

Company number: 7091161  
Charity number: 1137223

# The Park Theatre

Report and financial statements  
For the year ended 31 March 2019

**Contents**

**For the year ended 31 March 2019**

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# The Park Theatre

## Reference and administrative information

For the year ended 31 March 2019

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**Company number** 7091161 – incorporated in the United Kingdom

**Charity number** 1137223 – registered in England and Wales

**Registered office and operational address** Park Theatre  
11 Clifton Terrace  
Finsbury Park  
London  
N4 3JP

The Park Theatre Ltd is also known as Park Theatre

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

|                      |                         |                         |
|----------------------|-------------------------|-------------------------|
| Nigel Pantling       | Chair                   |                         |
| Leah Schmidt         | Vice Chair              | (resigned 6 March 2019) |
| Andrew Cleland-Bogle |                         |                         |
| Nick Frankfort       |                         |                         |
| Robert Hingley       |                         |                         |
| Mars Lord            |                         |                         |
| Sir Frank McLoughlin |                         |                         |
| Bharat Mehta         |                         |                         |
| Rufus Olins          | (appointed 16 May 2018) |                         |
| Jo Parker            |                         |                         |
| Victoria Phillips    |                         |                         |

|                                 |                  |   |
|---------------------------------|------------------|---|
| <b>Key management personnel</b> | Jez Bond         | Artistic Director & CEO                       |
|                                 | Rachael Williams | Executive Director & Deputy CEO               |
|                                 | Dorcas Morgan    | Development Director                          |
|                                 | Melli Marie      | Associate Artistic Director                   |
|                                 | Dawn James       | Sales & Marketing Director (from 1 July 2018) |

**President** Jeremy Bond

**Bankers** CAF Bank  
Charities Aid Foundation  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

## **The Park Theatre**

### **Reference and administrative information**

**For the year ended 31 March 2019**

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|----------------|--|
| <b>Auditor</b> | Sayer Vincent LLP<br>Chartered Accountants and Statutory Auditor<br>Invicta House<br>108-114 Golden Lane<br>LONDON<br>EC1Y 0TL |
|----------------|--|

The Trustees present their report and the audited financial statements for the year ended 31 March 2019.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's activities remained focused on its stated objectives.

## Chair's Report

This year, the fifth full year of programming at Park Theatre, has continued our strong artistic progress. Among the shows we brought in to Park200, particular highlights have included *Pressure*, written and starring David Haig, which sold out and transferred to the West End; *Gently Down the Stream*, directed by Sean Matthias, which earned Jonathan Hyde an Olivier nomination for his performance; and a two week run of *The Life I Lead* starring Miles Jupp, which sold out and was exceptionally well-received by the audience. The Christmas show, *Peter Pan*, also sold very well with schools and families, helping us reach an important audience. In Park90, we again focussed on presenting emerging talent and, among a strong programme, we were particularly pleased that Athena Stevens was nominated for an Olivier Award for her show *Schism* and that *My Dad's Gap Year*, a new play by Tom Wright, sold out with a very positive audience response.

Our in-house productions provide the best opportunity to stage shows which reflect the theatre's artistic objectives and values. Following the successful establishment of a dedicated Production Fund with donations from generous supporters, the Board felt able to encourage the executive team to increase the number of in-house productions in Park 200 in the year, with external investment available for some productions to share the risk. Of the four shows produced wholly or jointly by Park Theatre, all were strong artistically and performed well at the box office and in terms of critical response. Two, *End of the Pier* and *Rosenbaum's Rescue*, were particularly successful, achieving more than 90% sales. As a result, the Production Fund showed a net gain over the year, which has enabled further investment in productions in the current year.

We have been fortunate to have had continuity at the most senior levels of our staff team during 2018/19. Jez Bond as CEO and Artistic Director and Rachael Williams as Deputy CEO and Executive Director have again provided strong and creative leadership, well assisted by Dorcas Morgan as Development Director and by Melli Marie, latterly in a new role as Associate Artistic Director following management changes. A restructuring of the Sales & Marketing department during the year allowed the welcome expansion of this team to include Dawn James as Sales and Marketing Director. Notable among the senior executives' achievements this year has been the successful shift to more in-house productions at acceptable risk and the introduction of modern and rigorous systems and procedures, which strengthen the resilience of the theatre and sustain its culture.

The senior executives have once again been supported by an able, committed and highly-motivated staff team, which has seen relatively little turnover during the year. With limited financial capacity available to deal with unexpected staff absences, it has sometimes been necessary to make temporary appointments or to keep posts vacant, and this has been accomplished with ingenuity and in good spirit. The only new post, the important addition of a Community Engagement Manager, has been funded by generous donations specifically for that purpose. This appointment is key to fulfilling vital work with the communities around Finsbury Park and, although it is initially part-time, our intention is to raise funds to cement the role as full-time.

As part of a wider governance modernisation, the terms of appointment served by Trustees have been re-set at three years, renewable for a further three years, with appropriate arrangements for transition.

### Trustees' annual report

#### For the year ended 31 March 2019

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This will enable a good balance to be struck between the benefits of continuity and the need to refresh the Board with new talent and energy. During the year, we welcomed Rufus Olins back to the Board, after a period of employment away from London. Leah Schmidt retired from the Board in March 2019, having served some seven years as a Trustee, interim chair and vice chair. We miss her insights, knowledge and wise counsel, which have done so much to help ensure the success of the theatre.

Last year, I drew attention to the financial challenges that the theatre would face in 2018/19. This was the second year of the two-year planning cycle, with no gala or equivalent event to supplement the continuing fund-raising work of the theatre, and a year in which we would be increasing the number in-house productions. Our slate of productions produced a small but pleasing surplus, and the unrestricted financial out-turn overall was a very small profit of £16,926. Taking the last two years together, the theatre has made only modest progress towards financial resilience. There was no single reason for the year's result, although one notable element was the loss incurred by the Cafe Bar.

Anticipating these results, late in the financial year the Board gave the executive team two challenges intended to reinforce the financial reserves for the theatre and its productions. The first was to schedule fund-raising events in the current year which would produce revenue to build reserves to a level sufficient to sustain operations through the two years to the end of the financial year 2020/21. The team has risen to this challenge. The production of *WhoDunnit [Unrehearsed]* co-written and directed by Jez Bond in July 2019, with a different celebrity star at each performance, was a resounding financial success. A fund-raising gala is scheduled for November 2019, and there is a good chance that this event will meet its fundraising objective.

The second challenge the Board set for the executive team was to devise a more sustainable financial model for Park Theatre in the light of our five years' experience, to reduce the gap between the costs of running the theatre and the operating revenues we generate. As a non-subsidised theatre, this will always be a challenge, but we need to lower our exposure to the risk inherent in repeated high-profile fund-raising events and ensure they do not alienate our supporters and wear down our staff. The senior executive team will be working with Trustees in the second half of the current year, with a view to making changes during 2020/21, including new ways of programming our two spaces.

As in previous years, the success of the Park Theatre has depended critically upon the hard work and dedication of the charity's staff and of the volunteer team who support them. We are extremely fortunate to have individuals of such calibre and commitment. The Board recognises that their individual efforts go well beyond what we have a right to expect and we are indebted to them.

**Nigel Pantling**  
Chair of Trustees

## Objectives and activities

Park Theatre's charitable objectives are to promote, maintain, improve and advance education of the public in the arts.

Our principal objective is to present high quality, affordable drama for everyone – and, through the work on stage, our creative learning programmes and the provision of a welcoming neighbourhood hub, to provide artistic opportunities, enhance lives and increase community cohesion.

We aspire to present world-class theatre productions, collaborating with top-quality talent, programming a wide variety of plays, from classics through to new writing, distinguished by strong narrative and powerful emotional content. We aim to produce both in-house and in partnership with the best of existing and emerging producers, for whom we endeavour to provide an outstanding level of support.

By creating a welcome and nurturing environment, we want Park Theatre to be accessible to everyone within our diverse community and beyond and, through affordable ticket pricing and outreach programmes, we aim to engage with those who have little or no experience of theatre. We aim to be a beacon for all and an ambassador for theatre worldwide.

