



Blue Elephant Theatre Limited

Annual report and financial statements

Year ended 31 March 2018

Company no 03724349

Charity no 1077161

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Photo on front cover

A production shot from Little Red Riding Hood by Moon on a Stick Theatre Company. Children's show Little Red Riding Hood played to 419 people over three days in December 2017. Photo taken by Michael Gentle.

Legal and Administrative Information

Charity name	Blue Elephant Theatre Limited	
Charity registration no.	1077161	
Company registration no.	03724349	
Registered office	59a Bethwin Road London SE5 0XT	
Trustees	Christopher Lawrence Matthew Craig Martine Jean-Baptiste Harry Kinsley Paul Langton Miranda Seymour Andria Spence	Chair Treasurer (appointed 27 July 2017) (resigned 8 April 2017) (resigned 17 January 2018)
Executive director/co-artistic director	Niamh de Valera	
Participation director/co-artistic director	Jo Sadler-Lovett	
Independent examiner	Andy Nash Accounting & Consultancy Ltd The Maltings East Tyndall Street Cardiff CF24 5EA	
Principal bankers	Santander Abbey National House 2 Triton Square London NW1 3AN	

Trustees' annual report

The Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, and Trustees for charity law purposes, submit their annual report and the financial statements of Blue Elephant Theatre Limited for the year ended 31 March 2018. The Board of Trustees confirms that the annual report and financial statements of the Charity comply with current statutory requirements, including the Charity Act 2011, as well as the requirements of the Charity's governing document and the provisions of 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 2015)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Objectives and activities

Objects

The objects of the Charity, as set out in its Memorandum of Association, are the advancement of public education in the arts and in film and theatre by way of workshops, seminars and productions of work and in such other charitable ways as the Charity may from time to time decide.

Activities

In furtherance of its objects Blue Elephant Theatre (BET) provides:

- a theatre in the community, running participation workshops for people across the arts, especially for young people and those with lived experience of mental health problems; and,
- a professional programme of work supporting new and emerging artists, which seeks to engage the local community by programming work relevant to it and offering discounts and incentives to attend shows.

Throughout the process of determining these activities, the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Achievements and performance for 2017-18

The financial year 2017-18 had an anxious start. We had received a further cut in core funding from Southwark Council and we lacked full funding for both full-time roles, with a significant shortfall in the case of the Participation Director. We were awaiting the outcomes of several important funding applications to support the Participation Director and our primary school project, Creative Minds, which she delivers. We developed several contingency plans as had the applications been unsuccessful, the impact on the Blue Elephant would have been significant.

As funding was uncertain for 2017-18, we were even more grateful that our Treasurer, Matthew Craig undertook the herculean task of tackling the London Marathon – just a year after a serious bike injury – raising £2,225. He and Young People's Theatre volunteer Flourish Igbe were nominated for Southwark Star awards as a thank you for their contribution to the Blue Elephant.

By the start of June, however, we had received positive news and by the end of June, our fortunes seemed to have changed entirely as we were one of just five London theatre organisations to be added to Arts Council England's National Portfolio of regularly funded organisations. We had submitted the application in January 2017 and it would seem that our continued efforts to diversify income, strive for sustainability and deliver work of the highest standards despite uncertainty had been recognised.

We were further bolstered by funding from the Foyle Foundation to increase our capacity, enabling us to hire a Marketing and Development Officer for two days a week for a year and developing our marketing work significantly.

Much of the later half of 2017-18 was spent preparing to become a NPO as we had to submit a business plan, Equality Action Plan and Environmental Action Plan. A robust and ambitious business plan was created which sets out our vision for Blue Elephant as:

"A safe space which supports the expression of creativity."

This safe space is:

- Somewhere artists can try new ideas, techniques and approaches, cushioned by BET's support mechanisms;
- Somewhere local communities, particularly young people, feel safe to express themselves creatively and explore issues troubling them or that arise in their lives. At times, it is a safe space from troubles in their lives and BET staff take safeguarding young people and vulnerable adults extremely seriously;
- Somewhere inequality, discrimination and bullying is neither tolerated nor ignored. BET aims to set a standard for what it means to be a friendly, collaborative workplace which values employees, artists and other workers within BET alike; and,
- Somewhere audiences feel it is "for them" regardless of their background and previous familiarity with the arts.

