

# REGISTRAR OF COMPANIES

## Little Angel Theatre

### Annual Report and Financial Statements

31 March 2018

Charity Registration Number 232488

Company Registration Number  
668339 (England and Wales)

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**Reference and administrative details of the charitable company, its trustees and advisers**

**Directors** J Bierman (Chair)  
R Harris  
F Phillips  
C Lowry  
C Owen  
M Burton  
B Lock  
E O'Byrne

**Secretary** P Swindall

**Registered office** 14 Dagmar Passage  
London  
N1 2DN

**Company registration number** 668339

**Charity registration number** 232488

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

## Reference and administrative details of the charitable company, its trustees and advisers

### **Bankers**

The Co-operative Bank  
PO Box 250  
Skelmersdale  
WN8 6WT

Scottish Widows  
67 Morrison Street  
Edinburgh  
EH3 8YJ

CAF Bank  
25 Kings Hill  
West Malling  
Kent  
ME19 4JQ

### **Solicitors**

Bolt Burdon Solicitors  
Providence House  
Providence Place  
Islington  
N1 0NT

## Trustees' report Year to 31 March 2018

The Trustees, who are all Directors of the company (and no Director is not a Trustee), are pleased to present their annual report and accounts for the Little Angel Theatre's (the Theatre) activities for the year ended 31 March 2018.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 23 to 27 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Charities Act 2011 and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

### Chair's Report

Ever since joining Little Angel's Board as chair in 2016 I have been thrilled at the robust and exciting way our theatre continues to evolve. 2017/18 marks another outstanding year for our organisation that sits at the heart of UK puppetry. Over this period we have played to nearly eighty-five thousand audience members, produced 9 in-house productions (4 new and 5 revivals) and continued to make partnerships with other arts organisations. We further developed our performance installation strand of activity at Little Angel Studios, with one new show and one revival.

We are very proud to have won an Offie for our co-production of Zerraffa Giraffa (with Omnibus Theatre) as well as a Hoop award for Best Live Performance & Family Theatre in London. In addition to our own work, we hosted 31 visiting companies, many of these were performing at Little Angel for the first time, delivering a broader and more diverse range of work. Our Touring work has also been very busy, with 4 national tours, giving over four hundred performances, and reaching over twenty eight thousand people.

A highlight of the year has been welcoming our Puppetry Trainees. They have made a really positive impact to the organisation, as well as ensuring that puppetry making and performance remains as the centre of the operation of the organisation. I'm really excited to see how this programme develops, with work underway to grow it into a fully accredited apprenticeship.

Our education department, now in its nineteenth year, goes from strength to strength engaging schools in imaginative education and participatory activities which improve confidence, team working skills and tolerance, and raise aspirations. Our Community Engagement programme has become a vital part of Little Angel's core activity, engaging some of the most vulnerable people and ensuring that those that might not easily access theatre are given the opportunity to do so. We also gave away more Puppets for All Tickets than ever before, further developing our commitment to making the arts accessible to everyone.

**Chair's Report** (continued)

Little Angel Theatre follows a robust business and financial plan. This year we saw for a tenth consecutive year a growth in turnover. We always work to diversify our income streams and hold a healthy level of reserves to make us more sustainable and allow us to take more artistic risks. This year we saw another large increase in income from Donations and Grants to support our charitable aims and development of new work. The majority of our income (nearly 70%) continues to be from our core activity including ticket sales for in-house shows, fees paid to us by venues for our touring productions, and tickets and fees received for delivery of our education and community work. The majority of our expenditure was ploughed straight into our primary activity of producing shows, touring work and running an expansive education and participation programme.

All in all, it has been a busy and productive year for the organisation and the exceptional team that we have there, and I am looking forward to the year ahead.

A handwritten signature in black ink, appearing to be 'J. Bierman', with a stylized initial 'B' and a horizontal line extending to the right.

James Bierman – Chairman of Trustees

### **Objectives of the Theatre and the Constitution**

The Theatre's objectives and its principal activities are to promote, maintain, improve and advance education, particularly by the production of educational plays, puppet shows, entertainments, tours and exhibitions. The Theatre also provides encouragement of the Arts, including the Arts of drama, mime, dance, puppetry, singing and music. Little Angel Theatre is a purpose-built puppet theatre with a dedicated double bridge and puppeteer's pit, and is also one of the country's oldest theatres presenting work for children.

We aim to fuel the imagination through the magic and wonder of puppetry. This is delivered through 4 key strands of work:

- ♦ **Artistic Programme** – presenting high quality innovative puppetry shows across both of our venues. This includes own productions, co-productions, visiting companies and can combine performance with participation, particularly at the Studios. Where possible to look to tour our current shows and our archive of shows both nationally and internationally. We are also working to develop a digital strand of output, including a reimagining of existing shows, spin-offs of existing shows, and educational content.
- ♦ **Creative Learning Programme** - helping others to tell great stories using puppetry, recognising that puppetry is a powerful tool for learning. Helping people to express themselves creatively, develop confidence, improve communication and social skills, and develop their puppetry making and performance skills. We aspire to an "inch wide, mile deep" approach across 4 areas – schools partnerships, participation events, community outreach and professional training and development.
- ♦ **Artist Development Programme** - creating a bridge between our creative learning and artistic programmes. It involves 4 tiers of artists at different stages in their careers. It is a horizontal and vertical support structure – the artists providing peer support across their tier; and advice and support upwards and downwards, acknowledging the fact that the masters can and will learn as much from the young people as the young people will learn from the masters.
- ♦ **Enterprise Programme** – we recognise the need to develop an enterprising approach to our work and maximise earned income. We aim to diversify our income streams as well as contribute to core activity. This is undertaken through exploring alternative artistic models, upscaling current profitable activity, and testing new income generating ideas. Examples include facilitating corporate training, hiring spaces / puppets and maximising merchandising opportunities

These activities are underpinned by prioritising and resourcing key operational activities such as understanding our audiences, investing in and developing our staff, fundraising, investing in our buildings and infrastructure and embracing our heritage.

### **Public benefit**

The Charity confirms that the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The Theatre relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the Trustees give careful consideration to the accessibility of the organisation for those on low incomes.

**Public benefit** (continued)

The Theatre is situated in the heart of the London Borough of Islington. Islington is a complex, culturally diverse, and socially and economically deprived inner city borough. It is the fifth most deprived London borough, with the highest level of child poverty in England – 32% of children live in income deprived households. We use puppetry to work with schools, families, local communities and people of all ages and backgrounds to encourage learning, increased confidence, creativity and imagination.

