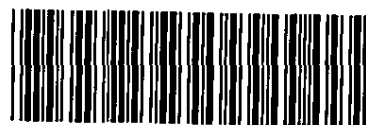


REGISTERED COMPANY NUMBER: 05694721 (England and Wales)
REGISTERED CHARITY NUMBER: 1115555

THEATRE503 LIMITED
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

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THEATRE503 LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

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THEATRE503 LIMITED

ARTISTIC REVIEW FOR THE YEAR ENDED 31 MARCH 2012

In 2011-12 we programmed seven full productions, thirteen one-week productions, a community project in partnership with Wandsworth Council, three weeks of Edinburgh Festival previews and thirty five one-night events. We were therefore very proud to receive a nomination for Most Welcoming Venue at this year's Off West End Awards.

The four-week long productions during this period were *The Consultant* by Neil Flemming, *Sold* by Suzie Miller, *Many Moons* by Alice Birch, *Beasts* by Juan Radrigan, *The Swallowing Dark* by Lizzie Nunnery, *Man in the Middle* by Ron Elisha and *Mathematics of the Heart* by Kefi Chadwick. The best received, critically, were *Many Moons* and *The Swallowing Dark*, the latter gaining a crop of four and five star reviews in almost all the national papers. It also picked up four Off West End Award nominations. Of the seven productions, three were produced in-house and four were co-productions. The most high profile was *Man in the Middle*, about Julian Assange, which received media attention from BBC TV and radio. Amongst the co-productions was our first partnership with Liverpool Everyman and Playhouse, which not only enabled us to create a sustainable model of co-producing with regional theatres but reinforced 503 as a brand with whom it is worth partnering.

This year we also recruited our next 503/5 group. From over 800 applicants, up on the 180 of last year, we chose five unique and diverse talents who will be attached to the theatre for the next eighteen months. They are Jon Brittain, Brad Birch, Charlene James, Gemma Langford, and Chris Urch. We will produce the first of their plays in September 2013.

We also repeated the success of our Young Creative Leaders Programme. Led by Lou Abbotts, we engaged with nineteen young NEETs (Not in Education, Employment or Training), who were mentored through the process of learning theatre skills so that they might lead a company to create work themselves. Illustrative of the success of the project was the fact that two leaders from last year's initiative became peer mentors this time. We have also added two OCN (Open College Network) qualifications to the project, so it is now nationally recognised. We are determined for it to become a staple of 503's work.

The most significant personnel change was that of Ed Errington leaving us as General Manager in August 2011. His successor was Jeremy Woodhouse. The organisation remains dependent on and grateful for the skill and generosity of a team of highly committed volunteers, without whom we could not operate.

503 continues to be committed to expenditure for highly experienced development support. Our fundraising strategy was hugely successful seeing us raise in excess of £100,000 in restricted funds from both trusts and foundations and from personal givers, mostly for the YCL project and in-house productions.

Paul Robinson
Joint Artistic Director and Chief Executive

THEATRE503 LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05694721 (England and Wales)

Registered Charity number
1115555

Registered office
503 Battersea Park Road
London
SW11 3BW

Trustees

Peter Macleod Benson FCA
Chris Campbell
Kay Ellen Consolver
Benjamin Hall
Charlotte Partridge
Geraldine Sharpe Newton
Emma Stenning (Chair)

- resigned 16/10/12

Company Secretary
Jeremy Woodhouse

Independent Examiner

MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated on 1 February 2006 under the Companies Act 1985 as a private company limited by guarantee, having no share capital, and its objects and regulations are governed by its the Memorandum and Articles of Association

Recruitment and appointment of new Trustees

As per the Memorandum and Articles of Association of the Charity, new Trustees are appointed by ordinary resolution. Not less than fourteen nor more than thirty five days before the date of the meeting, the Charity is given a notice that is signed by a member entitled to vote at the meeting, which states the member's intention to propose the appointment of a person as a Trustee, which contains the details that, if the person were to be appointed, the Charity would have to file at Companies House and which is signed by the person who is to be proposed to show his or her willingness to be appointed.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Theatre503 operates a Risk Register which is reviewed annually by trustees. The Artistic Directors and General Manager review operating risk during weekly operations meetings which the Trustees interrogate as they occur. The Finance and General planning Committee also meet regularly to, amongst other things, identify and rectify any error.

