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**ALTERNATIVE THEATRE COMPANY LIMITED**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**ALTERNATIVE THEATRE COMPANY LIMITED**

**(A company limited by guarantee)**

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### COMPANY INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

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#### DIRECTORS & TRUSTEES:

Giancarla Alen-Buckley	Resigned 26 September 2017
Matthew Byam Shaw	
Grace Chan *	
Mark Dakin	
Simon Dowson-Collins *	
Stephen Greenhalgh	Resigned 4 July 2017
Simon Johnson (Chair) *	
Nike Jonah	
Khafi Kareem	
Isabella Macpherson	
Kathryn Marten	
Stephen Pidcock	Appointed 4 June 2018
Catherine Score	Appointed 2 October 2018
Madani Younis	

\* Finance and Audit Committee member

#### COMPANY SECRETARY

Lauren Clancy

#### KEY MANAGEMENT

Lauren Clancy – Executive Director  
Madani Younis – Artistic Director  
Lynette Linton – Artistic Director (designate)

#### REGISTERED OFFICE

7 Uxbridge Road  
Shepherds Bush  
London  
W12 8LJ

#### PRINCIPAL OFFICE

Bush Theatre  
7 Uxbridge Road  
London W12 8LJ

#### INDEPENDENT AUDITOR

RSM UK Audit LLP  
Chartered Accountants  
Statutory Auditor  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
MK9 1BP

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**ALTERNATIVE THEATRE COMPANY LIMITED**

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**COMPANY INFORMATION (continued)  
FOR THE YEAR ENDED 31 MARCH 2018**

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**PRINCIPAL BANKERS**

National Westminster Bank Plc  
25 Shepherds Bush Green  
London W12 8PR

**LEGAL ADVISERS**

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

**COMPANY NUMBER**

1221968

**REGISTERED CHARITY NUMBER**

270080

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the consolidated financial statements of the Alternative Theatre Company Limited, trading as the Bush Theatre (the "Company"), Bush Theatre Trading Limited and Bush Theatre Productions Limited (the "Group"), for the year ended 31 March 2018. The Trustees confirm that the annual report and financial statements of the group comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### OBJECTIVES AND ACTIVITIES

The company's core objectives (as per our governing document) are:

- Developing, promoting and producing the best new theatre writing.
- Providing professional development, education and training both for those within the industry and those learning about the industry.
- Increasing audience access to new writing both in London and further afield.
- Encouraging cultural diversity.

All of the company's activities are aimed at achieving these core objectives. Many of the activities are complementary, helping to achieve more than one objective.

Our key annual activities are:

- Producing a season including fully presented productions of new plays.
- Constructing national and international touring productions, as well as West End transfers where appropriate.
- Reading and reporting on approximately 1,000 scripts every year.
- Commissioning new plays.
- Providing rehearsed readings and bespoke development for new writers.
- Publishing inexpensive play texts for each full production.
- Providing practical professional development, education and training opportunities for creative and production personnel.
- Programming a diverse selection of the best national and international new plays, in addition to commissioned plays.
- Providing opportunities for local schools to engage with the theatre's artistic work including through participatory educational activities.
- Making provisions to involve disadvantaged sections of the community.

The Bush Theatre is an equal opportunities employer and encourages contributions from all sectors of the community.

#### Public Benefit

In setting its objectives and carrying out its activities the Trustees confirm that they have given due consideration to the Charity Commission's guidance on Public Benefit.

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The company is governed by its Memorandum and Articles of Association.

The governing body is the Board of Trustees, led by the Chair, Simon Johnson. The Board will normally meet at least four times a year with the Senior Executive Team also present. The Board is involved in all major decisions and has responsibility for the organisation's conduct and financial sustainability.

In the year ended 31 March 2018, the Board met five times.

The company has two wholly-owned subsidiaries:

- Bush Theatre Trading Limited - a trading company for the bar and events activity.
- Bush Theatre Productions - dormant over this period.

The Trustees have extensive senior experience in a range of sectors that include theatre and the performing arts, marketing, philanthropy, entrepreneurship, local government, finance, legal, and business management.

The Board tenure is a four-year renewable term. By targeting individuals with appropriate experience, the Trustees aim to broaden the Board's skill base through ongoing recruitment.

The Trustees during the year and as at the date of this report are listed on page 1 of this report and accounts.

New trustees receive a briefing pack including key statutory documents, information about the company and a copy of the Memorandum and Articles of Association. They also carry out an informal induction meeting with the Executive Director.

The Board establishes Committees to oversee certain aspects of the Bush Theatre's activities. These are main Board Committees with delegated authority in respect of certain functions and activities. Each Board Committee has written Terms of Reference approved by the Board and reports to the Board at each Board meeting. The Board Committees which operated during the year are:

- Finance and Audit Committee: reviews management reporting and financial performance against budget and recommends to the Board the annual budget, as well as reviewing audit and financial reporting, internal financial controls, risk management and compliance. The Committee met four times during the year.

Following the completion of the capital project the Development Committee was disbanded.

The Board has delegated responsibility for the management of the company on a day-to-day basis to the Senior Executive Team, comprising the Artistic Director/CEO and the Executive Director. The Artistic Director/CEO is responsible for the artistic direction of the company, management, programming and finance. The Executive Director works closely with the Artistic Director on strategic leadership of the group.

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Board appoints the Artistic Director/CEO and Executive Director, monitors their performance and reviews and sets their pay. The responsibility for the appointment of all other staff is delegated to the Senior Executive team. The Senior Executive Team is supported by departments covering administration, development, finance, literary, marketing, production and operations.

The Senior Executive Team regularly reports to the Trustees, who are responsible for:

- Establishing clear strategic direction and cultural identity of the group.
- Monitoring the performance of the group and establishing appropriate operating policies.
- Ensuring legal and regulatory compliance.
- Acting as guardians of the group's assets.
- Maintaining the highest possible standards of governance.