We run a Community Outreach Programme, where all activity is free, to deepen our engagement with disadvantaged members of the community, increasing the impact of all of our participation work and wider programme of activity. It comprises of projects with local community groups with people of all ages and backgrounds, utilising puppetry as a springboard to develop and encourage creativity, learning and community cohesion. Our ambition is to reach those who have never considered or had the opportunity to participate in creative pursuits and to ensure LAT serves the needs of its entire community in a creative and engaging way, using our expertise to improve people's lives. We adhere to the following principles:

- ◆ focusing on individual needs
- ◆ working with the community and for the community
- ◆ delivering bespoke, long-term projects, with continuity of support and appropriate content
- ◆ working with other voluntary sector partners to strengthen delivery and share expertise
- ◆ ensuring projects are fun, creative, imaginative and of the highest quality

We have expanded our Schools Partnership Programme to four schools, delivering a year-long programme of activity with some of our closest schools. We provide a wealth of opportunities for pupils and teachers, including access to shows, workshops and bespoke projects. Teachers also have access to training and support in bringing their curriculum to life via puppetry. It is an opportunity for local schools to engage with us on a much deeper level over a prolonged period of time – and at a hugely subsidised cost.

In addition, Puppets for All is our flagship programme for offering free tickets and workshop places to those who most need them. This is complemented by our policy to keep ticket prices as low as possible: every in-house season features weekly shows where all tickets are £5, and the highest ticket price is £15.

Every summer we throw open our doors and put on a free Summer Party for the local community. The Theatre and the grounds of St Mary's Church are awash with families enjoying face-painting, puppet making, live performances, cake sales, storytelling, backstage tours, and much more. Entry to the event and the activities are free, though people are welcome to make donations, which further supports our community work. The event is also supported by many local volunteers, some of whom have come to us through the Puppets for All scheme.

While we keep all our prices as affordable as possible, we also use funds from our income-generating activities, including kids clubs and shows, to support our community work.



## Review of activities 2017/18

### ***Productions and Co-Productions***

Little Angel Theatre continues to develop its audiences and to grow the number of shows it produces. In 2017/18, we produced 9 theatre productions (5 new and 4 revivals) – 2 of which were co-productions. We continued to develop our immersive studios strand of work with a revival and a new show.

***Red Riding Hood and the Wolf*** – written by John Barton, this retelling of a classic story was aimed at our older years audiences (7 and above). There are two sides to every tale - what if the Big Bad Wolf wasn't big or bad at all? A new spin on this classic story – about two misfits who just want to fit in. The production had an in house run before embarking on a national tour.

***Zeraffa Giraffa*** – a co-production with Omnibus Theatre, based on the book by Dianne Hofmeyr and aimed at children aged 4-8 years old. A young giraffe is sent as a gift from the Pasha of Egypt to the King of France, and the production follows his epic journey with his young handler. Addressing issues around migration, the importance of acceptance and using various puppetry styles, this production was critically well received and was awarded an Off West End Theatre Award (Offie) - Best Production for Young People under 7.

***Sleepyhead*** – this energetic early years show, was written, directed & designed by Michael Fowkes. Full of fun and with more than a touch of magic, the show follows the adventures of a Baby who doesn't want to go to bed, despite Dad's best efforts. Captivating our Christmas audience this show was a hit with the whole family and is set to go out on tour next year.

***The Singing Mermaid*** – based on the classic children's book, written by Julia Donaldson and illustrated by Lydia Monks, this beautiful musical tale of a singing mermaid who longs to escape the circus was a sellout success. The show was a co-production with Royal & Derngate, Northampton and is also booked for a tour in 2018/19.

***Junk*** – an immersive show, continuing our strand of activity at the Studios venue, blending performance and participation that brings your milk bottles, newspapers and egg boxes to life, sharing stories through the hidden everyday magic we can easily overlook. This show was aimed at a slightly older audience and was very popular with schools.

These exciting new productions were in-dispersed by a selection of our most loved shows from recent years:

***Dogs Don't Do Ballet*** – based on the book by Anna Kemp, this always popular early years show follows the story of a small dog with a big personality and even bigger dreams

***Wow! Said the Owl*** - this book adaptation of an early year's favorite by Tim Hopgood follows the colorful adventure of a curious little owl. After a strong box office performance in house, this show also headed out on a Christmas transfer and national tour.

***Go Noah Go!*** – this is a classic Little Angel Theatre show, written by John Agard and aimed at audiences of 5-10 years old. It is a visually stunning Caribbean adaptation of a timeless story, combining puppetry, masks and songs

### Review of activities 2017/18 (continued)

***Santa's Little Workshop*** – reviving our popular first performance installation at our Studio venue. The event blends performance and participation, providing audiences with a magical and immersive Christmas theatre experience.

#### ***Visiting Shows***

We have sustained the number of visiting productions that we welcomed into our programme of activity, with 31 companies coming through our doors. The visiting productions, from national and international companies, have brought a great variety of puppetry to our audiences at Little Angel Theatre and we are proud to have supported these artists with a performance platform in London.

#### ***On Tour***

We took 4 shows out on tour this year, three of which were out over Christmas - ***Handa's Surprise*** and ***Wow! Sad the Owl*** both toured again, following successful trips out in 2016/17. ***Red Riding Hood and the Wolf*** ventured out for the first time, following its run at our main theatre and ***Me...*** visited theatres, schools and libraries around the UK, bringing this tiny penguin adventure to a whole new audience.

#### ***Community***

Our Community Engagement Programme is now well embedded, and continues to be delivered by a funded Community Engagement Manager. All of our community work is offered for free and is therefore made possible by the generous funding from trusts and foundations and donations from some very wonderful individuals. Projects and partnerships to date have included:

***The Crib*** – weekly group for young parents under the age of 25. The families attend with their children, where we run different sessions every week, focusing on crafts as well as bringing in specialists to talk to the attendees about any issues that they are concerned about, such as oral health, speech and language, domestic violence and mindfulness.

***Drovers Centre*** - a collaboration with the local Age UK centre to run a 7-week project with over 65 year olds from Islington. The group learnt a host of new skills involved in making their puppets, and enjoyed discovering a side to their creativity that none of them had explored before.

***Solace Women's Aid*** – we ran a project in collaboration with Solace, working with women who are survivors of domestic and sexual violence. The project involved the women making puppet versions of themselves or a part of their characters, which we then used to create a short film.

***Community Suitcase Project*** – despite our growing community outreach work, we recognise that many potential local audiences are restricted from benefitting from its work, due to a physical inability to be able to make the trip to our venue. As a response to this problem, ***Me and My Bird*** was created — a puppet show designed to fit entirely into a single suitcase. The show has proved a real asset in hospital settings for those with healthcare needs such as cystic fibrosis, who are not only confined to hospital, but are unable to interact with other patients or programmes in the hospital due to risk of infection. We are currently looking at creating a version for children.