Park Theatre has four key activities which generate income and/or deliver benefit to our beneficiaries:

- External productions: these deliver rental income. Park Theatre receives a fee from the producer who rents our auditorium for a theatre production along with certain support services, usually for four weeks (Park90) or five weeks (Park200). The producer takes the box office ticketing income.
- In-house productions: Park Theatre provides some or all of the funding needed to deliver a production and receives some or all of the box office ticket income that is generated. We produced four plays in-house in 2018/19, two of which were co-productions.
- Creative learning and artist development: these are classes, workshops, summer schools and other initiatives provided by Park Theatre, which are charged for, sometimes at a subsidised rate, or free. There is also artist development throughout each year, including our annual new writing programme, Script Accelerator.
- Provision of space: Park Theatre rents out its facilities for rehearsals, workshops, meetings and events, sometimes at preferential rates for artists and local community groups.

These activities cannot be supported entirely by the income they produce, so we subsidise them by a programme of development activities.

We measure the impact and success of these activities as follows:



External productions:

- Financially, by measuring how far we achieve rental income for the theatre across the year, and how far box office income is likely to have enabled the producer to recoup costs
- Artistically, by monitoring ticket sales through box office data, critics' reviews and other press comment, social media activity and the future life of the production outside the building (for example, on tour or with a transfer to the West End)

In-house productions:

- Financially, by measuring ticket income through box office data and assessing the extent to which each production generates a surplus or loss, taking account of rent foregone
- Artistically, by monitoring ticket sales through box office data, critics' reviews and other press comment, social media activity and the future life of the production outside the building (for example on tour or with a transfer to the West End).

Creative learning and artist development:

- Financially, by measuring income received and the extent to which it meets the cost of the activities undertaken
- Artistically, by measuring the number of participants and through feedback forms.

Provision of space:

- By measuring income received, the extent of subsidy offered and which companies this subsidy is offered to related to the aims stated in our business plan, particularly regarding our ambition to present a diverse range of productions.

## Achievements and performance

### i. Productions

There were ten productions in 2018/19 in Park200 and twelve productions in Park90 and we hosted Shakespeare Schools Festival for three performances in October 2018. The range and variety of shows was wide and we continued to earn positive responses from critics, as well as from our audiences.

We were very pleased to be able to present four in-house productions over the year: *Building the Wall* in May 2018, *End of the Pier* in July 2018, *The Other Place* in September 2018 in co-production with Theatre by the Lake in Keswick, and *Rosenbaum's Rescue* in January 2019 in co-production with Breaking Productions. Two of these productions were UK premieres of plays that had been successfully presented in the USA (*Building the Wall* by Robert Schenkkan and *The Other Place* by Sharr White) and two were new plays by UK writers (*End of the Pier* by Danny Robins and *Rosenbaum's Rescue* by A. Bodin Saphir). All sold well, with the latter two plays enjoying very

strong sales. These productions were made possible by generous donations and investment from individuals, for which we are very grateful. All in-house productions were run through our subsidiary company, Park Theatre Productions.

From our slate of visiting productions in Park200, particular artistic highlights include *Pressure* by David Haig in April 2018, which sold out and subsequently transferred to the West End for a successful run, *Peter Pan* in December 2018 which sold particularly well with schools and allowed us to develop our family audience, and *Gently Down the Stream* in February 2019, directed by Sean Matthias and starring Jonathan Hyde, who earned an Olivier nomination for his performance. We also hosted a short two week run of *The Life I Lead* starring Miles Jupp, which sold out and received a very strong audience response.

In Park90, our smaller flexible space, we continued to present a broad range of work designed to showcase the very best emerging talent. In May 2018, we hosted *Schism* by Athena Stevens, for which Athena was subsequently nominated for an Olivier Award. In January 2019 we hosted *The Dame* starring Peter Duncan, which had done well at the Edinburgh Fringe Festival in August 2018. Following this was *My Dad's Gap Year*, a new play by Tom Wright that sold out and was highly popular with audiences.

#### ii. Creative learning and artist development

We maintained broadly the same programme of drama-based creative learning activities in 2018/19 as for the last two years, with classes, workshops and summer schools, spread across age and ability. We also want to encourage the development of the next generation of young people working in theatre, whether as actors, writers, producers or technicians. We ran our sixth Script Accelerator programme for new writers and producers and gave free or subsidised space to a number of writers, directors and producers for readings. A number of these readings took place in front of invited audiences, so that writers could hear their work and gain feedback. We continued to run our schools' tours, allowing young people their first experience of a professional theatre.

We worked with Shakespeare Schools Foundation for the first time, hosting three evenings of performance during their Shakespeare Schools Festival in October 2018. These involved eight schools over the three evenings, performing a range of Shakespeare plays, and our participation in the Festival was funded by Islington Council, who also supported us to follow up with each school, offering a tour and a workshop at the theatre.

In September 2018, we appointed Nina Graveney-Edwards as our Community Engagement Manager. This is a funded post recruited at three days per week, but our ambition is to increase the hours to make it full time in future years. Nina's arrival has enabled Associate Artistic Director Melli Marie to focus the entirety of her time on programming and artist development and has increased our capacity in Creative Learning, allowing us to take on projects like Shakespeare Schools Festival. We will continue to grow and develop this area in the coming years.

This year we also launched the Prism Project, an initiative founded by our Administrator Melissa Bonnelame, which offers BAME artists free space for rehearsed readings during the daytime. We hosted our first reading in March 2019 and have more planned for the coming months.

#### **iii. Other links with the local community**

The theatre building is intended to provide a hub for the local community and we are proud that we have kept our doors open from 9am until late in the evening. Indeed, we hope that we will be able to revert to opening the doors at 8am when the City North development is complete and the Wells Terrace exit from Finsbury Park underground station is reopened.

This was our third full year of running the Cafe Bar entirely in-house and our Cafe Bar staff are consistently commended for their friendliness and high standards of customer service. Since they are the first point of contact for most visitors to the theatre, this is something we are proud of and was a key consideration when we brought the Cafe Bar in-house. This was a very challenging year financially for the Cafe Bar, but we are confident that we can learn from our experiences and improve the outcome for the following financial year.

We have offered meeting rooms and other facilities to local community organisations at subsidised rates, hosted events with the local authority and other local organisations, and supported other charities and local schools, including providing tickets for raffles and fetes. Local councillors continue to support us and we are fortunate to have continuing encouragement from local MPs Jeremy Corbyn (who attended both our 5<sup>th</sup> Birthday celebration and a performance of Shakespeare Schools Festival this year) and David Lammy.

#### **iv. Fundraising**

We are dependent on fundraising of more than £200,000 each year, from donations and other voluntary sources, in order to fully cover our operating costs. This year we did not have a large-scale fundraising event, such as the week of fundraising performances by Sir Ian McKellen in July 2017, so our focus was on gifts from individuals and trusts and foundations. We ran a very successful campaign around our newly launched fundraising programme, the Annual Fund, in December 2018, which was matched as part of the Big Give campaign. We raised over £50,000 from our Park Keepers scheme and donations made by customers when purchasing tickets, and we were very pleased to gain a new corporate supporter in Telford Homes, who have made a generous donation in 2018/19 and have pledged a further amount for 2019/20. In addition to securing around £225,000 for our core fundraising, we also found support for specific areas of our work, notably a two year funding agreement with the Mercers' Company for our Reminiscence programme, additional donations for our Production Fund and the continuation of funding from City Bridge Trust towards our access work.

We also invested time this year in preparing for two significant fundraising events due to take place later in 2019. The first is two week run of fundraising performances in July 2019 that

featured a different celebrity guest each night, and the second is a fundraising gala that will take place in November 2019 at Stoke Newington Town Hall.

We recognise the need for a professional and sensitive approach to fundraising. We are committed to best practice and are members of the Institute of Fundraising. We are pleased to report that, at a time of particular public sensitivity around methods of fund-raising, we have received no complaints in this respect and we are confident that we have fully complied with fundraising codes.

## **Beneficiaries of our services**

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the Trustees regularly consider how planned activities will contribute to the Charity's aims and objectives.

The staging of West End-quality theatre at affordable prices is central to our mission to develop a diverse audience and to create new theatre goers. Key to this is ticket prices: we keep ours below cost. This year our top price ticket for all regular performances was £32.50; our Pay What You Can Scheme, concessionary rates and Young Patrons scheme are all designed to help those on lower incomes attend performances.