#### STRATEGIC REPORT

##### Introduction

This was the first full year of operating the theatre in our newly reopened building and the team thrived in our new environment, using all the opportunities presented to us by the new tools and the infrastructure we now have to live our mission of producing great plays, developing talent, and driving forward our work in community engagement.

##### Artistic excellence

We presented 10 plays, 5 of which were commissioned by the Bush Theatre and all of which represented the diversity of London - with particular focus on cultural diversity. At least 33% of creative team members were also from BAMER backgrounds.

Critically the programme was a success and included one of the highest grossing shows in the theatre's history. It was also a record year for audience numbers.

We programmed 343 performances and made 49,047 tickets available to events at the Bush Theatre. Our total audience for ticketed events at the Bush was over 40,000 and we reached 12,257 additional audiences outside of London.

We launched the Studio and presented *Ramona Tells Jim* by Sophie Wu, a previous member of our Emerging Writers' Group. We also supported a number of emerging new writing theatre companies to open tours in the Studio prior to small scale touring.

The core artistic programme included a major international revival of US play *Hir*, by Taylor Mac, and *NASSIM*, a new work by Iranian theatre maker Nassim Soleimanpour, reflecting our mission to work alongside international writers to develop and adapt work for a UK audience. *NASSIM* is currently touring internationally.

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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## STRATEGIC REPORT (continued)

### Artistic excellence (continued)

In partnership with the British Council, we produced one of our first digitally-led projects: *Hijabi Monologues*, a digital capture of 9 monologues specially commissioned to represent interweaving stories from our doorstep with the experiences of Muslim women in other parts of the world. The project included three new works from members of the Bush Theatre's immediate community and totalled 9 UK premieres.

### Talent development

We read 484 unsolicited scripts and remain one of a very few theatres who accept plays from writers with no representation. We discovered 15 brand new writers through this process and are now committed to developing the next step of their artistic journeys.

We made a number of resources available to the writers we developed, including maintaining a playscript library of 3,500 texts available to anyone for free in our newly refurbished Gianni and Michael Alen-Buckley Script Library.

We developed or maintained partnerships with high quality education providers and provided 80 hours of student contact time as part of these relationships.

We engaged 6 new writers onto our Emerging Writers' Group ("EWG") and provided 46 hours of contact time for each member of the EWG. We also presented our annual showcase of work-in-progress from the group to an industry panel. In 2017-18 2 writers from our EWG were under full commission and 2 continue to receive other types of support.

We engaged 3 new associate artists and with this area of work sought to address the underrepresentation of disabled artists and artists based outside of London. As well as providing 40 hours of development time, we also made available creative opportunities within the Studio programme for previous cohorts of Associate Artists.

Following a successful pilot in 2016-17, we hosted a writer, director and producer as part of Project 2036 and, in the 2018-19 year presented *Dismantle* in the Studio as part of the project. *Dismantle* was the culmination of a year-long investigation into power in theatre and the ways in which it intersects with gender, race, class, economics and education. We engaged one participant into a staff team role and will continue to engage with this cohort on future creative projects.

In line with our objective to change the make-up of arts leadership through recruitment and training, the Bush developed a diverse and highly skilled cohort of leaders through leadership training opportunities. These included developing 3 leaders as part of Up Next, a positive-change intervention designed to give up to 6 members of Artistic Directors of the Future the opportunity to take over both the Bush Theatre and Battersea Arts Centre for a period of up to two months.



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ALTERNATIVE THEATRE COMPANY LIMITED

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TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2018

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**STRATEGIC REPORT (continued)**

**Community**

The community strand of the Bush's work swelled to fill the theatre's newly refurbished physical space and included a new programme aimed at affecting the industry dialogue around community engagement and a landmark, community-led artistic project as part of the core programme.

The 2017-18 year saw 1,000 participant engagements in the Community programme, 527 workshop engagements at the Bush or in the community and 1,622 special project participants.

Three community associates worked in partnership with the Bush over an 18 month period, taking part in 6 sessions, one centrepiece public sharing and an industry seminar to discuss the learnings of the programme.

As part of the core programme *Hijabi Monologues* focused on the real-life experiences of both local and international Muslim women and featured stories from our doorstep as well as experiences of Muslim women in other parts of the world. Members of the community got involved in lots of ways, from penning a play to performing on stage, to visiting the theatre as a first-time audience member.

Our Bush Local scheme, aimed at deepening the relationship we have with our immediate local community, grew to 5,250 members and local people represented 30% of our audiences.

We distributed 388 free tickets to local community groups, produced 8 audio described and 8 captioned performances.

In line with our access aim to remove barriers for attendance, we reached 2,900 people through our £10 as part of the "Count Me In" ticket scheme and grew our young people's membership to 2300. Young people (under 26) represented 12% of our audiences.

We provided 11 work experience placements for young people from the community and 2 longer term internships for theatre professionals at the start of their careers.

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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#### STRATEGIC REPORT (continued)

##### Fundraising

Our approach to fundraising is to build long term relationships with companies, trusts and individuals who understand and support our values and wish to support our work. Policies and procedures developed in-house guide our principles and ensure we are compliant with data protection law. We are also registered with the Fundraising Regulator to further support good fundraising practice and to show our commitment to the Code of Fundraising Practice. No external third party professional fundraisers or commercial fundraisers are used by the charity to contact existing donors or potential donors.

The restriction of our activities as discussed above means that we do not contact vulnerable people as part of any fundraising activity.

No person within the charity or any other person acting on behalf of the charity was subject to an undertaking to be bound by a voluntary scheme for regulating fund raising or any voluntary standard of fundraising.

We have received no complaints about activities by the charity for the purposes of fundraising.

