
THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees

I Mather, Chairman
L Bacon
K Carne
R Christiansen
L Dean
Sir R Dearlove
A Farnsworth
A Glinsman
S Grady
J Iliffe
D Rapley
J Rodgers (resigned 24 April 2018)
A Swarbrick
G Yorke (resigned 20 November 2018)

Company registered number

03536370

Charity registered number

1069912

Registered office

6 St Edward's Passage, Cambridge, CB2 3PJ

Company Secretary

V Beechey

Chief Executive Officer

D Murphy

Senior Management Team

V Beechey, Head of Finance
C Brindle, Programming and Production Manager
K Collins, Head of Marketing
N Hupe, Development Director
K Keegan, Executive Assistant to Chief Executive Officer
M Passey, Technical Manager
D Schumann, Executive Producer
L Webdale, Theatre Manager

Independent auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Advisers (continued)

Bankers

National Westminster Bank plc, 23 Market Street, Cambridge, CB2 3PA

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Cambridge Arts Theatre Trust Limited ("The Theatre") (the company and the group) for the year ended 31 March 2019.

The trustees confirm that the annual report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company's and the group's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Since the company and the group qualify as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

PURPOSES AND ACTIVITIES

a. POLICIES AND OBJECTIVES

The Theatre is an independent theatrical charity established to inspire and nurture a lifelong love of the performing arts and to secure the future of Cambridge Arts Theatre for future generations of theatregoers.

The main objectives for the financial year were to offer a diverse and varied programme of drama, dance and music that is widely accessible and to continue to be financially sustainable, independent of any public funding.

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The strategies employed to achieve these objectives remained as follows:

- building and developing long-term relationships with the key, scale-appropriate touring drama, dance and opera companies in the United Kingdom;
- continuing to develop in-house producing capabilities to enable us to increase the number of in-house productions to be seen at the Theatre, on tour and in the West End;
- developing collaborative relationships with other theatres to increase the number of co-productions;
- developing and delivering a varied, lively and affordable education and outreach programme, in close cooperation with visiting production companies, to help build a long term interest in our theatrical offering and the wider opportunities offered by the performing arts;
- monitoring ticket sales and audience feedback to ensure that the theatrical programme is in accordance with patrons' tastes and demands;
- monitoring financial performance and expenditure against plan, and prior year, to ensure financial targets are met and the Theatre continues to be financially sustainable;
- proactively working to ensure patrons with disabilities are able to fully access and enjoy the Theatre's programme of activities;
- encouraging schools and other educational organisations to take up the Theatre's offering with specially discounted ticket prices and where needed, financial assistance towards transport costs; and
- seeking to increase regular giving from individuals, corporates, trusts and foundations to a level which ensures the Theatre's continued financial viability in the medium term and in preparation for its next major capital project (the refurbishment of its auditorium).

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

c. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

In shaping the objectives for the year and planning the Theatre's activities, the trustees have considered the Charity Commission's guidance on public benefit and fee charging. The Theatre relies heavily on the income from fees (ticket income) and associated charges to cover its operating costs. Affordability and access to the programme is important to the Theatre and is reflected in the pricing policy set out in detail later in this report.

The Theatre continued to contribute to the quality of life of the people of Cambridge and the wider regional community by providing affordable access to a varied programme of theatre, opera, dance, jazz, and comedy and delivering a coherent and practical educational, community and access programme.

The trustees try to encourage all within the community to attend the Theatre and to take part in the activities on offer. The drama, musical theatre, dance, and music that the Theatre provides are to be enjoyed by all, from small children and those attending local schools or colleges through to more elderly patrons.

d. VOLUNTEERS

The Theatre runs a popular volunteering programme which provides a broad range of opportunities for local residents to support and participate in the work of the Theatre. The varied roles include welcoming patrons and checking tickets, acting as a customer service focal point, and providing invaluable support and assistance to the Front of House management team. The trustees would like to thank the 77 (2018 - 67) volunteers who provide a vital contribution to the ongoing success of the Theatre and work tirelessly to enhance the theatre experience for its patrons.

ACHIEVEMENTS AND PERFORMANCE

a. ACHIEVEMENTS AND PERFORMANCE

The success of the Theatre's artistic programme remains very high, as work undertaken in recent years to develop strong relationships with some of the country's leading touring companies and producers continues to bear fruit. The ability to attract the highest-quality scale-appropriate work and maximise attendance ensures that the Theatre continues to hold its reputation as one of the leading UK drama houses.

The 2018/19 year also saw tours of three of the Theatre's in-house produced projects, demonstrating its potential to contribute to the UK touring market as well as continuing to attract the highest quality received productions.

The year saw the Theatre present some of the most commercially successful productions ever to grace its stage: Juliet Stevenson and Lia Williams starred in the phenomenal hit 'Mary Stuart', Jonathan Pryce and Eileen Atkins starred in Florian Zeller's 'The Height of the Storm', Simon Callow and Jane Asher starred in 'A Song at Twilight' and Ruth Jones led the ensemble in 'The Nightingales'. The cast of 'The Full Monty' returned for a third visit to the Theatre, providing another raucous and popular night out.

Following two sell-out visits in 2018, the ever-popular Mischief Theatre returned with 'The Play That Goes Wrong' and two weeks of 'The Comedy About A Bank Robbery', both productions playing to very high capacity houses. The company also offered Cambridge audiences a first look at their newest sketch show 'Mischief Movie Night'.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

The Theatre's profile as a producing theatre was raised immeasurably by its involvement as a co-producer on David Haig's new play 'Pressure' (which concluded with a triumphant West End run) and the successful stage adaptation of Ian Rankin's 'Rebus: Long Shadows'. The Theatre also re-mounted a 2017 in-house production, '84 Charing Cross Road', starring Stefanie Powers and Clive Francis. The production then toured to Oxford, Darlington, Malvern, Richmond and Wolverhampton before another week on the Arts Theatre stage.