Professional Theatre Programme

Under the leadership of Niamh de Valera, we continued to work with exciting emerging artists. In May, Original Impact produced a two week run of a modernised and musical *Twelfth Night*, largely delighting audiences if dividing critics somewhat. Bakchormeeboy was highly complimentary in their review saying, "Original Impact have managed to create a charming and accessible version of *Twelfth Night* that throws its buckets of humour right in your face. This was a fun production that absolutely indulges in its own chaos, spreading the cast's indomitable sense of fun throughout the entire audience and truly bringing out the joy of Shakespeare".

We also worked with The Dot Collective twice, who devote their energies to creating work with and for people with dementia. On their invitation, Southwark Dementia Action Alliance delivered a workshop at the Blue Elephant on becoming a Dementia Friend to their cast and Blue Elephant staff. We also continued to tackle strong subjects in our programming by including shows like *The Conversation*, about consent and rape, and *The Actualisation Show*, which addressed male suicide.

We continued to develop our children's programming, supported by generous funding, working with Mouths of Lions and Moulded Theatre for the first time and Moon on a Stick for the sixth time. *Ribbet Ribbet Croak* was a multisensory show by Moulded Theatre, created with audiences with additional needs in mind. Funding from the Apples and Pears Foundation enabled us to have some free performances of each of our children's shows and we invited families from Southwark Contact-a-Family and a local language unit to *Ribbet Ribbet Croak*. One parent later emailed:

"Thank you so much again for the tickets to see Ribbet Ribbet Croak on Sunday. The show was brilliant, the children loved being able to get involved and thought it was hilarious. My two eldest children have various special needs so it was really lovely to see them enjoying themselves in an unfamiliar setting and having the confidence to participate. I will definitely be visiting again in the very near future and cannot thank you enough for the experience."

In order to develop the support we can offer emerging artists, we secured funding from the Idlewild Trust to offer research & development residencies to young emerging companies. We had hoped to do this for a long time so we can offer more opportunities to those who need them most and encourage more diverse artists and companies. The successful companies that took part in this scheme were:

- Monument Theatre who had recently finished training at St Mary's, Twickenham, and were looking to further develop the work they had created for their final show. The show was *Windrush Square* and it was about racial tensions in 1980s Brixton and it has since gone on to tour around London and surrounding areas to sold-out audiences;
- Decoupage Collective who began to develop a show around the lives of female sex workers;
- Maeve O'Sullivan (later joined by her sisters Cait and Aisling) who developed a show based on their experiences of having autistic brothers; and
- Grace Duggan who took the first look into a show about double standards in body image for men and women.

All of these artists/companies have gone on to further develop these shows with feedback being:

"Without the residency this idea wouldn't be at this level. The support of the team, the rehearsal space and expenses allowed us to explore this idea and make it a reality. Residencies like the one at Blue Elephant Theatre are incredibly special for artist development!"

Participation Programme

The Participation Department, led by Jo Sadler-Lovett, despite the insecure future that the financial year seemed to indicate, was undeterred and developed its programme still further in the course of the year. The projects we featured are described below.

Creative Minds

Having secured additional funding from Comic Relief's Dispossessed Fund and support from a private donor, Creative Minds expanded significantly in 2017-18 and employed two additional facilitators, Jacqui Livingston and Louise Dickinson. The project was delivered in six schools instead of four, expanding to deliver a full programme in St Joseph's, Camberwell, and to deliver Creative Minds workshops for the first time in Michael Faraday Primary School and Rye Oak Primary.

The workshops focused on enriching the children's understanding of the curriculum and developing social skills and confidence. On top of the weekly workshops, the children spent a day at Blue Elephant Theatre, finishing with a performance for their families to celebrate their achievement.

Each school decided with us how to best put the Creative Minds provision to use. The content of each session was created specifically for the group's needs, through regular discussions with the teachers. We used their learning topic as a starting point, (for example, the Stone Age or rainforests), which supported curriculum learning for those children who find a classroom environment more difficult. We also worked to build in PHSE support and to develop the children's confidence and ability to share their ideas proudly and to think laterally. We also used cross-art forms which allowed for children to access the learning in different ways, according to their own preference.