##### Development

The move into our new space created new development challenges and opportunities. The artistic ambition of the theatre generated new funding requirements and the Development team harnessed the excitement of that ambition to engage with a wide range of existing and new funders to generate the resources needed to meet our vision. In addition to our continued support from Arts Council England we engaged with the following funders to raise the required resources during the year:

In addition to our continued support from Arts Council England we received outstanding gifts from the following funders to raise the required resources during the year: Martin Bowley Charitable Trust, British Council, John S Cohen Foundation, The Daisy Trust, Esmée Fairbairn Foundation, the Paul Hamlyn Foundation, Hammersmith United Charities, Boshier Hinton Foundation, the Charles Michael Holloway Charitable Trust, Leverhulme Trust, John Lyon's Charity, the PTF Charitable Settlement, the Safera Foundation, the Thistle Trust, Teale Charitable Trust, Andrew Lloyd Webber, Peter Wolff Theatre Trust.

The Trustees wish to thank all the trusts, foundations and individuals who made our programme possible.

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## **ALTERNATIVE THEATRE COMPANY LIMITED**

**(A company limited by guarantee)**

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### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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#### **FINANCIAL REVIEW**

The company's key financial objective is to ensure financial sustainability so that the charity can pursue its aims and objectives. In support of this key objective are policies relating to reserves, financial risk, trading activities and fundraising which are addressed in more detail within this report.

The company has prepared accounts in compliance with SORP in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015). The statement of financial activities (SOFA), balance sheets, cash flow statements and notes are set out from page 15 onwards.

#### **Income**

Total income for the year was £2,054,995 (2017: £4,244,878). Of this, £1,216,407 (2017: £4,006,551) related to grants and donations to support the artistic activity, community investment and talent development activities of the theatre, £481,142 (2017: £213,444) was from charitable activities, £357,291 (2017: £23,806) was other income and £155 (2017: £1,077) was from investment incomes. The variances in income from the prior year relate primarily to the end of the capital grant funding, which was to support the development of the new theatre, the increase in box office, other charitable activity income and other trading income following the reopening of the theatre.

Included in grant income is funding from ACE which totaled £773,852 (2017: £2,604,182) of which £160,071 (2017: £1,982,901) related to the major capital redevelopment (restricted), £118,500 (2017: £126,000) was for artistic development programmes (restricted) and the remaining £495,281 (2017: £495,281) represented the annual core funding which supports the full range of artistic activity and talent development.

#### **Expenditure**

Total expenditure for the year was £2,494,413 (2017: £1,658,112). The variances in expenditure from the prior year relate primarily to the increase in administration and building, production, literary, marketing and depreciation following the reopening of the theatre, offset by the reduction in the capital revenue expenditure following the completion of the capital project.

#### **Net surplus/(deficit)**

The Group reported a total deficit of £439,418 (2017: surplus of £2,562,475) for the year. The variance from the prior year related to the ending of the capital grant funding for the development of the new theatre and the increased net operating costs following the reopening of the theatre. After adjusting for depreciation the Group reported an operating deficit of £102,278.

#### **Funds**

Total funds as at 31 March 2018 were £5,637,837 (2017: £6,077,255) of which £5,365,610 (2017: £5,663,107) was restricted and £272,227 (2017: £414,148) was unrestricted.

Of the restricted funds, £4,976,670 (2017: £5,368,063) represents the net book value of fixed assets that were funded by the capital grant funding. The remaining restricted funds represent the balance on the capital revenue funding and the funds that have been restricted in use by the requirements of the funder.

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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#### Funds

The total unrestricted funds of £272,227 contain two designated funds totaling £64,572 (2017: £118,864) to fund activity to further artistic development. During the year an amount of £64,292 was utilised to fund the investment in Studio productions.

As at 31 March 2018 the general reserve was £207,665 (2017: £295,284).

#### Reserves policy

The Trustees review the charity's reserves policy as an integral part of their review of the charity's future plans. As at the 31 March 2018 the free reserves of the group, being those unrestricted, undesignated funds not otherwise invested in tangible fixed assets were £134,219 (2017: £293,783).

Under its reserve policy the charity has established a risk reserve to protect the charity against reasonable fluctuations in trading income and donations in the future. The Trustees recognise the inherent risks and uncertainties involved in presenting theatrical productions, and will work towards maintaining a minimum level of a general reserve fund of £290k to cover fixed costs and salaried staff for three months.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The ACE core funding for the Charity is confirmed until March 2022. The Trustees will continue to regularly review the programme of activity, cashflow forecasts and private income sources of the Charity to identify and mitigate the risks generated by its activities. The internal financial controls are periodically reviewed to ensure that they still are appropriate for and sufficient for the charity.

A comprehensive risk register was created as part of the five-year business plan, and will be reviewed by the board on an ongoing basis and updated. The most significant risks are:

- Not being able to develop high quality new plays. Processes in place to manage this risk include strategies for the slate of plays under development and a new structure for the literary department to find new voices. If necessary we can review the fee structure for writers, change the focus of R&D, develop further co-productions and visits.
- Challenges in reaching new audiences and increasing audience numbers to support the financial model. Key controls to manage this risk include: increased investment in marketing, strategy focusing on low price entry point, media strategy to increase profile, strong seasons of plays.
- Insufficient commercial potential in the programme. We will counter this by longer term planning to build the profile of a season and by identifying and seeking to replicate the characteristics of a successful show.
- Maintaining relationships with multi-year trust funders. Key controls include stewardship of trusts and foundations, trustee to trustee engagement, a strong case for support for revenue funding, strong community and talent development programmes.
- Shortfalls against individual and corporate fundraising targets. Key controls include longer term planning for this fundraising, developing deeper and longer relationships with key supporters.

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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#### FUTURE PLANS

The future plan for the theatre is to fully implement the core objectives set out on page 3 of this report.

#### 2018/19 specific objectives

2018-19 is year two of the existing five-year strategic plan, and the first year of a four-year NPO agreement with Arts Council England. The season of work for 2018-19 continues the theatre's commitment to producing the best new playwrights and speaking up for diversity and inclusivity in all its forms.

It also sees the second year of *Passing the Baton*, a three-year programming initiative dedicated to revivals of work by writers of colour which began with Winsome Pinnock's *Leave Taking* and continues with *Strange Fruit* by Caryl Phillips alongside a mentoring scheme to nurture the next generation of writers of colour.