Ronald Harwood's 'Quartet', starring Paul Nicholas and Wendi Peters, was a solid start to the financial year, while two Agatha Christie titles 'Love from a Stranger' and 'The Mirror Crack'd' were well received by thriller audiences.

Filter's youth focused 'A Midsummer Night's Dream', 'Great Expectations' starring Nicola McAuliffe, the hugely popular musical 'SIX', Alan Bennett's 'The Habit of Art' starring Matthew Kelly, 'Still Alice' with Sharon Small and 'Glengarry Glen Ross', starring Mark Benton and Nigel Harman, played to appreciative audiences maintaining the high quality of productions for which the Theatre is known. The Theatre was proud to present Emma Rice's 'Wise Children', based on Angela Carter's novel, which simultaneously launched Rice's new theatre company of the same name.

The Theatre offered a range of productions across the year for school teachers to inspire their students. 'A Streetcar Named Desire', 'Dr Jekyll and Mr Hyde', Sebastian Faulk's 'Birdsong' and the National Theatre's classic production of 'An Inspector Calls' all proved popular choices for school groups. Family audiences were delighted with an adaptation of Jill Murphy's 'The Worst Witch' and Horrible Histories returned for October half term with the ever-popular titles 'Terrible Tudors' and 'Awful Egyptians'.

The Theatre played host to some of the country's leading touring companies and producers, including three productions from Shakespeare's Globe on Tour ('The Taming of the Shrew', 'Twelfth Night', 'The Merchant of Venice'), English Touring Theatre ('A Streetcar Named Desire'), Bill Kenwright ('Rain Man', 'The Case of the Frightened Lady'), Original Theatre Company ('Caroline's Kitchen', 'The Importance of Being Earnest') and Theatre Royal Bath ('Sherlock Holmes: The Final Curtain', 'Vulcan 7', 'Shakespeare in Love', 'A Song at Twilight').

As ever the Theatre also offered a diverse range of non-drama productions such as opera (ETO's 'Il tabarro & Gianni Schicchi')/'The Marriage of Figaro' and a riotous all-male version of Gilbert & Sullivan's 'Iolanthe'), one night spoken word and music events (Stacey Kent, Lucy Worsley, Clare Teal, '1959: The Year that changed Jazz') and comedy (Rory Bremner & Jan Ravens and Cambridge Footlights) to inspire the widest possible audience.

Proving that student and amateur drama can hold their own against professional touring productions, the Cambridge University Marlowe Society presented 'Much Ado About Nothing' directed by Richard Beecham, and Cambridge Amateur Operatic Society's annual musical, 'My Fair Lady', enabled the Theatre to attract the broadest possible audience and strengthen its ties with the local community.

The Theatre's traditional family pantomime 'Aladdin' was a runaway success, grossing the highest ever box office figure to date. The show delighted families and school groups in their thousands and remains a mainstay in the Theatre's calendar, generating a significant contribution (around 20%) to retained income for the year. Running for 5 weeks, the production saw over 31,000 patrons comprising children, families, schools and groups attend.

The Theatre raised £27,000 through its 'Panto Wheels' scheme that financially and practically assisted 4,353 local school children who would not otherwise have been able to attend. It supported the public relaxed performance as outlined below and enabled us to mount three specially tailored relaxed schools' performances for over 400 children with disabilities.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

The Theatre also raised, through the efforts of its Front of House staff and performers during the run, £15,000 for charities with a strong connection to the Theatre, including Addenbrooke's Charitable Trust, Cambridge Joint Playschemes, STARS and East Anglian Air Ambulance.

The ongoing uncertainties surrounding the public funding of the arts, Brexit related pessimism and a continuing tight economic climate have led some of the more risk averse producers, particularly from the subsidised sector, to cut back on their touring output.

This has presented the Theatre with some significant programming challenges and this is expected to continue and possibly worsen until the economy improves and the level of political uncertainty reduces. The Theatre's own efforts to produce work in-house and to co-produce with other theatres will, in part, mitigate this issue but it cannot be wholly relied on to solve the problem. The trustees have identified this as a major risk facing the Theatre over the coming years and will be monitoring the situation closely.

b. EDUCATION, COMMUNITY AND ACCESS

The Theatre's education, community and access programme continues to be very well received. The Theatre continued its efforts with schools across a wide range of productions, selling 6,845 (2018 – 5,455) school tickets for the pantomime (Aladdin) and 2,679 (2018 – 2,413) for other productions. Nearly two-thirds of the school tickets for Aladdin were supported by the Panto Wheels scheme. The Theatre was also able to offer a varied programme of half-term and bespoke workshops, theatre tours and pre- and post-show talks for many productions in conjunction with the visiting companies throughout the year

Despite production companies' increasing reluctance to fund British Sign Language interpreted, captioned, audio-described and relaxed performances, the Theatre has maintained the level of accessible performances from its own resources. The Theatre continues its endeavour to ensure productions can be accessed by everyone and as part of its commitment to improving customer experience, and during the year was an Associated Theatre of Vocal Eyes, specialists in Arts accessibility for blind and partially sighted audiences.

Aladdin saw the presentation of another successful relaxed performance and two specially tailored relaxed performances for school children with an autism spectrum condition, learning disability or a sensory or communication disorder. Relaxed performances are now a regular component of the Theatre's assisted performance programme.

FINANCIAL REVIEW

a. KEY FINANCIAL PERFORMANCE INDICATORS

The trustees are pleased to report the Trust's most successful year in financial terms to date with a 47% increase in the surplus on unrestricted funds to £478,991 (2018: £324,923).