In one new school, it was very clear that the children had not done any drama before. They were eager to get involved and would happily follow the lead of the facilitator when given specific instructions. However, when put 'on the spot' most of the children became very quiet, shy and contained. They were not used to being given creative freedom and were not confident about expressing ideas. At the beginning of the term, they said that they were concerned about the reactions of their peers. The teacher said that she had never done drama with the class before as she didn't really know what to do. By the end of the term (11 weeks), the children were all very keen to share their thoughts with their peers and they took pride in their work. They eagerly anticipated the performance at the theatre and it was clear that they felt worthy of the attention and had a huge sense of achievement. This was demonstrated by them telling the classes in the year above all about their drama project and telling them how much they would enjoy it when it was their turn.

The skill-sharing element of Creative Minds is also an important outcome to consider. This enables teachers to learn these creative teaching methods and to use them to close the gap of inequality in education. The teachers that we worked with said that they found the process very useful in developing new teaching tools and also to gain a greater understanding of the children they are working with. One said:

"We don't get taught how to teach drama - I would never think to interrupt to find out what characters are doing as I would worry that it would interrupt their flow and they would forget what they are doing. But I can see that actually you are just bringing their thoughts from their heads out of their mouths."

Young People's Theatre

Young People's Theatre delivered 30+ weeks of free drama provision to 105 children and young people from Southwark in 2017-18. The project is led by Louise Dickinson, funded by BBC Children in Need and had two assistants during the year – Sol Idris and Daniella Connor, both of whom had previously been participants in the project.

Each Saturday during term-time, four different groups met for drama sessions involving games, exercises, and rehearsals leading to a sharing in week ten. The four groups are: Group A1 & A2 (7-11 years), Group B (11-14 years), Young Company (14-21 years). We have had a total of 12 performances over the course of the year, to an invited audience. We run the sessions with an emphasis on the participant's creative self-expression and development of confidence, empathy, collaboration and social skills. We provide healthy food snacks in the breaks for the older two groups.

As part of this programme, we have taken the groups on trips to London theatres including the Old Vic, Young Vic, National Theatre, Jermyn Street Theatre, as well as productions at the Blue Elephant. We have also had specialist workshops delivered by guest facilitators from various companies including PLAY theatre, E15, and Fol Esplor.

This project also allows for both long-term and short-term volunteering opportunities and enabled six volunteers to build up their skills and experience.

Free to Act

For the majority of 2017-18, Bianca Hutton-Wood, who generally leads Free to Act, was on maternity leave. Kasia Truefitt, who was previously the project assistant and Kome Ouworie, who has worked with Blue Elephant for years including as a dance facilitator with Free to Act. We maintained our relationship with Wyndham & Comber TRA and Bethwin Road Adventure Playground and created an impressive promenade performance at the playground inspired by Peter Pan, using the outdoor play structures.

Speak Out 2017 & 2018

Speak Out developed a 'Girls' Project' funded by the Peter Minet Trust and in partnership with a local secondary school. The school felt there was a problem with girls they considered 'sexually vulnerable' and lacking in self-confidence and self-esteem. The girls were considered to be at risk of developing negative emotional and

sexual health issues, being taken advantage of or easily influenced and becoming disengaged from school. The project recruited three of our past Speak Out trainees to work with project leader Jen Camillin. They developed a project which sought to empower the young women they were working with to think positively about themselves, build aspirations for the future and find a voice for themselves that many felt they lacked in their home and school lives.

In late 2017, we began a new project, *Shortbread*, funded by Vanquis Active Communities Fund. The aim was to offer paid opportunities to young actors to create a forum theatre show which toured to schools around Southwark. We recruited six trainee actors who were not in employment, education or training (NEET) or were facing challenges or difficult transitions in their lives (the number later dropped to five as one was unable to continue). We provided them forum theatre training and with Jen Camillin, Bianca Hutton-Wood (who took up this role after her maternity leave) and intern Ruth Pearson, they created a 20 minute forum theatre play called *Shortbread*. *Shortbread* was about issues affecting young people and how that can cause them to become disengaged at school and home. We toured *Shortbread* to 10 schools and one youth project over 8 days performing 16 performances in total to young people. The tour reached a total audience of 540 students. The play was framed by an interactive workshop so that once the audience had seen the play they were facilitated to work alongside the actors to explore the situation that the main character Sam was in and try different ways to change the outcome of the story by coming up on stage and standing into the role of Sam. The trainee actors would then have to respond to the student and improvise different scenarios in order to resolve the situation that Sam was in.

