very positive:

"Draper's skilful adaptation focuses on growing up, letting go and forgiveness...(a) thoughtful production, which forgoes fancy special effects for characters you really root for" Time Out

"... this 90-minute show delivers an enchanting and emotionally charged Tempest" Whatsonstage

"Invigorating, rhythmic staging, setting a high standard for fringe Shakespeare productions." The Stage

Future Voices

Future Voices is our most ambitious new writing project yet, and has been generously supported in its first year by The Andrew Lloyd Webber Foundation.

We are working with five schools across five south London boroughs – Sacred Heart Catholic College (Southwark); Platanos College (Lambeth); Ernest Bevin School (Wandsworth); Thomas Tallis School (Greenwich) and Bonus Pastor Catholic School (Lewisham). Each has selected up to five young people, who across two terms are taking part in playwriting workshops, mentoring and development with a writer assigned to their school. The young people have been selected based on their aptitude and interest in creative writing, but who may not have had the opportunity to develop this outside of school. The participating writing mentors are Toby Clarke, Phoebe Éclair-Powell, Yolanda Mercy, Charlie Whitworth and Sarah Hehir.

Alongside developing their skills, the aim is that participating young people will have written a short ten-minute piece by April 2018. These will then be performed on stage at Southwark Playhouse by professional actors, directed by Rob Drummer (Artistic Director of Boundless Theatre, and director of Natives here at Southwark Playhouse earlier in 2017).

Further to this, we hope to not only repeat the project in future years, but also use this as the catalyst for starting our own writing group for young people as a springboard to further engagement with young people in our community.

Cherry Garden Special School

The end of 2016 saw us successfully receive funding to support a year-long programme of work with Cherry Garden Special School, who we have collaborated with for many years on a range of projects.

Between March and April long-term practitioner at Cherry Garden Alice McKenzie worked with musician Andrew Meredith in the weekly swimming lessons for the Year 4 and 5 classes. Across six sessions Alice and Andrew created an immersive piece entitled 'Fireflies and Frogs' that incorporated specially-created music and sounds along with tactile objects in the pool itself such as lights and floats. Each week the students explored the same environment, building their confidence and engagement so that they were able to explore and make discoveries for themselves.

Recent years have seen us work successfully with filmmakers to create something more lasting for the students and their families to watch, and which takes the pressure of performing live off the students themselves. This was the form our summer term project took.

For this, we worked with the Year 6 students, who were leaving school at the end of the term to begin secondary education. Taking the idea of a 'quest' as its focus, Alice decided to take the story of the Ramayana, a classical Indian epic, and utilise elements of the story to focus the idea of the adventure being part of their educational journey. Working with musician Raph Clarkson and filmmaker Jen Pearcey-Edwards, the class crafted a ten-minute long piece, which was then screened to the whole school at the end of term.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

ACHIEVEMENT AND PERFORMANCE - continued

This Christmas we again supported the annual Cherry Christmas show – this year featuring Santa visiting every different continent, and each class focusing on one each to represent. Featuring music and film, this is always a happy event for the families of the students, who get to see their children performing and showing off their skills.

Peabody Summer School

We were approached by the Youth Engagement team at Peabody (a social housing provider for many estates in the area and greater London) to run a week-long performance-based summer school for young residents on their estates. As well as providing a fun experience, the aim was to also provide employability and training information and opportunities.

Across four days, a group of young people from across London, aged between 12 – 17 worked with Ibrahim Shote and Natasha Bergg to explore a range of themes, leading to a short sharing at the end of the week for family and friends.

Schools Programme

The Odyssey

Our summer term schools' project has become an annual event, with this year no different. Between May and July we worked with two schools towards developing an adapted version of 'The Odyssey' for performance to an invited audience of family and friends.

This year we worked with a Year 6 group from St James the Great Primary in Peckham, and a Year 7 group from Harris Girls' Academy East Dulwich, with the aim of providing a little bit of support for the younger students as they made the transition to secondary school.

Hence the idea of the odyssey, or the quest. The various tasks of Odysseus were used as a fun way of exploring the possible things that the students might encounter at secondary school.

