

**THE BUBBLE THEATRE COMPANY LIMITED**  
**(A Company Limited by Guarantee)**

**Company Registration No: 1058397**

**Charity Registration No: 264359**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDING 31 MARCH 2017**

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# **THE BUBBLE THEATRE COMPANY LIMITED**

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# **THE BUBBLE THEATRE COMPANY LIMITED**

## **Report of the Trustees for the year ended 31<sup>st</sup> March 2017**

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

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016).

### **Chair's report**

2016-17 has been a year of consolidation. A bit of spring cleaning and thinking ahead - getting our finances in order, checking our monitoring systems and preparing ourselves for the major step of reviving the summer show in 2017. Less innovation and more application.

As you will see from the following, although our turnover and outputs reduced slightly we ended the year increasing our free reserves and in a more secure position to plan further ahead.

Our projects for children and young people continued to grow steadily. Most notably Speech Bubbles was subject to a pilot randomised control trial which yielded impressive results and paved the way for a nationwide trial across 25 schools to commence in 2018.

Consolidation also involves understanding what works and why. We have done this by inviting some respected practitioners and commentators to observe our work and critique it. Their feedback has helped us identify the principles and values which are common to all Bubble projects. It has also helped us to understand how our inclusive approach to making theatre sits on the cusp of art and wellbeing.

Rt. Hon. Simon Hughes,  
Chair of Trustees

# **THE BUBBLE THEATRE COMPANY LIMITED**

## **Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont 'd)**

### **1. Purposes and Activities**

The Company is a Registered Charity and its principal object, as detailed in the Memorandum and Articles of Association, continues to be the advancement of the education of the public through the promotion and support of the art of the theatre and music.

In shaping our activities and objectives for the year the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging.

In setting our pricing policy (ticket prices, fees and other charges) the trustees are always aware of the obligations to provide appropriate public benefit. These prices, and the available concessions, are set to allow participation of low-income and hard-to-reach members of the community – who are core targets of the company. At the same time, we are anxious to make sure that we do not inadvertently signal any under-valuing of our activities and that we remain comparable and competitive within the arts sector.

#### **Vision, mission and belief**

Our vision is that all people at every stage of life have access to the benefits of making theatre.

Our mission is to make beautiful, beneficial and dynamic theatre with the diverse communities of south-east London.

Underpinning our work is a belief that belonging, generosity, kindness and joy are fundamental to shared theatre-making. This way we establish creative and safe spaces where stories are shared and play rediscovered and valued by participants of all ages. Projects created together bring personal and social wellbeing. Community cohesion is generated and strengthened as a result.

#### **Achievements and performance**

Our goals for 2016/17 were to:

- Continue the steady growth of the Speech Bubbles project, utilising data drawn from the Control Trial and Cost Benefit Analysis.
- Manage the transition of the Young Theatre Makers project from the final year of Big Lottery funding to a mixed income stream including commissions, fees and small grants.
- Implement the first phase of plans for a summer show 2017, mobilising support, with pre-sales and marketing to key targets.
- Continue the development of the Creative Elders programme, engaging with one new setting and increasing group sizes in established groups to an average of 8.
- Further develop 'vernacular theatre' practice articulating the relationship to, and impact on, health.
- Mount a major fundraising event which demonstrates the range and value of the Bubble's work, and trebles income from unrestricted donations.

## **THE BUBBLE THEATRE COMPANY LIMITED**

### **Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont ' d)**

#### **The work**

- In Southwark, Lewisham and Greenwich Bubble delivered 60 public performances and events (compared to 70 in the previous year), attracting 2,455 audience members (3,103 in 2015-16).
- In Southwark, Lewisham and Greenwich Bubble delivered 595 workshops (637) with 5,575 participant attendances (5,544).
- In Southwark, Lewisham and Greenwich, Bubble delivered 794 in-school sessions (762) with 6,787 pupil attendances (6,742) and 101 parent/carer attendances (92).
- Bubble hosted 19 placements (14) and was grateful for the input of 49 volunteers (76).
- The total number of attendances amounted to 14,986 (17,683 in 2015-16) in total there were 1,449 events (1,541 in 2015-16).

This does not include performances of Grandchildren of Hiroshima and After Hiroshima that took place in Japan. These are projects that Bubble originally developed but are now led by local artists and citizens.

