

Company number 07907370
Charity number 1147048

Reading Repertory Theatre

(Limited by Guarantee)

Report and Financial Statements

for the year ended 31 July 2017

Breckman & Company Ltd
Chartered Certified Accountants
49 South Molton Street
London W1K 5LH

Reading Repertory Theatre

(Limited by Guarantee)

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Reference and Administrative Details

Constitution

The company is incorporated under the Companies Act, company number 07907370 and its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 1147048.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association the trustees are appointed by members of Reading Repertory Theatre at our Annual General Meeting (AGM) or by postal vote.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular trustees meetings.

The trustees during the year and since the year end, were :

Alan Stacey - Chair

Suzanne Stallard Hall

Piers Elliot

Robert Germer resigned 25 September 2017

Jonathan Holley

Paul Newman

Emma Donald appointed 1 January 2017; resigned 1 August 2017

Siobhan White appointed 23 January 2017; resigned 1 August 2017

Secretary

Yolande Box

Chief executive/day to day management

Niki Robinson

Independent examiners

Breckman & Company Ltd, Chartered Certified Accountants, 49 South Molton Street, London W1K 5LH.

Bankers

Barclays Bank plc, 90-93 Broad Street, Reading RG1 2AP.

Registered office and operation address

Reading College Performing Arts Centre, Kings Road Campus, Kings Road, Reading RG1 4HJ.

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Trustees' Report

The trustees present their annual report together with the financial statements of the charity for the year ended 31 July 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative details set out on page 1 forms part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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 UK and Republic of Ireland (FRS 102).

Principal activity

The principal activity of Reading Rep is the presentation of high-class productions, produced in-house for public benefit. We aim to involve and engage the community in every aspect of our work in order to become a cultural resource for the community. We also work with disadvantaged students as well as school groups to promote the arts and culture in Reading and beyond.

Structure, governance and management

Organisational structure

The company is run and managed on a day-to-day basis by the Artistic and Executive Director. Decisions are made on a day-to-day management basis through management meetings held by the employees. All major decisions are confirmed through the Board of Trustees.

In the event of the departure of a trustee, a skills audit of the remaining trustees is taken. The result of this audit will determine whether further recruitment is necessary. When a need has been identified to recruit trustees, the Artistic Director and Vice-Chair will manage the process. Responsibility for recruiting trustees will not be delegated to other employees, although employees may be given specific administrative tasks relating to this recruitment. Trustee training and development is undertaken at the discretion of the Chair, based on the requirements of the company at any given time.

The company is in the process of developing a trustee induction pack to facilitate the recruitment and development process.

Related charities

There are no legally related charities. The company is working with different funding bodies and organisations all concerned with promoting the arts and education. Decisions taken by the company are autonomous of these organisations.

Major risks

The Trustees have conducted a risk analysis to identify the major risks to which the company is exposed. Systems have been put in place to mitigate these risks whereby the risks are reviewed at the Trustees' meetings.

Objectives and activities for the public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit : running a charity (PB2)'.

Reading's resident professional theatre combines high-class productions with ground-breaking education and community engagement to help transform Reading and the surrounding area's cultural landscape.

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Reading Rep strives to become a regional theatre with a national reputation. Our residency at Reading Studio has given us a fully flexible studio space. This intimate venue provides the opportunity to build a loyal audience as we cement our place as Reading's only professional producing house. We utilise the flexibility of the space by producing an ambitious range of work designed to create an ongoing dialogue with the community; challenging and provoking them in a way that only live performance can.

- Reading Rep presents plays from classics to new writing, revivals to musicals; producing outstanding productions of world class plays for the widest possible audience.
- Reading Rep's outreach work transforms arts education in the UK by placing enterprise, experience and employability at its centre.
- Reading Rep invites community involvement in every aspect of our work both onstage and off - in so doing Reading Rep reflects and represents Reading's diverse cultural community.