St James the Great worked with director Louise de Froment and writer James Rushbrooke, with Harris Girls' Academy working with director Jordana Gouldbourn. Each one took a separate half of the story, meeting halfway and at the end to finish in a shared encounter.

Following the performance, we ran a workshop where the students were able to articulate some of the ideas explored during rehearsals as a whole group.

PwC Pantomime

As in many previous years we have once again run prop-making workshops in two local schools. These are for the PwC staff charity pantomime, which this year is The Wizard of Oz. Designer Anna van der Poorten worked with students at Charlotte Shaman Primary School and St George's Cathedral Catholic Primary School to make giant poppies and objects for the emerald city amongst other things!

Work Experience

Eight students had week-long placements with us this year. However, we have decided to end our workshop experience programme for now. The pressures it brings on our small team mean that it has often been difficult for us to provide opportunities that are truly meaningful for the young people participating, and so we would rather be able to offer a better service than a sub par one.

We are actively looking into apprenticeships – both at FE and HE level, and will still offer the occasional work experience opportunity to members of Young Company

School links – ARK Globe Primary Academy and Walworth Academy

We have developed particular links with two local schools this year.

ARK Globe Primary Academy have started a 'Little Actors' afterschool drama group. Their first cohort came for a backstage tour and Q&A with David Workman in Spring this year. We have subsequently welcomed them and their classmates back for a chance to perform their devised Christmas performance on stage here at the Playhouse, which we hope gave them an exciting first opportunity.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

ACHIEVEMENT AND PERFORMANCE - continued

Other Projects

People's Company

We have continued to host the People's Company here at the Playhouse, and they have had an incredibly busy year. A scratch night of new work at Theatre Deli in Burgess Park; multiple tours animating local history; and a large-scale performance at the Coronet (the last performance there before it is closed down), 'Melodramatic Elephant'.

ALT. ALT. is a scheme that brings a cohort of 15 young people from low-income and low arts engagement backgrounds together to experience actor training in a risk-free and supportive environment. Outside the pressures of money (the programme is completely free), Director and Acting Coach, Toby Clarke, is tackling the increasing difficulties for young people to have access to high quality and life affirming training and industry exposure. Toby approached us about hosting the first ALT. actors showcase, which took place in Spring 2017. We also hosted the second in December 2017, and hope to be able to continue our involvement with the group, as the work they do is incredibly important.

Links with productions

Among the productions that have engaged with our programme this year are Natives, who hosted a podcasting workshop with members of Young Company; Working, who welcomed a group of young people to devise their own response to the show which was performed in front of members of the company and Roundelay, who invited Elders Company assistant director Mariko Primarolo to be on the panel of one of their post-show talks. Many shows have also welcomed schools' groups.

STEP/ TEF

Southwark Theatre Education Partnership has seen a resurgence in the past year, and Southwark Playhouse is a regular attendee at meetings, and will be participating in teachers' CPD events and a youth theatre showcases in 2018. Other members include the Young Vic, Shakespeare's Globe, Blue Elephant Theatre and Theatre Peckham.

Reading Group

The weekly reading group has continued this year, with the group meeting every Thursday morning to read a short story together. A real sense of community has been developed amongst the group.

Unearthing Elephant

Artists Rebecca Davies and Eva Sajovic produced a short film, Unearthing Elephant, supported by Tate Modern, which explored the community around the Elephant and Castle shopping centre, and their hopes and fears for its future life. We were pleased to be able to offer a screening here in July, at which members of our various participatory groups came along and engaged with the director in a post-screening Q&A.

NCS

The National Citizens Service (NCS) is a programme for young people aged 15 – 17 to try new things, gain new skills and challenge themselves. We welcomed a group to the Playhouse in July, who had a tour of the theatre and then presented their ideas, Dragons Den's style, to us for feedback prior to their final presentations later in the process.

Statistics

Around 1,680 participants have been involved in projects. On top of this we had audience attendance of 3,266.