**Review of activities 2017/18 (continued)**

***Community (continued)***

As part of our commitment to keep the Studios accessible to local people, we offer **free space** to local people and organisations. Currently an autism support group, Bright Start and a variety of artists. We have also held a number of **events for local residents**, with the aim of learning about why they do not currently visit us so that we can feed this back into our programming decisions to ensure that we are delivering a product that meets their needs. This section of the organisation also co-ordinates the **Puppets for All** programme, working with 17 community organisations and 11 schools in Islington to distribute over £28,000 worth of free tickets to 2,311 people, as well as co-ordinating our annual free community **Summer Party**.

***Creative Learning – Schools, Courses and Classes***

We believe passionately in the value of participatory arts, and run extensive opportunities for all ages to learn puppetry skills and develop their creativity. In 2017-18 we ran over 200 workshops in schools across London which explored a variety of puppetry styles. Schools have visited the theatre and studios for a wide range of shows and workshops and this year we have run various inset and CPD sessions for teachers and educators, exploring the themes of the performances and ways of using puppetry in the classroom.

Since the successful pilot of the **Schools Partnership Programme** with William Tyndale School in 2016/17, we have now expanded the programme and been working closely with our four neighbouring primary schools since September. The partnership is designed to allow the schools to engage with the theatre and the professionals and artists associated with us on a much deeper level. Through these partnerships, over 1,000 pupils have visited the theatre and studios to see performances, with more to come before the end of the academic year. At least 50% of the pupils in our surrounding primary schools have never visited Little Angel Theatre before, and would not normally be able to access our creative activities due to financial and social barriers.

During the year we have also had three **puppeteers in residence** based at Winton and Brookfield Primary Schools, as well as an eighth consecutive year at Thornhill Primary School.

Little Angel Studios continues to be the home for our termly classes in **making and performing** puppetry. We have delivered an increased number of activities over the year, including termly adult classes in making and performing puppetry, specialist masterclasses for honing skills, the youth theatre who performed their annual showcase at the theatre in March, Spectrum Youth Theatre catering for those with high functioning autism, and regular weekend and holiday clubs for children aged 4 months and up.

## Review of activities 2017/18 (continued)

### **Professional Development & Emerging Artists**

We offer a range of **professional training** courses throughout the year for puppeteers, performers and puppet makers, as well as opportunities for artists and companies to create work and develop their practice.

This year we launched the pilot of our **Puppetry Trainee Programme**, a unique opportunity for young people aged between 18 and 24 to learn skills and gain confidence and experience with a series of master classes from experts on making and working with puppets as well as the skills and techniques necessary for leading successful workshops. This 12-month programme is designed to find and nurture the next generation of puppeteers and puppet makers. There is very little training in this art-form (none at all for those without formal qualifications) and so the programme will bring a new, diverse cohort of young people to the profession and genuinely up-skill them.

This year, we have supported two **bursary artists** - they have both been given R&D time, rehearsal space, and mentor feedback on their new works, as well as gaining networking opportunities and industry insight. In addition, we have provided over 40 days' worth of free space for 12 **emerging and established artists/companies** to develop new puppetry work.

### Statistics and Year-on-Year Comparisons

Year	Resident Company Performances	Visiting Company Performances	Total Performances In- House	Total attendance	Capacity filled	Shows given on tour	Attendance on tour
2017-18	692	178	870	56,756	68%	410	28,099
2016-17	489	258	747	51,756	63%	413	37,883
2015-16	420	160	580	41,693	57%	498	47,019 (6,181)**
2014-15	332	157	489	38,230	68%	349	38,297
2013-14	397	79	476	41,437	78%	276	33,476 (3,776)**

\*\* Additional attendance as part of SUSPENSE London Puppetry Festival are shown in brackets

### Key developments in year ended March 2018

- 1) At the Theatre, we created three **new productions**, two of which were co-productions *Zeraffa Giraffa*, *Sleepyhead* and *The Singing Mermaid* as well as **reviving** four popular shows from previous seasons *Red Riding Hood and the Wolf*, *Wow! Said the Owl*, *Go Noah Go!* and *Dogs Don't Do Ballet*
- 2) We revived our first **performance installation** at Little Angel Studios, *Santa's Little Workshop*, and created a new show *Junk*, both of which blending performance and participation resulting in an immersive audience experience.

## Trustees' report Year to 31 March 2018

### Key developments in year ended March 2018 (continued)

- 3) We continued to host *visiting companies* across both venues – many for the first time, and sustained our national *touring* programme of work.
- 4) We started the pilot year for our new *Puppetry Trainee Programme*, targeting local Islington NEET young people
- 5) We put on *more shows* than ever before, with 9 shows running at one point over Christmas, across both our venues and out on tour.
- 6) We gave away more *Puppets for All* tickets than ever before, further developing our commitment to making the arts accessible to everyone.
- 7) Our *Community Engagement* programme continues to grow and develop, engaging some of the most vulnerable people and ensuring that those that might not easily access theatre are given the opportunity to do so – a highlight of this year was the launch of our community suitcase show.

### Financial position

The Theatre follows a robust business and financial plan that has seen ten consecutive years of growth in turnover. We always work to diversify our income streams and hold a healthy level of reserves to make us more sustainable and allow us to take more artistic risks.

Over two thirds of our income is derived from our primary activities: ticket sales for in-house shows, fees paid to us by venues for our touring productions, and tickets and fees received for delivery of our education and community work.

Total philanthropic giving came to £310,501 (as detailed in Notes 1 & 2 of the financial statements). The largest segment came from Trusts and Foundations who support our charitable aims, including the Arts Council England, The London Borough of Islington via a Section 106 grant, Wolfson and the Monument Trust. As always, we are grateful to a large number of individuals who have given donations or become members.

The Statement of Financial Activities shows total reserves amounting to £1,674,268 with net deficit for the year of £23,812 as disclosed in the financial statements. Reserves include £1,376,693 of unrealised funds, with a further £239,621 of unrestricted funds. Restricted funds of £57,954 were held, the majority of which relate to capital projects.

Out of the total of £260,068 of unrestricted funds, £35,384 were designated to specific purposes, £113,873 were represented by tangible fixed assets, £5,332 were represented by intangible fixed assets and £23,307 related to the investment property. The charity therefore held free reserves of £117,556 as at 31 March 2018.