Park Theatre's Creative Learning initiatives use drama to enrich lives and address confidence building, bullying, social exclusion, peer pressure and identity. Our reach extends from the youngest to the oldest members of the community: with parents and babies, young people with Down's Syndrome and older people with Alzheimer's.

Our welcoming, all-day, family-friendly Cafe Bar provides accessible working or meeting space, with reasonably priced food and drink, toilets and baby change facilities and free Wifi. We also make available meeting rooms at subsidised rates to local businesses and not-for-profit organisations.

We believe that Park Theatre and its open door policy is playing an important role in the regeneration of the Finsbury Park area.

## **Financial review**

Total income for 2018/19 was £1,777,502, compared with £1,787,629 the previous year. Expenditure in 2018/19 was £1,896,475 compared with £1,697,154 the previous year. Overall, the Theatre made a loss for the year of £118,973, compared to a surplus on an equivalent basis of £90,475 in 2017/18. The surplus on unrestricted and undesignated funds was £16,926, compared with a surplus of £115,882 in 2017/18.

This year's surplus on unrestricted and undesignated funds was calculated after a depreciation charge of £42,423, which covers the depreciation of the theatre's Fixtures and Fittings and Office Equipment, which the theatre will need to replace in due course.

For technical accounting reasons, we are required to include a further depreciation charge of £77,547 which relates to the theatre property and other assets which, under the terms of our lease, it is the freeholder's responsibility to replace; this appears in Designated Funds on the Statement of Financial Activities, and is the only item to be included in this column. The Board considers it unlikely that, in practice, the theatre would need to make a material financial contribution to the replacement of these assets.

Income from core charitable activities, including rental of the theatre and education classes, was £506,335, compared to £848,538 the previous year; this reduction is due mostly to the increase in-house producing, resulting in less income from rentals. This has been replaced with box office income generated from in-house productions, as seen in increased turnover in Park Theatre Productions (and reflected in the higher level of income from Other Trading Activities: £982,577 compared to £507,986 the previous year).

Total fundraised income this year was £288,587; this was down from £431,009 the previous year, when we hosted our fundraising run of performances by Sir Ian McKellen. Total income was therefore £1,777,502, compared with £1,787,629 the previous year.

The Cafe Bar completed its third full financial year trading in-house. It generated a loss of £49,411, after paying recharges to the theatre for services provided. This was down from a profit of £3,851 in 2017/18. Whilst this is an extremely disappointing result for the Cafe Bar, we recognise the positive work put in by our Head of Food & Beverage Brett Reynolds to remedy the position in the coming financial year. The Cafe Bar remaining in-house is important to the culture and ethos of our building and we are hopeful that we will be able to achieve a considerably better financial result in the coming year, following a period of careful budgeting and introducing strategies to increase incoming, including additional late night events in the Cafe Bar.

## Reserves

The Board acknowledges the need to build a healthy level of unrestricted cash reserves to protect the theatre against the unexpected. Trustees have set an initial goal of securing reserves of approximately £200,000.

As at 31 March 2019, unrestricted free reserves (total unrestricted funds less fixed assets and stock, less the total loss for the year) were £229,210, an increase of £56,957 on the previous year-end position (£172,253). However, a year end figure cannot reflect the normal working capital fluctuations that take place during the year; the Board must also take into account setting aside enough to cover potential losses for in-house productions already committed to. The Board estimates that at the year end the underlying free reserves of the charity (i.e. the amount that the Board would expect to remain available after taking account of normal operating cash flows and

factoring in potential losses for previously committed to in-house productions) to be of the order of £50,000 to £70,000.

Strengthening free reserves continues to be a high priority for the Board. We recognise that those years in which we stage large scale fundraising events, such as a gala dinner or last year's week with Sir Ian McKellen, will be years in which we should expect to see our reserves strengthen materially. However, the Board recognises that it may not be possible to stage large scale fundraising events every year without donor fatigue or placing excessive demands on staff, and plans for the longer-term accordingly.

## Principal risks and uncertainties

The Board keeps the theatre's risk assessment under regular review. A detailed review of risk and measures for its mitigation is looked at in detail by the Finance Committee twice per year and brought to the full Board for discussion annually. The three principal areas of risk and the steps being taken to mitigate them are:

### i. Financial resilience

The charity has limited reserves to enable it to cope with unexpected financial shocks.

The theatre is committed to building its reserves (see Reserves Policy below). This year we were not able to do this as the organisation made a deficit overall, but we will be holding two large scale fundraising events in 2019 which, if successful, will help to increase the level of reserves by the end of the next financial year.

The Board recognises the particular risk from investment in in-house productions and scrutinises the plans for those productions with regard to the impact of the wider financial position of the theatre, requiring external co-investment or other support when appropriate. All productions this year were supported by either the Production Fund and/or investment. We are pleased that, overall this year, our in-house productions made a profit, supported by very strong sales from *End of the Pier* and *Rosenbaum's Rescue* in particular.

### ii. Dependence on voluntary income

The charity depends significantly upon voluntary income to operate: this is inherently unpredictable and the environment for fundraising is currently difficult. We have strengthened the Development department in the last two years and the Development Board seeks to help us broaden our access to new sources of funding and to provide additional contacts and energy.

### iii. Staff capacity

The theatre has a relatively small staff team who all work long hours with great commitment. We were pleased to have relatively low turnover this year and we have continued to focus on our

working culture, including working with an HR Consultant to provide training sessions and confidential one-on-one sessions for staff to seek advice and support on any HR matters.

## Going concern

The charity's planning process, including financial projections, has taken into account the current economic climate and its potential impact on the various sources of income and planned expenditure, including, in particular, the charity's ability to generate donations, grants and other development income, on which the charity remains substantially dependent.

The Board has a reasonable expectation that the theatre will have adequate resources to continue in operational existence for at least the 12 month period from the date of approval of the financial statements. There are no material uncertainties surrounding the ability of the Theatre to remain a going concern and thus the accounts have been prepared on this basis.

## Plans for the future

At the date of this report, the theatre had a full slate of productions programmed for both Park200 and Park90 until December 2019 and will shortly confirm programming through to Spring 2020. The programme promises to be of artistically high quality, working with numerous established and emerging artists, and brings with it a reassuring stability of rental income. We anticipate presenting at least three in-house productions within the financial year, including *Sydney & the Old Girl* in November 2019, which will see the return of Miriam Margolyes to our stage.

In addition, in July 2019, we presented *WhoDunnit [Unrehearsed]*, a two week run of fundraising performances. Written by Artistic Director Jez Bond and Associate Artist Mark Cameron, *WhoDunnit [Unrehearsed]* was a spoof murder mystery where the character of the Inspector was played by a different celebrity guest each performance. This celebrity had never seen the script before and was fed their lines through an earpiece throughout the show. Celebrities that took part included Gillian Anderson, Damien Lewis, Joanna Lumley, Meera Syal, Clarke Peters and Matthew Broderick. The two week run was entirely sold out and provisional figures suggest a very strong financial performance.

We are now in the third year of our five year business plan and goals for 2019/20 include:

- Produce up to four in-house shows in Park200 during the financial year
- Deliver two successful fundraising events during the year, in order to materially improve our reserves position by March 2020
- Obtain increased funding for our Community Engagement Manager in order to expand our Creative Learning activity and broaden the scope of our interactions with our local community
- Increase our diversity both on-stage and off, supported by our Inclusion Committee
- Build up our Cafe Bar operation so it is profitable

- Appoint a group of Creative Associates to widen the quantity and range of work we are able to see and to introduce us to new artistic talent.

## Structure, governance and management

The Company was incorporated as a company limited by guarantee on 30 November, 2009 with a registered number 7091161. The Company was registered with the Charity Commission with effect from 2 August, 2010, with registered number 1137223. Trustees are Members of the Charity, which entitles them only to voting rights. Members guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees have no beneficial interest in the charity.

The company was incorporated under a memorandum of association that established the objects and powers of the charitable company and is governed under its articles of association. Trustees receive no benefit from their role as trustees at the Theatre. They may be reimbursed for expenses (such as travel to board meetings) necessary for them to perform governance duties. Any expenses and extraordinary payments reclaimed from the charity are set out in the notes to the accounts.