**Speech Bubbles**, which works with children in primary schools who are referred with communication challenges, continues in schools in Southwark, Lewisham and Greenwich and through our network of partner organisations in Enfield, Hackney, Newham, Tower Hamlets, Oldham, Rochdale and other parts of Greater Manchester. Speech Bubbles took place in 45 schools, working with over 900 children with identified communication needs – an increase of 12% on the previous year.

During the year the University of East London reported on a Randomised Control Trial of Speech Bubbles. The trial reported that the project is a 'highly valuable intervention' and particularly highlighted the benefits to the children's social interaction, understanding spoken language and storytelling.

The Speech Bubbles programme was runner up in the prestigious Lloyds Bank/School for Social Entrepreneurs, Social Entrepreneur of the Year Award, thank you to everyone who voted for us.

**Bubble Young Theatre Makers (BYTM)** engaged and supported two core groups of 17-24s not in employment, education or training, who devised and performed two pieces of forum theatre for young people, by young people, 'Man Up' and 'BACKstory'. These together were given 24 performances playing to 759 young people.

Of the 26 young people who joined the core programme 15 are now in some form of employment, education or training and 2 now have parental responsibilities.

As well as supporting and nurturing the wellbeing of these core group members, we also engaged them in projects that supported other vulnerable young people across Southwark. These bespoke projects reached some of the most vulnerable young people in the borough and beyond:

- A 24 week project with 14 Year 11 students unable to cope with mainstream school at Bosco College leading to them each gaining the Arts Award
- A 12 week project with 20 younger students with low school attendance at Bacon's College and Compass School again leading to them achieving the Arts Award.

## THE BUBBLE THEATRE COMPANY LIMITED

### Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont 'd)

- The Way Into Work project with Southwark Youth Offending Service which continues to thrive. This year EY and Lloyds Bank hosted mock interviews and six professionals from a range of corporate backgrounds volunteered to be on interview panels.
- A partnership with The Prince's Trust which is now in the fourth year, and led to us running another 'Get Started with Theatre' programme. This project feeds participants into the core YTM training programme.
- In response to a rapid increase in knife crime in Southwark during the summer, the Youth Offending Service commissioned a piece to raise awareness that was subsequently featured at Southwark community events supported by the police.

The year also saw the introduction and development of a new creative project in partnership with Southwark Youth Offending Service (YOS) which involves young people serving their first order participating in our We Need To Act On... process in order to express themselves and their social concerns. Both the core YTM trainees and the commissioned projects now use this methodology. The process was documented in the January issue of London Drama magazine.

Through the two cohorts of trainees and the various commissions the Young Theatre Makers programme developed a total of 13 new pieces of theatre. These short and longer term project involved the following:

- Southwark YOS induction project x3
- Southwark YOS girls' group
- Southwark YOS knife crime project
- Bosco College
- Bacon's College
- Compass School
- Prince's Trust
- Norton Rose Fulbright BAME Network
- London Drama Teacher's Conference

A total of eleven YTM alumni were employed to deliver these commissioned projects. Four YTM alumni were employed across the year as support facilitators on our participatory groups. Thirteen YTM from cohorts 10 and 11 took up work placements, some of which have extended into this year and saw young people working with elders from our Creative Homes Programme.

The BYTM project attracted new funding from The Brook Trust, the Amicable Society and British Land. Although this did not replace the total funding previously received from the Big Lottery, the amount of income earned through commissions increased to 42% of the project running costs (from 38% in the previous year).

**Creative Elders Programme** delivers three different activities to different constituencies Creative Homes (CH) in Sheltered Housing Units, Tea Break Theatre (TBT) and Rotherhithe Shed (RS) both at Bubble's Southwark base.

During the second year of our three year Big Lottery funding just over 60% of participants have been new to the programme.

'This is the first time that I've been out since starting cancer treatment and the sessions have made me feel really good about myself again.'  
(Participant of Creative Homes)

## **THE BUBBLE THEATRE COMPANY LIMITED**

### **Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont 'd)**

The Rotherhithe Shed continues to host half day sessions, twice a week, throughout the year. Numbers of participants have remained at a high level throughout the year with 52% continuing to attend since the start of year 1, and a quarter of participants attending at least 45% of the sessions. 'Shedists' have also gone on to lead outreach sessions at a number of locations in Southwark including Surrey Docks Farm, a local Age UK day centre & sheltered housing accommodation.