Personnel

Niki Robinson: Executive Director - Part time

Paul Stacey: Artistic Director - Part time

Christie O'Carroll: Associate Director - Part time

Megan Turnell: Administrator - Part time

Staff for productions and education workshops - Freelance

Achievements and performance

Artistic

Reading Rep's artistic achievements from 1 August 2016 to 31 July 2017 have cemented our place as one of the leading producing theatres in the region. We have produced BEN-HUR in co-production with Reading Arts, the Hexagon and Reading Borough Council for Reading's 2016 Year of Culture. We subsequently co-produced the Young Vic production of DISCO PIGS in association with Nick Thompson Productions, which toured nationally. Finally, Reading Rep co-produced EVERY YOU EVERY ME with the National Portfolio Organisation Oxford Playhouse. The play was written by award-winning playwright Barney Norris.

BEN-HUR

Ben-Hur was one of the centre-pieces of Reading's Year of Culture and was performed at the Hexagon theatre. It was the debut piece from Reading Rep's award winning Associate Director. The cast was made up of 5 professional actors, whose credits included work at the National Theatre, The Old Vic, The Royal Lyceum Edinburgh, The Globe and several West End productions. The Creative Team included renowned designers Victoria Spearing, Charlotte McClelland and Matt Eaton. Ben-Hur enabled Reading Rep to engage with almost 70 members of the local community through performing as part of the chorus. This resulted in growing the company's audience base, as well as engaging with children and young people who then went on to be the first members of Reading Rep's new youth theatre and young company. The production went on to win a Cultural Event of the Year award at the annual Pride of Reading awards ceremony.

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DISCO PIGS

DISCO PIGS was originally presented at the Young Vic and marked a step-change in the quality of the artists with which we collaborate. The production was directed by JMK award-winner Cathal Cleary. The production was recommissioned by House and was supported by Arts Council England. The production toured to many of the leading theatres regionally including Sheffield Crucible, Birmingham Rep and the Tron, Glasgow. DISCO PIGS received four star reviews in many of the leading papers nationally including the Independent, Guardian, Sunday Times, Financial Times and The Stage. Co-producing at this level was significant for Reading Rep as it allowed us to build relationships with many of the leading theatres regionally - partnerships we will definitely utilise in the future. It allowed the company to build upon its reputation for bringing the finest work nationally to audiences in Reading and the response from the audience was uniformly positive.

EVERY YOU EVERY ME

EVERY YOU EVERY ME was written by Barney Norris. Barney is one of the leading emerging playwrights in the UK. He has won multiple awards including the Critics' Circle Award for Most Promising Playwright. His next play is to be staged at Nick Hytner's (previous artistic director of National Theatre) new Bridge Theatre. The production was directed by Paul Stacey, Reading Rep's artistic director, and was a co-production with National Portfolio Organisation Oxford Playhouse. Reading Rep previously collaborated with Barney Norris' company, Up in Arms, on GERMAN SKERRIES. Once again, the production provided the company with the opportunity to collaborate with leading emerging artists nationally, including set designer Carys Beard and sound designer Max Pappenheim. Responses from the audience were overwhelmingly positive. This was particularly important because the production toured to almost 30 schools in Berkshire and Oxfordshire, seen by nearly 3,000 people contributing to Reading Rep's outreach offering.

Education and Community

Reading Rep launched its youth theatre and young company in September 2016. Over 60 young people attended from the ages of 10-23, which was an amazing achievement for a company so young. The two young companies had a public performance each - Reading Rep Young Actor's Company performed Three by Harriet Braun as part of National Theatre Connections, which culminated in a performance at the Lyric Hammersmith in London in May. The Young Musical Theatre Company performed the schools version of Rent at Reading Studio in April. In January 2017 20/20, a specialist youth theatre for young people who identify as having a learning disability or additional need was launched and over 30 young people have engaged with this group so far. Finally, Queer Fish, a devised piece created by four Young Company members was selected to perform at the prestigious Chrysalis festival at the Traverse Theatre in Edinburgh in November 2017.