There are two subsidiary companies in existence: Park Theatre Cafe Bar Ltd (company number 09492315) and Park Theatre Productions Ltd (company number 09358327). Park Theatre Cafe Bar Ltd was incorporated on 16 March 2015 in order to manage the cafe bar operations. Park Theatre Productions Ltd was incorporated on 17 December 2014 in order to facilitate more commercial productions and to manage the greater risk associated with producing.

## Appointment of trustees

The Board has a strong mix of skills reflecting the identified needs of the charity. This year, Leah Schmidt stepped down from the Board after seven years of service; we are hugely grateful for the enormous amount of support she has given the theatre over the years, including as Interim Chair, and subsequently as Vice-Chair.

This year we adopted a revised Memorandum and Articles of Association, redrafted with the support of our pro bono lawyers, Katten Muchin Rosenman. The new Articles are more suited to our organisation and introduced fixed terms of office for Board members. Board members are now able to serve up to two terms of three years each, and an additional year in exceptional circumstances. Provision was made to avoid the immediate loss of Trustees with more than six years' service.

The Board met every two months throughout the year. The Finance Committee met on the same pattern and the Nominations Committee met as required. The Boards of the subsidiary companies, overseeing the Cafe Bar and Park Theatre Productions, also met regularly during the year. These meetings enabled the Trustees to oversee the strategy, management and financial management of the theatre. Nigel Pantling continued to be Chair of the Board of Trustees.



## **Trustee induction and training**

New Trustees are identified through the Board's existing networks, by direct approaches to individuals thought to have the skills and experience required, or by advertising as appropriate. Potential new Trustees meet at least two Board members and one member of the senior management team before their appointment is considered by the full Board.

Newly-appointed Trustees are briefed by a senior staff member to introduce them to the charity, given a tour of the building by the Artistic Director, and are supplied with an induction pack about the charity and its governance.

## **Related parties and relationships with other organisations**

Trustees are aware of the need to uphold transparency and equality in contractual and business relationships. The Board requires disclosure of relationships between the Trustees or members of staff with contracted actors, production companies or similar agencies. Business contracts that could attract interest from known parties are put out to tender so as not to give preferential treatment. Where a conflict of interest arises affecting a Board member, the individual concerned takes no part in the decision. Any related party transactions are disclosed in note 9.

## **Remuneration policy for key management personnel**

When the theatre opened it was not possible to pay salaries in line with those paid elsewhere. Our longer-term remuneration policy is to pay salaries in line with comparable organisations and we are now close to achieving that for many roles. Salaries for all staff below Executive level are reviewed by the Executive and any changes authorised by the Finance Committee. Salaries for the Artistic and Executive Directors are reviewed and set by the Nominations Committee.

## **Policy for employment of disabled persons**

Encouraging diversity and access are key concerns for Park Theatre. We have established an advisory committee including local residents with the aim of identifying ways to diversify our staff, volunteers, performers, backstage crew and audiences, with regard to disability, race and gender. With multi-year funding for our access programme secured from the City Bridge Trust, we offer a range of access performances throughout the year, and have been able to invest in evac chairs for the theatre and offer a range of disability awareness training to staff. We also continued to work with Islington Council with regard to offering volunteer or employed position to local residents with learning difficulties.

In 2018, we introduced a Positive Action Policy as part of our recruitment procedures, meaning that any candidate that identified as BAME or disabled would be guaranteed an interview if they meet the essential requirements of the job specification.

## **Employee information**

We are deeply grateful as a Board to the staff team, whose hard work, commitment and flair have made so much progress possible during 2018/19.

Park Theatre has maintained a permanent staff team averaging fourteen over the year, plus a number of workers on casual contracts who work on a shift basis as duty managers, box office supervisors, duty technicians or behind the bar. This year we welcomed our new Community Engagement Manager, Nina Graveney-Edwards to the team in September 2018, a new role funded by a group of generous donors. We also appointed to the roles of Head of Food & Beverage, appointing Oliver Mortimer to replace Brett Reynolds, and a new Access Coordinator, Sarah Howard to replace staff who left the theatre.

In July 2018 we welcomed Dawn James, previously Sales & Marketing Manager, to our Senior Management Team as Sales & Marketing Director. This reflects the significant structural changes and improvements in the Sales & Marketing Department over the previous two years and, as we produce more work in-house, the importance of sales and marketing input to the strategic decisions about our programme.

We could not operate without the forty or so volunteers who support us through the year. They usher all our productions and welcome patrons to the building; some help more broadly, such as proofreading our print material and supporting our connections with the local area. We train our volunteers in the relevant aspects of theatre operations, including health & safety, customer services and evacuation procedures, use of radio and basic cashing-up. They do all this without pay or benefits and give their time generously and flexibly. We greatly appreciate their contribution.

## **Statement of responsibilities of the trustees**

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent

**Trustees' annual report**

**For the year ended 31 March 2019**

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- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation.

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

In so far as the trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2019 was 10 (2017: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## **Auditor**

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 18 September 2019 and signed on their behalf by

Nigel Pantling  
Chair of Trustees

## **Opinion**

We have audited the financial statements of The Park Theatre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

## **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 group 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 group financial statements is not appropriate; or
- The trustees have not disclosed in the group financial statements any identified material uncertainties that may cast significant doubt about the group's or the 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' annual report other than the group financial statements and our auditor's report thereon. Our opinion on the group 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 group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group 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 group 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 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' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the 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 the 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's or the parent charitable company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

## Independent auditor's report

to the members of

### The Park Theatre

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related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## 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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Judith Miller (Senior statutory auditor)

13 November 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

## Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2019

|   |      | Unrestricted funds |                  | Restricted funds | 2019             | Unrestricted funds |                  | Restricted funds | 2018             |
|---|------|--------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|
|   | Note | General            | Designated       | funds            | Total            | General            | Designated       | funds            | Total            |
|   |      | £                  | £                | £                | £                | £                  | £                | £                | £                |
| <b>Income from:</b>   |      |                    |                  |                  |                  |                    |                  |                  |                  |
| Donations and legacies                                      | 2    | 167,252            | –                | 121,335          | <b>288,587</b>   | 303,174            | –                | 127,835          | 431,009          |
| Charitable activities                                       | 3    | 506,335            | –                | –                | <b>506,335</b>   | 848,538            | –                | –                | 848,538          |
| Other trading activities                                    | 4    | 982,577            | –                | –                | <b>982,577</b>   | 507,986            | –                | –                | 507,986          |
| Investments   |      | 2                  | –                | –                | <b>2</b>         | 96                 | –                | –                | 96               |
| <b>Total income</b>   |      | <b>1,656,167</b>   | <b>–</b>         | <b>121,335</b>   | <b>1,777,502</b> | <b>1,659,794</b>   | <b>–</b>         | <b>127,835</b>   | <b>1,787,629</b> |
| <b>Expenditure on:</b>                                      |      |                    |                  |                  |                  |                    |                  |                  |                  |
| Raising funds   |      | 905,481            | –                | –                | <b>905,481</b>   | 849,697            | –                | –                | 849,697          |
| Charitable activities                                       |      | 733,760            | 77,547           | 179,687          | <b>990,994</b>   | 684,372            | 78,477           | 84,608           | 847,457          |
| <b>Total expenditure</b>                                    | 5a   | <b>1,639,241</b>   | <b>77,547</b>    | <b>179,687</b>   | <b>1,896,475</b> | <b>1,534,069</b>   | <b>78,477</b>    | <b>84,608</b>    | <b>1,697,154</b> |
| <b>Net income / (expenditure) for the year</b>              | 6    | <b>16,926</b>      | <b>(77,547)</b>  | <b>(58,352)</b>  | <b>(118,973)</b> | <b>125,725</b>     | <b>(78,477)</b>  | <b>43,227</b>    | <b>90,475</b>    |
| Transfers between funds                                     | 19   | –                  | –                | –                | –                | (9,843)            | 9,843            | –                | –                |
| <b>Net income / (expenditure) and net movement in funds</b> |      | <b>16,926</b>      | <b>(77,547)</b>  | <b>(58,352)</b>  | <b>(118,973)</b> | <b>115,882</b>     | <b>(68,634)</b>  | <b>43,227</b>    | <b>90,475</b>    |
| <b>Reconciliation of funds:</b>                             |      |                    |                  |                  |                  |                    |                  |                  |                  |
| Total funds brought forward                                 |      | 306,461            | 1,609,711        | 79,602           | <b>1,995,774</b> | 190,579            | 1,678,345        | 36,375           | 1,905,299        |
| <b>Total funds carried forward</b>                          |      | <b>323,387</b>     | <b>1,532,164</b> | <b>21,250</b>    | <b>1,876,801</b> | <b>306,461</b>     | <b>1,609,711</b> | <b>79,602</b>    | <b>1,995,774</b> |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.