The specific objectives for the forthcoming year are:

- To prepare for the launch of the new Artistic Director's first season.
- To commission 10 new plays.
- To reach over 40,000 audience members in London and a further 10,000 outside of London.
- To achieve over 1500 participant engagements in the Community programme.
- To continue to further the debate around cultural diversity.
- To launch the first *Up Next* takeover at the end of the year – a positive-change intervention for artistic leaders of colour.

The Trustees would like to record their thanks to the Bush Theatre staff and management for their hard work and achievements throughout the year. The management, staff and Trustees look forward to working together on this historic year for the Bush Theatre.

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## ALTERNATIVE THEATRE COMPANY LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

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#### Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 and group 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 group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Provision of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:


- so far as that Trustee is aware, there is no relevant audit information of which the group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the group's auditor in connection with preparing its report and to establish that the group's auditor is aware of that information.

#### Auditor

A resolution to reappoint RSM UK Audit LLP as auditor for the ensuing year will be proposed at the forthcoming annual general meeting.

In preparing this report, the Trustees have taken advantage of the exemptions available under the small companies' regime.

This report was approved by the Trustees and signed on their behalf, by:



**G Chan**  
Trustee

Date: 11 December 2018

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALTERNATIVE THEATRE COMPANY LIMITED

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### Opinion

We have audited the financial statements of Alternative Theatre Company Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2018 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our 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 parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees 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.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALTERNATIVE THEATRE COMPANY LIMITED

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### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

### Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 12, 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

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

### Use of our report

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

**RSM UK Audit LLP**

SARAH MASON FCA (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

The Pinnacle, 170 Midsummer Boulevard

Milton Keynes

MK9 1BP

Date 13 December 2018



**ALTERNATIVE THEATRE COMPANY LIMITED**

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating Income and Expenditure Account)  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
<b>INCOME AND ENDOWMENTS FROM:</b>							
Grants, donations and legacies	3	506,600	709,807	1,216,407	3,161,593	844,958	4,006,551
Charitable activities	4	-	481,142	481,142	-	213,444	213,444
Other trading activities	5	-	357,291	357,291	-	23,806	23,806
Investments	6	-	155	155	-	1,077	1,077
<b>TOTAL INCOME</b>		<b>506,600</b>	<b>1,548,395</b>	<b>2,054,995</b>	<b>3,161,593</b>	<b>1,083,285</b>	<b>4,244,878</b>
<b>EXPENDITURE ON:</b>							
Raising funds	7	-	113,650	113,650	25,487	113,478	128,965
Other trading activities		-	112,543	112,543	-	-	-
Charitable activities	8	794,097	1,474,123	2,268,220	714,661	814,486	1,529,147
<b>TOTAL EXPENDITURE</b>		<b>794,097</b>	<b>1,700,316</b>	<b>2,494,413</b>	<b>740,148</b>	<b>917,964</b>	<b>1,658,112</b>
Other gains/(losses)	9	-	-	-	(22,759)	(1,532)	(24,291)
<b>NET (EXPENDITURE)/INCOME</b>		<b>(287,497)</b>	<b>(151,921)</b>	<b>(439,418)</b>	<b>2,398,686</b>	<b>163,789</b>	<b>2,562,475</b>
Transfers between funds		(10,000)	10,000	-	(6,534)	6,534	-
<b>NET MOVEMENT IN FUNDS</b>	10	<b>(297,497)</b>	<b>(141,921)</b>	<b>(439,418)</b>	<b>2,392,152</b>	<b>170,323</b>	<b>2,562,475</b>
Total funds at 1 April		5,663,107	414,148	6,077,255	3,270,955	243,825	3,514,780
<b>TOTAL FUNDS AT 31 MARCH</b>		<b>5,365,610</b>	<b>272,227</b>	<b>5,637,837</b>	<b>5,663,107</b>	<b>414,148</b>	<b>6,077,255</b>

The notes on pages 20 to 35 form part of these financial statements.

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**ALTERNATIVE THEATRE COMPANY LIMITED****(A company limited by guarantee)**

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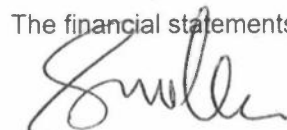
**CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2018****REGISTERED NUMBER: 1221968**

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	Note	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	12	5,050,136	5,369,564
<b>CURRENT ASSETS</b>			
Stocks		5,688	5,752
Debtors	14	159,322	343,246
Cash at bank		<u>662,771</u>	<u>832,238</u>
Total current assets		827,781	1,181,236
<b>CREDITORS: amounts falling due within one year</b>	15	<u>(240,080)</u>	<u>(473,545)</u>
<b>NET CURRENT ASSETS</b>		<u>562,701</u>	<u>707,691</u>
<b>NET ASSETS</b>		<u>5,637,837</u>	<u>6,077,255</u>
<b>FUNDS</b>			
Restricted funds	16	5,365,610	5,663,107
Unrestricted funds	16	<u>272,227</u>	<u>414,148</u>
<b>TOTAL FUNDS</b>		<u>5,637,837</u>	<u>6,077,255</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime.

The financial statements were approved by the Trustees and signed on their behalf by:



**G Chan**  
Trustee

Date: 11 December 2018

The notes on pages 20 to 35 form part of these financial statements.