Reading Rep continued with the successful and unique partnership with Reading Studio. An example of the benefit of this way of working was demonstrated through Reading Rep's production of EVERY YOU EVERY ME. Students attended a special performance, workshop and Q and A with the cast and director. In January, 20 students went on a trip to Disneyworld in Florida where they performed a piece of musical theatre and participated in various workshops. This trip was supported by Reading Rep. Throughout the academic year Reading Rep has continued to provide a dynamic work experience programme giving students the chance to work alongside the company, as well as leading on theatre trips and supporting student productions.

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Reading Rep has continued to grow ENGAGE! through working with additional partners. Red Balloon is a centre for young people who cannot attend school due to severe trauma or bullying. They are now receiving weekly sessions within the centre and have worked towards and completed their Bronze Arts Award. Launchpad, Reading's homeless charity have also come on board as a partner, and have been receiving weekly urban dance workshops. There are currently 10 partners that Reading Rep works with on a regular basis, ranging from older people with dementia through to those with severe and profound learning disabilities.

Executive

Reading Rep is no longer operating on a project-by-project basis which is a fantastic achievement for a company so young. The turnover for the company is likely to remain at circa £200,000 with a core team of three members of staff. The company has now stabilised around this point, and while we expect to see continued growth, it is unlikely to be at the speed at which we have developed over the last five years.

Reading Rep's board has now stabilised to include a range of strengths. Alan Stacey, now the Executive Director at Headlong, remains as Chair. Suzanne Stallard Hall, Founding Director of Jelly, will now act as Vice-Chair. Jonathan Holley and Ian Germer have brought a wealth of experience from the financial and communications sector, Paul Newman continues to bring his expertise educationally and finally Piers Elliot's legal background has proved enormously beneficial as Reading Rep continues to grow. Reading Rep have adopted new articles to reflect the changes in the company and to ensure they are fit for purpose as we continue to flourish.

All of Reading Rep's policies and procedures are now in place. We have moved to Sage accounting software and are working towards a Safe and Sound qualification that recognises good governance in small charities. Reading Rep now receives income from a range of different places including corporate, trusts and foundations, Arts Council England and earned income through box office and youth theatre provision.

Plans for future periods

Artistic

THE MAN I LIVE WITH

Building on the partnership with Oxford Playhouse, this will be a three way co-production with Oxford, Reading Rep and Deer Hunters Collective. The play, written by Clare Baybutt, is a verbatim piece of theatre which explores Post Traumatic Stress Disorder and the impact it has on ex-military personnel when returning home from war. This world premiere will run in September at Reading Rep.

ALBY THE PENGUIN

A particularly exciting project, ALBY will be a co-production with Reading Borough Council, Reading Libraries and Oxford Playhouse in association with Jelly. Building on Reading Rep's production of 'Twas THE NIGHT BEFORE CHRISTMAS, the play will appeal to children aged 3 - 6. The production will be accompanied by a series of education and outreach projects. Reading Rep will receive Oxford Playhouse's studio Christmas production in December 2018 as part of a 4 year plan to build an audience for this work in Reading.

Education and Community

The Youth Theatre is being re-launched in September to match the model of youth theatres attached to producing theatres. This will allow more of a focus on creating high quality work with young people as well as enabling Reading Rep's youth provision to stand out among the multiple local commercial youth theatre offerings. Reading Rep has now been affiliated with the National Association of Youth Theatres and Youth Theatre Arts Scotland, through participation in Chrysalis and plans to play a bigger role in the sector.

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Following the huge success of this year's Disney trip, Reading Rep hopes to support Reading Studio in doing this again. Work experience will be delivered in line with this year's Christmas show, as well as have students work closely on all productions this season. Reading Rep will deliver Arts Award to circa 100 people this year in partnership with Reading Borough Council and the Cultural Education Partnership. As such the company is beginning to participate in the regional conversation surrounding the provision of outstanding arts opportunities for all children and young people. We are an Arts Award provider and Affiliate of the programme.

