

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

Company Registration No: 1058397

Charity Registration No: 264359

FINANCIAL STATEMENTS

31ST MARCH, 1997



THE BUBBLE THEATRE COMPANY LIMITED

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THE BUBBLE THEATRE COMPANY LIMITED

REPORT OF THE BOARD OF MANAGEMENT

The directors present the audited financial statements of the company for the year ended 31st March, 1997 and report as follows:-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and the result of the company for that period. In preparing these financial statements, the directors are required to:-

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act, 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHARITABLE OBJECTIVES

The object of the company is the advancement of the education of the public through the promotion and support of the art of the theatre and music (including theatre, music hall, opera, musical drama, ballet and all art forms consisting in whole or part of words and/or music) particularly by the promotion and encouragement of theatrical companies.

ORGANISATION AND POLICIES

The board of directors engages two senior staff of the company - the artistic director and the administrative director.

These two positions are responsible to the board for the management of the company within the overall policies and any specific guidelines defined by the board of directors.

The policies of the organisation are:-

- * to work particularly with and for people who do not normally have access to theatre for geographical, financial or cultural reasons;
- * to encourage and enable people to develop their own theatre and related skills;
- * to work to create a popular theatre form which is open, exciting and accessible;
- * to produce events which demonstrate and celebrate the creative abilities of all those taking part;

THE BUBBLE THEATRE COMPANY LIMITED

REPORT OF THE BOARD OF MANAGEMENT

ORGANISATION AND POLICIES - continued

- * to examine issues of common concern to all those involved through the choice of material for workshops, projects and professional performances;
- * to challenge prejudice and bigotry through the company's organisation, working processes and final product;
- * to achieve a diversity of influence that is discernible throughout the company's work and consciousness.

The staff structure is based on three departments:-

1. **Artistic Programming Department.** Originates and co-ordinates projects. Aiming to develop participatory programmes that directly or indirectly inform the generation of productions.
2. **Resource Management Department.** Responsible for selling, resourcing and co-managing projects plus maintenance of building, equipment and personnel.
3. **Audience Development Department.** Responsible for attracting new users through practical involvement as well as marketing techniques.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was the promotion and support of the art of theatre and music on a non-profit distributing basis.

REVIEW OF THE FINANCIAL RESULTS

The results for the year are as shown on pages 5 and 6.

REVIEW OF THE ACTIVITIES

The company produces a year round programme of work including a park season, youth groups and adult drama groups as well as considerable project work including Forum Theatre.

DIRECTORS

The following have served on the board of management during the year:-

PATRICIA ABRAHAM
STUART BRAND
PHILIPPE O'NEILL CARDEN
BERNARD CARNELL (resigned 14th May, 1996)
ALEXANDER CRAIG
RUSSELL GILDERSON
PETER GOODWIN

THE BUBBLE THEATRE COMPANY LIMITED

REPORT OF THE BOARD OF MANAGEMENT

DIRECTORS - continued

GERRY LYSEIGHT
JUNE MITCHELL
ALKA PRABHAKAR
MICHAEL QUINE
KIM CHATTERLEY (appointed 12th November, 1996)

COMPANY STATUS

The company is limited by guarantee. The amount of the guarantee is £1 from each of its members. The company is governed by its memorandum and articles of association.

AUDITORS

The auditors, MGI Midgley Snelling, have indicated their willingness to continue in office and a resolution proposing their re-appointment will be put before the members at the annual general meeting.

BY ORDER OF THE BOARD



HELEN CHAMBERLAIN
Secretary

3-5 Elephant Lane,
London SE16 4JD

10th November, 1997

REPORT OF THE AUDITORS

TO THE MEMBERS OF THE BUBBLE THEATRE COMPANY LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.


We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March, 1997 and of its incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Brettenham House
Lancaster Place
London, WC2E 7EW

24th November 1997


Chartered Accountants and
Registered Auditors

THE BUBBLE THEATRE COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH, 1997

	Notes	Unrestricted Funds		Restricted Funds	Total 1997	Total 1996
INCOMING RESOURCES		General Fund	Capital Fund			
Grants	(2)	380,434	-	47,481	427,915	385,915
Special grant	(3)	-	-	-	-	30,925
Performances, fees and special projects	(4)	96,496	-	-	96,496	83,071
Donations and sponsorships		11,885	-	-	11,885	19,770
Miscellaneous		9,492	-	-	9,492	611
Bank interest		19	-	-	19	3
TOTAL INCOMING RESOURCES		£ 498,326	£ -	£ 47,481	£ 545,807	£ 520,295
RESOURCES EXPENDED						
Direct charitable expenditure	(5)	456,723	-	-	456,723	439,219
Management and administration of the charity	(6)	41,458	12,389	19,061	72,908	58,183
TOTAL RESOURCES EXPENDED		£ 498,181	£ 12,389	£ 19,061	£ 529,631	£ 497,402
Net incoming resources	(8)	145	(12,389)	28,420	16,176	22,893
Total funds brought forward		(19,366)	30,577	-	11,211	(11,682)
TOTAL FUNDS carried forward		£ (19,221)	£ 18,188	£ 28,420	£ 27,387	£ 11,211

All amounts relate to continuing activities. Net incoming resources represent the only gains/(losses) recognised in this and the preceding year.