The Creative Homes project is now running in 6 sheltered housing units in Southwark. Throughout the year groups have enjoyed trips to the Royal Albert Hall, Southwark Playhouse and Green Candle Dance. Participants from our longest run group devised and scripts a short play, 'A Chocolate Affair'. This was performed in three other Creative Homes, and to an audience at the Bubble base. The Creative Homes project was commissioned by Southwark Council to run an inter-generational project exploring the borough of Southwark and our relationship to the place and local community.

Weekly Tea Break Theatre workshops have continued throughout the year and have built on connections with other local service providers working with older adults in Southwark. Taster workshops were run at; South London Cares, Southwark Pensioner's Centre, Age UK Yalding Road and Southwark Resource Centre and these resulted in referrals throughout the year. Since January, 40% of participants have attended at least 75% of weekly workshops, indicating the value they place on the group.

Throughout the year we have developed connections with the South London and Maudsley NHS Trust and are currently working together on a bespoke commissioned project, extending our practice to a local dementia care home.

Successful applications to City Bridge Trust, ExPat and NSET have ensured the project is in a stable financial position at the start of the new financial year. Funding from City Bridge Trust will provide ongoing support for three years with a modest increase year on year. We anticipate making an application to Big Lottery for continuation funding, drawing on our development and learning throughout the three years of current funding.

### **Organisational health**

During the year a high level of funding applications to Trusts and Foundations were rejected, partly due to the competitive climate, partly due to increased levels of funding being directed outside London. As a result the company reviewed the approach to fundraising with the help of an external consultant. This led to the employment of a ghost assessor to critique applications which bore fruit towards the end of the year.

However the unpredictability of income forced the company to make two part-time posts redundant – the Hub Administrator and the Young Theatre Makers Project Coordinator.

This also caused the postponement of 'Primary' an intergenerational project which will now take place during 2017-18.

A more positive response to the situation saw three vibrant and rewarding fundraising events led by Trustees of the Board which modelled an approach that will be followed in subsequent years.

# **THE BUBBLE THEATRE COMPANY LIMITED**

## **Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont 'd)**

**Our goals for 2017-18 are to:**

- **Evaluate the first three years of the Creative Elders Programme.**
- **Deliver a professional summer show, attracting new audiences, re-connecting with previous supporters and raising the profile of Bubble.**
- **Deliver 'Primary', a Vernacular Theatre project involving an intergenerational cast.**
- **Continue the steady growth of the Speech Bubbles project, utilising data drawn from the Control Trial and Cost Benefit Analysis.**

## **2. Financial Review**

### ***Income***

Total income for the year amounted to £498,757 (2016: £584,290), of which £332,268 (2016: £423,235) related to voluntary income received.

### ***Expenses***

Total expenses for the year amounted to £482,532 (2016: £617,087).  
The Company's cash flow remained sufficient throughout the year.

### ***Reserves policy and going concern***

The Trustees' longer term objective is to hold reserves sufficient to meet the essential costs of the Company for a three-month period and we will continue to work towards this.  
Reserves at 31st March 2017 were as follows:

### ***Restricted funds***

Restricted funds amounted to £221,292 (2016: £228,985) which relates to the building improvements.

### ***Designated funds***

Designated funds comprise:

- Capital fund of £5,599 (2016: £7,907). This provides for the depreciation of fixed assets purchased using general funding.

### ***Unrestricted funds***

Unrestricted general fund at 31st March 2017 amounted to £51,133 (2016: £10,433). The trustees objective is to increase these funds to £75k over the following three years.



## THE BUBBLE THEATRE COMPANY LIMITED

### Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont 'd)

#### *Investment powers and policy*

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish. The trustees, having regard to the liquidity requirements of operating the company and to the reserves policy, have operated a policy of keeping the requisite funds available in a bank account.