Bar/Cafe Operation

The theatre's bar and kitchen is a key contributor to the organisation's overall income. This year we reconfigured the way the front of house, which includes the bar operation, is managed. We introduced two new positions Theatre Manager and Assistant Theatre Manager. This new structure has so far worked well. We have also outsourced the kitchen operation to a third party which effectively eliminates our risk and ensures income on a weekly basis.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

FINANCIAL REVIEW

Statement of Financial Activities

The Statement of Financial Activities (SOFA) shows the extent of, and movement in, all charitable funds differentiating between restricted funds (monies provided for specific purposes) and unrestricted funds (monies which can be applied to any charitable objectives within the organisation's objectives). Unrestricted funds include funds designated by the trustees for specific future investment in the organisation. The total funds at 31 December 2017 are £355,617 (2016: £375,253); of these £37,787 are represented by fixed assets such as buildings and equipment (2016: £36,077).

Total incoming resources for the year were £872,915 (2016: £887,192).

Our main sources of income were from earned income sources such as theatre rental of £296,727 (2016: £289,020), bar/café income of £308,791 (2016: £348,180) and managed production income of £198,701 (2016: £156,565).

The year's accounts show a deficit of £19,636 (2016: surplus of £8,930) this is largely owing to upfront capital costs towards the new theatre at Newington Butts (opening 2019) of £50,917.

Restricted Funds

Restricted Fund movements in the year represent grants and donations towards specific productions and projects or other activities, most notably our upcoming capital project.

Unrestricted Funds

These represent the operational income of the charity (e.g. ticket sales, bar sales, venue hire), as well as grants and donations towards the activities of the charity as a whole.

Reserve Policy

At 31 December 2017 the charity held in its deposit account unrestricted reserves of £337,016. These reserves are currently allocated for the following purposes:

- Artistic Programme: £25,000 – to allow for the development of future productions at the playhouse.
- Operational: £125,000 – three months' worth of running costs to allow for any unexpected drops in the organisation's income.
- Relocation Costs: £175,000 – a fund allocated towards the theatre's upcoming capital costs for moving to a new theatre.

Risk Management

As part of the annual policy review trustees identified the major risks (financial, governance/compliance, operational and external risks) facing the Charity over the coming years.

Each risk is assessed according to the likelihood, and potential impact, and systems and procedures to manage those risks are agreed and embedded by the trustees and staff. Some of the main risks facing the charity are:

Financial - Potential decline in charitable and sponsorship funds. This is mitigated against by: decreasing the number of in-house productions in favour of paid hires; finding new and developing existing sources of earned income; identifying and making efficiency savings and building the operational reserves to cover a 3 month period.

Financial - Potential decline in audience numbers. This is mitigated against by: developing an aggressive and targeted marketing strategy accordingly; incentivizing attendance with special offers and deals; marketing the bar independently to the theatre to maintain the bar income; ensuring the programme is appealing and accessible; the board review and advise on audience figures with senior staff on a quarterly basis.

Governance – Child protection and safeguarding. This is mitigated against by: trustees' annual review of a robust safeguarding policy; Youth & Community Director trained as the Safeguarding Officer, overseeing all building and artistic programme requirements in relation to safeguarding, DBS checks for all key staff and contractors.

Operational/ reputational – Data breach. This is mitigated against by: all staff being briefed on responsibilities under GDPR legislation; cloud-based back-up of all data; GDPR recommendations in place across the charity with identified procedures and nominated people for reporting and escalating any breaches.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

FUTURE PLANS

This year saw our launch of a capital fundraising campaign towards the fit-out of a new 300 seat theatre at the Elephant and Castle. Our target is £3m and we engaged fundraising consultancy, Comptons, to help us plan and deliver our fundraising strategy. The shell and core of the theatre reached practical completion in December and we expect to sign the lease in January 2018. We aim to raise the money by mid-2018 and to start works in autumn 2018 with a target opening date of July 2019.

It is also our intention to move to a new purpose built space in the arches beneath London Bridge. However, we have yet to agree the Theatre Specification and the Agreement for Lease. GL Hearn are kindly supporting us in bringing negotiations to a conclusion so that we can fit-out and begin operations in the arches at some point in the imminent future.