The notes on pages 8 to 11 form part of these financial statements.

THE BUBBLE THEATRE COMPANY LIMITED

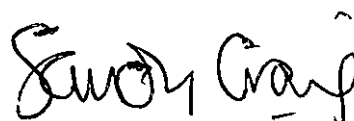
BALANCE SHEET

31ST MARCH, 1997

	Notes	1997	1996
FIXED ASSETS			
Tangible assets	(10)	46,608	30,577
CURRENT ASSETS			
Stock	(11)	5,486	5,765
Debtors	(12)	60,442	32,115
Cash at bank and in hand		2,132	1,330
		<u>68,060</u>	<u>39,210</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	(13)	87,281	58,576
		<u> </u>	<u> </u>
NET CURRENT LIABILITIES		(19,221)	(19,366)
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 27,387	£ 11,211
		<u> </u>	<u> </u>
REPRESENTED BY:			
RESTRICTED FUNDS	(14)	28,420	-
UNRESTRICTED FUNDS	(15)	(1,033)	11,211
		<u> </u>	<u> </u>
		£ 27,387	£ 11,211
		<u> </u>	<u> </u>

The financial statements were approved by the Board of Management on 10th November, 1997 and signed by:-

ALEXANDER CRAIG - DIRECTOR



The notes on pages 8 to 11 form part of these financial statements

THE BUBBLE THEATRE COMPANY LIMITED

NOTES ON THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable Accounting Standards. Additionally they comply with the requirements of the Statement of Recommended Practice 'Accounting by Charities'.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from producing a cash flow statement on the basis that it meets the "small company" limits for filing abbreviated accounts as defined by the Companies Act 1985.

(b) Trading Income

Trading income is stated net of value added tax.

(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 and 20% on cost
Motor vehicles	- 25% on cost
Office Furniture, Fittings & Equipment	- 25% on cost

(d) Stock

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

(e) Grants

Grants are recognised in the statement of financial activities in the period in which they become receivable and are matched with the expenditure towards which they are intended to contribute. Capital grants received are treated as deferred income and a proportion of the grant released to the statement of financial activities in line with the depreciation policy on that asset.

(f) Operating Leases

Rentals payable under operating leases are charged to the statement of financial activities as incurred.

(g) Designated Funds

Designated funds represent provision for specific expenditure in future years.

(h) Direct Charitable Expenditure

Direct charitable expenditure, including publicity costs represents the costs of theatrical productions and performances, which are charged to the statement of financial activities in the period when these productions and performances take place.

(i) Management and Administration of the Charity

Management and administration costs represent the day to day running expenses which are charged to the statement of financial activities in the period when they are incurred.

THE BUBBLE THEATRE COMPANY LIMITED

NOTES ON THE FINANCIAL STATEMENTS

2. GRANTS	Unrestricted Funds	Restricted Funds	Total 1997	Total 1996
London Boroughs' Grants Scheme	92,240	-	92,240	92,240
London Arts Board - Revenue	260,000	-	260,000	260,000
- Project	5,460	-	5,460	7,500
Southwark Council - Basic	11,609	-	11,609	11,050
- Other	11,125	-	11,125	11,125
Arts Council	-	47,481	47,481	-
Capital Radio	-	-	-	4,000
	<u>£ 380,434</u>	<u>£ 47,481</u>	<u>£ 427,915</u>	<u>£ 385,915</u>

3. SPECIAL GRANTS

London Arts Board	£ -	£ -	£ -	£ 30,925
	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 30,925</u>

The grant was provided to reduce deficits made by the company in earlier years.

4. PERFORMANCES, FEES AND SPECIAL PROJECTS

Box office	63,013	-	63,013	47,222
Project income	33,483	-	33,483	35,849
	<u>£ 96,496</u>	<u>£ -</u>	<u>£ 96,496</u>	<u>£ 83,071</u>

5. DIRECT CHARITABLE EXPENDITURE

Salaries, wages, fees, etc.	338,011	-	338,011	316,541
Productions and workshops	34,080	-	34,080	31,186
Publicity, marketing and advertisements	30,714	-	30,714	29,830
Transport	27,349	-	27,349	27,538
Postage, stationery and telephone	17,010	-	17,010	20,064
Equipment hire and replacement	7,731	-	7,731	7,317
Generator hire and fuel	833	-	833	726
Professional fees	-	-	-	5,000
Training	995	-	995	1,017
	<u>£ 456,723</u>	<u>£ -</u>	<u>£ 456,723</u>	<u>£ 439,219</u>