THEATRE503 LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012

OBJECTIVES AND ACTIVITIES

Objectives and activities

The objectives of the Charity are

* to promote, maintain, improve and advance education particularly by the promotion of educational plays and the encouragement of the Arts including the arts of Drama, Music, Singing and Movement

The Charity maintains a year-round programme of plays and events that it presents to the public, with a focus on new writing. These events include educational projects run in conjunction with Wandsworth Council as well as signed and off-site performances for audience members who are hard of hearing or who are unable to access the auditorium due to disability.

In shaping the theatre's objectives for the year and planning its activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. The theatre relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the Trustees give careful consideration to the accessibility of the theatre for those on low incomes. Affordability and access to the programme is important to Theatre503 and the work it produces is intended to be enjoyed by all ages, from those attending local schools and higher education colleges through to seasoned, older theatre-goers.

The strategies employed to achieve the charity's aims and objectives are to

- * present a wide variety of theatre productions for the enjoyment and education of the theatre's local community,
- * offer opportunities for a broad range of people to get involved in the theatre exploring their own creative powers, providing facilities for amateur and professional artists to develop, especially those at the onset of their careers,
- * concentrate on involving young people from the local community to help encourage a culture in which different age ranges and backgrounds play a complementary part, and
- * celebrate the diversity of cultures in our society by programming work by, and with, artists of different cultural backgrounds.

Putting these strategies into action the theatre has three major areas of activity which are

- * stage performances,
- * educational programmes, and
- * the use of the theatre as a venue for groups of external artists (for example, independent playwrights development group and the development of new writing/workshopping of developing plays)

The programme of activities described in this report focuses very much on embedding the activity of the theatre within the community of the Borough. Theatre503 endeavours to encourage all within the community to take part in its activities and to attend the theatre.

THEATRE503 LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Stage performances

The heart of Theatre503's programme of work is new writing, with a continued focus on writers who are looking to develop a dedicated hobby into a viable career. The theatre programmes a diverse range of productions which delve into contemporary social issues and/or are of public interest, all underpinned by the ethos that Theatre503's audiences deserve a thought-provoking yet accessible experience. A particular example from January this year is 'Man in the Middle' by Ron Elisha, a play that sought to tell the story of WikiLeaks founder Julian Assange, his rise to notoriety and the accusations surrounding him. The piece was continually refracted during rehearsals to reflect real time events in Assange's life. Also this year Many Moons author Alice Birch's talents were formally recognised by the Susan Smith Blackburn prize, for which she was nominated a finalist.

Other achievement in the main programme of work include a hugely successful 'The Swallowing Dark', a co-production with the Liverpool Everyman and Playhouse giving writer Lizzie Nunnery and an already established regional venue profile in the Capital. The model of collaboration with larger houses outside of London is one the Trustees will be looking to replicate in the future to help develop the reach of Theatre503's programme and also to take advantage of the ability to pool resources with another venue for mutual gain in what is a challenging financial climate.

The theatre combines its main programme of full-length plays over a four-week run, with a creative development strand, a seam of work devoted to nurture, and providing a platform for developing artists and their work. For many of these writers, directors, designers and actors this experience is often their first working on a professional stage. In October Theatre503 produced 'Hacked' curated by the theatre's Associate Directors. The critically acclaimed work was officially the first artistic response to the phone hacking scandal and reaffirmed our position as leaders in immediate, urgent and essential theatre. To compliment each full length production Theatre503 produces 'Rapid Write Response'. Writers are invited to submit a response to each play in the first week of its run with their efforts being performed in the final week of that production. Rapid Write Response is now an established and recognised part of Theatre503's programme and in March the best of these were performed again as a weeklong celebration of immediate theatre. The result was 'Rapid Write Rewind' which generated the greatest number of ticket sales for a show of its type in the year. The Trustees are hugely proud of LabFest, the pinnacle of our Lab scheme. Theatre503 donates time in its space to 4 writers it has paired with 4 directors for their work's development, bringing them to the stage in a two week festival. As a result of the Lab scheme this year Dawn King's Foxfinder was taken to full production and transferred to the Finborough Theatre in the spring, affirming our belief that the Lab model is one which should be continued in the future. Theatre503 also makes use of the theatre to present performances whose roots lie in the local community and stem from education projects.