**Financial position** (continued)

85% of our expenditure was ploughed straight into our primary activity: producing shows, touring work and running an expansive education and participation programme (including our artist development programmes). Included in this is income sacrificed in order to offer free tickets and workshop places to disadvantaged people through our Puppets for All scheme.

There are two designated funds – one for improvements to the fabric of the theatre building and a second to encourage and enable artistic innovation in future programming. There are several significant building projects coming up in the next two years as well as scheduled research and development around our digital strand of programming, for which these funds are currently ring-fenced. A contribution to digital programming was released this year of £4,996.

The opening reserves position in Statement of Financial Activities as at 1 April 2016 and 1 April 2017 has been restated in the year to take account of change in the accounting treatment for theatre tax relief. In addition, grant income for the year ended 31 March 2017 has been restated to reflect the change in accounting for this income. The impact of these adjustments is shown in Note 24.

**Investment powers**

Under the Memorandum and Articles of Association, the Theatre has the power to make any investment decisions that the Trustees see fit.

**Reserves policy**

It is the policy of the Theatre to maintain unrestricted funds, which are the free reserves of the Theatre, at a level which equates to approximately 3 months of committed unrestricted expenditure. The aim of the reserves policy is to set it at such a level that we are able to maintain cash flow and provide funds to cover management, administration and support costs for a period of 3 months. Our stated unrestricted expenditure includes many items that would not be committed to without either securing related income in advance or are not contracted and would not be expended if the organisation was not operational - for example, touring, visiting company activity, schools workshops, some creative learning projects, merchandise cost of sales, casual staffing, etc. Currently our free reserves total is £117,556, which would cover over 3 months of these costs.

**Fundraising Policy**

We are grateful to the many charitable trusts, individuals and organisations who make generous financial contributions towards our work. We are reliant on private and philanthropic income to maintain our activity. We monitor and control our fundraising activities, to ensure that our supporters have a positive experience and are treated fairly. We follow the Institute of Fundraising's guidelines with regard to best research practice. We have not and do not sell donor details as we understand that they have trusted us with their money and information. Fundraising activity is included on our risk register to ensure that it can be managed accordingly and forms part of regular board reporting processes. We are committed to ethical fundraising and fosters a culture of utmost respect for donor choice.

**Fundraising Policy** (continued)

This financial year we received one fundraising complaint which we made every effort to respond to quickly and ensure that supporter preferences for future communication were followed.

**Plans for future periods**

Little Angel Theatre will continue to produce world-class puppetry for family audiences. We want to reach out to new audiences by creating innovative, accessible and welcoming new work. We aim to raise the profile of the art form generally through collaboration with a greater diversity of writers, performers, designers, directors and venues. We will continue to tour work, and will be exploring new ways of presenting puppetry to our audiences, including a new digital strand currently under development - creating both artistic and educational digital content so that our work can be accessed from afar.

We intend to run the School Partnerships Programme over 3 years until July 2020. At least 50% of the pupils in our surrounding primary schools have never visited Little Angel Theatre before, and would not normally be able to access our creative activities due to financial and social barriers. Many educational establishments recognise the value of puppetry as a tool to enhance literacy levels, self-expression, communication, and team work skills, as well as acting as a key cross-curriculum teaching tool. Through the Schools programme, teachers will have access to training and support in bringing their curriculum to life via puppetry.

Following on from our community suitcase project *Me and My Bird*, we want to continue to develop this strand of activity and are seeking funding to develop a version targeting children and young people. As before, we will be reaching out to the most isolated in our community, touring to care facilities, hospitals and even into people's homes, to deliver a unique performance experience to those who would otherwise not be able to access our work.

Following on from the successful pilot of our Puppetry Traineeship Programme, we are working with the DFE, Creative and Cultural Skills and other puppetry organisations to set up the first ever Puppetry Making Apprenticeship. We aim to secure funding in order to take on apprentices in the 2019/20 financial year.

Planning is underway for a major capital project at our main theatre site, to ensure that the building is fit for purpose, whilst retaining its character and charm, and preserving this gem of childhood for future generations.

Under the leadership of Artistic Director Samantha Lane and with the full support of the Trustees, Little Angel Theatre will build on its solid financial base to provide the best resources possible for making world class puppet theatre and delivering high impact participation and community activities. This means continuing to attract a wide range of philanthropic giving, developing new enterprise models to increase earned income and ensuring we maximise the potential of our corporate relationships.

## **Structure, Governance & Management**

### ***Governing document***

The Theatre is constituted as a company limited by guarantee and is therefore governed by its Memorandum and Articles of Association dated 23 August 1960 as Potheinos Limited. The Company's name was changed to The Little Angel Theatre by special resolution on the 15<sup>th</sup> November 2001. The Company is registered as a charity with The Charity Commission. The Theatre's Charity No. is 232488 and the Company No. is 668339. Anyone over the age of 18 can become a member of the Company and there are currently 21 members (there is a limit of 25 members), each of whom agree to contribute £1 in the event of the Company winding up.

### ***Appointment of Trustees***

As set out in the Articles of Association the chair of the Trustees is nominated by the Trustees. The Board of Trustees may from time to time appoint any Member of the Company as a Trustee, provided that the prescribed maximum of 12 not be exceeded. At the Annual General Meeting one third of the longest serving Trustees must retire from office. The Company may re-elect or replace the retiring Trustees at the AGM.

### ***Trustee induction and training***

New Trustees receive an information pack to brief them on their legal obligations under Charity and Company law, the content of the Articles and Memorandum of Association, the committee and decision making processes, child protection issues and recent financial performance of the charity. They meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

### ***Organisation***

The Board of Trustees administers the Charity. The Board meets at least quarterly and there is a sub-committee covering finance that meets more regularly. The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity – Artistic Director Samantha Lane has been in post since June 2015. To facilitate effective operations, the Chief Executive alongside other key management personnel (the Executive Director, the Senior Producer, the Head of Development and the Head of Creative Learning) have delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and artistic performance related activities.

### ***Related parties***

The Charity works collaboratively with other theatres. Certain trustees and key management personnel have roles at other theatres. During the year, the Charity worked together with the Metta Theatre and Omnibus Theatre, which are related parties of the Charity through its key management personnel. Further details are provided within the notes to the financial statements.

### ***Risk management***

The Trustees have a risk management strategy which comprises:

- ◆ An annual review of the risks the Charity may face.



**Structure, Governance & Management** (continued)

**Risk management** (continued)

- ♦ The establishment of systems and procedures to mitigate those risks identified in the plan
- ♦ The implementation of procedures designed to minimize any potential impact on the Charity should those risks materialise.