## Balance sheets

Company no. 7091161

As at 31 March 2019

|  | Note | The group<br>2019<br>£ | 2018<br>£        | The charity<br>2019<br>£ | 2018<br>£        |
|--|------|------------------------|------------------|--------------------------|------------------|
| <b>Fixed assets:</b>                           |      |                        |                  |                          |                  |
| Tangible assets                                | 11   | 1,611,946              | 1,731,916        | 1,611,946                | 1,731,916        |
| Investments                                    | 12   |                        | –                | 2                        | 2                |
|  |      | <u>1,611,946</u>       | <u>1,731,916</u> | <u>1,611,948</u>         | <u>1,731,918</u> |
| <b>Current assets:</b>                         |      |                        |                  |                          |                  |
| Stock  | 15   | 14,395                 | 12,003           | –                        | –                |
| Debtors  | 16   | 105,718                | 55,985           | 111,273                  | 68,906           |
| Cash at bank and in hand                       |      | 668,998                | 727,001          | 652,413                  | 710,399          |
|  |      | <u>789,111</u>         | <u>794,989</u>   | <u>763,686</u>           | <u>779,305</u>   |
| <b>Liabilities:</b>                            |      |                        |                  |                          |                  |
| Creditors: amounts falling due within one year | 17   | (524,255)              | (531,131)        | (449,422)                | (515,449)        |
|  |      | <u>264,855</u>         | <u>263,858</u>   | <u>314,265</u>           | <u>263,856</u>   |
| <b>Net current assets</b>                      |      |                        |                  |                          |                  |
|  |      | <u>264,855</u>         | <u>263,858</u>   | <u>314,265</u>           | <u>263,856</u>   |
| <b>Total net assets</b>                        | 18a  | <u>1,876,801</u>       | <u>1,995,774</u> | <u>1,926,212</u>         | <u>1,995,774</u> |
| <b>Funds:</b>                                  | 19a  |                        |                  |                          |                  |
| Restricted income funds                        |      | 21,250                 | 79,602           | 21,250                   | 79,602           |
| Unrestricted income funds:                     |      |                        |                  |                          |                  |
| Designated funds                               |      | 1,532,164              | 1,609,711        | 1,532,164                | 1,609,711        |
| General funds                                  |      | 372,798                | 306,461          | 372,798                  | 306,461          |
| Non-charitable trading funds                   |      | (49,411)               | –                |                          | –                |
|  |      | <u>1,855,551</u>       | <u>1,916,172</u> | <u>1,904,962</u>         | <u>1,916,172</u> |
| <b>Total unrestricted funds</b>                |      | <u>1,855,551</u>       | <u>1,916,172</u> | <u>1,904,962</u>         | <u>1,916,172</u> |
| <b>Total funds</b>                             |      | <u>1,876,801</u>       | <u>1,995,774</u> | <u>1,926,212</u>         | <u>1,995,774</u> |

Approved by the trustees on 18th September 2019 and signed on their behalf by

Nigel Pantling  
Chair of Trustees

The Park Theatre

Consolidated statement of cash flows

For the year ended 31 March 2019

|   | Note | 2019<br>£ | £               | 2018<br>£ | £               |
|---|------|-----------|-----------------|-----------|-----------------|
| Net income / (expenditure) for the reporting period<br>(as per the statement of financial activities) |      | (118,973) |                 | 90,475    |                 |
| Depreciation charges  |      | 119,970   |                 | 128,689   |                 |
| Dividends, interest and rents from investments  |      | 2         |                 | (96)      |                 |
| Increase in stocks  |      | (2,392)   |                 | (1,169)   |                 |
| Decrease in debtors   |      | (49,733)  |                 | 62,705    |                 |
| Increase/(decrease) in creditors  |      | (6,876)   |                 | (249,036) |                 |
| <b>Net cash provided by operating activities</b>  |      |           | <b>(58,001)</b> |           | <b>31,568</b>   |
| <b>Cash flows from investing activities:</b>  |      |           |                 |           |                 |
| Dividends, interest and rents from investments  |      | (2)       |                 | 96        |                 |
| Purchase of fixed assets  |      | –         |                 | (80,831)  |                 |
| <b>Net cash used in investing activities</b>  |      |           | <b>(2)</b>      |           | <b>(80,735)</b> |
| <b>Change in cash and cash equivalents in the year</b>  |      |           | <b>(58,003)</b> |           | <b>(49,167)</b> |
| Cash and cash equivalents at the beginning of the year  |      |           | <b>727,001</b>  |           | <b>776,168</b>  |
| <b>Cash and cash equivalents at the end of the year</b>   |      |           | <b>668,998</b>  |           | <b>727,001</b>  |

**1 Accounting policies**

**a) Statutory information**

The Park Theatre is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 11 Clifton Terrace, Finsbury Park, London, N4 3JP.

**b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with 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) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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 nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Cafe bar income comprises sales of food and drink and are recognised at the point of sale.

Workshop income comprises amounts due in respect of creative learning classes held at the theatre and are recognised on receipt.

Theatre rental comprise amounts due from third parties for rental of theatre space for a third party production. Theatre rental is recognised in the period in which the performance occurs.

Box office income comprises ticket sales for the charity's own productions and are recognised in the period in which the performance occurs.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**1 Accounting policies (continued)**

**f) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**g) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**i) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**j) Operating leases**

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

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is split between a designated fund, for depreciation on Long Leasehold Property assets, and straight line against unrestricted funds, for depreciation of Fixtures & Fittings and Office Equipment.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- |                           |                   |
|---------------------------|-------------------|
| • Long leasehold property | 4% straight line  |
| • Fixtures and fittings   | 15% straight line |
| • Office equipment        | 25% straight line |

**l) Investments in subsidiaries**

Investments in subsidiaries are at cost.

**1 Accounting policies (continued)****m) Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

**n) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income holds the expected receipt of theatre's claim of Theatre Tax Relief from HMRC and the distribution donation from the Production Company post year end.

**o) Short term deposits**

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

**p) Cash at bank and in hand**

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

**q) Creditors and provisions**

Creditors and provisions 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**r) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**s) Pensions**

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

**2 Income from donations and legacies**

|                  | Unrestricted<br>£ | Restricted<br>£ | 2019<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£ | 2018<br>Total<br>£ |
|------------------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Gifts            | 123,422           | 86,748          | 210,170            | 239,125           | 94,177          | 333,302            |
| Subscriptions    | 31,330            | –               | 31,330             | 64,049            | –               | 64,049             |
| Grants           | 12,500            | 34,587          | 47,087             | –                 | 33,658          | 33,658             |
| Donated services | –                 | –               | –                  | –                 | –               | –                  |
|                  | <u>167,252</u>    | <u>121,335</u>  | <u>288,587</u>     | <u>303,174</u>    | <u>127,835</u>  | <u>431,009</u>     |

Donated services represent ...