This increase is due to higher total income which increased by 7% to £4,983,047 (2018: £4,669,694). Most of this increase came from performance income (ticket sales and show-related income) which increased by 7% to £4,533,096 (2018: £4,217,386). Fundraising and membership income also increased by 25% to £236,516 (2018: £189,597).

Unrestricted expenditure increased by 6% to £4,844,229 (2018: £4,585,077).

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

b. PRICING POLICY

Within the context of its overall strategic and financial objectives, the Theatre implements a variable ticketing pricing structure, charging lower ticket prices and offering concessions on a broad range of shows. This ensures its activities are more accessible to the wider community and in particular to those on lower incomes who might not otherwise be able to afford to come to the Theatre.

Full ticket prices vary between £15 and £42 and there is always a minimum of 25 seats (4% of total capacity) available at the lowest price for all performances. In some instances, the number of seats available at the lowest price can be as many as 152 (23% of total capacity).

For all performances, disabled patrons who have registered with us pay the lowest available ticket price wherever they sit in the auditorium and are entitled to a complimentary ticket for an 'Essential Companion' if required.

For several performances throughout the year, the Theatre offers:

- students' and schools' tickets at reduced rates between £10 and £15; and
- a 10% discount for pre-booked groups of 10 or more.

For family events, including the annual pantomime, children's ticket prices vary from £10 - £23.

c. PRINCIPAL FUNDING

During the year the Theatre received a £3,000 donation from a Trust, but no grant funding.

The principal funding sources of income to the Theatre were: income from admission fees and ticket sales of £4,533,096 (2018: £4,217,386); front of house trading income of £406,712 (2018: £417,958), income from corporate and individual supporters of £236,516 (2018: £189,597) and donations of £102,754 (2018: £50,444). The Theatre was very pleased to receive a legacy of £80,000 which was included within the donations.

d. RESERVES POLICY AND GOING CONCERN

The trustees need to ensure that free reserves are maintained so that the charity can continue its operations if an unforeseen shortfall in admission or other income creates a funding issue, where free reserves are defined as unrestricted reserves less unrestricted fixed assets.

It is the charity's current policy to look to hold sufficient free reserves, underpinned by available cash, to finance four months' average operating costs. The trustees consider that the ideal level of free reserves would be £625,000. The Theatre's total reserves at the end of the reporting period are £3,007,820.

Unrestricted reserves of £1,646,313 consist of:

- a £390,000 revaluation reserve relating to the fair value of the Theatre's lease;
- £1,041,307 of unrestricted general reserves;
- £215,006 of designated funds for the auditorium refurbishment project.

Restricted reserves of £1,361,507 consist of:

- a £1,240,842 Foyer Fund arising from the 2013 refurbishment of the Theatre's foyer facilities; and
- a £120,665 Lighting Equipment Fund relating to a ring-fenced donation in 2017 to replace some specialist lighting equipment.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

The Theatre has free reserves of £840,006 (2018 - £377,834) (equal to unrestricted reserves of £1,646,313 (2018 - £1,167,322) less unrestricted fixed assets of £806,307 (2018 - £789,488)). Thanks to strong financial results over recent years the charity has now achieved and exceeded its targeted level of free reserves.

The Theatre has decided to set aside £215,006 (Free reserves of £840,006 less targeted free reserves of £625,000) to a designated fund called the Auditorium Refurbishment designated fund.

Expenditure on the auditorium project is anticipated to commence 2021/22, the Theatre hopes to be able to commence some work in the summer of 2020. The project may well reduce unrestricted reserves below the target level as the Theatre will have to commit funds to this refurbishment project but this will be separately considered by the trustees at the time of the final investment decision.

Fundraising for the auditorium project will present a significant challenge for the Theatre against a background of continuing economic uncertainty, diminishing state and civic funding and resulting increased competition from Trusts and Foundations. However, the trustees are confident that a workable fundraising strategy can be devised and that with the goodwill of all concerned and the support of our audience the Theatre will be able to raise the necessary funds.

The trustees have considered the financial position of the charity, including operational forecasts, sources of funding support and the net asset position, having regard to the current economic environment. They are satisfied that based on their enquiries, the going concern basis for preparing the financial statements is appropriate at the present time. The trustees believe that no further disclosures relating to the charity's ability to continue as a going concern are required.

e. PLANS FOR FUTURE PERIODS

The trustees will continue to invest in the Theatre's fundraising capacity to fund necessary capital projects and to provide ongoing revenue support to ensure the long-term sustainability of the Theatre. The trustees remain of the view that in an era of limited and declining state and civic subsidies, the development of this fundraising capacity is an essential element of the strategy to ensure that the Theatre remains vibrant and viable for future generations of theatregoers.

Plans are now well advanced for the Auditorium refurbishment project which will see the Theatre fully refurbish the auditorium and upgrade the backstage facilities. The Theatre hopes to be able to commence work in the summer of 2020. Working with a leading firm of theatrical architects, the Theatre will ensure that the auditorium provides the outstanding experience that increasingly sophisticated customers demand, enables us to fulfil the ever more demanding technical requirements of our productions, both received and those developed in house, whilst at the same time ensuring that the Theatre respects and preserves the much loved feel and ambience of the existing auditorium.

The project will be technically and practically challenging and will inevitably require the Theatre to close for a period. An outstanding project team has been assembled to mitigate the risks involved and the trustees will be carefully monitoring the potential financial and reputational impact of the project.

The work will also involve a complete overhaul of the Theatre's technical infrastructure, much of which has been in constant use for over twenty years and which is now approaching the end of its useable life. With the increasing complexity and technical requirements of current productions, the overhaul will give the Theatre a valuable opportunity to future proof its technical systems and so continue to be able to fulfil our charitable mission.