Education and community work:

Theatre503 continues to work with several local schools and colleges and youth groups, as well as community organisations on a wide range of projects, which are intended to encourage confidence, self-expression and responsibility as well as the value of teamwork. A significant part of this work has taken place this year within the Young Creative Leaders project. Returning for a second year the project saw six of last year's participants actively use the Leadership qualifications they achieved through the course by returning as mentors to this year's participants. After the closure of many local groups, connections for example, Theatre503 collaborate closely with the local groups like the Devas Club and Caus House with funds from JP Morgan, the Thistle Trust and Help a London Child. For more details please refer to the Artistic Review.

Volunteers

Theatre503's roots and operational legacy lie in the contributions that volunteers bring. Beyond a core paid staff of four (the Artistic Directors, Producer and General Manager) the theatre relies on a team of 16 dedicated and generous volunteers, plus a pool of up to 20 volunteers who assist with front of house and box office activities. Volunteers are at the centre of the theatre's activity, providing hands on support to the creative and operation team and they are encouraged to take as proactive an approach to their work as possible in order to improve their employability, examples of achievements in this area include volunteers attaining employment at the Soho Theatre, Goldsmith's University and many who have gone on to enjoy successful freelance careers. Theatre503 also runs an internship scheme which aims to give college and university-level students a thorough and realistic appreciation of the skills and disciplines necessary in running a professional theatre.

THEATRE503 LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Artistic values:

Theatre503 is aware that artistic tastes are not the same for everyone. The theatre therefore tries to make clear the themes and issues that the work contains on its website and in marketing materials. Theatre503 takes the views of audiences very seriously and without compromising the integrity of the programme seeks to respect the diverse ethnic, faith, sexual orientation, and lifestyles of the community and audience. 'The Swallowing Dark' with its interrogation of the British immigration system and 'Beasts' which explored the isolated lives of rural Chilean farmers are testament to this. Theatre503 is happy to say however that it has received no complaints from the 8,800 people who came to see its work over the year.

Pricing policy:

The theatre's pricing policy reflects its strategy of enabling all within its community, whatever their means, to take part in its activities and to attend the theatre.

Full ticket prices to theatre and concert performances vary between £10 and £14. This pricing structure has remained the same for over three years despite the continuing increase of inflation so Theatre503 remains to be cheaper than other London theatre of similar size. A concession ticket of £9 is available to students, senior citizens, members of Equity and those on income support. In this fiscal year Theatre503 opened up the concession to Equity to include all unions in the field with BECTU being the largest. The same discount is available to the disabled, with a concession ticket for a companion.

We are very proud to be a part of the south west London community and are committed to North Battersea, to reflect this, local residents who share the first part of our SW11 postcode can visit the theatre for £2 on their first visit and the opportunity to purchase two tickets for the price of one for any subsequent visit. The highest proportion of our ticket sales at 9% (7% higher than the next demographic area) were purchased by customers who share our SW11 postcode, we're fiercely proud of this as it not only demonstrates the success of the scheme but clearly reveals our vital place in the cultural make up of Wandsworth.

Accessibility:

Access training Theatre503 runs a regular "pay what you can" evening on Sundays, ensuring its work is accessible to all, regardless of income. In the past financial year 15% of our visitors took advantage of the scheme, despite Sunday audiences at a record high this year. This low figure then can only be attributed to the majority of those Sunday visitors paying the face value of the ticket. This scheme is a vital part of the theatre's accessibility and pricing structure and the Trustees are keen to see it continue.