Bespoke Projects

We continued to have a lot of interest from schools for after-school clubs and created two large scale Musical theatre projects with Comber Grove and John Ruskin schools, as opportunities for gifted and talented students who needed additional challenges.

We built a new relationship with Elephant Park, and thus Lendlease and Artworks at Elephant, creating family storytelling events in the newly developed park and Trunk space. We engaged with local families, nurseries and school groups to bring them into the park and for them to enjoy bespoke story-telling workshops.

We again ran summer schools for ages 7 – 14, providing fun activities and opportunities for young people to develop new skills and meet new friends.

Conclusion and plans for the future

Clearly, the most significant strategic development has been the fact that we were one of just five London theatre organisations to be added to Arts Council England's National Portfolio of regularly funded organisations, as referred to earlier. This is an enormous step forward for the Blue Elephant and is a clear milestone in its development. This has been achieved principally by the efforts of the Co-Artistic Directors, Niamh de Valera and Jo Sadler-Lovett. Facing a precarious financial situation in April 2017 they have remained undaunted throughout and it is pleasing to have their

work – and that of the whole team at Blue Elephant – recognised on a National scale.

But we have learned not to take things for granted at Blue Elephant as we are never, quite, out of the woods financially. The incredible record of successful fundraising takes a lot of time and effort and still needs to continue to maintain our very diverse profile.

We need to continue to foster and support high quality volunteers for support work in the theatre and its programmes; many people who started out as volunteers have advanced themselves and their lives through the opportunities that the theatre offers them.

We also need to continue to develop the Board of Trustees to equip the theatre with good quality management and support.

We are continuing to support the development of young artists, particularly those from diverse backgrounds, and widen our offer by creating a Trainee Producer role, and offering residencies and commissions.

We are also looking to develop our in house work to build our artistic reputation further.

This coming year is very important to us as we are working to secure the renewal of our lease and to develop the accessibility of the building, particularly with regards to upgrading our disabled downstairs bathroom in a project supported and managed by the Cleaner Greener Safer team at Southwark Council.

Clearly, there is still work to be done.

However, as we approach our twentieth anniversary, we find ourselves this year in a more secure position than we have been for a number of years which is appreciated by all involved in the life of the theatre and is to be celebrated. Well done all at Blue Elephant!

Financial Review

During the current financial year the Charity achieved a surplus of £23,898 (2017: deficit of £7,467), increasing total reserves at year end to £71,739 (2017: £47,841).

Of the total reserves held at year end £32,066 was unrestricted in nature (2017: £36,684).

Reserves Policy

The Trustees have a policy that the Charity maintains an unrestricted reserve equivalent to at least three months of expenditure. At the year-end this equated to £40,480.

The current reserves of £32,066 are below the required level but are sufficient to meet current commitments. The Trustees therefore consider the Charity is a going concern but are very aware of the funding risks outlined above.

Structure, Governance and Management

Governing Document

Blue Elephant Theatre Limited is registered under the Companies Act 2006 as a company limited by guarantee and not having a share capital.

Blue Elephant Theatre Limited is a registered charitable company constituted as a limited company under its Memorandum and Articles of Association. The charity registration number is 1077161 (England and Wales) and the company registration number is 03724349 (England and Wales).

Recruitment and Appointment of Trustees

The Trustees are also the directors of Blue Elephant Theatre Limited for the purpose of company law. Blue Elephant Theatre Limited Articles of Association require a minimum of three trustees. There is no maximum number of trustees.

A third of the directors are subject to re-election at the Annual General Meeting, with no maximum length of service. Only the current directors can appoint new directors.

Organisational structure

The Trustees are responsible for the overall financial control, direction and work of the Charity. They meet approximately nine times a year with the principal staff outlined on page 2, who have no voting rights. Day-to-day responsibilities are delegated to the principal staff within a framework of approved policies and operational plans, who manage the other staff employed by the Charity.