With ongoing and ambitious capital plans we are not planning any in-house theatre productions but the youth and community programme continues to plan and grow throughout the capital process. In 2018 our youth and community plans are:

- Performances by Young Company including *There is a War* by Tom Basden in the Little. We have been offered two separate week-long slots in the Little, which is an exciting additional opportunity for us.
- We have tentative plans to start a 10 – 13 Young Company, with an eye to the opportunities our new venue offers.
- The Elders Company will be working with a new company Director, offering new directions and possibilities, including another link-up with London South Bank University and their students.
- The first cohort of Future Voices participants will have their work performed here at Southwark Playhouse, with a writing group for young writers also beginning.
- The return of the PLAYground Festival, a new writing programme for Year 6 students in local primary schools.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and Structure

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. The maximum liability of members in the event of winding up is £1. At 31 December 2017 there were 7 members who are all Directors of the company.

Governance

The activities of the charity are supervised by the Trustees, who meet as a board four times each year, or more often if necessary. The trustees delegate the day to day management of the charity to its paid staff, particularly to the Chief Executive. The high quality and professional experience of the Board continue to provide strong support and direction for the Theatre's team and staff.

Trustee Recruitment

The Trustees are drawn from people who have shown a keen interest in the Theatre, giving due consideration to the required skills, experience and diversity of the Board body. New Trustees are recommended by Trustees and the Chief Executive and are approved by the Board. Their appointment is then confirmed at the Annual General Meeting. When they are first appointed, Trustees receive an induction pack and are briefed by the Chairman and Chief Executive, as well as having the chance to meet other staff. The board's performance is reviewed annually by the Chair.

Key management

The key management personnel of the charitable company are the Board of Trustees, the Chief Executive who is also the Artistic Director, the General Manager, the Youth and Community Director, the Press and PR Manager, the Technical and Production Manager and the Theatre Manager. All members of the board give their time freely and no board members received remuneration in the year. Details of expenses reimbursed to trustees are disclosed in note 11. There are no related party transactions.

Remuneration for the key management is reviewed annually and set by the Board of Trustees.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

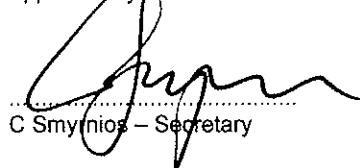
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2016 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 11 September 2018 and signed on its behalf by:


.....
C Smyrnios – Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTHWARK PLAYHOUSE THEATRE COMPANY

Opinion

We have audited the financial statements of Southwark Playhouse Theatre Company (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2017 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group and Parent Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provision available for small entities, in the circumstances set out in note 2a to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTHWARK PLAYHOUSE THEATRE COMPANY

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Wilks, Kennedy Audit Services

John Howard (Senior Statutory Auditor)
For and on behalf of Wilks Kennedy Audit Services
Statutory Auditor
Bridge House
London Bridge
London
SE1 9QR

Date *24 September 2018*

SOUTHWARK PLAYHOUSE THEATRE COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
INCOME					
Donations, grants and legacies	2	8,933	3,500	12,433	15,226
Charitable activities	3	495,428	43,483	538,911	517,306
Other trading activities	4	308,791	-	308,791	348,180
Investment income	5	140	-	140	216
Other income		12,640	-	12,640	6,264
Total		825,932	46,983	872,915	887,192
EXPENDITURE ON					
Raising funds	6	307,746	-	307,746	254,793
Charitable activities	7	525,215	63,590	584,805	623,469
Total	8	828,961	63,590	892,551	878,262
NET INCOME/(EXPENDITURE)		(3,029)	(16,607)	(19,636)	8,930
RECONCILIATION OF FUNDS					
Total funds brought forward	19	340,045	35,208	375,253	366,323
TOTAL FUNDS CARRIED FORWARD		337,016	18,601	355,617	375,253

All of the results are from continuing activities and include all gains and losses recognised in this year and last.

The notes on pages 18 to 27 form part of these financial statements.