### 3. Reference and administration details

<b>Incorporated:</b>	in England on 16 June 1972
<b>Company Number:</b>	1058397
<b>Registered Charity Number:</b>	264359
<b>Board:</b>	Patricia Abraham Sylvan Baker Jocelyn Cunningham Matthew de Lange Mark Dunford Charlie Folorunsho (resigned 18/4/17) Simon Hughes Pamela Hutchinson Louise Owen (appointed 14/9/2016) Thomas Pullen David Slater May Steele Simon Thomson Sue Timothy
<b>Secretary:</b>	Patricia Abraham
<b>Chief Executive:</b>	Jonathan Petherbridge
<b>Registered Office:</b>	3 & 5 Elephant Lane Rotherhithe London SE16 4JD
<b>Bankers:</b>	National Westminster Bank Tower Bridge Branch PO Box 9765 201 Tooley St London SE1 2ZH
<b>Auditor:</b>	MHA MacIntyre Hudson – Statutory Auditor New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ

# **THE BUBBLE THEATRE COMPANY LIMITED**

## **Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont 'd)**

### **4. Structure, Governance and management**

#### ***Governing document***

The Bubble Theatre Company Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 16 June 1972. It is registered as a charity with the Charity Commission. The Directors and Trustees, all of whom are members of the Company, are listed above.

#### ***Appointments to the Board:***

As set out in the Articles of Association, the Board may at any time appoint any member of the company as a member of the Board, subject to a minimum of 8 and a maximum of 15 members. Any member so appointed retains his/her office until the next Annual General Meeting and is then eligible for re-election. At each Annual General Meeting a further one-third of the members who have been longest in office retire. All retiring members are eligible for re-election.

Where vacancies arise or are anticipated between AGMs, the Board considers proposals from existing Board members and Executive staff, before agreeing on any approach to be made. Periodically, the company may undertake a more formal recruitment campaign including public advertisements. When considering appointing new Trustees, the Board has regard to the requirement for any specialist skills needed, particularly in relation to regular skills' audits.

New Board members receive briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. They meet key employees and other Trustees.

The Chair and Vice Chair are nominated and appointed by the Board from among their own number.

#### ***Organisation***

The Board of Trustees meets at least quarterly to manage the affairs of the charity and there is one sub-committee – the Finance and Resources Committee - which meets more regularly and has a specific brief to oversee financial and other operational matters. This Committee reports directly to the Board, including recommending approval of management and statutory accounts.

The primary responsibility for the Bubble Theatre Company Limited is vested in the Board but management of the company is delegated to its Creative Director, Jonathan Petherbridge who acts as the Company's Chief Executive. The Board agrees policy, development strategies and plans, programmes and budgets. The Board will have occasional retreats or special meetings to develop these, and to review the implementation and effectiveness of previous decisions.

The Board devolves day-to-day responsibility for financial management and control to Executive staff members, who implement systems, together with reporting and planning mechanisms, set by the Board. Management accounts are produced monthly on an actual/outturn basis and formally reported to the Board quarterly. Bank reconciliations are carried out monthly.

To facilitate effective operations, the Chief Executive delegates, within terms of delegation approved by the board of trustees, authority for operational matters including finance, employment and artistic activity.

The Board leads the recruitment and selection of Executive staff, and agrees the establishment of

## **THE BUBBLE THEATRE COMPANY LIMITED**

### **Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont ' d)**

new permanent posts or material changes to existing permanent posts. Executive staff members are responsible for recruitment and replacement of all other existing permanent posts, and of fixed-term project staff where the cost is included within an approved project budget. The Board reviews remuneration arrangements annually as part of the annual, and longer-term, budget setting process.

#### ***Pay policy for senior staff***

The directors consider the board of directors, who are the trustees, comprise the key management personnel of the charity in charge of directing, running and operating the charity. All directors give of their time freely and no director received remuneration in the year.

#### ***Risk Management***

The Trustees have reviewed and assessed the major financial and operational risks to which the charity is exposed. They are satisfied that systems and procedures are in place, both to limit exposure to these risks and, where exposure could exist, to manage this in a safe, informed and responsible manner.

A formal risk register is monitored by the Finance and Resources Committee. During the year it was reviewed in depth by the Board.

Internal risks are mitigated by robust policies and procedures covering all areas of management, human resources, financial probity, health and safety and equality targets, including a Safeguarding Policy involving Disclosure and Barring checks as appropriate.

A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees, together with detailed monitoring of cash flow and fundraising targets.