The Theatre will need to raise the necessary funds before the works can be planned into the programming and production calendar. In practice, the Theatre may need to prioritise some of the more critical technical upgrades over the longer-term improvements needed in the front of house and auditorium areas.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Plans for the associated capital fundraising campaign are now well advanced. The Theatre intends to contribute some of its own financial resources, to seek funds from Trusts and Foundations, Statutory Authorities, a number of wealthy individuals and via a broadly-based audience appeal. Clear funding milestones are in place for each stage of the project.

The Theatre is continuing and increasing its efforts to mount more productions in-house and as co-productions with other theatres. The current model whereby the Theatre largely sources its productions from external producers (both commercial and subsidised), whilst both artistically and financially successful, leaves it increasingly reliant on a small number of producers. This model is coming under increasing strain and has been adversely affected by funding cuts in the subsidised sector and caution in the commercial sector. The trustees see this as one of the key risks facing the Theatre over the coming years. They feel that the best way to ensure the long term artistic and financial health of the Theatre is to diversify and enhance the sources of its productions. The further extension of in-house producing and concerted efforts to collaborate with other similarly motivated artistic institutions is the best way to achieve long term quality and stability for the Theatre's artistic programme.

The trustees remain committed to the long-term development of all the Theatre's staff and they intend to increase investment in the training and education of staff. They are in no doubt that the Theatre's ongoing success is, in no small part, due to the talents and extraordinary efforts of the outstanding staff. Their view is that a committed, diverse and highly skilled workforce will be critical to the Theatre's future success and they will continue to invest in the growth of an industry leading team of theatre professionals.

The market for theatrical professionals is very challenging in the South East corner of the United Kingdom with the bright lights of the West End and the major subsidised theatres in London providing opportunities and temptation. With this in mind the trustees and executive management are constantly reviewing the remuneration and associated terms and conditions of the Theatre's staff and they are of the view that staff retention issues are one of the major risks faced by the Theatre over the coming years.

As part of the Theatre's overall mission to inspire and nurture a lifelong love of the performing arts, the trustees intend to further enhance the scope and reach of our community education and outreach activities. Furthermore, the Theatre has also invested heavily in the necessary fundraising resources to help support these activities. The Theatre has also undertaken a broadly-based community initiative to consolidate, catalogue and enhance its archive. The Theatre is delighted to have been awarded a £100,000 grant from the National Lottery Heritage Fund in the 2019/20 financial year to support these endeavours.

As part of this project the Theatre will be training young volunteers to interview a range of theatregoers, young and old to record their memories of visiting the Theatre. This unique historical archive will enable the Theatre to reach further into the community to support projects and to provide materials for schools when they are studying productions which can be used in conjunction with our existing programme of workshops and discussions. The trustees wish to formally record their gratitude to the National Lottery Heritage Fund for their support with this work.

The trustees also intend to continue to enhance the support that the Theatre offers to patrons with special needs. Over the year improvements have been made to the disabled concession scheme and the provision of complimentary tickets for personal assistants. The Theatre will also be comprehensively reviewing its, already industry leading, access programme as it continues to plan the auditorium refurbishment project to ensure it can welcome as many customers with access needs as possible.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The company is a charitable company limited by guarantee and was set up by a Memorandum of Association on 27 March 1998.

The company is now constituted and governed by the Articles of Association dated 31 January 2013 and is a registered charity (number 1069912).

b. APPOINTMENT OF TRUSTEES

The management of the company and the group is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. The following trustees served during the year:

L Bacon
K Carne
R Christiansen
L Dean
Sir R Dearlove
A Farnsworth
A Glinsman
S Grady
J Illiffe
I Mather, Chairman
D Rapley
J Rodgers (resigned 24 April 2018)
A Swarbrick
G Yorke (resigned 20 November 2018)

c. TRUSTEE INDUCTION AND TRAINING

New trustees are briefed on their legal obligations under charity and company law, and the Charity Commission guidance on public benefit, and are informed of the content of the Articles of Association, the committee and decision-making processes, and recent financial performance of the charity. They also meet key employees and other trustees and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The charity's strategic direction is established by its board of trustees which meets formally five times a year. There are also audit, remuneration and nominations sub-committees of the board of trustees. The audit committee meets up to twice a year; the remuneration committee meets up to twice a year and the nominations committee meets as required. All the committees are chaired by trustees and report to the board of trustees.

Implementation of the strategy and day to day management of the organisation is the responsibility of the chief executive. The chief executive is also responsible for the organisations supporting infrastructure. All remaining staff are involved directly in the delivery of services and fundraising.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

e. RELATED PARTIES

The trustees receiving remuneration or other benefit from their work with the charity are detailed in notes 11 and 23. Any connection between a trustee or senior manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

During the year, the charity had four wholly owned subsidiaries:

- Roof Garden Restaurants Limited previously operated the restaurant which was open to both theatre audiences and the general public. In April 2009, due to falling customer numbers and the prevailing economic climate, the restaurant ceased trading and is now dormant.
- Cambridge Arts Theatre Panto Limited was established to provide production services to the Theatre's annual Pantomime.
- Cambridge Arts (84 Charing Cross Road) Limited was established to provide production services for internal & touring theatre performances.
- Cambridge Arts Theatre (Pressure) Limited was established to provide production services for internal & touring theatre performances.

f. PAY POLICY FOR SENIOR STAFF

The trustees, chief executive and senior management team together comprise the key management personnel of the charity. The trustees are responsible for directing and controlling the charity and the senior management team is responsible for the day to day running and operation of the charity.

All trustees give of their time freely and no trustee received any remuneration in the year for their services as trustees. Details of trustees' expenses and related party transactions are disclosed in notes 11 and 23 to the accounts.