In August the Theatre completed an accessibility review from the disability led arts organisation Shape thanks to funds provided by the City Bridge Trust. As a result of this audit the theatre has made reasonable and necessary improvements including, changing the information on the website and providing comprehensive training to front of house staff on how to minimise the disruption the old building in which we are based can have on some visitors. The audit highlighted some larger structural changes that the theatre would have to make to be fully accessible but at present does not have sufficient funds to be able to complete.

FINANCIAL REVIEW

The theatre has had a satisfactory year financially, with net incoming resources of £1,181. Unrestricted funds increased by £7,479 to £22,154.

Continued solvency depends however year on year upon generating sufficient donated income to buttress production income and cover costs. The introduction of the Spektrix box office system has allowed bookers to add a small donation to their ticket price which has greatly increased the level of private giving to the charity, donations which in some instances, are Gift Aided.

The Trustees remain keen to increase this donated element of income, and thus increase reserves in future years, both to gain for the theatre greater financial stability for the longer term, and to allow increased investment in all aspects of its activities.

THEATRE503 LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012

FINANCIAL REVIEW

Reserves Policy

In March Trustees agreed to holding reserves sufficient for three months running costs, valued at £24,000 and broken down as follows

Salaries	£21,000
Overheads	£2,000
Technical & Maintenance	£1,000

Trustees are now interested in building additional reserves to cover the replacement of technical and office equipment which are now showing signs of age

Principal funding sources:

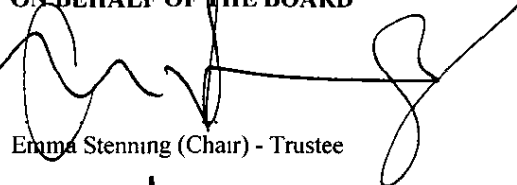
The majority of the charity's income has continued to derive from in-house and co-productions, box office income and hire fees with support from Wandsworth Council, Arts Council England, The Goldsmiths' Company, The Golsoncott Foundation, the Richard Came Trust, the Thistle Trust, The Fidelio Trust and private contributors

Theatre503, recognising that it must invest in its future, has continued to successfully apply for grants from Trusts and Foundations alongside private donations

This year saw the remainder of the Sir Siegmund Warburg's Voluntary Settlement fund granted in 10/11 contribute to core spends with an application for similar funding submitted to the Esmée Fairbairn foundation

Despite the current financial climate the theatre's Friends' Scheme remains active - 503 was supported by 20 friends over the course of the year. Smaller individual donations increased this year thanks to the introduction of an online booking system prompting customers to donate

ON BEHALF OF THE BOARD



Emma Stenning (Chair) - Trustee

Date

21/12/12

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THEATRE503 LIMITED

I report on the accounts for the year ended 31 March 2012 set out on pages eight to fifteen

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

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

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

Basis of the independent examiner's report

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

Independent examiner's statement

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

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met, or

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

MHA MacIntyre Hudson.

David Coppard, FCA
ICAEW
MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date *28/12/2012*

THEATRE503 LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	20,905	-	20,905	10,527
Incoming resources from charitable activities					
In-house productions	3	123,789	41,467	165,256	124,652
Co-productions		-	118,546	118,546	133,715
Projects		-	14,650	14,650	29,150
Organisational development		-	-	-	2,791
Total incoming resources		144,694	174,663	319,357	300,835
RESOURCES EXPENDED					
Charitable activities					
In-house productions		133,262	43,260	176,522	180,605
Co-productions		-	118,546	118,546	124,104
Projects		-	20,948	20,948	54,041
Organisational development		-	-	-	17,577
Governance costs		2,160	-	2,160	2,160
Total resources expended		135,422	182,754	318,176	378,487
NET INCOMING/(OUTGOING) RESOURCES before transfers					
		9,272	(8,091)	1,181	(77,652)
Gross transfers between funds	9	(1,793)	1,793	-	-
Net incoming/(outgoing) resources		7,479	(6,298)	1,181	(77,652)
RECONCILIATION OF FUNDS					
Total funds brought forward		20,675	11,798	32,473	110,125
TOTAL FUNDS CARRIED FORWARD		28,154	5,500	33,654	32,473