Internal financial control mechanisms are rigorous and the key elements include:

- Regular examination and scrutiny of budgets through Senior Management meetings and with budget holders
- Medium term and annual planning, including annual income, expenditure and cash flow budgets
- Regular reviews of planning milestones and risk management by the Finance and Resources Committee and the Board, including quarterly reviews of financial results with variance reporting and outturn forecasts.
- The adoption of the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)

## **5. Trustees' Responsibilities Statement**

The charity trustees (who are also the directors of The Bubble Theatre Company Limited for the purposes of charity law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

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 incoming resources and application of these resources, including the income and expenditure of the charitable company for that period.

## THE BUBBLE THEATRE COMPANY LIMITED

### Report of the Trustees for the year ended 31<sup>st</sup> March 2017 (cont 'd)

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in existence.


The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

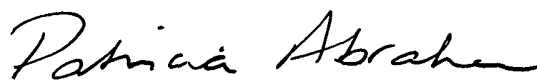
#### Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- the trustees having made enquiries of fellow directors and the charitable company's auditor that they ought to have individually taken, have taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Board on 4<sup>th</sup> October 2017 and signed on its behalf by:

  
Simon Hughes  
Chair

  
Patricia Abraham  
Secretary

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

We have audited the financial statements of The Bubble Theatre Company Limited for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Auditors' 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 opinion we have formed.

## **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement (set out on pages 9 and 10) the trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion on financial statements**

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 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE BUBBLE THEATRE COMPANY LIMITED  
CONTINUED**

**Opinion on other matter 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 Report of the Trustees, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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 take advantage of the small companies exemption from the requirement to prepare a Strategic report.

*MHA MacIntyre Hudson*

John Coverdale BSc FCA (Senior Statutory Auditor)  
for and on behalf of MHA MacIntyre Hudson  
Statutory Auditor  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: 11/10/2017

**THE BUBBLE THEATRE COMPANY LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND**  
**EXPENDITURE ACCOUNT) FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH 2017**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
<b>Income:</b>					
Grants and donations	3	74,887	257,381	332,268	423,235
Income from charitable activities	4	127,031	-	127,031	119,846
Income from other trading activities	5	39,455	-	39,455	41,199
Income from investments	6	3	-	3	10
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>		<b>241,376</b>	<b>257,381</b>	<b>498,757</b>	<b>584,290</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure:</b>					
Fundraising costs of seeking grants and donations		21,439	-	21,439	20,148
Expenditure on charitable activities	7	196,019	265,074	461,093	596,939
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>		<b>217,458</b>	<b>265,074</b>	<b>482,532</b>	<b>617,087</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income/(expenditure)</b>	11	<b>23,918</b>	<b>(7,693)</b>	<b>16,225</b>	<b>(32,797)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Reconciliation of funds</b>					
Total funds brought forward		32,794	228,985	261,779	294,576
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>56,712</b>	<b>221,292</b>	<b>278,004</b>	<b>261,779</b>
		<hr/>	<hr/>	<hr/>	<hr/>

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

The notes on pages 16 to 25 form part of these financial statements.

# THE BUBBLE THEATRE COMPANY LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	13	216,888	236,892
<b>CURRENT ASSETS</b>			
Debtors	14	35,092	64,544
Cash at bank and in hand		99,047	29,168
		<u>134,139</u>	<u>93,712</u>
<b>CURRENT LIABILITIES</b>			
Creditors falling due within one year	15	(73,023)	(68,825)
<b>NET CURRENT ASSETS</b>		<u>61,116</u>	<u>24,887</u>
<b>NET ASSETS</b>		<u>278,004</u>	<u>261,779</u>
<b>THE FUNDS OF THE CHARITY</b>			
Restricted income funds	17	221,292	228,985
Unrestricted income funds	18	56,712	32,794
<b>TOTAL CHARITY FUNDS</b>		<u>278,004</u>	<u>261,779</u>

The financial statements were approved by the Board of Trustees on 4 October 2017 and signed on its behalf by:



PATRICIA ABRAHAM - TRUSTEE  
Company registration No: 1058397

The notes on pages 16 to 25 form part of these financial statements



# THE BUBBLE THEATRE COMPANY LIMITED

## CASH FLOW STATEMENT AS AT 31<sup>ST</sup> MARCH, 2017

		2017	2016
		£	£
<b>Cash generated from operating activities</b>	20	<u>70,636</u>	<u>9,818</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(757)	(7,011)
<b>Cash used in investing activities</b>		<u>(757)</u>	<u>(7,011)</u>
Increase in cash and cash equivalents in the year		<u>69,879</u>	<u>2,807</u>
Cash and cash equivalents at the beginning of the year		<u>29,168</u>	<u>26,361</u>
<b>Total cash and cash equivalents at the end of the year</b>		<u>99,047</u>	<u>29,168</u>

The notes on pages 16 to 25 form part of these financial statements.