Reading Rep will grow ENGAGE even further. Next academic year there will be a focus on working with 4 Pupil Referral Units, focusing on a different Key Stage in each. The work with older adults has been extended through fortnightly workshops at Abbeyfield Winnersh - a care home for adults with dementia. There are plans to set up sessions with Reading Refugee Support Group and with adults who are in recovery.

Executive

Reading Rep continually strives to improve its administrative capacity and organisational infrastructure. As a result we are in the process of signing off our next three-year business plan that articulates the vision for the company over the next three years. Reading Rep is soon to receive a Safe and Sound qualification from Reading Voluntary Action which demonstrates good governance by small charitable organisations.

Reading Rep is continuing to improve and strengthen its board in various capacities; the formation of a separate finance committee, the implementation of annual away days with the staff and board, and the potential growth of the board to further our expertise, are all targets for this year.

Financial review

Since its establishment in 2012, Reading Rep has consistently demonstrated strong financial growth with a turnover for the 2016/17 year of £239,670.

This has been sustained by successfully pursuing a diverse income portfolio of trusts, foundations, statutory and Arts Council England (ACE) funding, alongside box office and schools/youth theatre work. This shows healthy diversity across income streams. As Reading Rep grows, we will ideally reduce the percentage share of ACE funding by increasing corporate, individual, youth theatre, and box office incomes. This reduces the risk presented by over-reliance on one particular income stream.

Our plans for the operation of Reading Rep over the course of this business plan do not involve any large new spending - all projected growth comes from growth across all current areas of income and expenditure. This adds stability to these projected figures, as we will not be operating in any unknown areas.

Risks are mitigated through a system of checks and balances as set out in our financial procedures, specifically sections 1 (Fraud Risk Management), 4 (Financial Transaction Cards), and 5 (Authority to Make Payments). In addition, in-house accounting is completed on a weekly basis using Sage accounting software, to ensure that understanding of cash flow and status of current budgets is up to date and accurate for all necessary staff and trustees.

Reserves policy

It remains the Trustees' intention to maintain general reserves to a figure that represents a minimum three months' operating expenditure. This year, our turnover was £239,670. We estimate 3 months operating costs to be circa £58,000. Our reserves now stand at £42,111. It is the Trustees' intention that at the end of our 4-year business plan (2021) our reserves will safely represent 3 months operating costs, depending upon the growth of the company. Over the course of the next year it is the Trustees' intention that our reserves will not fall below £58,000. We hope that our unrestricted reserves will equal at least 60% of total reserves.

Reading Repertory Theatre


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Trustees' Report

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 18 January 2018 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'Alan Stacey', written over a horizontal line.

**Alan Stacey - Chair
Trustee**

Independent Examiner's Report to the Trustees of Reading Repertory Theatre

I report on the accounts of the company for the year ended 31 July 2017, which are set out on pages 9 to 22.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Richard Nelson FCCA
Breckman & Company Ltd
Chartered Certified Accountants



49 South Molton Street
London W1K 5LH

18 January 2018

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Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 July 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total £	Unrestricted funds £	Restricted funds £	2016 Total £
Income and endowments from:	2						
Donations and legacies - page 10		74,907	-	74,907	60,621	-	60,621
Charitable activities							
Theatre - page 10		66,559	98,204	164,763	25,388	72,070	97,458
Total		<u>141,466</u>	<u>98,204</u>	<u>239,670</u>	<u>86,009</u>	<u>72,070</u>	<u>158,079</u>
Expenditure on:							
Charitable activities:							
Theatre - page 11		143,808	88,590	232,398	76,606	59,334	135,940
Total		<u>143,808</u>	<u>88,590</u>	<u>232,398</u>	<u>76,606</u>	<u>59,334</u>	<u>135,940</u>
Net income / (expenditure)	3	<u>(2,342)</u>	<u>9,614</u>	<u>7,272</u>	<u>9,403</u>	<u>12,736</u>	<u>22,139</u>
Transfers between funds	11, 12	5,000	(5,000)	-	-	-	-
Net movement in funds:		<u>2,658</u>	<u>4,614</u>	<u>7,272</u>	<u>9,403</u>	<u>12,736</u>	<u>22,139</u>
Reconciliation of funds:							
Total funds brought forward		17,103	17,736	34,839	7,700	5,000	12,700
Total funds carried forward	11, 12	<u><u>19,761</u></u>	<u><u>22,350</u></u>	<u><u>42,111</u></u>	<u><u>17,103</u></u>	<u><u>17,736</u></u>	<u><u>34,839</u></u>