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**ALTERNATIVE THEATRE COMPANY LIMITED****(A company limited by guarantee)**

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**CHARITY BALANCE SHEET  
AS AT 31 MARCH 2018****REGISTERED NUMBER: 1221968**

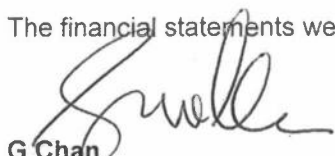
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	Note	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	12	5,050,136	5,369,564
Investments	13	<u>200</u>	<u>200</u>
		5,050,336	5,369,764
<b>CURRENT ASSETS</b>			
Stocks		5,688	7
Debtors	14	159,322	335,022
Cash at bank		<u>662,771</u>	<u>827,862</u>
		827,781	1,162,891
<b>CREDITORS: amounts falling due within one year</b>	15	<u>(285,502)</u>	<u>(455,400)</u>
<b>NET CURRENT ASSETS</b>		<u>542,279</u>	<u>707,491</u>
<b>NET ASSETS</b>		<u>5,592,615</u>	<u>6,077,255</u>
<b>FUNDS</b>			
Restricted funds	16	5,365,610	5,663,107
Unrestricted funds	16	<u>227,005</u>	<u>414,148</u>
<b>TOTAL FUNDS</b>		<u>5,592,615</u>	<u>6,077,255</u>

The Charity's deficit for the year was £484,640 (2017: surplus £2,560,506).

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime. A separate Statement of Financial Activities for the charity itself is not presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The financial statements were approved by the Trustees and signed on their behalf by:



**G Chan**  
Trustee

11 December 2018

The notes on pages 20 to 35 form part of these financial statements.

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**ALTERNATIVE THEATRE COMPANY LIMITED****(A company limited by guarantee)**

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**CONSOLIDATED STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDING 31 MARCH 2018**

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	2018 £	2017 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (expenditure)/income for the financial year	(439,418)	2,562,475
Adjustments for:		
Depreciation of tangible assets	389,048	132,891
Loss on disposal of tangible assets	-	23,800
Interest received	(155)	(1,077)
Decrease in stocks	64	1,499
Decrease in debtors	183,924	407,733
(Decrease)/Increase in creditors	(233,465)	231,246
<b>NET CASH (USED)/PROVIDED BY OPERATING ACTIVITIES</b>	<b>(100,002)</b>	<b>3,358,567</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	155	1,077
Payments to acquire tangible fixed assets	(69,620)	(3,005,295)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(69,465)</b>	<b>(3,004,218)</b>
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(169,467)</b>	<b>354,349</b>
<b>CASH AND CASH EQUIVALENTS AT 1 APRIL</b>	<b>832,238</b>	<b>477,889</b>
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>662,771</b>	<b>832,238</b>

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**ALTERNATIVE THEATRE COMPANY LIMITED****(A company limited by guarantee)**

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**CHARITY STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDING 31 MARCH 2018**

---

	2018 £	2017 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (expenditure)/income for the financial year	(484,640)	2,560,506
Adjustments for:		
Depreciation of tangible assets	389,048	132,891
Loss on disposal of tangible assets	-	23,800
Interest received	(155)	(1,077)
(Increase)/decrease in stocks	(5,681)	814
Decrease in debtors	175,700	417,121
(Decrease)/increase in creditors	(169,898)	222,602
<b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>	<b>(95,626)</b>	<b>3,356,657</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	155	1,077
Payments to acquire tangible fixed assets	(69,620)	(3,005,295)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(69,465)</b>	<b>(3,004,218)</b>
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(165,091)</b>	<b>352,439</b>
<b>CASH AND CASH EQUIVALENTS AT 1 APRIL</b>	<b>827,862</b>	<b>475,423</b>
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>662,771</b>	<b>827,862</b>

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## ALTERNATIVE THEATRE COMPANY LIMITED

(A company limited by guarantee)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1. ACCOUNTING POLICIES

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

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £1.

Alternative Theatre Company Limited meets the definition of a public benefit entity under FRS 102.

##### 1.2 Basis of Consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiaries. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

##### 1.3 Going concern

The Trustees have prepared budgets and cash flow forecasts covering a period of at least 12 months from the date of approval of the financial statements and are satisfied that the group is a going concern. The risks mentioned in the Trustees' report have been taken into account when preparing these budgets and forecasts and measures have been put in place to mitigate these risks.

##### 1.4 Company status

The charity is a private company limited by guarantee incorporated in England and Wales. The members of the company are the Trustees named on page 1 (who are also directors for the purposes of company law). In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

##### 1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds comprise monies where a restriction has been placed on their use by a donor (for a purpose which falls within but is narrower than the general charitable objectives). Restricted funds are distributed in accordance with the terms of the applicable restriction.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The nature and purpose of each designated fund is set out in the notes.

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## ALTERNATIVE THEATRE COMPANY LIMITED

(A company limited by guarantee)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1.6 Income

Income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The market value of donated services and gifts provided to the charity is recognised at their open market value in the period in which they are received as increasing resources, where the benefit to the charity can be readily measured. Donated fixed assets are included in the appropriate fixed asset category and depreciated over their useful economic life in accordance with the charity's policies.

#### 1.7 Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

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## ALTERNATIVE THEATRE COMPANY LIMITED

(A company limited by guarantee)

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1.8 Allocation of support costs (basis of apportionment)

Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs which are apportioned on the same basis as support costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

#### 1.9 Production costs and related income or grants

Costs incurred in respect of a theatre production which meet the definition of a prepayment are carried forward at the balance sheet date. Income or grants relating to a production that is to commence after the year end are carried forward at the balance sheet date.

#### 1.10 Tangible fixed assets and depreciation

Office equipment items and leasehold improvement items costing more than £1,000 are capitalised. All other assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold land	-	Straight line over the length of the lease
Leasehold buildings	-	Straight line over the lower of 50 years and length of lease
Leasehold improvements	-	Straight line over 15 years
Production equipment	-	Straight line over 5 years
Fixtures and fittings	-	Straight line over 5 years
Catering equipment	-	Straight line over 4 years
Office and IT equipment	-	Straight line over 3 years

#### 1.11 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

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#### 1.12 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

#### 1.13 Stocks

Stocks are valued at the lower of cost and net realisable value and consist of texts for resale and bar stocks.

#### 1.14 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.



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**ALTERNATIVE THEATRE COMPANY LIMITED**

**(A company limited by guarantee)**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**1.15 Financial instruments**

The 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.

**1.16 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. The Trustees consider that there have been no critical estimates and judgements in the year.