Statement of Board of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that content of the annual review, including the legal and administrative information, in pages 2 to 7 of this document meet the requirements of both the Trustees' Annual Report under charity law and the Directors' Report under company law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Preparation of the report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Independent Examiners

The independent examiners, Andy Nash Accounting & Consultancy Ltd, have indicated their willingness to accept re-appointment under Section 485 of the Companies Act 2006.

This report was approved and authorised for issue by the Board of Trustees on 17 December 2018 and signed on its behalf by:



Matthew Craig

Treasurer

Independent examiner's report to the board of trustees of Blue Elephant Theatre Limited

I report to the Trustees on my examination of the accounts of Blue Elephant Theatre Limited (charity number 1077161 – England & Wales, company number 03724349) for the year ended 31 March 2018 which are set out on pages 9 to 20.

Respective responsibilities of trustees and examiner

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act') nor under Part 16 of the 2006 Act, and that an independent examination is needed.

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and,
- to state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the Charity's Trustees as a body. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Trustees concerning any such matters.

The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or,
2. the accounts do not accord with those records; or,
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or,
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Andrew Philip Nash ACA

Member of the Institute of Chartered Accountants in England and Wales – 2461833

Dated: 17TH DECEMBER 2018

Andy Nash Accounting & Consultancy Ltd
The Maltings
East Tyndall Street
Cardiff
CF24 5EA

Statement of Financial Activities

Incorporating the Income & Expenditure Account and the Statement of Recognised Gains & Losses
For the year ended 31 March 2018

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:					
Donations & legacies	2	3,020	139,798	142,818	95,170
Charitable activities	3	18,102	16,941	35,043	38,375
Other trading activities	4	7,948	-	7,948	8,725
Investments		19	-	19	22
Total income		29,089	156,739	185,828	142,292
Expenditure on:					
Raising funds	5	2,808	-	2,808	3,101
Charitable activities	6	25,054	134,068	159,122	146,658
Total expenditure		27,862	134,068	161,930	149,759
Net income/(expenditure)		1,227	22,671	23,898	(7,467)
Transfers between funds	10 & 11	(5,845)	5,845	-	-
Net movement in funds		(4,618)	28,516	23,898	(7,467)
Reconciliation of funds					
Total funds brought forward	10 & 11	36,684	11,157	47,841	55,308
Total funds carried forward	10 & 11	32,066	39,673	71,739	47,841

All income from investments was unrestricted as to use in both the current and prior year.

Balance Sheet

As at 31 March 2018

	Notes	Total funds 2018 £	Total funds 2017 £
Current assets:			
Debtors & prepayments	8	7,666	17,695
Cash at bank and in hand		<u>71,409</u>	<u>36,497</u>
Total current assets		79,075	54,192
Creditors: amounts falling due within one year	9	<u>(7,336)</u>	<u>(6,351)</u>
Net current assets		71,739	47,841
Net assets		71,739	47,841
The funds of the charity:			
Restricted funds	10 & 11	39,673	11,157
Unrestricted funds	10 & 11	32,066	36,684
Total charity funds		71,739	47,841

The financial statements have been prepared in accordance with section 415A of the Companies Act 2006 relating to small companies and FRS 102 Section 1A.

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 March

2018, and the members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2018 under section 476 of the Companies Act 2006.

They were approved and authorised for issue by the Board of Trustees on 17 December 2018 and signed on their behalf by:



Matthew Craig

Treasurer

Notes to the financial statements

1. Accounting policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with '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 2015)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The effect of any event relating to the period ended 31 March 2018, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2018 and the results for the year ended on that date.

Under the exemption available to smaller charities the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment.

Legal status

Blue Elephant Theatre Limited is a charitable company registered in England & Wales, and meets the definition of a public benefit entity. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member. The registered address is 59a Bethwin Road, London, SE5 0XT.

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.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 10 of the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 10 of the financial statements.

Income

Income is recognised when the Charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future period, in which case it is deferred.

Income from charitable activities and other trading activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred, except for tickets sales and bar revenue which are recognised on a cash basis.