**3 Income from charitable activities**

|   | Unrestricted<br>£ | Restricted<br>£ | 2019<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£ | 2018<br>Total<br>£ |
|---|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Box office                              | 118,980           |                 | <b>118,980</b>     | 395,144           | –               | 395,144            |
| Workshop                                | 15,247            | –               | <b>15,247</b>      | 23,441            | –               | 23,441             |
| Other                                   | 24,692            | –               | <b>24,692</b>      | 6,785             | –               | 6,785              |
| Theatre rental                          | 338,598           | –               | <b>338,598</b>     | 412,630           | –               | 412,630            |
| Recharged Expenses                      | 8,818             | –               | <b>8,818</b>       | 10,538            | –               | 10,538             |
| Total income from charitable activities | <b>506,335</b>    | –               | <b>506,335</b>     | <b>848,538</b>    | –               | <b>848,538</b>     |

**4 Income from other trading activities**

|                         | 2019<br>Total<br>£ | 2018<br>Total<br>£ |
|-------------------------|--------------------|--------------------|
| Café bar                | <b>473,635</b>     | 506,986            |
| Production Company      | <b>508,343</b>     |                    |
| Fundraising activities: |                    |                    |
| Name a seat             | <b>600</b>         | 1,000              |
|                         | <b>982,578</b>     | <b>507,986</b>     |

All income from trading activities is unrestricted.

The Park Theatre

Notes to the financial statements

For the year ended 31 March 2019

5a Analysis of expenditure (current year)

|                               | Raising funds<br>£ | Charitable<br>activities<br>£ | Governance<br>costs<br>£ | Support costs<br>£ | 2019<br>Total<br>£ | 2018<br>Total<br>£ |
|-------------------------------|--------------------|-------------------------------|--------------------------|--------------------|--------------------|--------------------|
| Staff costs (Note 7)          | 396,401            | 258,639                       | 58,849                   | 177,442            | 891,332            | 796,114            |
| Production costs              | –                  | 304,510                       | –                        | –                  | 304,510            | 186,325            |
| Premises costs                | 14,352             | 7,176                         | –                        | 121,990            | 143,518            | 106,091            |
| Advertising and marketing     | –                  | 50,005                        | –                        | 8,824              | 58,829             | 89,525             |
| Insurance                     | –                  | –                             | –                        | 12,081             | 12,081             | 20,581             |
| Travelling and entertainment  | 2,202              | 2,202                         | –                        | –                  | 4,404              | –                  |
| Office and internet           | –                  | –                             | –                        | 32,610             | 32,610             | 35,817             |
| License fees                  | –                  | –                             | –                        | 335                | 335                | 5,994              |
| Sundry                        | 1,018              | –                             | –                        | 3,055              | 4,074              | 38,767             |
| Box office costs              | –                  | 46,718                        | –                        | –                  | 46,718             | 45,005             |
| Professional fees             | –                  | –                             | –                        | 16,619             | 16,619             | 9,963              |
| Bank charges                  | 130                | –                             | –                        | 130                | 260                | 4,894              |
| Audit and accountancy         | –                  | –                             | 15,500                   | –                  | 15,500             | 13,500             |
| Café bar                      | 197,398            | –                             | –                        | 21,933             | 219,331            | 203,334            |
| Irrecoverable VAT             | –                  | –                             | –                        | 26,386             | 26,386             | 12,555             |
| Depreciation                  | –                  | –                             | –                        | 119,970            | 119,970            | 128,689            |
|                               | 611,501            | 669,250                       | 74,349                   | 541,375            | 1,896,476          | 1,697,154          |
| Support costs                 | 244,301            | 267,373                       | 29,703                   | (541,377)          | –                  | –                  |
| Governance costs              | 49,680             | 54,372                        | (104,052)                | –                  | –                  | –                  |
| <b>Total expenditure 2019</b> | <b>905,482</b>     | <b>990,995</b>                |                          | <b>(2)</b>         | <b>1,896,476</b>   |                    |
| Total expenditure 2018        | 849,697            | 847,457                       | –                        | –                  |                    | 1,697,154          |

The Park Theatre

Notes to the financial statements

For the year ended 31 March 2019

5b Analysis of expenditure (prior year)

|                               | Raising funds<br>£    | Charitable<br>activities<br>£ | Governance<br>costs<br>£ | Support costs<br>£ | 2018<br>Total<br>£      |
|-------------------------------|-----------------------|-------------------------------|--------------------------|--------------------|-------------------------|
| Staff costs (Note 7)          | 346,758               | 242,761                       | 50,998                   | 155,597            | 796,114                 |
| Production costs              | –                     | 186,325                       | –                        | –                  | 186,325                 |
| Premises costs                | 10,724                | 2,167                         | –                        | 93,200             | 106,091                 |
| Advertising and marketing     | –                     | 83,858                        | –                        | 5,667              | 89,525                  |
| Insurance                     | –                     | 3,585                         | –                        | 16,996             | 20,581                  |
| Office and internet           | –                     | –                             | –                        | 35,817             | 35,817                  |
| License fees                  | 2,957                 | –                             | –                        | 3,037              | 5,994                   |
| Sundry                        | 4,185                 | –                             | –                        | 34,582             | 38,767                  |
| Box office costs              | –                     | 45,005                        | –                        | –                  | 45,005                  |
| Professional fees             | –                     | –                             | –                        | 9,963              | 9,963                   |
| Bank charges                  | 2,712                 | –                             | –                        | 2,182              | 4,894                   |
| Audit and accountancy         | –                     | –                             | 13,500                   | –                  | 13,500                  |
| Café bar                      | 197,854               | –                             | –                        | 5,480              | 203,334                 |
| Irrecoverable VAT             | –                     | –                             | –                        | 12,555             | 12,555                  |
| Depreciation                  | –                     | –                             | –                        | 128,689            | 128,689                 |
|                               | <u>565,190</u>        | <u>563,701</u>                | <u>64,498</u>            | <u>503,765</u>     | <u>1,697,154</u>        |
| Support costs                 | 238,584               | 237,954                       | 27,227                   | (503,765)          | –                       |
| Governance costs              | 45,923                | 45,802                        | (91,725)                 | –                  | –                       |
| <b>Total expenditure 2018</b> | <u><b>849,697</b></u> | <u><b>847,457</b></u>         | <u><b>–</b></u>          | <u><b>–</b></u>    | <u><b>1,697,154</b></u> |



Notes to the financial statements

For the year ended 31 March 2019

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

|   | 2019<br>£ | 2018<br>£ |
|---|-----------|-----------|
| Depreciation                            | 119,970   | 128,689   |
| Operating lease rentals:                |           |           |
| Property                                | 25,000    | 6,250     |
| Other                                   | 1,981     | 3,962     |
| Auditor's remuneration (excluding VAT): |           |           |
| Audit                                   | 9,500     | 9,250     |

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

|   | 2019<br>£ | 2018<br>£ |
|---|-----------|-----------|
| Salaries and wages  | 763,004   | 648,899   |
| Social security costs   | 55,839    | 51,032    |
| Employer's contribution to defined contribution pension schemes | 10,530    | 6,958     |
| Other staff costs   | 61,958    | 89,225    |
|   | 891,331   | 796,114   |

No employee earned more than £60,000 during the year (2018: £nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £229,631 (2018: £219,807).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

No trustees received any reimbursed expenses (2018: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 48 (2018: 41).

9 Related party transactions

During the year Mr Jeremy Bond, the charity’s President and father of Mr Jez Bond, the Theatre’s Artistic Director, made a donation of £10,000 to Park Theatre's Production Fund.

As per last year, the freeholders for Park Theatre are Mr Jez Bond (the Theatre’s Artistic Director) and his siblings Ms Imola Melinda Bond and Ms Nicola Zsuzsa Primerano Riano.

During the financial year, rent of £25,000 (2018: £25,000, of which £18,750 was waived) was paid to the freeholders.

Mr Jeremy Bond is the managing partner of Park Marketing Consultants LLP and is associated with Mr Jez Bond and Ms Melli Marie, both employees of the Theatre. He was the freeholder of 11/13 Clifton Terrace until 31 December 2017 and a party to the lease whereby that property is occupied by the Theatre.

Mr Jeremy Bond has accepted the position of President of the Theatre, but does not attend Trustees' meetings and is not involved in the governance and executive management of the Theatre; he has received no remuneration, expenses, interest or rent from the Theatre since it was formed.