The remuneration committee (which is a sub-committee of the board of trustees) meets at least annually to review the pay and remuneration arrangements for the chief executive and senior management team. Decisions on levels of remuneration take account of chief executive performance reviews, benchmarking against other relevant industry sector organisations, local salary levels and any changes in the scope of duties required as well as considering the impact of changes in the published cost of living data.

g. RISK MANAGEMENT

The trustees have overall responsibility for the systems of internal control for the charity. However, such a system can provide only reasonable, but not absolute, assurance against errors and fraud.

The charity operates a comprehensive annual planning and budgeting process which is approved by the board. Performance is monitored in detail through the use of key performance indicators and financial targets.

The trustees confirm that the major risks to which the charity is exposed, as identified by the board, have been reviewed and systems have been established to mitigate those risks. Particular attention has focused on governance and management and operational risks including safeguarding, health and safety, information systems, and customer satisfaction. The Theatre produces monthly management accounts which are the subject of detailed review and comparison to budget.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

h. FUNDRAISING

During the year, the Theatre raised £339,270 from individuals, businesses and trusts. The Theatre is extremely grateful to have loyal and generous supporters and donors. The Theatre is registered with the Fundraising Regulator and is committed to complying with the Code of Fundraising Practice. The Theatre is clear and transparent in the way personal data is handled as detailed in its Privacy Policy in line with the GDPR. The board of trustees oversees fundraising and ensures that the Theatre upholds the highest standards. The Theatre is respectful in its communications with donors and, when people who may be in vulnerable circumstances are identified, appropriate steps are taken to protect them from excessive fundraising requests. Any complaints received are taken very seriously and all fundraising feedback is reported to the Regulator annually.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of The Cambridge Arts Theatre Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

DISCLOSURE OF INFORMATION TO AUDITORS

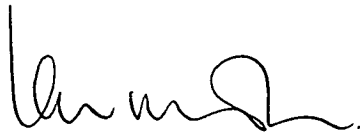
Each of the persons who are trustees at the time when this Trustees' Report is approved have confirmed that:

- so far as that each trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- they have taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

AUDITORS

The auditors, Peters Elworthy & Moore, have indicated their willingness to continue in office. The designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

This report was approved by the trustees, on 19.12.19, and signed on their behalf by:



I Mather, Chairman
Trustee

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE ARTS THEATRE TRUST LIMITED

OPINION

We have audited the financial statements of The Cambridge Arts Theatre Trust Limited (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the group Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, the group Consolidated Balance Sheet, the group Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE ARTS THEATRE TRUST LIMITED

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE ARTS THEATRE TRUST LIMITED

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2016. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Coplowe (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors

Salisbury House
Station Road
Cambridge, CB1 2LA
19 December 2019

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:					
Donations and grants	2	102,754	-	102,754	50,444
Charitable activities	3	4,983,047	-	4,983,047	4,669,694
Raising funds and generating membership income	4	236,516	-	236,516	189,597
Investments	5	903	-	903	265
TOTAL INCOME		5,323,220	-	5,323,220	4,910,000
EXPENDITURE ON:					
Raising funds and generating membership income	6	93,286	-	93,286	90,313
Charitable activities	7,8	4,750,943	37,515	4,788,458	4,532,283
TOTAL EXPENDITURE	9	4,844,229	37,515	4,881,744	4,622,596
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		478,991	(37,515)	441,476	287,404
NET MOVEMENT IN FUNDS		478,991	(37,515)	441,476	287,404
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,167,322	1,399,022	2,566,344	2,278,940
TOTAL FUNDS CARRIED FORWARD		1,646,313	1,361,507	3,007,820	2,566,344

The notes on pages 21 to 39 form part of these financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03536370

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	12		2,167,814		2,188,510
CURRENT ASSETS					
Stocks		6,308		6,350	
Debtors	15	277,149		302,946	
Cash at bank and in hand		1,517,635		1,062,322	
		<u>1,801,092</u>		<u>1,371,618</u>	
CREDITORS: amounts falling due within one year	16	<u>(961,086)</u>		<u>(993,784)</u>	
NET CURRENT ASSETS			<u>840,006</u>		<u>377,834</u>
NET ASSETS			<u>3,007,820</u>		<u>2,566,344</u>
CHARITY FUNDS					
Restricted funds	17	1,361,507		1,399,022	
Unrestricted funds	17	1,646,313		1,167,322	
TOTAL FUNDS			<u>3,007,820</u>		<u>2,566,344</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 19.12.19 and signed on their behalf, by:



I Mather, Chairman

The notes on pages 21 to 39 form part of these financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 03536370

**COMPANY BALANCE SHEET
AS AT 31 MARCH 2019**

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	12		2,167,814		2,188,510
Investments	13		103		102
			<u>2,167,917</u>		<u>2,188,612</u>
CURRENT ASSETS					
Stocks		6,308		6,350	
Debtors	15	276,756		304,690	
Cash at bank and in hand		1,512,722		1,059,261	
		<u>1,795,786</u>		<u>1,370,301</u>	
CREDITORS: amounts falling due within one year	16	(955,883)		(992,569)	
NET CURRENT ASSETS			<u>839,903</u>		<u>377,732</u>
NET ASSETS			<u>3,007,820</u>		<u>2,566,344</u>
CHARITY FUNDS					
Restricted funds	17	1,361,507		1,399,022	
Unrestricted funds	17	1,646,313		1,167,322	
TOTAL FUNDS			<u>3,007,820</u>		<u>2,566,344</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on A.12.19. and signed on their behalf, by:



I Mather, Chairman

The notes on pages 21 to 39 form part of these financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>531,803</u>	<u>269,165</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		903	265
Purchase of tangible fixed assets		<u>(77,393)</u>	<u>(204,600)</u>
Net cash used in investing activities		<u>(76,490)</u>	<u>(204,335)</u>
Change in cash and cash equivalents in the year		455,313	64,830
Cash and cash equivalents brought forward		<u>1,062,322</u>	<u>997,492</u>
Cash and cash equivalents carried forward	20	<u><u>1,517,635</u></u>	<u><u>1,062,322</u></u>

The notes on pages 21 to 39 form part of these financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Cambridge Arts Theatre Trust Limited 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.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 GOING CONCERN

The trustees believe that the charity has sufficient financial resources and is well placed to manage its business risks successfully in the current economic climate. Accordingly, they continue to adopt the going concern basis in preparing the annual accounts.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (continued)

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Assets over £500 are capitalised.