Donated goods and services

Donated goods and services are recognised on the basis of the value of the gift to the Charity, which is measured as the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market. This amount cannot exceed open market fair value. A corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated directly to charitable activities as this is the focus of all staff time. A breakdown of these expenses is outlined in note 6 of the financial statements.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Tangible fixed assets and depreciation

Tangible fixed assets comprise fixtures, fittings, and equipment. As a substantial part of the theatre equipment used by the Charity for its activities belongs to the landlord it is excluded from the financial statements.

Other equipment that has been purchased by the Charity is written off in the year of acquisition due to the nature of the wear and tear during its normal use within a theatre context.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

Debtors and prepayments

Trade and other debtors are recognised at the settlement amount after any trade discount is applied. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and accruals

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

Pensions

The Charity operates a defined contribution pension scheme which is administered by an external independent pension provider.

Contributions are recognised in the Statement of Financial Activities as they fall due.

Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

Critical estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The treatment of tangible fixed assets is sensitive to changes in useful economic lives and residual values of assets. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2. Income from donations and legacies

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Grants			
Anonymous	-	5,000	5,000
Apples & Pears Foundation	-	1,000	1,000
Alan & Babette Sainsbury Trust	-	12,500	12,500
BBC Children in Need	-	26,671	26,671
Dispossessed Fund	-	19,875	19,875
The Foyle Foundation	-	10,000	10,000
The Idlewild Trust	-	4,720	4,720
Inspiring Communities Fund	-	1,000	1,000
Jack Petchey Foundation	-	750	750
Newcommen Collett Foundation	-	1,000	1,000
Peter Minet	-	5,000	5,000
Skills for Life	-	12,500	12,500
Southwark Council (mainstream)	-	19,500	19,500
Southwark Council (Tenants & Residents Social Improvement Grant)	-	6,500	6,500
Unity Theatre Trust	-	700	700
University of Exeter	-	3,100	3,100
Vanquis Active Communities	-	9,982	9,982
	-	139,798	139,798
Mad about the Elephant - membership scheme	50	-	50
Other donations	2,970	-	2,970
	3,020	139,798	142,818

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Total funds 2017 £</i>
Grants			
Anonymous	-	5,000	5,000
Apples & Pears Foundation	-	1,000	1,000
BBC Children in Need	-	21,962	21,962
Blackbaud	-	7,000	7,000
D'Oyly Carte	-	3,000	3,000
Jack Petchey Foundation	-	1,422	1,422
Mercers Company	-	13,000	13,000
Newcommen Collett Foundation	-	1,000	1,000
Southwark Council (Black History Month Fund)	-	1,500	1,500
Southwark Council (Dance Microgrant)	-	200	200
Southwark Council (Mainstream)	-	25,922	25,922
Southwark Council (Tenants & Residents Social Improvement Grant)	-	4,400	4,400
Team London Bridge	-	1,999	1,999
Wakefield and Tetley Trust	-	3,000	3,000
Woodward Charitable Trust	-	1,000	1,000
	-	91,405	91,405
Mad about the Elephant - membership scheme	1,249	-	1,249
Other donations	2,021	495	2,516
	<u>3,270</u>	<u>91,900</u>	<u>95,170</u>

Southwark Council (Mainstream) previously included an £8,000 contribution in kind that represented the value of the space occupied by the theatre, which is currently leased from Southwark

Council at a peppercorn rate. This is now given as a cash amount and the rent is paid back to Southwark Council as a invoiced cost.

3. Income from charitable activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Creative Minds - contribution from schools	-	12,525	12,525
Box office takings	11,611	2,286	13,897
Theatre hire	3,819	-	3,819
Other	2,672	2,130	4,802
	18,102	16,941	35,043

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Creative Minds - contribution from schools	-	13,600	13,600
Box office takings	15,981	1,618	17,599
Theatre hire	3,800	-	3,800
Other	3,376	-	3,376
	23,157	15,218	38,375

4. Income from other trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Bar takings	7,948	-	7,948
	7,948	-	7,948

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Bar takings	8,725	-	8,725
	8,725	-	8,725

5. Expenditure on raising funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Bar purchases	2,808	-	2,808
	2,808	-	2,808

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Bar purchases	3,101	-	3,101
	3,101	-	3,101

6. Expenditure on charitable activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Staff salaries	12,858	105,710	118,568
Other staff costs	112	1,643	1,755
Production costs	6,444	3,628	10,072
Projects	-	6,731	6,731
Marketing	198	-	198
Premises	2,503	13,000	15,503
Office overheads	1,993	2,856	4,849
Governance	946	500	1,446
	25,054	134,068	159,122