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**ALTERNATIVE THEATRE COMPANY LIMITED****(A company limited by guarantee)**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**2. FINANCIAL PERFORMANCE OF THE CHARITY**

The consolidated Statement of Financial Activities includes the results of the Charity's wholly owned subsidiaries Bush Theatre Trading Limited and Bush Theatre Productions Ltd.

The summary financial performance of the Charity excluding the subsidiary is as follows:

	2018 £	2017 £
Income	1,697,704	4,214,090
Expenditure	(2,182,344)	(1,629,293)
Other losses	-	(24,291)
Net (expenditure)/income for the year – movement in total funds	(484,640)	2,560,506
Total funds brought forward	6,077,255	3,516,749
Total funds carried forward	5,592,615	6,077,255
Represented by:		
Restricted funds	5,365,610	5,663,107
Unrestricted funds	227,005	414,148
	5,592,615	6,077,255

A gift aid distribution of £nil (2017: £10,851) was received from Bush Theatre Trading Limited in the year.

**3. INCOME FROM GRANTS, DONATIONS AND LEGACIES - GROUP**

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Grants - Arts Council England	278,571	495,281	773,852	2,604,182
Grants - Trusts and Foundations	178,029	500	178,529	627,692
Grants - Local Authority	-	-	-	450,000
Sponsorship	-	11,500	11,500	38,000
Donations - Gift aid	-	14,918	14,918	21,476
Donations - Patrons Scheme	-	87,238	87,238	79,000
Donations - Other	50,000	100,370	150,370	186,201
Total	506,600	709,807	1,216,407	4,006,551

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**ALTERNATIVE THEATRE COMPANY LIMITED****(A company limited by guarantee)**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**4. INCOME FROM CHARITABLE ACTIVITIES - GROUP**

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Theatre productions	481,142	481,142	213,444

Split of income from Theatre Productions is as follows:

	2018 £	2017 £
Box office	412,656	128,269
Co-productions and exploitation	19,059	31,750
Merchandise sales	14,410	5,026
Equipment sales	6,821	-
Tax credit income	25,651	46,256
Other income	2,545	2,143
	<u>481,142</u>	<u>213,444</u>

**5. INCOME FROM OTHER TRADING ACTIVITIES - GROUP**

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Café bar income	295,942	295,942	23,003
Events and room hire income	61,349	61,349	803
	<u>357,291</u>	<u>357,291</u>	<u>23,806</u>

**6. INVESTMENT INCOME - GROUP**

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	155	155	1,077

**ALTERNATIVE THEATRE COMPANY LIMITED**

(A company limited by guarantee)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**7. EXPENDITURE ON RAISING FUNDS - GROUP**

	Total funds 2018 £	Total funds 2017 £
Development costs	16,874	15,462
Salary cost	96,776	99,103
Café Bar and Events	-	14,400
	<u>113,650</u>	<u>128,965</u>

**8. EXPENDITURE ON CHARITABLE ACTIVITIES - GROUP**

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Theatre production:				
Administration and building	9,798	184,145	193,943	88,649
Production	132,842	492,765	625,607	393,864
Literary	27,085	54,642	81,727	77,935
Capital project	64,578	-	64,578	203,507
Marketing and sales	4,904	93,101	98,005	62,211
Depreciation	386,048	-	386,690	132,891
Staff costs	141,605	645,532	787,137	536,787
Community engagement	27,237	3,296	30,533	33,303
Total	<u>794,097</u>	<u>1,474,123</u>	<u>2,268,220</u>	<u>1,529,147</u>

The above expenses include the following support costs:

	2018 £	2017 £
Staff costs - Administration & finance	102,988	113,651
IT expenses	9,939	9,663
Staff costs - Premises	16,628	16,628
General administration expenses	34,551	48,413
Governance costs		
- External audit fee	12,470	12,000
- Legal and professional	3,082	1,725
- Board expenses and training	-	217
- Senior management time	27,460	27,460
	<u>207,118</u>	<u>229,757</u>

**ALTERNATIVE THEATRE COMPANY LIMITED**

(A company limited by guarantee)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**9. OTHER GAINS/LOSSES**

	Total funds 2018 £	Total funds 2017 £
Loss on disposal of tangible assets	-	23,800
Corporation tax	-	491
	<u>-</u>	<u>24,291</u>

**10. NET MOVEMENT IN FUNDS - GROUP**

This is stated after charging:	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	389,048	132,891
Auditor's remuneration:		
Audit fees	12,470	12,000
Accountancy fees	-	2,780
Operating lease rentals: equipment	4,281	4,703

**11. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION & EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL**

	2018 £	2017 £
Wages and salaries	823,520	560,571
Social security costs	54,787	48,273
Pension contributions	5,606	3,888
	<u>883,913</u>	<u>612,732</u>

The average monthly number of employees during the year was as follows:

	2018 No.	2017 No.
FOH/Bar staff	36	2
Theatrical production	23	22
Administration	<u>4</u>	<u>3</u>
	63	27

During the year the group employed 32 (2017: 20) full time equivalent staff. No employee received remuneration amounting to more than £60,000 in either year. No Trustee received any remuneration (2017: £nil), benefits in kind (2017: £nil) or expenses (2017: £217) in their capacity as a Trustee.

**ALTERNATIVE THEATRE COMPANY LIMITED**

(A company limited by guarantee)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**11. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION & EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL**

The Group considers its key management personnel to comprise the Artistic Director and the Executive Director. The total employment benefits, including national insurance and employer pension contributions, of the key management personnel were £120,157 (2017: £121,724).