The Trustees have assessed the major risks to which the Theatre is exposed, in particular reliance on successful fundraising performance, the volatility of box office performance, fostering an environment in which the creative team are able to take risks and those related to the operations, policies, procedures and finances of the Theatre. They are satisfied that systems are in place to mitigate our exposure to the major risks – identifying specific areas of risk and giving an impetus for better planning through regular review of the organizational risk register. A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees.

Key strategic risks which are currently being closely monitored and reviewed include:

- ♦ **Overstretching of Buildings and Other Physical Resources** – due to the growth of the programme and the need to invest in our historic buildings. We are looking to undertake a capital project in 2020 which will make some key improvements to our facilities, whilst maintaining the charm and appeal of the spaces for future generations.
- ♦ **Fundraising Activity** – in an increasingly competitive market, with funding for art's sake becoming less prevalent and more focus on funding work outside of London, this is an area of close monitoring and review.
- ♦ **Ticket Sales** – the children's entertainment marketplace is becoming increasingly competitive, which could have an adverse impact on our ticket sales. It is more important than ever that we are offering a product that is innovative and relevant.

**Key management personnel**

The organisation has a salary scale with bands covering all personnel within the organisation, including Key Management Personnel. Changes to levels of pay for employees can be made in line with this document and alongside the annual appraisal process, with objectives linked to the key strategic aims of the organisation, that all permanent employees complete. Salaries are benchmarked annually and scale is reviewed by the Executive in response to this and adjusted where appropriate and financially deliverable, subject to the approval of the Board.

**Statement of trustees' responsibilities**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

## Trustees' report Year to 31 March 2018

### Statement of trustees' responsibilities (continued)

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 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);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Each of the trustees confirms that:

- ♦ so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

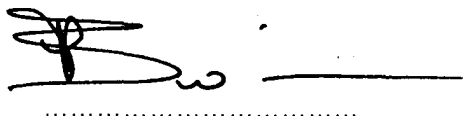
### Auditor

Buzzacott LLP was re-appointed as auditor, approved at the Annual General Meeting that took place in October 2017. A resolution proposing that Buzzacott LLP be reappointed as auditor will be put to the next Annual General Meeting.

This report is prepared in accordance with the special provisions of the Companies Act 2006 relating to smaller entities.

## **Trustees' report Year to 31 March 2018**

This report was approved by the board on 4th October 2018 and authorised to sign on its behalf by

A handwritten signature in black ink, appearing to be 'JB', followed by a horizontal line and a dotted line below it.

**James Bierman – Chairman of Trustees**

**Independent auditor's report to the members of Little Angel Theatre**

**Opinion**

We have audited the financial statements of Little Angel Theatre (the 'charitable company') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 charitable company's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 annual report, other than the financial statements and our

## **Independent auditor's report Year to 31 March 2018**

auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **Independent auditor's report Year to 31 March 2018**

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

### **Use of our report**

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

*Buzzacott LLP*

Hugh Swainson (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

*2 November 2018*

# Statement of financial activities 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds (restated) £
<b>Income and endowments from:</b>					
Donations and legacies					
. Donations	1	48,687	5,123	53,810	47,352
. Grants	2	—	256,691	256,691	188,900
Charitable activities					
. Show, touring and education	3	864,948	—	864,948	819,344
Other trading activities					
. Refreshment/merchandise income*		27,856	—	27,856	21,279
Investment	4	63,842	—	63,842	63,936
Other sources*		11,248	—	11,248	12,757
<b>Total</b>		<b>1,016,581</b>	<b>261,814</b>	<b>1,278,395</b>	<b>1,153,568</b>
<b>Expenditure on:</b>					
Raising funds	5	129,560	22,368	151,928	53,117
Refreshment/merchandise	6	21,357	—	21,357	16,805
Management investment	7	29,769	—	29,769	38,102
Charitable activities					
. Shows	8	535,383	118,328	653,711	620,794
. Touring	8	161,782	29,001	190,783	207,664
. Education	8	142,456	112,203	254,659	192,309
<b>Total</b>		<b>1,020,307</b>	<b>281,900</b>	<b>1,302,207</b>	<b>1,128,791</b>
<b>Net expenditure</b>		<b>(3,726)</b>	<b>(20,086)</b>	<b>(23,812)</b>	<b>24,777</b>
<b>Transfers between funds</b>	22	55,831	(55,831)	—	—
<b>Other recognised gains (losses)</b>					
Unrealised gains on investment assets	21	100,000	—	100,000	—
<b>Net movement in funds for the year</b>		<b>152,105</b>	<b>(75,917)</b>	<b>76,188</b>	<b>24,777</b>
<b>Reconciliation of funds</b>					
Total funds brought forward as previously stated		1,520,040	78,040	1,598,080	1,497,481
Opening funds adjustment	24	—	—	—	75,822
<b>Total funds brought forward as restated</b>		<b>1,520,040</b>	<b>78,040</b>	<b>1,598,080</b>	<b>1,573,303</b>
<b>Total funds carried forward</b>		<b>1,672,145</b>	<b>2,123</b>	<b>1,674,268</b>	<b>1,598,080</b>

\*Income from refreshments and merchandise and other sources received in the year to 31 March 2017 was unrestricted.

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# Balance sheet 31 March 2018

	Notes	2018 £	2018 £	2017 (restated) £	2017 (restated) £
<b>Fixed assets</b>					
Intangible assets	14		5,332		7,112
Tangible assets	15		113,873		114,677
Investments	16		1,400,000		1,300,000
			<u>1,519,205</u>		<u>1,421,789</u>
<b>Current assets</b>					
Stock		2,786		1,396	
Debtors	17	239,069		179,773	
Cash at bank and in hand		<u>208,560</u>		<u>330,444</u>	
		450,415		511,613	
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	18	<u>295,352</u>		<u>335,322</u>	
<b>Net current assets</b>			<u>155,063</u>		<u>176,291</u>
<b>Total assets less current liabilities</b>			<u>1,674,268</u>		<u>1,598,080</u>
			<u>1,674,268</u>		<u>1,598,080</u>
<b>The funds of the charity</b>					
Restricted funds – capital projects	22		2,123		78,040
Unrestricted funds					
. General funds	21		260,068		202,967
. Designated funds	21		35,384		40,380
. Unrealised funds	21		<u>1,376,693</u>		<u>1,276,693</u>
			<u>1,674,268</u>		<u>1,598,080</u>

Approved by the trustees and signed on their behalf by:



James Bierman – Chairman of Trustees

Approved on: 4<sup>th</sup> October 2018

Company number: 668339



# Statement of cash flows Year to 31 March 2018

	Notes	2018 £	2017 £
<b>Cash flows from operating activities:</b>			
Net cash (used in) provided by operating activities	A	(152,562)	91,380
<b>Cash flows from investing activities:</b>			
Rental income received		63,799	63,281
Fixed asset purchases		(33,166)	(35,416)
Interest received		43	655
Net cash provided by investing activities		30,676	28,520
<b>Cash flows from financing activities</b>			
Repayments from borrowing		—	(45,372)
Net cash used in financing activities		—	(45,372)
<b>Change in cash and cash equivalents in the year</b>		(121,886)	74,528
<b>Cash and cash equivalents at 1 April 2017</b>	B	330,444	255,916
<b>Cash and cash equivalents at 31 March 2018</b>	B	208,560	330,444

Notes to the statement of cash flows for the year to 31 March 2018.