THE BUBBLE THEATRE COMPANY LIMITED

NOTES ON THE FINANCIAL STATEMENTS

6.	MANAGEMENT AND ADMINISTRATION OF THE CHARITY	Unrestricted Funds	Restricted Funds	Total 1997	Total 1996
	Computer expenses	-	8,492	8,492	-
	Repairs, maintenance and dilapidations	3,524	1,096	4,620	3,371
	Insurance	7,831	-	7,831	7,040
	Rent and rates	13,009	-	13,009	12,965
	Audit and accountancy	2,530	-	2,530	1,800
	Bank interest	823	-	823	616
	Bank charges	1,700	-	1,700	2,610
	Professional fees	-	-	-	2,000
	Office expenses and administration	5,775	-	5,775	6,281
	Sundries	6,266	-	6,266	8,421
	Depreciation	12,389	9,473	21,862	13,079
		<u>£ 53,847</u>	<u>£ 19,061</u>	<u>£ 72,908</u>	<u>£ 58,183</u>

7.	STAFF COSTS	1997	1996
	Salaries	215,278	212,653
	Social security costs	22,208	20,526
		<u>£ 237,486</u>	<u>£ 233,179</u>

The average monthly number of employees during the year was 9 (1996: 10).

No employees earned £40,000 per annum or more during the year.

No member of the board of management received any reimbursed expenses during the year.

8. NET INCOMING RESOURCES

This is stated after charging:-

Auditors' remuneration	1,700	1,700
Hire of equipment	4,435	3,701
Directors' remuneration	-	-
Depreciation (Note 10)	21,862	13,079
Bank interest payable	823	616
	<u> </u>	<u> </u>

9. TAXATION

No provision for corporation taxation has been made in these financial statements (1996: £Nil) as the company is a charity.

THE BUBBLE THEATRE COMPANY LIMITED

NOTES ON THE FINANCIAL STATEMENTS

10. TANGIBLE ASSETS	Total	Office Furniture, Fittings & Equipment	Theatre Equipment	Motor Vehicles
Cost or Directors Valuation				
At 1st April, 1996	87,063	5,405	72,633	9,025
Additions	37,893	37,893	-	-
Disposals	(2,500)	-	-	(2,500)
At 31st March, 1997	£ 122,456	43,298	72,633	6,525
Depreciation				
At 1st April, 1996	56,486	3,040	46,184	7,262
Charge for the year	21,862	10,762	10,219	881
Eliminated re disposals	(2,500)	-	-	(2,500)
At 31st March, 1997	£ 75,848	13,802	56,403	5,643
Written Down Value				
At 31st March, 1996	£ 30,577	2,365	26,449	1,763
At 31st March, 1997	£ 46,608	29,496	16,230	882
11. STOCK		1997		1996
Goods for resale		£ 5,486		£ 5,765
12. DEBTORS				
Trade debtors		25,287		7,100
Other debtors		5,066		3,046
Prepayments and accrued income		30,089		21,969
		£ 60,442		£ 32,115
13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank overdraft		15,758		2,960
Trade creditors		52,823		31,498
Other taxes and social security costs		13,000		16,279
Deferred income and accruals		5,700		7,839
		£ 87,281		£ 58,576

THE BUBBLE THEATRE COMPANY LIMITED

NOTES ON THE FINANCIAL STATEMENTS

14. RESTRICTED FUNDS	Balance at 31.3.1996	Incoming Resources	Expenditure	Balance at 31.3.1997
Capital Fund	£ -	£ 47,481	£ (19,061)	£ 28,420

During the year a grant of £47,481 was given to the charity from the Arts Council to purchase computer equipment.

15. UNRESTRICTED FUNDS	Balance at 31.3.1996	Incoming Resources	Expenditure	Balance at 31.3.1997
Designated Funds				
Capital Fund	30,577	-	(12,389)	18,188
General Fund	(19,366)	498,326	(498,181)	(19,221)
	£ 11,211	£ 498,326	£ (510,570)	£ (1,033)

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31st March, 1997
are represented by:-

	Unrestricted Funds	Restricted Funds	Total
Tangible fixed assets	18,188	28,420	46,608
Net current liabilities	(19,221)	-	(19,221)
	£ (1,033)	£ 28,420	£ 27,387

17. COMMITMENTS

The company has commitments to make payments under non-cancellable operating leases in the next year as follows:-

	Other
Leases expiring within one year	£ 1,920

18. SHARE CAPITAL

The company has no share capital as its liability is limited to a guarantee of £1 from each of its members.

THE BUBBLE THEATRE COMPANY LIMITED
SCHEDULE OF ADMINISTRATION AND OVERHEAD COSTS
FOR THE YEAR ENDED 31ST MARCH, 1997

		1996
EXPENDITURE		
Repairs, maintenance and dilapidations	4,620	3,371
Insurance	7,831	7,040
Rent and rates	13,009	12,965
Audit and accountancy	2,530	1,800
Bank charges	1,700	2,610
Professional fees	-	2,000
Office expenses and administration	5,775	6,281
Sundries	6,266	8,421
Computer costs	8,492	-
	<hr/>	<hr/>
	£ 50,223	£ 44,488
	<hr/>	<hr/>

This page does not form part of the financial statements.