Leasehold property is included at deemed cost. It is not depreciated but reviewed annually for impairment by the trustees.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	over 50 years
Theatre equipment	-	over 15 years
Fixtures & fittings	-	over 4 or 5 years
Computer equipment	-	over 3 or 5 years

1.5 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

1.6 STOCKS

Purchased stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.7 DEBTORS

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

1.8 CASH AT BANK AND IN HAND

Cash is represented by cash in hand and deposits with financial institutions without penalty on notice of not more than 24 hours.

1.9 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (continued)

1.10 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.11 INCOME

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donation income is recognised when the charity has entitlement to the donation, and grant income is recognised in line with the agreement.

Fees, ticket income and sponsorship in respect of performances are recognised as the event occurs. Income received in advance of the performance is deferred.

Membership income is spread over the period to which it relates.

Theatre tax relief has been recognised in the period to which the relief relates.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1.12 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (continued)

1.13 PENSIONS

The company operates a mix of defined contribution stakeholder and personal pension schemes for its employees.

1.14 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.15 FINANCIAL INSTRUMENTS

The company 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. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	102,754	-	102,754	50,444
Total 2018	50,444	-	50,444	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from performances - admission fees	4,533,096	-	4,533,096	4,217,386
Front of house	406,712	-	406,712	417,958
Other income	43,239	-	43,239	34,350
	4,983,047	-	4,983,047	4,669,694
Total 2018	4,669,694	-	4,669,694	

Included within admission fees are theatre tax credits credits receivable of £52,891 (2018 - £40,961).

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

4. RAISING FUNDS AND GENERATING MEMBERSHIP INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Membership and fundraising income	236,516	-	236,516	189,597
Total 2018	189,597	-	189,597	

5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Interest receivable	903	-	903	265
Total 2018	265	-	265	

6. EXPENDITURE ON RAISING FUNDS AND GENERATING MEMBERSHIP INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Fundraising staff costs	93,286	-	93,286	90,313
Total 2018	90,313	-	90,313	

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Theatre running costs	4,431,487	37,515	4,469,002	4,202,027
Front of house costs	319,456	-	319,456	330,256
Total 2019	<u>4,750,943</u>	<u>37,515</u>	<u>4,788,458</u>	<u>4,532,283</u>
Total 2018	<u>4,494,764</u>	<u>37,159</u>	<u>4,532,283</u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Theatre running costs	4,111,611	357,391	4,469,002	4,202,027
Front of house costs	319,456	-	319,456	330,256
Total 2019	<u>4,431,067</u>	<u>357,391</u>	<u>4,788,458</u>	<u>4,532,283</u>
Total 2018	<u>4,197,250</u>	<u>335,033</u>	<u>4,532,283</u>	

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. ANALYSIS OF EXPENDITURE BY TYPE

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income	93,286	-	-	93,286	90,313
COSTS OF RAISING FUNDS	93,286	-	-	93,286	90,313
Theatre running costs	880,189	97,307	3,491,506	4,469,002	4,202,027
Front of house costs	205,942	-	113,514	319,456	330,256
CHARITABLE ACTIVITIES	1,086,131	97,307	3,605,020	4,788,458	4,532,283
Total 2019	1,179,417	97,307	3,605,020	4,881,744	4,622,596
Total 2018	1,111,480	81,894	3,429,222	4,622,596	

Included within theatre running costs are costs of governance of £11,000 (2018 - £10,500).

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned	97,307	81,894
Auditors' remuneration - audit fee	11,000	10,500
Auditors' remuneration - non audit services	7,800	11,209
Auditors' remuneration - non audit services to the subsidiaries	7,500	2,375

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

11. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	1,040,601	981,406
Social security costs	95,187	98,819
Other pension costs	43,629	31,255
	<u>1,179,417</u>	<u>1,111,480</u>

The average monthly head count was 50 staff (2018 - 54 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2019 No.	2018 No.
Theatre staff (including front of house)	17	21
Management, administration and support	18	16
	<u>35</u>	<u>37</u>

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	2
In the band £200,001 - £210,000	0	1
In the band £210,001 - £220,000	1	0

The charity trustees were not paid nor received any other benefits from employment with the Trust or its subsidiaries in the year (2018 - £NIL).

No trustees received any reimbursement of expenses in the current year, (2018 - one trustee - £105).

The key management personnel of the group comprise the trustees, who are not paid, and the senior management team of the Cambridge Arts Theatre Trust Limited. The total employee benefits including pension contributions of the senior management team of the Trust were £593,651 (2018 - £483,979).