The notes on pages 14 to 22 form an integral part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

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Year ended 31 July 2017

	2017 £	2016 £
Income from donations and legacies		
Donations		
Sundry	3,005	939
In-kind	71,902	59,682
	<u>74,907</u>	<u>60,621</u>
Income from charitable activities		
Theatre income		
Tickets	8,550	6,625
Fees	27,914	14,311
Bar sales	663	2,394
Programmes	639	-
Tuck Shop	201	-
DVD Sales	618	-
Reading Studio Kit	799	-
Guarantees	24,032	-
Other income	3,143	2,058
	<u>66,559</u>	<u>25,388</u>
Project specific funding		
Grants/Donations		
Reading Borough Council	-	4,800
The Earley Charity	5,000	5,000
Foyle Foundation	-	5,000
LH Arts Council	-	12,400
Unity Theatre Grant	-	500
GS Arts Council	1,480	13,320
Children in Need	4,050	4,950
Reading UK CIC	-	800
Red Hill Trust	-	4,800
Ben Hur Arts Council	11,700	11,700
Awards for All	-	8,800
Hilden CF	4,800	-
Allen Lane Foundation	3,800	-
Ernest Cook Trust	1,500	-
Ironmongers	3,800	-
Turners Court	2,400	-
Every You Every Me, Arts Council	28,874	-
Morrisons Foundation	5,800	-
Disco Pigs, Arts Council	15,000	-
Garfield Weston Foundation	10,000	-
	<u>98,204</u>	<u>72,070</u>

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Year ended 31 July 2017

	2017 £	2016 £
Expenditure on charitable activities		
Theatre		
Production/project costs		
Production costs	18,686	4,428
Salaries in-kind	48,193	38,640
Fees	73,944	30,892
Marketing	7,444	3,930
Travel/accomodation/subsistence	43,205	1,884
Education grant expenses	639	204
Workshop expenses	1,379	25,120
Rates	-	2,300
Insurance	959	1,188
	<hr/> 194,449	<hr/> 108,586
Support costs - page 12	35,899	26,054
Governance costs - page 12	2,050	1,300
	<hr/> 232,398	<hr/> 135,940

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Year ended 31 July 2017

	2017		2016	
	£	£	£	£
Support and governance costs				
Office overheads				
Office/rehearsal space/expenses	8,869		3,692	
Rent/services in-kind	13,150		13,500	
		22,019		17,192
Administration costs				
Salaries in-kind	10,559		7,542	
Printing/postage/stationery	70		13	
Advertising	162		-	
Subscriptions/licences	620		100	
Sundries	1,954		1,071	
Charitable donations	358		-	
		13,723		8,726
Professional/financial				
Legal/professional	13		13	
Bank charges	93		123	
Bad debts	51		-	
		157		136
		35,899		26,054
Governance costs				
Accountancy/consultancy	1,750		1,000	
Charity SORP/FRS102 amendments	300		300	
		2,050		1,300
		37,949		27,354

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Balance Sheet 31 July 2017

	Notes	2017		2016	
		£	£	£	£
Current assets					
Debtors	7	3,176		3,711	
Cash at bank and in hand		60,043		51,519	
		<u>63,219</u>		<u>55,230</u>	
Liabilities:					
Creditors: amounts falling due within one year	8	<u>(21,108)</u>		<u>(20,391)</u>	
Net current assets			<u>42,111</u>		<u>34,839</u>
Total assets less current liabilities			<u>42,111</u>		<u>34,839</u>
The funds of the charity:					
Unrestricted funds	11		19,761		17,103
Restricted funds	12		<u>22,350</u>		<u>17,736</u>
Total charity funds			<u>42,111</u>		<u>34,839</u>

For the year ending 31 July 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

The accounts were approved by the Board of Trustees on 18 January 2018 and signed on its behalf by



**Alan Stacey - Chair
Trustee**



**Suzanne Stallard Hall
Trustee**

The notes on pages 14 to 22 form an integral part of these financial statements.