SOUTHWARK PLAYHOUSE THEATRE COMPANY
CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEET
AT 31 DECEMBER 2017

	Notes	GROUP		Charitable Company	
		2017 £	2016 £	2017 £	2016 £
FIXED ASSETS					
Tangible assets	12	37,787	36,077	36,738	35,020
Fixed asset investment	13	-	-	100	100
		<u>37,787</u>	<u>36,077</u>	<u>36,838</u>	<u>35,120</u>
CURRENT ASSETS					
Stocks	14	4,769	6,405	-	-
Debtors	15	69,058	70,320	92,297	65,901
Cash at bank		604,460	510,379	576,865	491,469
		<u>678,287</u>	<u>587,104</u>	<u>669,162</u>	<u>557,370</u>
CREDITORS					
Amounts falling due within one year	16	(360,457)	(247,928)	(350,383)	(217,237)
NET CURRENT ASSETS		<u>317,830</u>	<u>339,176</u>	<u>318,779</u>	<u>340,133</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>355,617</u>	<u>375,253</u>	<u>355,617</u>	<u>375,253</u>
NET ASSETS	18	<u>355,617</u>	<u>375,253</u>	<u>355,617</u>	<u>375,253</u>
FUNDS					
Unrestricted funds		337,016	340,045	337,016	340,045
Restricted funds	19	18,601	35,208	18,601	35,208
TOTAL FUNDS		<u>355,617</u>	<u>375,253</u>	<u>355,617</u>	<u>375,253</u>

The financial statements were approved by the Board of Trustees on 11 September 2018 and were signed on its behalf by:



T Wood - Trustee

The notes on pages 18 to 27 form part of these financial statements.

SOUTHWARK PLAYHOUSE THEATRE COMPANY
CONSOLIDATED AND CHARITABLE COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	GROUP 2017 £	2016 £	Charitable Company 2017 £	2016 £
Cash used in operating activities	22	<u>103,934</u>	<u>33,830</u>	<u>94,954</u>	<u>42,177</u>
Cash flows from investing activities					
Purchase of tangible fixed assets		<u>(9,853)</u>	<u>(3,784)</u>	<u>(9,558)</u>	<u>(3,290)</u>
Cash provided by (used in) investing activities		<u>(9,853)</u>	<u>(3,784)</u>	<u>(9,558)</u>	<u>(3,290)</u>
Change in cash and cash equivalents in the reporting period		94,081	30,046	85,396	38,887
Cash and cash equivalents at the beginning Of the reporting period		<u>510,379</u>	<u>480,333</u>	<u>491,469</u>	<u>452,582</u>
Cash and cash equivalents at the end of the reporting period	23	<u>604,460</u>	<u>510,379</u>	<u>576,865</u>	<u>491,469</u>

The notes on pages 18 to 27 form part of these financial statements.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. GENERAL INFORMATION

Southwark Playhouse Theatre Company is a charitable company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charitable company's operations principle activities are set out on page 2.

2. ACCOUNTING POLICIES

The principal account policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all years presented unless otherwise stated.

b) Basis of Consolidation

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, Southwark Playhouse Trading Limited, on a line by line basis in accordance with FRS 102 – section 9 and the SORP (FRS 102) – section 24.

Details of Southwark Playhouse Trading Limited are given in note 13 of the financial statements.

A separate statement of financial activities for the Charitable Company has not been present because the Charitable Company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

c) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES – continued

d) Funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

e) Income

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income be received and the amount can be measured reliably.

- Income from donations and grants are included in incoming resources when they are receivable unless the donor has specified that the donation or grant relates to a future period.
- Income from charitable activities which represents managed productions and theatre rentals is included in income resources in the period in which relevant performance takes place. Income related to productions in a subsequent period is treated as deferred income.
- Income from trading activities which represents the income from the sale of catering and bar facilities is recognised as earned.

f) Expenditure

All expenditure is accounted for on an accruals basis and have been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds comprise the costs of the front of house staff and their associated support costs.
- Expenditure on charitable activities includes the costs of performances and other educational activities undertaken to further the purpose of the charitable company and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts artistic programmes and activities. These costs have been allocated within expenditure on charitable activities.

h) Operating lease

The Charitable Company classifies the rental lease as an operating lease; the title to the building remains with the lessor.