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

12. TANGIBLE FIXED ASSETS

GROUP	Leasehold property £	Leasehold improve- ments £	Fixtures, fittings and equipment £	Assets in the course of construct- ion £	Total £
COST / VALUATION					
At 1 April 2018	390,000	1,592,155	704,509	77,640	2,764,304
Additions	-	-	75,298	2,095	77,393
Disposals	-	-	(28,082)	-	(28,082)
Transfer between classes	-	-	77,640	(77,640)	-
At 31 March 2019	<u>390,000</u>	<u>1,592,155</u>	<u>829,365</u>	<u>2,095</u>	<u>2,813,615</u>
DEPRECIATION					
At 1 April 2018	-	139,611	436,183	-	575,794
Charge for the year	-	31,843	65,464	-	97,307
On disposals	-	-	(27,300)	-	(27,300)
At 31 March 2019	<u>-</u>	<u>171,454</u>	<u>474,347</u>	<u>-</u>	<u>645,801</u>
NET BOOK VALUE					
At 31 March 2019	<u>390,000</u>	<u>1,420,701</u>	<u>355,018</u>	<u>2,095</u>	<u>2,167,814</u>
At 31 March 2018	<u>390,000</u>	<u>1,452,544</u>	<u>268,326</u>	<u>77,640</u>	<u>2,188,510</u>

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

12. TANGIBLE FIXED ASSETS (continued)

COMPANY	Leasehold property £	Leasehold improve- ments £	Fixtures, fittings and equipment £	Assets in the course of construct- ion £	Total £
COST / VALUATION					
At 1 April 2018	390,000	1,592,155	694,554	77,640	2,754,349
Additions	-	-	75,298	2,095	77,393
Disposals	-	-	(28,082)	-	(28,082)
Transfer between classes	-	-	77,640	(77,640)	-
At 31 March 2019	390,000	1,592,155	819,410	2,095	2,803,660
DEPRECIATION					
At 1 April 2018	-	139,611	426,228	-	565,839
Charge for the year	-	31,843	65,464	-	97,307
On disposals	-	-	(27,300)	-	(27,300)
At 31 March 2019	-	171,454	464,392	-	635,846
NET BOOK VALUE					
At 31 March 2019	390,000	1,420,701	355,018	2,095	2,167,814
At 31 March 2018	390,000	1,452,544	268,326	77,640	2,188,510

13. FIXED ASSET INVESTMENTS

COMPANY	Shares in group undertakings £
MARKET VALUE	
At 1 April 2018	102
Additions	1
At 31 March 2019	103

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

14. PRINCIPAL SUBSIDIARIES

Cambridge Arts Theatre Panto Limited

Cambridge Arts Theatre Panto Limited is wholly owned by the charity. It was established to provide production services to the Theatre's annual Pantomime.

A summary of the results of the subsidiary undertaking, Cambridge Arts Theatre Panto Limited is set out below:

	2019 £	2018 £
Turnover	392,471	372,502
Cost of sales	(390,060)	(370,075)
Gross profit	2,411	2,427
Administration expenses	(2,415)	(2,427)
Operating loss	(4)	-
Interest receivable and similar income	4	-
Profit before tax	-	-
Tax credit	26,847	25,536
Profit for the year	26,847	25,536
	2019 £	2018 £
Net assets brought forward	100	100
Profit for the year	26,847	25,536
Distribution	(26,847)	(25,536)
Net assets carried forward	100	100

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14. PRINCIPAL SUBSIDIARIES (continued)

Cambridge Arts (84 Charing Cross Road) Limited

Cambridge Arts (84 Charing Cross Road) Limited is wholly owned by the charity. It was established to provide production services.

A summary of the results of the subsidiary undertaking, Cambridge Arts (84 Charing Cross Road) Limited is set out below:

	2019 £	2018 £
Turnover	271,991	-
Cost of sales	(268,421)	-
Gross profit	3,570	-
Administration expenses	(3,571)	-
Operating profit	(1)	-
Interest receivable and similar income	1	-
Profit before tax	-	-
Tax credit	22,173	-
Profit for the year	22,173	-
	2019 £	2018 £
Net assets brought forward	1	1
Profit for the year	22,173	-
Distribution	(22,173)	-
Net assets carried forward	1	1

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14. PRINCIPAL SUBSIDIARIES (continued)

Cambridge Arts Theatre (Pressure) Limited

Cambridge Arts Theatre (Pressure) Limited is wholly owned by the charity. It was established on 26 April 2018 to provide production services.

A summary of the results of the subsidiary undertaking, Cambridge Arts Theatre (Pressure) Limited is set out below:

	26 April 2018 to 31 March 2019 £
Turnover	32,380
Gross profit	32,380
Administration expenses	(750)
Profit before tax	31,630
Tax credit	-
Profit for the period	31,630
	2019 £
Shares issued on incorporation	1
Profit for the period	31,630
Distribution	(31,630)
Net assets carried forward	1

Roof Garden Restaurants Limited

Roof Garden Restaurants Limited is wholly owned by the charity and has been dormant since 2009.

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15. DEBTORS

	GROUP		COMPANY	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	60,031	62,559	60,031	62,559
Amounts owed by group undertakings	-	-	55,703	82,050
Other debtors	-	4,626	-	4,624
Prepayments and accrued income	168,022	174,019	161,022	155,457
Tax recoverable	49,096	61,742	-	-
	277,149	302,946	276,756	304,690

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		COMPANY	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	176,757	112,796	176,757	112,796
Other taxation and social security	63,988	49,504	63,934	50,539
Other creditors and accruals	266,426	165,851	263,827	163,601
Deferred income	453,915	665,633	451,365	665,633
	961,086	993,784	955,883	992,569

DEFERRED INCOME

	£
Deferred income at 1 April 2018	665,633
Resources deferred during the year	453,915
Amounts released from previous years	(665,633)
Deferred income at 31 March 2019	453,915