**12. TANGIBLE FIXED ASSETS – Group and charity**

	Long leasehold land and buildings £	Leasehold improvements £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 April 2017	1,700,000	3,663,600	586,643	5,950,243
Additions	-	-	69,620	69,620
Disposals	-	-	-	-
At 31 March 2018	1,700,000	3,663,600	656,263	6,019,863
<b>Depreciation</b>				
At 1 April 2017	138,886	252,239	189,554	580,679
Charge for the year	25,252	243,996	119,800	389,048
Disposals	-	-	-	-
At 31 March 2018	164,138	496,235	309,354	969,727
<b>Net book value</b>				
At 31 March 2018	1,535,862	3,167,365	346,909	5,050,136
At 31 March 2017	1,561,114	3,411,361	397,089	5,369,564

**13. FIXED ASSET INVESTMENTS - Charity**

	Shares in group undertakings £
Cost at 1 April 2017 and 31 March 2018	200

The subsidiaries are as follows:

Company name	Country	Percentage of shares owned	Activity
Bush Theatre Trading Limited Company no 02899516	England	100%	Management of Cafe/Bar and Events
Bush Theatre Productions Limited Company no 09343516	England	100%	Dormant

**ALTERNATIVE THEATRE COMPANY LIMITED**

(A company limited by guarantee)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**13. FIXED ASSET INVESTMENTS – Charity (continued)**

The summary financial performance for the year ending 31 March 2018 and the financial position as at 31 March 2018 of the subsidiaries is as follows:

	Bush Theatre Trading Limited		Bush Theatre Productions Limited	
	2018 £	2017 £		
<b>Profit and loss account:</b>				
Turnover	357,290	41,847		
Cost of sales	(240,642)	(26,356)		
<b>Gross profit</b>	<u>116,648</u>	<u>15,491</u>		
Administrative expenses	(71,427)	(2,178)		
<b>Profit before taxation</b>	<u>45,221</u>	<u>13,313</u>		
Tax on profit	-	(492)		
<b>Profit for the year</b>	<u>45,221</u>	<u>12,821</u>		
<b>Balance sheet:</b>	2018 £	2017 £	2018 £	2017 £
Current assets	45,321	18,345	100	100
Current liabilities	-	(18,245)	-	-
<b>Net assets</b>	<u>45,321</u>	<u>100</u>	<u>100</u>	<u>100</u>
<b>CAPITAL AND RESERVES:</b>				
Called up share capital	100	100	100	100
Profit and loss account	45,221	-	-	-
<b>SHAREHOLDERS' FUNDS</b>	<u>45,321</u>	<u>100</u>	<u>100</u>	<u>100</u>

The turnover, cost of sales and administrative expenses set out in the Bush Theatre Trading Limited profit and loss account are all transactions with the Charity. The current assets and liabilities contained in the Bush Theatre Trading Limited balance sheet and Bush Theatre Productions Limited balance sheet represent intercompany balances due from/(to) the Charity.

Bush Theatre Trading Limited and Bush Theatre Productions Limited are exempt from audit by virtue of S479A of Companies Act 2006.

**ALTERNATIVE THEATRE COMPANY LIMITED**

**(A company limited by guarantee)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**14. DEBTORS**

	Group 2018 £	2017 £	Charity 2018 £	2017 £
Trade debtors	110,480	27,536	110,480	25,736
VAT debtor	-	72,793	-	72,793
Other debtors	6,156	2,375	6,156	2,375
Prepayments and accrued income	42,686	240,542	42,686	234,118
	159,322	343,246	159,322	335,022

**15. CREDITORS:  
Amounts falling due within one year**

	Group 2018 £	2017 £	Charity 2018 £	2017 £
Trade creditors	77,699	191,284	77,699	177,316
Amounts owed to group undertakings	-	-	45,422	1,671
Social security and other taxes	16,348	19,117	16,348	19,117
VAT liability	20,588	-	20,588	-
Other creditors	3,587	28,344	3,587	24,602
Accruals and deferred income	121,858	234,800	121,858	232,694
	240,080	473,545	285,502	455,400

	Group 2018 £	2017 £	Charity 2018 £	2017 £
Deferred income:				
Deferred income brought forward	53,635	23,495	53,635	23,495
Amounts released from previous year	(53,635)	(23,495)	(53,635)	(23,495)
Income deferred during the year	39,872	53,635	39,872	53,635
Deferred income carried forward	39,872	53,635	39,872	53,635

Deferred income represents box office income received in advance of performances.



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**16. STATEMENT OF FUNDS**

Group	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
<b>Unrestricted funds</b>					
<i>Designated funds:</i>					
Artistic Development	118,002	-	-	(54,292)	63,710
Capital Expenditure	862	-	-	-	862
	<u>118,864</u>	<u>-</u>	<u>-</u>	<u>(54,292)</u>	<u>64,572</u>
<i>General funds:</i>					
General funds	295,284	1,548,395	(1,700,316)	64,292	207,655
<b>Total unrestricted funds</b>	<u>414,148</u>	<u>1,548,395</u>	<u>(1,700,316)</u>	<u>10,000</u>	<u>272,227</u>
<b>Group and Charity</b>					
<i>Restricted funds</i>					
Library Development - Fixed assets	362,940	-	(54,035)	-	308,905
Leasehold Property - Fixed assets	1,561,113	-	(25,252)	-	1,535,861
Major Capital Project - Fixed assets	3,335,379	-	(272,888)	-	3,062,491
Old Library Capital - Fixed assets	108,631	-	(39,188)	-	69,443
Major Capital Project - Expenditure	87,516	160,071	(64,576)	(50,000)	133,011
Bush Theatre Unlocked	-	-	-	40,000	40,000
Disability Access	1,190	-	-	-	1,190
Talent Development Programme	19,337	100,000	(100,873)	-	18,464
Artistic Programme	31,326	143,029	(99,408)	-	74,947
Up Next Programme	85,673	88,500	(65,349)	-	108,824
Community Engagement Programme	70,002	15,000	(72,528)	-	12,474
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total restricted funds</b>	<u>5,663,107</u>	<u>506,600</u>	<u>(794,097)</u>	<u>(10,000)</u>	<u>5,365,610</u>
<b>Group Total</b>	<u>6,077,255</u>	<u>2,054,995</u>	<u>(2,494,413)</u>	<u>-</u>	<u>5,637,837</u>

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**16. STATEMENT OF FUNDS (continued)**

Charity	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
<b>Unrestricted funds</b>					
<i>Designated funds</i>					
Artistic Development	118,002	-	-	(54,292)	63,710
Capital Expenditure	862	-	-	-	862
	<u>118,864</u>	<u>-</u>	<u>-</u>	<u>(54,292)</u>	<u>64,572</u>
<b>General funds</b>					
Unrestricted funds	295,284	1,191,104	(1,388,247)	64,292	162,433
<b>Charity total</b>	<u>414,148</u>	<u>1,191,104</u>	<u>(1,388,247)</u>	<u>10,000</u>	<u>227,005</u>

**Designated funds**

**Artistic Development**

This fund relates to the designated funds held for future artistic development, including the development of creative talent and the expenditure incurred in the development of the building for creative use, including the studio.