Rental charges are charged on a straight line basis over the term of the lease.

i) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, at rates calculation to write off the cost of each asset on a straight line basis over the asset's estimated useful lives as follows:

Plant and machinery	- 33% on cost, 25% on reducing balance and 20% on cost
Fixtures and fittings	- 33% on cost, 25% on reducing balance and 10% on cost

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES – continued

j) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

k) Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Accrued income is measured at the amount due to be received.

l) Cash at bank and in hand

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

m) Creditors

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Other creditors and accruals are recognised at their settlement amount due.

n) Financial instruments

The charitable company 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.

o) Taxation

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

p) Judgements and key sources of estimation uncertainty

Accounting 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.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note i for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Other donations and grants	8,933	3,500	12,433	15,226
	<u>8,933</u>	<u>3,500</u>	<u>12,433</u>	<u>15,226</u>

In 2016, all of the £15,266 was attributable to the unrestricted fund.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Managed Production	198,701	-	198,701	156,565
Theatre Rental	296,727	-	296,727	289,020
Youth & Community (restricted)	-	43,483	43,483	71,721
	<u>495,428</u>	<u>43,483</u>	<u>538,911</u>	<u>517,306</u>

In 2016, £445,585 of income from charitable activities was attributable to the unrestricted fund and the remaining £71,721 was attributable to the restricted fund.

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Income from trading activities	308,791	-	308,791	348,180
	<u>308,791</u>	<u>-</u>	<u>308,791</u>	<u>348,180</u>

In 2016 all of the £348,180 other trading activities income was attributable to the unrestricted fund.

5. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Bank interest	140	-	140	216
	<u>140</u>	<u>-</u>	<u>140</u>	<u>216</u>

In 2016 all of the £216 investment income was attributable to the unrestricted fund.

6. RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Commercial Front of office operations	38,669	-	38,669	34,249
Expenditure on trading activities	269,077	-	269,077	220,544
	<u>307,746</u>	<u>-</u>	<u>307,746</u>	<u>254,793</u>

In 2016 all the £254,793 of the expenditure in relation to raising funds was attributable to the unrestricted fund.

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Managed Production	521,215	3,500	524,715	571,998
Youth & Community	-	60,090	60,090	51,471
	<u>521,215</u>	<u>63,590</u>	<u>584,805</u>	<u>623,469</u>

In 2016 £571,998 of the expenditure in relation to charitable activities was attributable to the unrestricted fund, with the remaining £51,471 being attributable to the restricted fund.

8. EXPENDITURE

	Direct costs £	Support costs (See note 9) £	Total 2017 £	Total 2016 £
Managed Production	75,252	449,463	524,715	571,998
Youth & Community	60,090	-	60,090	51,471
	<u>135,342</u>	<u>449,463</u>	<u>584,805</u>	<u>623,469</u>
Raising funds	303,246	4,500	307,746	254,793
	<u>438,588</u>	<u>453,963</u>	<u>892,551</u>	<u>878,262</u>

9. SUPPORT COSTS

	Staff costs £	Establishment costs £	Governance costs	Totals
Managed Production	191,040	251,799	6,624	449,463
Raising funds	-	-	4,500	4,500
	<u>191,040</u>	<u>251,799</u>	<u>11,125</u>	<u>453,963</u>

Support costs, including in the above, are as follows:-

	2017 £	2016 £
Wages	191,040	215,415
Software licences	1,058	427
Recruitment fees	1,987	2,205
Rent & rates	68,219	86,634
Other establishment costs	89,286	108,550
Accountancy fees	11,410	14,483
Advertising & PR	23,888	23,566
Legal & professional fees	5,058	3,500
New venue costs	50,917	-
Auditors remuneration (Parent only £4,000)	6,750	6,200
Auditors remuneration – non audit work	4,350	2,550
	<u>453,963</u>	<u>463,530</u>