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Notes to the Financial Statements for the year ended 31 July 2017

1. Accounting policies

1.1. Basis of preparing the 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2. Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

There was no requirement for restatement.

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Notes to the Financial Statements for the year ended 31 July 2017

1.3. Incoming resources

All incoming resources are included in the Statement of Financial Activities when:

- the charity is legally entitled to the funds
- any performance conditions attached to the income have been met or are fully within the control of the charity
- there is sufficient certainty that receipt of the income is considered probable
- the amount can be reliably measured

- Donations and legacies

Grants/donations are recognised in incoming resources in the year in which they are receivable, except as follows:

- when donors specify that grants/donations given to the charity must be used in future accounting periods, the income is deferred until those periods
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use are met.

- Charitable activities

Theatre income - income from box office, performance fees and sundry other theatrical income is included in incoming resources in the period in which the relevant show takes place.

Project specific funding - when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

- Donated services and facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

- Investment income

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.

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Notes to the Financial Statements for the year ended 31 July 2017

1.4. Expenditure

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when:

- there is a legal or constructive obligation to make a payment
- it is probable that settlement will be required
- the amount of the obligation can be measured reliably

- Costs of raising funds

Costs incurred in attracting donations, and those incurred in trading activities that raise funds.

- Charitable activities

Theatre production/project costs - costs incurred in production and running of productions in the year.

- Support costs

The administrative and overhead costs associated with running the office from which the company operates as well as governance costs. Support costs are wholly attributable to theatre production costs.

- Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

1.5. Fund accounting

Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

1.6. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

1.7. Cash at bank and in hand

Cash at bank and 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.

1.8. 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.

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Notes to the Financial Statements for the year ended 31 July 2017

1.9. 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).

2. Incoming resources

The total theatrical income for the year has been derived from the principal activity. The proportion of theatrical income derived from outside the UK amounted to 2% (2016 - nil%).

3. Net income/(expenditure) for the year is stated after charging:

	2017	2016
	£	£
Independent examination	<u>2050</u>	<u>1300</u>

4. Trustees' emoluments and reimbursed expenses

The trustees received no remuneration during the year (2016 - £nil).

The aggregated amount reimbursed to trustees during the year was £nil (2016 - £nil)

Reading Repertory Theatre

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Notes to the Financial Statements for the year ended 31 July 2017

5. Staff costs and numbers	2017 £	2016 £
Staff costs		
Salaries and wages - in kind	56,740	46,182

No employee earned £60,000 or more during the year (2016 - nil).

The key management personnel of the charity comprise of the Trustees and the Senior Management Team. The total employee benefits of the key management personnel of the charity were £54,000 (2016: £42,788)

Staff numbers

The average numbers of employees (including casual and part time staff) during the year was made up as follows:

	2017 Number	2016 Number
Production	2	2
Administration	2	2
	4	4

6. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

7. Debtors	2017 £	2016 £
Trade debtors	3,176	3,711

8. Creditors: amounts falling due within one year	2017 £	2016 £
Trade creditors	19,058	18,341
Accruals	2,050	2,050
	21,108	20,391

Reading Repertory Theatre

(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 July 2017

9. Limited by guarantee

The company is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £10, to the company should it be wound up. At 31 July 2017 there were 8 members.