## A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2018 £	2017 £
Net movement in funds (as per the statement of financial activities)	76,188	24,655
<b>Adjustments for:</b>		
Amortisation charge	1,780	1,780
Depreciation charge	28,272	24,392
Loss on disposal of tangible fixed assets	5,700	—
Interest receivable	(43)	(655)
Rental income receivable	(63,799)	(63,281)
(Increase) decrease in stock	(1,391)	354
Increase in debtors	(59,297)	(41,556)
(Decrease) increase in creditors	(39,970)	145,691
Unrealised gain on revaluation	(100,000)	—
Net cash (used in) provided by operating activities	(152,562)	91,380

## B Analysis of cash and cash equivalents

	2018 £	2017 £
Total cash and cash equivalents: cash at bank and in hand	208,560	330,444

## **Principal accounting policies 31 March 2018**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year to 31 March 2018 with comparative information given in respect to the year to 31 March 2017.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

### **Assessment of going concern**

The trustees have assessed the position of the charity as a going concern in preparing this report and financial statements and have made this assessment in respect to a period of one year from the date of approval of these accounts based on our operational plan; budgets and cashflow forecasts to March 2019; the forecast reserves position at 31 March 2019; our evolving plans for the post-March 2019 period; and our commitment to moving to a more flexible and financially viable business model.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern, and the charity will have sufficient resources to meet its liabilities as they fall due.

### **Critical accounting estimates and areas of judgement**

The preparation of the accounts in compliance with SORP FRS 102 requires the use of certain critical accounting estimates. It requires also that management and Trustees exercise judgement in applying the charity's accounting policies.

**Critical accounting estimates and areas of judgement** (continued)

In preparing these accounts, the Trustees have made significant estimates and judgements in the following areas:

- ◆ Estimating the expected useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge;
- ◆ Estimating the market value of the investment property;
- ◆ Estimating any provision for slow moving and/or obsolete stock;
- ◆ Estimating any provision for bad or doubtful debts; and
- ◆ Estimating and recognising accrued expenditure.

**Income recognition**

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Donations are received by way of cash and gifts and are included in full in the Statement of Financial Activities when receivable. Cash donations are included as income when they are received. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Income from charitable activities represents the total value of box office income, income from tours and education, received by the charity from customers during the year, excluding value added tax.

Trading income from merchandising and refreshments from shows is recognised on receipt.

Rental income from the investment property is recognised over the period of the agreement.

Interest on funds held on deposit is included in the year in which it is 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.

### **Expenditure recognition**

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT which cannot be recovered.

Expenditure comprises the following:

- a. The costs of raising funds include the salaries, direct costs and overheads associated with generating donated income.
- b. The costs of refreshments and merchandise include salaries, direct costs and overheads associated with generating income from the sale of refreshments and merchandise.
- c. The costs of managing investment include salaries, direct costs and overheads associated with managing the charity's investment property.
- d. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the report of the Board.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned based on the estimated staff time spent on raising funds, charitable activities and associated ancillary trading activities, and managing the investment property.

### **Intangible fixed assets and amortisation**

Goodwill	5% on cost
----------	------------

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

### **Tangible fixed assets and depreciation**

Fixed assets are included at cost and depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	2.5% on cost
Fixtures, fittings and equipment	20% reducing balance
Motor vehicles	25% on cost
Lighting system	10% on cost
IT equipment	20% on cost
Leasehold improvements	10% on cost

### **Investments**

The valuation of the investment property, which is rented out to third party tenants, is based on current open market valuation. These properties are not depreciated.

Unealised gains (or losses) on the investment property are calculated as the difference between the open market value at the year end and the carrying value at that date. Unrealised gains (or losses) are credited (or debited) in the year in which they arise.

### **Stock**

Stock is stated at the lower of cost and net realisable value.

### **Debtors**

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Fund structure**

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are monies set aside of unrestricted general funds and designated for specific purposes by the trustees.

Revaluation reserve represents the value of unrealised gains on the charity's investment property.

**Leases**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged on a straight line basis over the lease term.

**Pensions**

Contributions in respect of defined contribution pension schemes are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for employees' contributions.

**Taxation**

The Little Angel Theatre is a registered charity and therefore not liable to income tax or corporation tax on income derive from its charitable activities, as it falls with the various exemptions available to registered charities.

**Notes to the financial statements 31 March 2018**

**1. Income from donations**

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Members	15,043	—	15,043	15,047
Corporate	7,000	—	7,000	3,000
Regular, one-off and other donations	26,644	5,123	31,767	29,305
	<u>48,687</u>	<u>5,123</u>	<u>53,810</u>	<u>47,352</u>
2017 total	<u>47,352</u>	<u>—</u>	<u>47,352</u>	

## 2. Income from grants

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Arts Council England	—	40,226	40,226	31,138
Wolfson	—	50,000	50,000	—
London Borough of Islington	—	44,421	44,421	9,462
The Monument Trust	—	28,000	28,000	28,000
Foyle Foundation	—	—	—	25,000
Garfield Weston	—	20,000	20,000	—
London Community Foundation Evening Standard Disposal	—	—	—	18,000
John Ellerman	—	21,368	21,368	—
Backstage Trust	—	8,750	8,750	—
Co-operative Community Fund	—	5,760	5,760	—
The 1970 Trust	—	—	—	3,000
Ernest Cook	—	5,387	5,387	—
The Harold Hyman Wingate Foundation	—	5,309	5,309	—
The 29th May 1961 Trust	—	5,000	5,000	5,000
McGrath Charitable Trust	—	1,986	1,986	—
BGS Layzer Charitable Trust	—	1,500	1,500	—
Samuel Gardner SG Charitable Trust	—	1,500	1,500	—
Paul Hamlyn Foundation	—	—	—	4,250
Chapman Charitable Trust	—	1,667	1,667	—
The Garrick Trust	—	1,000	1,000	2,000
The Golsoncott Foundation	—	1,000	1,000	1,500
The Leche Trust	—	—	—	2,000
Santander Foundation	—	—	—	4,750
The Old Possums Practical Trust	—	—	—	1,500
Molecule Theatre	—	320	320	1,500
The D'Oyly Carte Charitable Trust	—	3,120	3,120	4,600
Austin and Hope Pilkington Trust	—	—	—	1,000
The Radcliffe Trust	—	4,000	4,000	5,000
The Mercers Trust	—	1,600	1,600	4,800
Bernard Sunley Foundation	—	3,000	3,000	—
Reed Foundation	—	1,000	1,000	—
Camden Trust	—	880	880	—
IBM UK Trust	—	—	—	1,400
	—	256,691	256,691	153,900
Capital grants (note 22):				
London Borough of Islington	—	—	—	35,000
	—	256,691	256,691	188,900
2017 total	11,400	177,500	188,900	