The notes form part of these financial statements

THEATRE503 LIMITED

**BALANCE SHEET
AT 31 MARCH 2012**

	Notes	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
CURRENT ASSETS					
Debtors amounts falling due within one year	7	5,920	-	5,920	12,620
Cash at bank and in hand		24,394	24,793	49,187	38,122
		<u>30,314</u>	<u>24,793</u>	<u>55,107</u>	<u>50,742</u>
CREDITORS					
Amounts falling due within one year	8	(2,160)	(19,293)	(21,453)	(18,269)
		<u>28,154</u>	<u>5,500</u>	<u>33,654</u>	<u>32,473</u>
NET CURRENT ASSETS					
		<u>28,154</u>	<u>5,500</u>	<u>33,654</u>	<u>32,473</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>28,154</u>	<u>5,500</u>	<u>33,654</u>	<u>32,473</u>
NET ASSETS					
		<u>28,154</u>	<u>5,500</u>	<u>33,654</u>	<u>32,473</u>
FUNDS					
Unrestricted funds	9			28,154	20,675
Restricted funds				5,500	11,798
TOTAL FUNDS					
				<u>33,654</u>	<u>32,473</u>

The notes form part of these financial statements

THEATRE503 LIMITED

**BALANCE SHEET - CONTINUED
AT 31 MARCH 2012**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2012

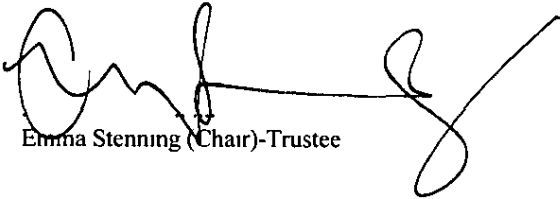
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2012 in accordance with Section 476 of the Companies Act 2006

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 21/12/12 and were signed on its behalf by



Emma Stenning (Chair)-Trustee

The notes form part of these financial statements

THEATRE503 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Box office, donations, hires and similar income is included gross with the share paid to visiting companies shown as part of the cost of productions

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Further explanation of the nature and purpose of each fund is included in note 9

2. VOLUNTARY INCOME

	2012	2011
	£	£
Donations	17,237	7,721
Gift aid	3,668	2,806
	<u>20,905</u>	<u>10,527</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Activity	2012	2011
		£	£
Box office, donations, hires and similar income	In-house productions	151,256	96,407
Grants	In-house productions	14,000	28,245
Box office, donations, hires and similar income	Co-productions	118,546	133,715
Grants	Projects	14,650	29,150
Grants	Organisational development	-	2,791
		<u>298,452</u>	<u>290,308</u>

THEATRE503 LIMITED**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2012****3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - continued**

Grants received, included in the above, are as follows

	2012	2011
	£	£
JP Morgan	-	3,168
Arts Council England	9,000	26,036
The Young Foundation	-	17,522
Wandsworth Council	1,500	1,440
Richard Carne Trust	5,000	5,000
City Bridge Trust	-	2,340
Dynamis	1,000	1,500
Festival Republic	1,850	1,500
Thistle Trust	-	1,500
Other Trusts and Foundations	700	-
Private contributions	445	180
Fidelio	3,200	-
The Golsencott Foundation	800	-
Devas	1,155	-
Equitable Charitable Trust	1,000	-
The Goldsmiths' Company	3,000	-
	<u>28,650</u>	<u>60,186</u>

Statement under Section 37 of The Local Government and Housing Act 1989:

Grants of £1,500 (2011 - £1,440) were received from Wandsworth Council

£1,500 (2011 - £1,551 including £111 awarded in the previous year) was spent during the year, on the specific productions and educational and community projects for which the grants were awarded

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	2012	2011
	£	£
Independent examiner	<u>2,160</u>	<u>2,160</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2012 nor for the year ended 31 March 2011

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2012 nor for the year ended 31 March 2011