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. NET INCOME/(EXPENDITURE)

	Consolidated		Charity	
	2017	2016	2017	2016
	£	£	£	£
Net income/(expenses) is stated after charging/(crediting):				
Auditors' remuneration	6,750	6,200	4,000	3,600
Auditors' remuneration for non-audit work	4,350	2,550	2,600	1,800
Depreciation - owned assets	8,143	6,225	7,840	5,890

11. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	Consolidated		Charity	
	2017	2016	2017	2016
	£	£	£	£
Wages and salaries	287,482	308,204	179,002	237,319
Social security costs	18,012	13,042	13,337	13,042
Pension	1,375	-	1,375	-
	<u>306,869</u>	<u>321,246</u>	<u>193,714</u>	<u>250,361</u>
The average number of employees during the year was:	<u>23</u>	<u>24</u>	<u>14</u>	<u>17</u>

Employee time has been allocated either;

- 1) To direct costs on a percentage of the time spent by an employee on an activity
- 2) To support costs allocated on a percentage basis over all the costs.

No employee received emoluments above £60,000 (2016: none).

During 2017 no trustees (2016: £nil) were paid or received any other benefits from employment with the charity. Also, during the year no trustees (2016: £nil) were reimbursed for expenses.

The key management of the charity comprise of the board of trustees and those listed on page 1 of the financial statements.

The total employee benefits of the key management personnel of the Charity were £164,875 (2016: £128,448)

12. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Totals
	£	£	£
CONSOLIDATED			
COST			
At 1 January 2017	61,827	185,077	246,904
Additions	6,382	3,471	9,853
At 31 December 2017	<u>68,209</u>	<u>188,548</u>	<u>256,757</u>
DEPRECIATION			
At 1 January 2017	53,461	157,366	210,827
Charge for year	7,138	1,005	8,143
At 31 December 2017	<u>60,599</u>	<u>158,371</u>	<u>218,970</u>
NET BOOK VALUE			
At 31 December 2017	<u>7,610</u>	<u>30,177</u>	<u>37,787</u>
At 31 December 2016	<u>8,366</u>	<u>27,711</u>	<u>36,077</u>

SOUTHWARK PLAYHOUSE THEATRE COMPANY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. TANGIBLE FIXED ASSETS - continued	Plant and machinery £	Fixtures and fittings £	Totals £
CHARITY			
COST			
At 1 January 2017	60,388	185,077	245,465
Additions	6,087	3,471	9,558
At 31 December 2017	<u>66,475</u>	<u>188,548</u>	<u>255,023</u>
DEPRECIATION			
At 1 January 2017	53,079	157,366	210,445
Charge for year	6,835	1,005	7,840
At 31 December 2017	<u>59,914</u>	<u>158,371</u>	<u>218,285</u>
NET BOOK VALUE			
At 31 December 2017	<u>6,561</u>	<u>30,177</u>	<u>36,738</u>
At 31 December 2016	<u>7,309</u>	<u>27,711</u>	<u>35,020</u>

13. INVESTMENT	Consolidated		Charity	
	2017	2016	2017	2016
	£	£	£	£
Investment in Southwark Playhouse Trading Limited	<u>-</u>	<u>-</u>	<u>100</u>	<u>100</u>

Southwark Playhouse Trading Limited is a private limited Company, registered number 9264350. The company was incorporated on the 15 October 2014 and 100% of the £100 ordinary share capital is owned by Southwark Playhouse Theatre Company. It has been consolidated on a line by line basis. During the period to 31 December 2017 Southwark Playhouse Trading Limited made a £nil profit based on turnover £308,791. The company had capital and reserved of £100.