### 3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds (restated) £
Box office	520,300	—	520,300	457,083
Touring	159,716	—	159,716	167,831
Education	114,932	—	114,932	118,486
Theatre tax relief	70,000	—	70,000	75,944
	<u>864,948</u>	<u>—</u>	<u>864,948</u>	<u>819,344</u>
2017 total	<u>819,344</u>	<u>—</u>	<u>819,344</u>	

The theatre tax relief for 2017 was restated (see note 24).

### 4. Investment and other income

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Income from investment properties	63,799	—	63,799	63,281
Interest received	43	—	43	655
	<u>63,842</u>	<u>—</u>	<u>63,842</u>	<u>63,936</u>
2017 total	<u>63,936</u>	<u>—</u>	<u>63,936</u>	

### 5. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Staff costs	52,978	21,857	74,835	27,524
Support costs	76,582	511	77,093	25,593
	<u>129,560</u>	<u>22,368</u>	<u>151,928</u>	<u>53,117</u>
2017 total	<u>3,187</u>	<u>49,930</u>	<u>53,117</u>	

### 6. Expenditure on merchandising and refreshments

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Direct costs	14,412	—	14,412	12,401
Staff costs	1,787	—	1,787	1,833
Support costs	5,428	—	5,428	2,571
	<u>21,357</u>	<u>—</u>	<u>21,357</u>	<u>16,805</u>
2017 total	<u>16,805</u>	<u>—</u>	<u>16,805</u>	

**7. Expenditure on managing investment**

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Direct costs	10,097	—	10,097	18,615
Staff costs	5,336	—	5,336	6,415
Support costs	14,336	—	14,336	13,072
	29,769	—	29,769	38,102
2017 total	38,102	—	38,102	

**8. Expenditure on charitable activities**

	Direct costs £	Staff costs (note 11) £	Support costs (note 9) £	2018 Total £	2017 Total £
Shows	368,875	183,381	101,455	653,711	620,794
Touring	109,573	49,916	31,294	190,783	207,664
Education	90,275	142,185	22,199	254,659	192,309
	568,723	375,482	154,948	1,099,153	1,020,767

Analysis of expenditure on charitable activities between restricted and unrestricted funds:

	Unrestricted funds £	Restricted funds £	2018 Total funds £
Shows	535,383	118,328	653,711
Touring	161,782	29,001	190,783
Education	142,456	112,203	254,659
	839,621	259,532	1,099,153

	Unrestricted funds £	Restricted funds £	2017 Total funds £
Shows	565,733	55,061	620,794
Touring	207,664	—	207,664
Education	117,217	75,092	192,309
	890,614	130,153	1,020,767

## 9. Support costs

	2018 Total £	2017 Total £
Depreciation	28,272	24,392
Amortisation	1,780	1,780
Governance costs	5,000	6,500
Other costs	216,753	143,757
	<b>251,805</b>	<b>176,429</b>

## 10. Net movement in funds

This is stated after charging:

	2018 £	2017 £
Staff costs (note 9)	454,444	352,074
Auditor's remuneration (including irrecoverable VAT)		
Statutory audit services	6,120	6,500
Depreciation	27,892	24,392
Amortisation	1,780	1,780

## 11. Employees

	2018 Number	2017 Number
<b>Number of employees</b>		
The average monthly numbers of employees during the year were:		
Arts department	2	2
Administration	10	10
Technical	3	1
Education	5	4
	<b>20</b>	<b>17</b>

	2018 £	2017 £
<b>Employment costs</b>		
Salaries and wages	422,730	324,930
Social security costs	28,123	24,613
Pension costs	3,591	2,531
	<b>454,444</b>	<b>352,074</b>

There were no employees during the year with emoluments above £60,000 (2017 – none).

**11. Employees (continued)**

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the members of the Board, the Artistic Director/Chief Executive, the Executive Director, the Head of Production, the Head of Development and the Head of Creative Learning. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £160,260 (2017 - £154,579).

**12. Members of the Board**

No members of the Board received any remuneration in respect of their service during the year (2017 - £nil).

No members of the Board received reimbursement of expenses in the year (2017 - none).

**13. Taxation**

Little Angel Theatre Company is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**14. Intangible fixed assets**

	Goodwill £	Total £
<b>Cost</b>		
At 1 April 2017	35,576	35,576
At 31 March 2018	35,576	35,576
<b>Provision for diminution in value</b>		
At 1 April 2017	28,464	28,464
Charge for the year	1,780	1,780
At 31 March 2018	30,244	30,244
<b>Net book values</b>		
At 31 March 2018	5,332	5,332
At 31 March 2017	7,112	7,112

## Notes to the financial statements 31 March 2018

### 15. Tangible fixed assets

	Land and buildings freehold £	Lightin £	Fixtures, fittings and equipment £	Motor vehicle £	IT equipment £	Leasehold improve- ment £	Total £
<b>Cost</b>							
At 1 April 2017	39,042	161,647	60,684	5,995	11,205	25,039	303,612
Additions	—	—	2,538	11,578	2,459	16,591	33,166
Disposals	—	—	—	(12,073)	—	—	(12,073)
At 31 March 2018	39,042	161,647	63,222	5,500	13,664	41,630	324,705
<b>Depreciation</b>							
At 1 April 2017	23,730	96,325	49,234	5,995	6,241	7,410	188,935
Charge for the year	976	16,165	3,115	917	2,556	4,164	27,892
On disposals	—	—	—	(5,995)	—	—	(5,995)
At 31 March 2018	24,706	112,490	52,349	916	8,797	11,574	210,832
<b>Net book values</b>							
At 31 March 2018	14,336	49,158	10,874	4,584	4,867	30,056	113,873
At 31 March 2017	15,312	65,322	11,450	—	4,964	17,629	114,677

### 16. Fixed asset investment

	Total 2018 £	Total 2017 £
<b>Investment property</b>		
At 1 April 2017	1,300,000	1,300,000
Net unrealised gains on revaluation	100,000	—
At 31 March 2018	1,400,000	1,300,000

The investment property is situated in the UK. The investment property was revalued at market value as at 31 March 2018 by an external valuer, Currell Commercial Ltd.