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

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

#### (a) Basis of Preparation

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities - Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS 12.

#### (b) Going concern

The charity has a planned programme of activities to 2018 and beyond in order to achieve its objectives the charity requires ongoing income streams, primarily from grants and donations. There is no certainty with regard to securing the necessary future income streams and after making appropriate enquiries, the trustees have a reasonable expectation that the charity will provide a programme of activities that are fully funded to ensure that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

#### (c) Depreciation

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost over their estimated useful lives. The rates used are as follows:-

Theatre Equipment	- 10% on cost, 20% on cost and 25% on cost
Office Furniture, Fittings & Equipment	- 25% on cost
Building	- Over the life of the lease

#### (d) Income

##### *Grants and donations*

Grants and donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

##### *Income from charitable activities*

Incomes from these activities are recognised when earned.

##### *Income from other trading activities*

This relates to income from the rental of space when temporarily not used by the charity. Rental income is recognised when the space has been utilised by the customer.

##### *Income from investments*

Investment income is included when due to the charity.

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES - continued

#### (e) **Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised when a legal or constructive obligation to make a payment exists. Costs of fundraising comprise direct costs associated to that activity. Charitable activities include expenditure associated with providing activities for the beneficiaries and include both the direct costs and support costs relating to these activities. Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs supporting the charitable activities. Governance costs are primarily associated with constitutional and statutory requirements.

#### (f) **Debtors**

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

#### (g) **Cash at bank and in hand**

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

#### (h) **Creditors**

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.

#### (i) **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.

#### (j) **Judgements and key sources of estimation uncertainty**

No significant judgements have been made during the course of preparing these financial statements. There are no sources of estimation uncertainty.

### 2. **LEGAL STATUS OF CHARITY**

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

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

### 3. GRANTS AND DONATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
<i>Grants</i>				
Age UK Lewisham and Southwark	-	500	500	250
Arts Council England – Primary	-	18,841	18,841	*
Arts Council England – After Hiroshima	-	-	-	27,575
British Land	-	10,000	10,000	-
Garfield Weston Foundation	-	-	-	25,000
Heritage Lottery Fund	-	-	-	37,000
LB Lewisham	-	-	-	3,000
LB Southwark - Revenue	11,782	-	11,782	5,000
LB Southwark - Other	25,000	-	25,000	27,250
Lloyds Bank Foundation	-	-	-	15,000
London Youth	-	-	-	7,000
Newcomen Collett Foundation	-	1,000	1,000	-
North Southwark Environment Trust	-	2,500	2,500	-
Niwano Peace Foundation	-	-	-	3,020
Rotherhithe Consolidated Charity	-	1,000	1,000	-
School for Social Entrepreneurs	-	11,500	11,500	7,500
SHINE Trust	-	42,376	42,376	* 44,000
Southwark Neighbourhood Fund	-	2,096	2,096	5,365
St George	-	7,500	7,500	* 7,500
St Olave's & St Saviour's Foundation	-	-	-	2,350
Team London – City Hall	-	8,000	8,000	-
The Alan & Babette Sainsbury Charitable Fund	-	15,000	15,000	* 7,500
The Allen and Nesta Ferguson Charitable Trust	-	-	-	5,000
The Amicable Society's School, Rotherhithe	-	7,000	7,000	5,500
The Big Lottery	-	95,288	95,288	* 116,533
The Big Lottery - Building Capability	-	-	-	15,000
The Brook Trust	20,000	17,500	37,500	* 20,000
The Drapers' Charitable Fund	-	6,000	6,000	-
The Expat Foundation	-	5,000	5,000	-
The Jack Petchey Achievement Awards	-	750	750	700
The Peter Minet Trust	-	4,500	4,500	-
The Boris Karloff Charitable Foundation	-	-	-	1,000
Time and Talents USS	-	1,030	1,030	-
United St Saviour's	-	-	-	19,888
<i>Donations</i>				
Donations & Gift Aid tax claim	18,105	-	18,105	15,304
	<b>74,887</b>	<b>257,381</b>	<b>332,268</b>	<b>423,235</b>

\* These grants include support for more than one year

Grant income from local authority funding was £36,782 (2016: £35,250) and from government agencies was £114,129 (2016: £196,108).