Deferred income relates to ticket sales in advance.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
UNRESTRICTED FUNDS					
Revaluation reserve	390,000	-	-	-	390,000
Reserves	777,322	5,323,220	(4,844,229)	(215,006)	1,041,307
Designated - Auditorium Refurbishment project	-	-	-	215,006	215,006
	<u>1,167,322</u>	<u>5,323,220</u>	<u>(4,844,229)</u>	<u>-</u>	<u>1,646,313</u>
RESTRICTED FUNDS					
Foyer Fund	1,268,949	-	(28,107)	-	1,240,842
Lighting Equipment Fund	130,073	-	(9,408)	-	120,665
	<u>1,399,022</u>	<u>-</u>	<u>(37,515)</u>	<u>-</u>	<u>1,361,507</u>
Total of funds	<u>2,566,344</u>	<u>5,323,220</u>	<u>(4,881,744)</u>	<u>-</u>	<u>3,007,820</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2017 £	Income £	Expenditure £	Balance at 31 March 2018 £
UNRESTRICTED FUNDS				
Revaluation reserve	390,000	-	-	390,000
Reserves	452,399	4,910,000	(4,585,077)	777,322
	<u>842,399</u>	<u>4,910,000</u>	<u>(4,585,077)</u>	<u>1,167,322</u>
RESTRICTED FUNDS				
Foyer Fund	1,297,064	-	(28,115)	1,268,949
Lighting Equipment Fund	139,477	-	(9,404)	130,073
	<u>1,436,541</u>	<u>-</u>	<u>(37,519)</u>	<u>1,399,022</u>
Total of funds	<u>2,278,940</u>	<u>4,910,000</u>	<u>(4,622,596)</u>	<u>2,566,344</u>

Restricted funds - these represent donations received towards the costs of foyer improvements and lighting equipment in previous years. Depreciation is charged against these funds in proportion of the cost covered by the donations.

Designated funds - included in unrestricted funds in 2019 is £215,006 which has been set aside towards the planned refurbishment of the auditorium.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	806,307	1,361,507	2,167,814
Current assets	1,801,092	-	1,801,092
Creditors due within one year	(961,086)	-	(961,086)
	<u>1,646,313</u>	<u>1,361,507</u>	<u>3,007,820</u>

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	789,488	1,399,022	2,188,510
Current assets	1,371,618	-	1,371,618
Creditors due within one year	(993,784)	-	(993,784)
	<u>1,167,322</u>	<u>1,399,022</u>	<u>2,566,344</u>

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

	GROUP	
	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	441,476	287,404
Adjustment for:		
Depreciation charges	97,307	81,894
Dividends, interest and rents from investments	(903)	(265)
Loss on the disposal of fixed assets	782	2,928
Decrease in stocks	42	2,715
Decrease in debtors	25,797	40,058
Decrease in creditors	(32,698)	(145,569)
Net cash provided by operating activities	<u>531,803</u>	<u>269,165</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	GROUP	
	2019 £	2018 £
Cash at bank and in hand	1,517,635	1,062,322
Total	<u>1,517,635</u>	<u>1,062,322</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS

The company operates a mix of defined contribution stakeholder and personal pension schemes for its employees. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company and amounted to £43,629 (2018 - £31,255). Contributions totalling £4,574 (2018 - £2,645) were payable at the balance sheet date and are included in creditors.

22. OPERATING LEASE COMMITMENTS

At 31 March 2019 the total of the group's future minimum lease payments under non-cancellable operating leases was:

GROUP AND COMPANY	2019	2018
	£	£
AMOUNTS PAYABLE:		
Within 1 year	6,801	11,732
Between 1 and 5 years	-	6,801
Total	6,801	18,533

At 31 March 2019 the group had an annual commitment under a non-cancellable operating lease of £81,537 (2018 - £79,162) which expires on 8 May 2106.

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23. RELATED PARTY TRANSACTIONS

The Board is satisfied that procedures are in place to ensure that all transactions with related parties are on an arm's length basis and subject to market testing.

L Dean (trustee) and D Schumann (executive producer of the Theatre) are directors of Faraway Productions Limited. During the year, Faraway Productions Limited brought the production 'Rebus' (2018 - one) to the Theatre. The income recognised in the charity relating to the production totalled £84,344 (2018 - £39,128) and expenditure of £44,744 (2018 - £38,955) was charged by the Faraway Productions Limited. At the year end, no balance was due to Faraway Productions Limited.

L Dean is also a director of London Productions Limited. During the year, London Productions Limited charged £6,000 in management fees in relation to the production of 84 Charing Cross Road.

K Carne is a trustee of the charity and First Bursar of King's College, Cambridge. During the year, rent of £88,526 (2018 - £103,012) was paid to King's College Cambridge. At the year end, a balance of £NIL (2018 - £NIL) was due to King's College Cambridge.

The following people are Directors of the trading subsidiaries and received no remuneration from their directorships of these companies;

Cambridge Arts Theatre (Panto) Ltd

- V Beechey
- D Murphy
- I Mather

Cambridge Arts Theatre (84 Charing Cross Road) Ltd

- V Beechey
- L Dean
- I Mather
- D Murphy

Cambridge Arts Theatre (Pressure) Ltd

- V Beechey
- D Murphy

Roof Garden Restaurants Ltd

- I Mather
- D Murphy

During the year £392,471 (2018 - £372,502) was recharged to Cambridge Arts Theatre Panto Limited in respect of production costs. Cambridge Arts Theatre Panto Limited made a gift aid donation of £26,847 (2018 - £25,536) to the charity during the year.

During the year £59,340 (2018 - £NIL) was recharged to Cambridge Arts (84 Charing Cross Road) Limited in respect of production costs. Cambridge Arts (84 Charing Cross Road) Limited made a gift aid donation of £22,173 (2018 - £NIL) to the charity during the year.

Cambridge Arts Theatre (Pressure) Limited made a gift aid donation of £31,630 (2018 - £NIL) to the charity during the year.

During the year, the trustees made unconditional donations to the Trust of £11,200 (2018 - £10,200).

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