### 17. Debtors

	2018 £	2017 £
Trade debtors	50,973	66,207
Other debtors	7,493	412
Prepayments and accrued income	180,603	113,154
	<b>239,069</b>	<b>179,773</b>

The theatre tax relief accrued income for 2017 has been restated (see note 24).

**18. Creditors: amounts falling due within one year**

	2018 £	2017 £
Trade creditors	18,944	1,538
Taxes and social security costs	34,157	28,032
Other creditors	200	15,243
Accruals and deferred income	242,051	290,509
	<b>295,352</b>	<b>335,322</b>

**19. Lease commitments**

The total value of the minimum lease payments under non-cancellable operating leases were as follows:

	2018 £	2017 £
Land and buildings		
Within a year	29,500	20,000
Two to five years	118,000	80,000
More than five years	285,167	42,425
	<b>432,667</b>	<b>142,425</b>

**20. Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	2018 Total funds £
<b>Fund balances at 31 March 2018 as represented by:</b>			
Intangible fixed assets	5,332	—	5,332
Tangible fixed assets	113,873	—	113,873
Investment assets	1,400,000	—	1,400,000
Current assets	448,295	2,123	450,415
Current liabilities	(295,352)	—	(295,352)
	<b>1,672,145</b>	<b>2,123</b>	<b>1,674,268</b>

**21. Unrestricted funds**

	At 1 April 2017 £	Income £	Expenditure £	Transfers (note 22) £	At 31 March 2018 £
Designated fund - buildings	25,380	—	—	—	25,380
Designated fund – creative	15,000	—	4,996	—	10,004
Revaluation reserve	1,276,693	100,000	—	—	1,376,693
General funds	202,967	1,016,581	1,015,311	55,831	260,068
	<u>1,520,040</u>	<u>1,116,581</u>	<u>1,020,307</u>	<u>55,831</u>	<u>1,672,145</u>

**General funds** represent those funds that are unrestricted and not designated for specific purposes.

**The designated building fund** was for improvements to the fabric of the theatre building. With two sizeable capital projects currently being proposed in both the studio and main theatre space, this fund is ringfenced to contribute towards scoping these proposals.

**The designated creative fund** was created in 2015/16 to enable artistic innovation in future programming. It is anticipated that there will be some contribution from this fund into the development of our digital strand of activity.

The revaluation reserve represents unrealised gains on revaluation of the investment property at 41 Cross Street. Movements in unrealised gains during the year were as follows:

	At 1 April 2017 £	Change in market value £	At 1 March 2018 £
Revaluation gains	1,276,693	100,000	1,376,693
	<u>1,276,693</u>	<u>100,000</u>	<u>1,376,693</u>

**22. Restricted funds**

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
Restricted funds	—	261,814	259,691	—	2,123
Restricted funds – Capital Projects (Lighting System, IT and Little Angel Studios Leasehold Improvements)					
The Monument Trust	12,073	—	3,436	(8,637)	—
The Foyle Foundation	20,000	—	5,692	(14,308)	—
The Foundation for Sport and the Arts	20,000	—	5,692	(14,308)	—
The 1970 Trust	3,000	—	853	(2,147)	—
London Borough of Islington	15,522	—	4,417	(11,105)	—
Donations	7,445	—	2,119	(5,326)	—
<b>Total restricted funds</b>	<u>78,040</u>	<u>—</u>	<u>22,209</u>	<u>(55,831)</u>	<u>2,123</u>

## 22 Restricted funds (continued)

**Restricted funds** comprise amounts of grants and other income accrued in relation to specific projects, which are to be completed in next or future years. In this year restricted funds were received from twelve grant awarding bodies (as stated in Note 2). These grants were awarded in relation to specific projects which were performed during the year as planned.

**Restricted funds - Capital Projects** is a capital fund comprising grants and donations received in the year ended 31 March 2011 to fund a new lighting system in the theatre and in the year ended 31 March 2015 to fund IT and leasehold improvements at the company's additional building (Little Angel Studios). The fund was supplemented by income received of £35,000 in the year end 31 March 2017 to cover further additions.

As at 31 March 2018 all restricted capital funds were transferred to unrestricted funds. Following the purchase of the assets for which the funds were donated, the Charity has applied the funds for the purposes intended by the donor and the balances have been released to unrestricted funds.

## 23 Related party transactions

The following related party transactions took place during the reporting period:

- ◆ Peta Swindall (Executive Director) was on the board of Metta Theatre who came to the Theatre as a Visiting Company, the fee for the performances was £1,094, through a contract on usual commercial terms based on the box office takings for the performances. Peta was not in post when the contract was signed / agreed.
- ◆ Samantha Lane (Artistic Director) was on the board of Omnibus Theatre with whom Little Angel Theatre undertook a co-production of Zeraffa Giraffa – the two organisations shared the origination costs of the production, which then played at both venues. A payment to Omnibus of £10,150 was transferred in relation to these costs.
- ◆ The aggregate donations received from trustees and related parties during the year was £8,100 (2017 - £nil).

## 24 Prior year and opening funds adjustments

	Total funds £
Total funds brought forward as at 1 April 2016 as previously stated	1,497,481
Theatre tax relief recognised as receivable at 31 March 2016	75,822
Total funds as at 1 April 2016 as restated	<u>1,573,303</u>
 Total funds carried forward as at 31 March 2017 as previously stated	 1,522,136
Theatre tax relief recognised as receivable at 31 March 2017	75,944
Total funds at 31 March 2017 restated	<u>1,598,080</u>



**24 Prior year and opening funds adjustments** (continued)

As a result of the adjustment, an additional £122 of income from charitable activities is reported for the year ended 31 March 2017 and the net income for the year increased to £24,777 (previously £24,655).

The charity previously recognised theatre tax relief income on receipt. This relatively new tax relief is now well established and the charity has successful processes for making claims. As a result, the charity has changed its method of recognising the relief and now recognises the income in the year to which it relates.

The opening reserves position in Statement of Financial Activities as at 1 April 2016 and 1 April 2017 has been restated in the year to take account of the additional theatre tax relief receivable. In addition, grant income for the year ended 31 March 2017 has been restated to reflect the change in accounting for these funds.