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

4. INCOME FROM CHARITABLE ACTIVITIES	Unrestricted	Restricted	Total	Total
	Funds	Funds	2017	2016
	£	£	£	£
Performance income	1,054	-	1,054	5,652
Project income	125,302	-	125,302	111,982
Bar sales	675	-	675	2,203
Programme, merchandise and prop sales	-	-	-	9
	<u>127,031</u>	<u>-</u>	<u>127,031</u>	<u>119,846</u>
5. INCOME FROM OTHER TRADING ACTIVITIES	Unrestricted	Restricted	Total	Total
	Funds	Funds	2017	2016
	£	£	£	£
Rental income	39,455	-	39,455	41,199
	<u>39,455</u>	<u>-</u>	<u>39,455</u>	<u>41,199</u>
6. INCOME FROM INVESTMENTS	Unrestricted	Restricted	Total	Total
	Funds	Funds	2017	2016
	£	£	£	£
Bank interest received	3	-	3	10
	<u>3</u>	<u>-</u>	<u>3</u>	<u>10</u>

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES	Charitable activities Activities £	Total 2017 £
Wages, salaries and staff costs	118,072	118,072
Freelance and consultancy fees	70,610	70,610
Recruitment and DBS	618	618
Training and education	1,388	1,388
Activity running costs	11,923	11,923
Publicity, marketing and advertisement	6,911	6,911
Licences, subscriptions and professional fees	1,034	1,034
Governance costs (see note 9)	21,196	21,196
Support costs (see note 9)	229,341	229,341
	<u>461,093</u>	<u>461,093</u>

Expenditure on charitable activities was £461,093 of which £196,019 (2016: £283,771) was unrestricted and £265,074 (2016: £333,316) was restricted.

8. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES	Charitable activities £	Total 2017 £
Costs	(461,093)	(461,093)
Grant support	314,163	314,163
Net cost funded from other income	<u>(146,930)</u>	<u>(146,930)</u>

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

### 9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. All costs relate to the charitable activities, as follows:

	General Support	Governance function	Total	Basis of apportionment
	£	£	£	
Wages, salaries and staff costs	142,242	14,548	156,790	Allocated on time
Publicity, marketing and advertisement	2,110	-	2,110	Activity
Building supplies, repairs and maintenance	11,343	-	11,343	Activity
Light, heat and water	6,845	-	6,845	Activity
Insurance	6,771	-	6,771	Activity
Rent and rates	24,768	-	24,768	Activity
Stationery, postage and telephone	2,692	438	3,130	Activity
Technology equipment and support	3,831	-	3,831	Activity
Bank charges and interest	3,469	-	3,469	Activity
Licences, subscription and professional fees	2,645	-	2,645	Activity
Bad debt	1,864	-	1,864	Activity
Depreciation	20,761	-	20,761	Activity
AGM and board meetings	-	797	797	Governance
Audit and accounting fees	-	5,413	5,413	Governance
	<u>229,341</u>	<u>21,196</u>	<u>250,537</u>	

Depreciation is charged to the Building and Capital funds for the capital improvements to the building and fixed assets purchased.

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

10.	<b>ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Salaries and wages	276,670	290,601
	Social security costs	21,926	23,962
		<u>298,596</u>	<u>314,563</u>

The average monthly number of employees during the year was 9 (2016: 10) all operating in the charitable activities.

No employees earned £60,000 per annum or more during the year (2016: None).

No trustee or member received any remuneration during the year (2016: None).

No members of the board of trustees received reimbursed expenses during the year or in the prior year.