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Staff salaries	8,108	95,265	103,373
Other staff costs	376	2,941	3,317
Production costs	8,412	4,462	12,874
Projects	-	3,947	3,947
Marketing	381	2	383
Premises	4,893	11,614	16,507
Office overheads	1,131	3,645	4,776
Governance	1,481	-	1,481
	24,782	121,876	146,658

Governance costs includes:

	Total funds 2018 £	<i>Total funds 2017 £</i>
Independent examination	1,440	<i>1,440</i>
Trustee expenses	6	<i>41</i>
	1,446	<i>1,481</i>

7. Staff costs

	Total funds 2018 £	<i>Total funds 2017 £</i>
Gross salaries	114,101	<i>100,411</i>
Employer's NIC	3,429	<i>2,545</i>
Employer's pension	1,038	<i>417</i>
	118,568	<i>103,373</i>

The average weekly full time equivalent (FTE) was 3 FTE (2017 – 3 FTE).

The average headcount during the period was 18 persons (2017 – 18 persons).

No employee received employee benefits of more than £60,000 (2017 – NIL).

The total employee benefits paid to key management personnel during the year was £55,084 (2017 - £48,983).

8. Debtors and prepayments

	Total funds 2018 £	<i>Total funds 2017 £</i>
Grants receivable	-	8,000
Other debtors	6,581	8,656
Prepayments	1,085	1,039
	7,666	17,695

9. Creditors – amounts falling due within one year

	Total funds 2018 £	<i>Total funds 2017 £</i>
Accounts Payable	2,316	1,320
Deferred Income	-	250
Accruals	3,815	3,851
Deposits held	1,205	930
	7,336	6,351

	Total funds 2018 £	<i>Total funds 2017 £</i>
Deferred Income		
As at 1 April 2017	250	12,500
Released in the year	(250)	(12,500)
Received in the year	-	250
As at 31 March 2018	-	250

10. Analysis of charity funds

	Funds brought forward 2018 £	Income for the year 2018 £	Expenditure in the year 2018 £	Transfer between funds 2018 £	Funds carried forward 2018 £
Unrestricted funds	36,684	29,089	(27,862)	(5,845)	32,066
Restricted funds					
Artistic and management	5,996	19,500	(31,307)	5,811	-
Marketing and development	-	10,000	(4,212)	-	5,788
Internship	-	3,100	(1,794)	-	1,306
Free to Act (i)	1,078	8,000	(7,785)	-	1,293
Residencies	-	4,700	(4,663)	-	37
Young People's Theatre (i)	1,389	26,671	(27,943)	-	117
Young People's Theatre (ii)	285	750	(580)	-	455
Speak Out!	2,350	14,982	(12,929)	-	4,403
Creative Minds	-	58,803	(35,845)	-	22,958
Junior Summer School	-	1,000	(1,029)	29	-
Senior Summer School	-	947	(952)	5	-
Trumpety Trump	59	8,286	(5,029)	-	3,316
	11,157	156,739	(134,068)	5,845	39,673
	47,841	185,828	(161,930)	-	71,739

Artistic and management

A grant from Southwark Council and the Blackbaud Active Communities Fund supported the running of the theatre, particularly towards the staff costs of the Executive & Co-Artistic Director and rent. The Artistic & Management Fund was also supplemented by other earned income.

Marketing and development

A grant from the Foyle Foundation has supported the theatre in employing someone to assist with marketing and development of the theatre and its activities moving forward.

Internship

The University of Exeter provided funding to support an internship placement for a student at the theatre.

Free to Act (i)

Free to Act is a youth theatre project funded by Southwark Council (Tenants & Residents Social Improvement Grant), run with the backing of the Wyndham & Comber Tenant & Resident Association. It received funding from the Inspiring Communities Fund prior to the year end to run workshops (Elephant Club) in 2018-19.

Residencies

This was funding from the Idlewild Trust to offer research & development residencies to young emerging companies.

Young People's Theatre (i)

Young People's Theatre was funded by BBC Children in Need.