THEATRE503 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2012**

6. STAFF COSTS

	2012 £	2011 £
Wages and salaries	<u>76,930</u>	<u>76,926</u>

No employee had emoluments totalling more than £60,000

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Debtors	5,500	7,505
Grants receivable	420	5,115
	<u>5,920</u>	<u>12,620</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Creditors	19,293	16,109
Accrued expenses	2,160	2,160
	<u>21,453</u>	<u>18,269</u>

9. MOVEMENT IN FUNDS

	At 1/4/11 £	Net movement in funds £	Transfers between funds £	At 31/3/12 £
Unrestricted funds				
General fund	20,675	9,272	(4,793)	25,154
Reserve against loss - see note 11	-	-	3,000	3,000
	<u>20,675</u>	<u>9,272</u>	<u>(1,793)</u>	<u>28,154</u>
Restricted funds				
Young Creative Leaders	10,298	(10,298)	-	-
Productions	-	(1,793)	1,793	-
503Five	-	4,000	1,500	5,500
Community projects	1,500	-	(1,500)	-
	<u>11,798</u>	<u>(8,091)</u>	<u>1,793</u>	<u>5,500</u>
TOTAL FUNDS	<u>32,473</u>	<u>1,181</u>	<u>-</u>	<u>33,654</u>

THEATRE503 LIMITED**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2012****9. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	144,694	(135,422)	9,272
Restricted funds			
Visiting companies	118,546	(118,546)	-
Young Creative Leaders	6,355	(16,653)	(10,298)
Productions	41,467	(43,260)	(1,793)
503Five	4,000	-	4,000
Latitude Festival	3,295	(3,295)	-
Development	1,000	(1,000)	-
	174,663	(182,754)	(8,091)
TOTAL FUNDS	319,357	(318,176)	1,181

THEATRE503 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2012

9. MOVEMENT IN FUNDS - continued

General fund:

The general fund at 31 March 2010 included a donation of £20,000 from Sir Siegmund Warburg's Voluntary Settlement of which £3,000 had been allocated to productions in that year. A further £15,207 was allocated to productions in the year ended 31 March 2011 and £1,793 transferred to restricted funds and spent in the year ended 31 March 2012.

Visiting companies.

The theatre receives donations towards co-productions it mounts with visiting companies.

Young Creative Leaders.

Young Creative Leaders is an initiative focussed on supporting local NEET (Not in Education, Employment or Training) youth in the local area and neighbouring boroughs. Through a series of workshops with theatre professionals and supported by mentors, 25 participants were given the opportunity to write and produce two new theatre productions. Each participant gained transferable leadership, initiative, teamwork and theatre skills and an accreditation from the Open College Network. In completing its second year the project was funded by the remainder of the grants from JP Morgan and Help a London Child and grants from the Band Trust, the Goldsmiths' Charity, Wandsworth Council and Heart to Heart.

Productions:

The theatre received donations from a number of sources, including the continued support of the Richard Carne Trust.

503Five.

The second group of five resident writers are supported by the Thistle Trust, The Golsoncott Foundation and The Fidelio Trust.

Latitude Festival:

As an addition to the programmed activity in the auditorium Theatre503 presented a performance at the Latitude Festival. As additional activity this was funded for outside of the theatre's core costs. Donations were received from collection of private and corporate funders including Marcus Markou and Dynamis.

Development:

The John Fernald Award is a separate fund administered by Equity Charitable Trust. The aim of the award is to help new Assistant Theatre Directors to gain valuable experience in a professional theatre.

10. RELATED PARTY DISCLOSURES

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. In the current year no such related party transactions were reported.

11. LEGAL ACTION

In March 2011 Theatre503 initiated legal action to recover funds of £5,500 overpaid to a co-producer. Theatre503 tried on numerous occasions to reach a settlement but was left with no choice but to proceed with this course of action. Over the course of the next year Theatre503 will factor into its operational management what the impact on the organisation would be if unsuccessful as the deficit would need to be balanced from unrestricted reserves. At 31 March 2012 the Trustees considered that this amount, included in debtors, was recoverable in full. In August 2012 settlement with the defendants was reached out of court. The settlement resulted in the agreement of £2,500 remuneration to the theatre, payable in instalments until October 2014, and therefore an unrecoverable sum of £3,000.