During the year the a number of trustees purchased memberships, gala tickets and participated in other fund raising events of the charity. Each of the transactions were carried out at an arms length basis.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries distribute under gift aid available profits to the parent charity. The charge to corporation tax in the year was:

|                           | 2019 | 2018 |
|---------------------------|------|------|
|                           | £    | £    |
| UK corporation tax at 19% | -    | -    |

# 11 Tangible fixed assets

## The group and charity

|                               | Long term<br>leasehold<br>property<br>£ | Fixtures and<br>fittings<br>£ | Office<br>equipment<br>£ | Total<br>£ |
|-------------------------------|---|-------------------------------|--------------------------|------------|
| <b>Cost</b>                   |   |                               |                          |            |
| At the start of the year      | 1,961,957                               | 274,612                       | 47,416                   | 2,283,985  |
| Additions in year             | –                                       | –                             | –                        | –          |
| Disposals in year             | –                                       | –                             | –                        | –          |
| At the end of the year        | 1,961,957                               | 274,612                       | 47,416                   | 2,283,985  |
| <b>Depreciation</b>           |   |                               |                          |            |
| At the start of the year      | 352,246                                 | 171,253                       | 28,570                   | 552,069    |
| Charge for the year           | 77,547                                  | 33,631                        | 8,792                    | 119,970    |
| Eliminated on disposal        | –                                       | –                             | –                        | –          |
| At the end of the year        | 429,793                                 | 204,884                       | 37,362                   | 672,039    |
| <b>Net book value</b>         |   |                               |                          |            |
| <b>At the end of the year</b> | 1,532,164                               | 69,728                        | 10,054                   | 1,611,946  |
| At the start of the year      | 1,609,711                               | 103,359                       | 18,846                   | 1,731,916  |

All of the above assets are used for charitable purposes.

# 12 Fixed asset investments

|  | The group |      | The charity |      |
|--|-----------|------|-------------|------|
|  | 2019      | 2018 | 2019        | 2018 |
|  | £         | £    | £           | £    |
| Historic cost at the start and end of the year | –         | –    | 2           | 2    |
| Investments comprise:                          |           |      |             |      |
|  | 2019      | 2018 | 2019        | 2018 |
|  | £         | £    | £           | £    |
| Investments in subsidiary companies            | –         | –    | 2           | 2    |

13 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Park Theatre Cafe Bar Limited and Park Theatre Productions Limited, both of which are companies registered in England and Wales (company registration numbers 09492315 and 09358327 respectively) and their registered address is 11 Clifton Terrace, Finsbury Park, London, N4 3JP. The subsidiaries are used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under gift aid to the charitable company.

The trustees A Cleland-Bogle and V Phillips are also Directors of Park Theatre Cafe Bar Limited, along with the Artistic and Executive Directors. The trustee N.Frankfort together with the Artistic and Executive Directors are also Directors of Park Theatre Productions Limited.

A summary of the results of each subsidiary is shown below:

|   | Park Theatre Café Bar Limited |           | Park Theatre Productions Limited |           |
|---|-------------------------------|-----------|----------------------------------|-----------|
|   | 2019                          | 2018      | 2019                             | 2018      |
|   | £                             | £         | £                                | £         |
| Turnover  | 473,629                       | 507,386   | 485,209                          | 127,723   |
| Cost of sales   | (192,244)                     | (198,105) | (439,394)                        | (158,451) |
| Gross profit/(loss)                                     | 281,385                       | 309,281   | 45,815                           | (30,728)  |
| Administrative expenses                                 | (330,801)                     | (305,441) | (23,842)                         | (25,395)  |
| Other operating income                                  | -                             | -         | 23,133                           | 57,250    |
| Bank interest   | 5                             | 11        | -                                | 3         |
| Operating profit / (loss)                               | (49,411)                      | 3,851     | 45,106                           | 1,130     |
| Theatre tax credit                                      | -                             | -         | -                                | -         |
| Profit/(loss) on ordinary activities                    | (49,411)                      | 3,851     | 45,106                           | 1,130     |
| Distribution to parent under gift aid                   |                               | (3,851)   | (45,106)                         | -         |
| Profit/(loss) for the financial year                    | (49,411)                      | -         |                                  | 1,130     |
| The aggregate of the assets, liabilities and funds was: |                               |           |                                  |           |
| Assets  | -                             | 31,662    | -                                | 30,001    |
| Liabilities   | (49,411)                      | (31,661)  | -                                | (30,000)  |
| Funds   | (49,411)                      | 1         | -                                | 1         |

Included within administrative expenses above is a management charge of £51,000 (2018: £51,000) from the parent entity. Included within Cost of Sales of the Production Company lies the rental charge and recharges to the Parent Company.

Amounts owed to/from the parent undertaking are shown in note 16 and 17.

14 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

|                     | 2019      | 2018      |
|---------------------|-----------|-----------|
|                     | £         | £         |
| Gross income        | 1,031,629 | 1,150,109 |
| Result for the year | (69,562)  | 89,345    |

**15 Stock**

|                | The group     |               | The charity |          |
|----------------|---------------|---------------|-------------|----------|
|                | 2019          | 2018          | 2019        | 2018     |
|                | £             | £             | £           | £        |
| Finished goods | 14,395        | 12,003        | -           | -        |
|                | <u>14,395</u> | <u>12,003</u> | <u>-</u>    | <u>-</u> |

**16 Debtors**

|                                | The group      |               | The charity    |               |
|--------------------------------|----------------|---------------|----------------|---------------|
|                                | 2019           | 2018          | 2019           | 2018          |
|                                | £              | £             | £              | £             |
| Trade debtors                  | 38,728         | 29,772        | 36,883         | 27,352        |
| VAT debtor                     | -              | -             | 16,565         | 20,773        |
| Other debtors                  | 9,612          | 5,556         | 664            | 764           |
| Prepayments and accrued income | 57,378         | 20,657        | 57,161         | 20,017        |
|                                | <u>105,718</u> | <u>55,985</u> | <u>111,273</u> | <u>68,906</u> |

All of the group's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in the note below.

**17 Creditors: amounts falling due within one year**

|                                    | The group      |                | The charity    |                |
|------------------------------------|----------------|----------------|----------------|----------------|
|                                    | 2019           | 2018           | 2019           | 2018           |
|                                    | £              | £              | £              | £              |
| Amounts owed to group undertakings | -              | -              | 65,249         | 53,071         |
| Trade creditors                    | 86,547         | 56,636         | 49,762         | 28,622         |
| Taxation and social security       | 29,716         | 20,361         | 16,211         | 14,467         |
| Other creditors                    | 4,472          | 1,603          | 1,046          | 1,128          |
|                                    | <u>403,520</u> | <u>452,531</u> | <u>317,154</u> | <u>418,161</u> |
| Accruals and deferred income       | <u>524,255</u> | <u>531,131</u> | <u>449,422</u> | <u>515,449</u> |

18a Analysis of group net assets between funds (current year)

|                             | General<br>unrestricted<br>£ | Designated<br>funds<br>£ | Restricted<br>funds<br>£ | Total funds<br>£ |
|-----------------------------|------------------------------|--------------------------|--------------------------|------------------|
| Tangible fixed assets       | 79,782                       | 1,532,164                | –                        | 1,611,946        |
| Net current assets          | 243,605                      | –                        | 21,250                   | 264,855          |
| Net assets at 31 March 2019 | 323,387                      | 1,532,164                | 21,250                   | 1,876,801        |

18b Analysis of group net assets between funds (prior year)

|                             | General<br>unrestricted<br>£ | Designated<br>funds<br>£ | Restricted<br>funds<br>£ | Total funds<br>£ |
|-----------------------------|------------------------------|--------------------------|--------------------------|------------------|
| Tangible fixed assets       | 122,205                      | 1,609,711                | –                        | 1,731,916        |
| Net current assets          | 184,256                      | –                        | 79,602                   | 263,858          |
| Net assets at 31 March 2018 | 306,461                      | 1,609,711                | 79,602                   | 1,995,774        |