Young People's Theatre (ii)

Young People's Theatre is also supported by grants from the Jack Petchey Foundation.

Speak Out!

With support from the Peter Minet Trust, Speak Out ran a project in Ark All Saints with a group of selected female students to address vulnerabilities around self-worth and aspirations for the future. Vanquis Active Communities Fund supported a new project which recruited five trainee actors who created a touring forum theatre piece about mental health and positive engagement with school.

Creative Minds

Creative Minds is our primary school programme which runs in local primary schools weekly, who all paid a contribution towards it. In 2017-18, it expanded and was also supported by the Alan and Babette Sainsbury Charitable Fund, the Evening Standard Dispossessed Fund, the Skills for Life fund and an anonymous donor.

Junior Summer School

Our Junior Summer School programme was supported by funding from the Newcommen Collett Foundation.

Senior Summer School

Our Senior Summer School programmes were funded by a grant from the Skills for Life Fund.

Trumpety Trump

Trumpety Trump is a children's theatre programme funded by grants from an anonymous funder and the Apples & Pears Foundation.

	<i>Funds brought forward 2017 £</i>	<i>Income for the year 2017 £</i>	<i>Expenditure in the year 2017 £</i>	<i>Transfer between funds 2017 £</i>	<i>Funds carried forward 2017 £</i>
Unrestricted funds	34,182	35,174	(27,883)	(4,789)	36,684
Restricted funds					
Artistic and management	1,309	37,922	(33,235)		5,996
Free to Act (i)	4,295	8,400	(11,617)	-	1,078
Free to Act (ii)	1,866	-	(1,866)	-	-
Young People's Theatre (i)	(467)	21,962	(20,106)	-	1,389
Young People's Theatre (ii)	163	1,422	(1,300)	-	285
Speak Out!	545	15,399	(13,594)	-	2,350
2BScene	2,712	-	(2,763)	51	-
Creative Minds	6,900	13,600	(25,021)	4,521	-
Junior Summer School	-	1,050	(1,246)	196	-
Senior Summer School	1,500	45	(1,566)	21	-
Trumpety Trump	2,303	5,618	(7,862)	-	59
Black History Month Project	-	1,500	(1,500)	-	-
Dance Microgrant	-	200	(200)	-	-
	<u>21,126</u>	<u>107,118</u>	<u>(121,876)</u>	<u>4,789</u>	<u>11,157</u>
	<u>55,308</u>	<u>142,292</u>	<u>(149,759)</u>	<u>-</u>	<u>47,841</u>

Free to Act (ii)

Free to Act was a youth theatre project funded by Deutsche Bank via London Community Foundation.

2BScene

2BScene is a theatre group largely made up of people with lived experience of mental health problems. With a grant from Mrs Smith and Mount Trust, a project was run with 2BScene to create and tour a forum theatre play about loneliness, isolation and mental health in London.

Black History Month Project

Free to Act's Black History Month was supported by funding from L.B.Southwark.

Dance Microgrant

BET used the Dance Microgrant from Southwark Council to run dance workshops and offer free tickets to participants.

11. Analysis of net assets

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Current assets	39,402	39,673	79,075
Current liabilities	(7,336)	-	(7,336)
	32,066	39,673	71,739

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Current assets	43,035	11,157	54,192
Current liabilities	(6,101)	(250)	(6,351)
	36,934	10,907	47,841

12. Other financial commitments

At 31 March 2018, the Charity no other financial commitments or contingent liabilities.

13. Trustee remuneration

During the year, no Trustee received any remuneration (2017 - £NIL). One member of the Board of Trustees received

reimbursement of expenses related to attendance at trustee meetings totalling £6 (2017 – one member totalling £41).

14. Related party transactions

There were no related party transactions in the current year.

During the prior year one Trustee, Martine Jean-Baptiste, received payments totalling £70 to cover two after school clubs after all other options had been exhausted. This is permitted under the

Articles and Memorandum of Association and Trustees were aware of the payment before it was made.

15. Donated goods and services

As noted in note 2, Southwark Council previously provided the theatre premises at a peppercorn rate. The value of the premises was deemed to be £8,000, and this reflects as part of the Southwark

Council grant income in note 2 and within premises costs in note 6 in the prior year only as this is now received as a cash grant and then paid as rent at the same rate.