11.	<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	This is stated after charging:		
	Auditors' remuneration	5,400	5,250
	Depreciation (Note 13)	20,761	20,918
	Rent	25,000	27,497
		<u></u>	<u></u>

12. **TAXATION**  
The charity is exempt from tax on income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13.	<b>TANGIBLE ASSETS</b>	<b>Total</b>	<b>Office Furniture, Fittings &amp; Equipment</b>	<b>Theatre Equipment</b>	<b>Building Improvements</b>
	<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	At 1 April 2016	399,609	31,112	86,777	281,720
	Additions	757	757	-	-
	Disposals	-	-	-	-
	At 31 March 2017	<u>400,366</u>	<u>31,869</u>	<u>86,777</u>	<u>281,720</u>
	<b>Depreciation</b>				
	At 1 April 2016	162,717	26,724	83,172	52,821
	Charge for the year	20,761	1,836	1,318	17,607
	Disposals	-	-	-	-
	At 31 March 2017	<u>183,478</u>	<u>28,560</u>	<u>84,490</u>	<u>70,428</u>
	<b>Written Down Value</b>				
	At 31 March 2017	<u>216,888</u>	<u>3,309</u>	<u>2,287</u>	<u>211,292</u>
	At 31 March 2016	<u>236,892</u>	<u>4,388</u>	<u>3,605</u>	<u>228,899</u>



# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

14. <b>DEBTORS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade debtors	23,653	55,210
VAT	-	8,872
Prepayments and accrued income	6,250	457
Other debtors	5,189	5
	<b>35,092</b>	<b>64,544</b>

15. <b>CREDITORS: FALLING DUE WITHIN ONE YEAR</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	7,180	18,463
Other taxes and social security costs	11,538	15,649
Accruals	12,620	8,969
Deferred income (note 16)	40,961	22,040
Other creditors	724	3,704
	<b>73,023</b>	<b>68,825</b>

16. <b>Deferred income</b>	<b>2017</b>	<b>2016</b>
Deferred income comprises advance space hire, grants and donations.	<b>£</b>	<b>£</b>
Balance as at 1 April	22,040	17,131
Amount released to income earned from charitable activities	(22,040)	(17,131)
Amount deferred in year	40,961	22,040
Balance as at 31 March	<b>40,961</b>	<b>22,040</b>

### Purposes of restricted funds

17. <b>RESTRICTED FUNDS</b>	<b>Balance at 31.3.2016</b>	<b>Incoming Resources</b>	<b>Resources expended</b>	<b>Balance at 31.3.2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Project fund	-	257,381	(247,381)	10,000
Building fund	228,985	-	(17,693)	211,292
	<b>228,985</b>	<b>257,381</b>	<b>(265,074)</b>	<b>221,292</b>

#### Building fund

This fund was established to raise monies for capital improvements to the Bubble Theatre Building, especially for access to the theatre.

#### Project fund

This is a fund of restricted grant funding we have received for specific artistic activity projects.

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

18. UNRESTRICTED FUNDS	Balance at	Incoming	Resources		Balance at
Designated funds	31.3.2016	Resources	expended	Transfers	31.3.2017
	£	£	£		£
Capital fund	7,907	757	(3,065)	-	5,599
Project reserve fund	7,500	-	(7,500)	-	-
Project fund	6,954	128,372	(135,326)	-	-
Total designated funds	22,361	129,129	(145,891)	-	5,599
<b>General funds</b>					
General fund	10,433	112,247	(71,567)	-	51,113
	<u>32,794</u>	<u>241,376</u>	<u>(217,458)</u>	<u>-</u>	<u>56,712</u>

### Purposes of designated funds

#### Capital fund

The balance will fund future depreciation of fixed assets which were originally purchased using general funding.

#### Project reserve fund

The trustees created this fund to provide the charity with the means to maintain a level of activities while sourcing new funds.

#### Project fund

This is a fund of donations and earned income from commissions & fees, designated to specific artistic activity projects.

### 19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2017  
are represented by:

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	5,596	211,292	216,888
Net current assets	51,116	10,000	61,116
	<u>56,712</u>	<u>221,292</u>	<u>278,004</u>

# THE BUBBLE THEATRE COMPANY LIMITED

## NOTES ON THE FINANCIAL STATEMENTS

### 20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017	2016
	£	£
Net movement in funds	16,225	(32,797)
Add back depreciation charge	20,761	20,918
Decrease in debtors	29,452	4,492
Increase on creditors	4,198	17,205
<b>Net generated from operating activities</b>	<b>70,636</b>	<b>9,818</b>

### 21. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost are as follows:

	2017	2016
	£	£
Cash at bank and in hand	99,047	29,168
Trade debtors	23,653	55,210
Other debtors	399	5
Trade creditors	(7,180)	(18,463)
Other creditors	(724)	(3,704)