## 19a Movements in funds (current year)

|                                     | At 1 April<br>2018<br>£ | Income &<br>gains<br>£ | Expenditure<br>& losses<br>£ | Transfers<br>£ | At 31 March<br>2019<br>£ |
|-------------------------------------|-------------------------|------------------------|------------------------------|----------------|--------------------------|
| <b>Restricted funds:</b>            |                         |                        |                              |                |                          |
| City Bridge – Access Programme      | –                       | 20,087                 | (20,087)                     | –              | –                        |
| Community Engagement Officer        | –                       | 12,000                 | (7,000)                      | –              | 5,000                    |
| Lady Brittan                        | 10,000                  | –                      | (10,000)                     | –              | –                        |
| Linda Almond                        | –                       | 500                    | (500)                        | –              | –                        |
| Production Fund                     | 60,000                  | 40,000                 | (90,000)                     | –              | 10,000                   |
| Annual Fund                         | 5,000                   | –                      | (5,000)                      | –              | –                        |
| Schools Tour                        | 1,875                   | –                      | (1,875)                      | –              | –                        |
| Islington Council                   | –                       | 6,500                  | (4,500)                      | –              | 2,000                    |
| Three Monkeys Trust                 | –                       | 5,000                  | (5,000)                      | –              | –                        |
| ACE – Script Accelerator            | –                       | 7,553                  | (7,553)                      | –              | –                        |
| All Change Arts                     | –                       | 250                    | (250)                        | –              | –                        |
| Creative Learning                   | –                       | –                      | –                            | –              | –                        |
| Marianne Falk                       | –                       | 10,000                 | (10,000)                     | –              | –                        |
| Mercer's Trust                      | –                       | 14,250                 | (10,000)                     | –              | 4,250                    |
| Richard & Lesley Ruben              | –                       | 5,000                  | (5,000)                      | –              | –                        |
| Script Accelerator                  | –                       | 195                    | (195)                        | –              | –                        |
| The Makower Prize Fund              | 250                     | –                      | (250)                        | –              | –                        |
| Arsenal in the Community            | 2,477                   | –                      | (2,477)                      | –              | –                        |
| <b>Total restricted funds</b>       | <b>79,602</b>           | <b>121,335</b>         | <b>(179,687)</b>             | <b>–</b>       | <b>21,250</b>            |
| <b>Unrestricted funds:</b>          |                         |                        |                              |                |                          |
| Designated funds:                   |                         |                        |                              |                |                          |
| Property fund                       | 1,609,711               | –                      | (77,547)                     | –              | 1,532,164                |
| <b>Total designated funds</b>       | <b>1,609,711</b>        | <b>–</b>               | <b>(77,547)</b>              | <b>–</b>       | <b>1,532,164</b>         |
| <b>General funds</b>                | <b>306,461</b>          | <b>674,191</b>         | <b>(607,854)</b>             | <b>–</b>       | <b>372,798</b>           |
| <b>Non-charitable trading funds</b> | <b>–</b>                | <b>981,976</b>         | <b>(1,031,387)</b>           | <b>–</b>       | <b>(49,411)</b>          |
| <b>Total unrestricted funds</b>     | <b>1,916,172</b>        | <b>1,656,167</b>       | <b>(1,716,788)</b>           | <b>–</b>       | <b>1,855,551</b>         |
| <b>Total funds</b>                  | <b>1,995,774</b>        | <b>1,777,502</b>       | <b>(1,896,475)</b>           | <b>–</b>       | <b>1,876,801</b>         |

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 19b Movements in funds (prior year)

|                                      | At 31 March<br>2017<br>£ | Income &<br>gains<br>£ | Expenditure<br>& losses<br>£ | Transfers<br>£ | At 31 March<br>2018<br>£ |
|--------------------------------------|--------------------------|------------------------|------------------------------|----------------|--------------------------|
| <b>Restricted funds:</b>             |                          |                        |                              |                |                          |
| Garfield Weston Foundation           | 4,500                    | –                      | (4,500)                      | –              | –                        |
| City Bridge – Access Programme       | –                        | 21,938                 | (21,938)                     | –              | –                        |
| Finsbury Park Creative Hub           | –                        | 2,100                  | (2,100)                      | –              | –                        |
| All Change – Bcreative               | –                        | 2,500                  | (2,500)                      | –              | –                        |
| Royal Victoria Hall                  | –                        | 950                    | (950)                        | –              | –                        |
| Production Fund                      | 20,000                   | 60,000                 | (20,000)                     | –              | 60,000                   |
| 'Madame Rubinstein' Production       | 10,000                   | –                      | (10,000)                     | –              | –                        |
| Schools Tour                         | 1,875                    | –                      | –                            | –              | 1,875                    |
| Be Creative                          | –                        | 2,250                  | (2,250)                      | –              | –                        |
| Creative Learning                    | –                        | 3,650                  | (3,650)                      | –              | –                        |
| Islington Council                    | –                        | 11,720                 | (11,720)                     | –              | –                        |
| Annual Fund                          | –                        | 5,000                  | –                            | –              | 5,000                    |
| Theatre Trust – Building maintenance | –                        | 5,000                  | (5,000)                      | –              | –                        |
| The Makower Prize Fund               | –                        | 250                    | –                            | –              | 250                      |
| Arsenal in the Community             | –                        | 2,477                  | –                            | –              | 2,477                    |
| Lady Brittan                         | –                        | 10,000                 | –                            | –              | 10,000                   |
| <b>Total restricted funds</b>        | <b>36,375</b>            | <b>127,835</b>         | <b>(84,608)</b>              | <b>–</b>       | <b>79,602</b>            |
| <b>Unrestricted funds:</b>           |                          |                        |                              |                |                          |
| Designated funds:                    |                          |                        |                              |                |                          |
| Property fund                        | 1,678,345                | –                      | (78,477)                     | 9,843          | 1,609,711                |
| <b>Total designated funds</b>        | <b>1,678,345</b>         | <b>–</b>               | <b>(78,477)</b>              | <b>9,843</b>   | <b>1,609,711</b>         |
| <b>General funds</b>                 | <b>191,710</b>           | <b>967,421</b>         | <b>(842,827)</b>             | <b>(9,843)</b> | <b>306,461</b>           |
| <b>Non-charitable trading funds</b>  | <b>(1,131)</b>           | <b>692,373</b>         | <b>(691,242)</b>             | <b>–</b>       | <b>–</b>                 |
| <b>Total unrestricted funds</b>      | <b>1,868,924</b>         | <b>1,659,794</b>       | <b>(1,612,546)</b>           | <b>–</b>       | <b>1,916,172</b>         |
| <b>Total funds</b>                   | <b>1,905,299</b>         | <b>1,787,629</b>       | <b>(1,697,154)</b>           | <b>–</b>       | <b>1,995,774</b>         |



**19 Movements in funds (continued) – purposes of funds**

**Purposes of designated funds**

The Property Fund represents the net book value of long term leasehold assets. Depreciation of these assets is charged against the fund.

**Purposes of restricted funds**

City Bridge – Access Programme – To fund our accessible performance programme, our Access Co-ordinator role and website improvements.

Chapman Fund – contribution towards Community Engagement Manager salary.

Lady Brittan – contribution towards Community Engagement Manager salary.

Linda Almond – to fund a new ice machine for the café bar.

Production Fund – Donations to the Production Fund support the costs of mounting in-house productions and core producing costs.

Annual Fund – campaign to raise money towards core costs – building maintenance and staffing.

Schools Tour – donation supporting backstage tours and workshops.

Islington Council – donation supporting backstage tours and workshops.

Three Monkeys Trust – donation towards subsidised places for Saturday morning classes, teacher' resources and schools tours.

ACE – grant to fund Script Accelerator project 2018.

All Change Arts – grant to fund Bcreative teenager half term holiday project for young women.

Marianne Falk – donation toward Executive Director salary.

Mercers' Trust – grant to support the Reminiscence Project working with people affected by dementia and their carers.

Richard & Lesley Reuben – donation towards core production costs.

Script Accelerator – ticket donations specifically towards the Script Accelerator programme.

The Makower Prize Fund – donation towards in-house production wardrobe costs.

Arsenal in the Community – grant to fund the Double Club project working with young people on the Andover Estate.

20 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

|                    | Property       |                | Equipment    |              |
|--------------------|----------------|----------------|--------------|--------------|
|                    | 2019           | 2018           | 2019         | 2018         |
|                    | £              | £              | £            | £            |
| Less than one year | 25,000         | 25,000         | 1,981        | 3,962        |
| One to five years  | 100,000        | 100,000        | 2,641        | 2,641        |
| Over five years    | 325,000        | 350,000        | -            | -            |
|                    | <u>450,000</u> | <u>475,000</u> | <u>4,622</u> | <u>6,603</u> |

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.