14. STOCKS	Consolidated		Charity	
	2017	2016	2017	2016
	£	£	£	£
Finished goods	<u>4,769</u>	<u>6,405</u>	<u>-</u>	<u>-</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Consolidated		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	18,743	4,430	18,743	4,186
Amounts owed by group undertaking	-	-	26,054	-
Other debtors	11,200	26,388	8,385	26,388
Prepayments and accrued income	39,115	39,502	39,115	35,327
	<u>69,058</u>	<u>70,320</u>	<u>92,297</u>	<u>65,901</u>

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	28,186	44,430	22,802	32,289
Amounts owed to group undertakings	-	-	-	3,472
Social security and other taxes	6,457	4,399	6,457	4,399
Other creditors	310,642	187,799	312,460	169,127
Accruals and deferred income	15,172	11,300	8,664	7,950
	<u>360,457</u>	<u>247,928</u>	<u>350,383</u>	<u>217,237</u>

17. OPERATING LEASE COMMITMENTS – Consolidated and charity

The charity had total commitments under an operating leases are:

	Land and buildings		Equipment	
	2017	2016	2017	2016
	£	£	£	£
Expiring:				
Within one year	-	-	420	-
In more than five years	393,750	468,750	-	-
	<u>393,750</u>	<u>468,750</u>	<u>-</u>	<u>-</u>

Our current lease expires in 5 years and 3 months at the end of December 2017 – with a break in April 2021. Southwark Playhouse Theatre Company can terminate the lease in year 8 of the 10 year lease – this break is due within 3 years and 3 months at the year end 31 December 2017

At the 31 December 2017 the charity had annual commitments under an operating lease as follows:

	Land and buildings		Equipment	
	2017	2016	2017	2016
	£	£	£	£
Expiring:				
Within one year	-	-	420	-
In more than five years	75,000	75,000	-	-
	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	2017 Total funds
	£	£	£
Consolidated:			
Fixed assets	37,787	-	37,787
Current assets	659,686	18,601	678,287
Current liabilities	(360,457)	-	(360,457)
	<u>337,016</u>	<u>18,601</u>	<u>355,617</u>

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

18a. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2016

	Unrestricted fund £	Restricted funds £	2016 Total funds £
Consolidated:			
Fixed assets	36,077	-	36,077
Current assets	551,896	35,208	587,104
Current liabilities	(247,928)	-	(247,928)
	<u>340,045</u>	<u>35,208</u>	<u>375,253</u>

19. RESTRICTED FUNDS – Consolidated and charity 2017

	At 1 Jan 2017 £	Income £	Expenditure £	At 31 Dec 2017 £
Restricted funds				
Managed Productions	-	3,500	(3,500)	-
Youth & Community	35,208	43,483	(60,090)	18,601
	<u>35,208</u>	<u>46,983</u>	<u>(63,590)</u>	<u>18,601</u>

Restricted Funds

Youth & Community

The represents funding for the Youth and Community programme , brought forward from the previous year as well as project funding secured and fully spent in the current year and funds received but to be spent in 2018 including: Charterhouse in Southwark; The Ashley Family Foundation and the Peter Cruddas Foundation.

19a. RESTRICTED FUNDS – Consolidated and charity 2016

	At 1 Jan 2016 £	Income £	Expenditure £	At 31 Dec 2016 £
Restricted funds				
Youth & Community	14,958	71,721	(51,471)	35,208
	<u>14,958</u>	<u>71,721</u>	<u>(51,471)</u>	<u>35,208</u>

20. CAPITAL COMMITMENTS

As at 31 December 2017 the charity had no capital commitments (2016: £Nil).

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2017 (2016: none)

SOUTHWARK PLAYHOUSE THEATRE COMPANY
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Consolidated		Charitable Company	
	2017	2016	2017	2016
	£	£	£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(19,636)	8,930	(19,636)	8,930
Adjustments for:				
Depreciation charge	8,143	6,225	7,840	5,890
Decrease in stocks	1,636	483	-	-
(Increase)/ decrease in debtors	1,262	(27,513)	(26,396)	(23,370)
Increase in creditors	112,529	45,705	133,146	50,727
Net cash provided by (used in) operating activities	<u>103,934</u>	<u>33,830</u>	<u>94,954</u>	<u>42,177</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Consolidated		Charitable Company	
	2017	2016	2017	2016
	£	£	£	£
Short-term deposits	<u>604,460</u>	<u>510,379</u>	<u>576,865</u>	<u>491,469</u>