10. Analysis of net assets between funds

	General funds £	Restricted funds £	Total £
Fund balances at 31 July 2017 are represented by:			
Net current assets	19,761	22,350	42,111
	<u>19,761</u>	<u>22,350</u>	<u>42,111</u>

11. Unrestricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	<u>17,103</u>	<u>141,466</u>	<u>(143,808)</u>	<u>5,000</u>	<u>19,761</u>

Reading Repertory Theatre

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Notes to the Financial Statements for the year ended 31 July 2017

12. Restricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
Reading Borough Council	4,800	-	-	-	4,800
The Earley Charity	(3,024)	5,000	(1,977)	-	(1)
Berks Community Fund	5,000	-	-	(5,000)	-
GS Arts Council		1,480	-		1,480
Children in Need	2,109	4,050	(6,160)		(1)
Reading UK CIC	56	-	-		56
Red Hill Trust	1,224	-	(1,224)		-
Ben Hur Arts Council	6,457	11,700	(21,761)		(3,604)
Awards for All	1,114	-	(1,115)		(1)
Allen Lane Foundation		3,800	(3,800)		-
Ernest Cook		1,500	(1,500)		-
Hilden Charitable Fund		4,800	(4,803)		(3)
Ironmongers' Company		3,800	(3,800)		-
Turners Court		2,400	(2,400)		-
Every You Every Me, Arts Council		28,874	(23,799)		5,075
Morrisons Foundation		5,800	(1,231)		4,569
Disco Pigs, Arts Council		15,000	(15,020)		(20)
Garfield Weston Foundation		10,000			10,000
	<u>17,736</u>	<u>98,204</u>	<u>(88,590)</u>	<u>(5,000)</u>	<u>22,350</u>

Reading Borough Council

To support a summer school and production of Ben Hur, August-September 2016, covering stage manager and producer fees

The Earley Charity

Support for ENGAGE, Reading Rep's outreach programme, to cover staff, travel, and equipment

Berks Community Fund

Grant for Engage! Community Project

GS Arts Council

To support a production of German Skerries, co-produced with Up In Arms and The Orange Tree, February - March 2016

Children in Need

Support for an ENGAGE project working specifically with young people with learning difficulties and disabilities, covering staff, overheads, and equipment

Reading Repertory Theatre

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Notes to the Financial Statements for the year ended 31 July 2017

Reading UK CIC

To support a dance project in Reading Town Centre, August 2016, covering all aspects of the project

Red Hill Trust

Support for an ENGAGE project working specifically with Badger's Hill Pupil Referral Unit, covering staff, overheads, and training

Ben Hur Arts Council

To support a summer school and production of Ben Hur, August-September 2016, covering all aspects of the project

Awards for All

Support for an ENGAGE project working specifically with Purley Park Trust for people with learning disabilities, covering staff, overheads, and equipment

Allen Lane Foundation

Support for an ENGAGE project working specifically with Prospect Park Hospital for people with mental health problems, covering staff, overheads, and equipment

Ernest Cook Trust

Support for an ENGAGE project working specifically with pupils at Badgers Hill Pupil Referral Unit, covering all aspects of the project

Hilden Charitable Fund

Support for an ENGAGE project working specifically with Elizabeth Fry Approved Premises for women on parole and release from prison, covering staff and materials

Ironmongers' Company

Support for an ENGAGE project working specifically with young people at Red Balloon Learner Centre, covering all aspects of the project

Turner's Court

Support for an ENGAGE project working specifically with pupils at Badgers Hill Pupil Referral Unit, covering all aspects of the project

Every You Every Me, Arts Council

To support a production and associated educational work of Barney Norris' Every You Every Me, co-produced with Oxford Playhouse, March-April 2017

Morrison's Foundation

Support for an ENGAGE project working specifically with service users at Purley Park, a centre for people with mental and physical disabilities. Funding covered all aspects of the project

Reading Repertory Theatre

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Notes to the Financial Statements for the year ended 31 July 2017

Disco Pigs, Arts Council

To support a UK and Ireland tour of Enda Walsh's Disco Pigs, co-produced with Nick Thompson productions, September - October 2016

Garfield Weston Foundation

Support for a year of ENGAGE, Reading Rep's outreach programme, contributing to all aspects of the project

13. Related party transactions

During the year there were no related party transactions.