**Capital Expenditure**

Represents the net book value of fixed assets purchased with unrestricted funds.

**Restricted funds**

**Library Development – Fixed assets**

This fund relates to the restricted funding received for the first phase of the Old Shepherd's Bush Library Development. The closing balance represents the net book value of the library development fixed assets.

**Leasehold Property – Fixed assets**

This fund relates to the 125-year lease of the Old Shepherd's Bush Library. The closing fund balance represents the closing net book value of the leasehold property.

**Major Capital Project - Fixed Assets**

Fixed Assets for the second phase of capital development of the Old Shepherd's Bush Library, including completing the refurbishment of the building, improving public access and facilities for artists. The closing fund balance represents the net book value of the relevant fixed assets.

**Old Library Capital Project 2013 – Fixed assets**

This fund relates to the funding received to fund capital infrastructure upgrades of the Old Shepherd's Bush Library. The closing fund balance represents the net book value of the relevant fixed assets.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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16. STATEMENT OF FUNDS (continued)

Restricted funds (continued)

Major Capital Project - Expenditure

This fund relates to the funding received to fund the general operating expenditure incurred during the second phase of the capital development of the Old Shepherd's Bush Library.

Bush Theatre Unlocked

This fund relates to funding received to enable the facilities of the building to be made available to the local community.

Disability Access

This fund relates to the funding received to improve access to productions for disabled patrons.

Talent Development Programme

This fund relates to funding received for the development of writers, directors, producers and theatre-makers.

Artistic Programme

This fund relates to funding received to enhance the theatre's artistic programme including the research, development and production of new plays and the programming of the spaces within the Old Library building.

Up Next Programme

This fund relates to the funding received relating to the Up Next initiative, a partnership with Artistic Directors of the Future and Battersea Arts Centre, funded by Arts Council England's Sustained Theatre grant. Up Next is a model of positive change designed to hand over power and resources to visionary BAMER leaders and artists.

Community Engagement Programme

This fund relates to the funding received for the Bush's community engagement and education programme.

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**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Group 2018 £	2017 £	Charity 2018 £	2017 £
Tangible fixed assets - unrestricted	73,436	1,501	73,436	1,501
Tangible fixed assets - restricted	4,976,700	5,368,063	4,976,700	5,368,063
Fixed asset investments - unrestricted	-	-	200	200
Cash - unrestricted	273,861	538,194	273,861	538,194
Cash - restricted	388,910	294,044	388,910	294,044
Other net current (liabilities)/assets - unrestricted	(75,070)	(124,547)	(120,492)	(124,747)
	<u>5,637,837</u>	<u>6,077,255</u>	<u>5,592,615</u>	<u>6,077,255</u>

**18. CAPITAL COMMITMENTS**

At 31 March the charity and group had capital commitments as follows:

	Building Development 2018 £	2017 £
Design team	<u>-</u>	<u>10,077</u>

**19. OPERATING LEASE COMMITMENTS**

At 31 March the charity and group had minimum lease payments under non-cancellable operating leases as follows:

	Plant and machinery 2018 £	2017 £
Within 1 year	4,703	4,703
Between 2 and 5 years	<u>7,800</u>	<u>12,330</u>
	<u>12,503</u>	<u>17,033</u>

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**20. RETIREMENT BENEFITS**

Defined contribution	2018 £	2017 £
Contributions payable by the group for the year	5,607	3,875
Contributions payable to the fund at the year end and included in creditors	(1,076)	(827)

**21. RELATED PARTY TRANSACTIONS**

All related party transactions were entered into in the ordinary course of business consistent with the Group's policy on potential conflicts of interest.

During the year the Group entered into the following transactions with related parties:

Giancarla Alen-Buckley was a Trustee of the charity in the period and made supporter and other donations of £11,224 in the year.

Matthew Byam Shaw is a Trustee of the charity and a trustee of Sheffield Theatres Crucible Trust. He has a £350 membership as a Rising Star Supporter. His son was employed as a Front of House assistant at the theatre and earned £1,515 (2017: £1,509) in the year. Payments of £29,400 were made to Sheffield Theatres Crucible Trust relating to the co-production of Of Kith & Kin.

Grace Chan has a £1,250 membership as a Handful of Stars Supporter.

Simon Johnson is a Trustee of the charity and made supporter donations of £500 and purchased Quiz tickets of £650 in the year. He has a £1,250 membership as a Handful of Stars Supporter.

Isabella Macpherson has a £350 membership as a Rising Star Supporter.

Kathryn Marten is a Trustee of the charity and is an employee of the National Theatre. The National Theatre made payments of £450 relating to the NT Festival Connections Festival to the charity in the year and Kathryn purchased Quiz tickets of £250.

The transactions between the Charity and the Bush Theatre Trading Limited and the balances outstanding between the companies are set out in note 13.

**22. FINANCIAL INSTRUMENTS**

	Group 2018 £	2017 £	Charity 2018 £	2017 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	118,692	188,647	118,692	180,729
<b>Carrying amount of financial assets</b>				
Financial liabilities measured at amortised cost	163,658	400,896	163,658	380,977

