

Company registration number: 01495543

Charity registration number: 280278

Gate Theatre Company Limited(the)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2018

Lucraft Hodgson & Dawes LLP
2/4 Ash Lane
Rustington
West Sussex
BN16 3BZ

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Gate Theatre Company Limited(the)**Reference and Administrative Details**

Chairman**Trustees**

Mark Robinson (resigned 8 November 2017)
Charles Prideaux
Sarah Chappatte
Lauren Clancy
Sian Alexander
Natasha Bucknor (resigned 15 August 2017)
Kobna Holdbrook-Smith
David Lakhdhir
Nicola Cornwell
Nicole Newman
Jan Baister
Sarah Nicholson (appointed 8 November 2017)

Secretary

Joanne Royce

Senior Management Team

Ellen McDougall, Artistic Director
Joanne Royce, Executive Director

Principal Office

11 Pembridge Road
Above Prince Albert Pub
London
London
W11 3HQ
The charity is incorporated in England & Wales.

Company Registration Number 01495543

Charity Registration Number 280278

Auditor

Lucraft Hodgson & Dawes LLP
2/4 Ash Lane
Rustington
West Sussex
BN16 3BZ

Gate Theatre Company Limited(the)**Strategic Report for the Year Ended 31 March 2018**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2018, in compliance with s414C of the Companies Act 2006.

Chair's Report

2017/18 was a significant moment in the Gate Theatre's 38-year history as we marked Ellen McDougall's first season as Artistic Director. Exploring notions of what theatre is and can be, reflecting on community and identity, the season was met with critical acclaim and an enthusiastic audience response.

We enjoyed a strong year at the box office; welcoming 9,642 people through our doors, extending the runs of Assata Taught Me and Twilight; Los Angeles, 1992, and exceeding our box office target by 125%.

In March, we celebrated the success of Ellen's first season with the Great Gate Gala, a major fundraising event that raised over £130,000 towards supporting the Gate's artistic ambitions over the next few years. Our donors and supporters are a vital part of the Gate story contributing to 40% of our annual turnover of £798,321 in 2017/18.

A key objective for the Gate is to be a sustainable organisation and thanks to a strong year of box office and fundraising, we ended the year at 102% of our income target. With prudent financial planning and management, we were able to make a 5% saving on expenditure. We ended the year at £245,464 of our £230,000 general unrestricted reserves target.

We welcomed Sarah Nicholson to the Gate Board in November, who brings a wealth of knowledge in the field of HR and theatre management. We said goodbye and thank you to Mark Robinson and Natasha Bucknor who both stepped down in 2017/18.

The following Co-Chief Executives report outlines the key artistic and organisational achievements from the last year. As Chair, I am very much looking forward to the journey ahead as we approach our 40th Anniversary in 2019, and would like to thank the Board, Ellen, Jo and the Gate team for all their hard work across the year.

The strategic report was approved by the trustees of the charity on 19 July 2018 and signed on its behalf by:



.....
Joseph Smith
Chair

Gate Theatre Company Limited(the)

Chief Executives' Report for the Year Ended 31 March 2018

The chief executives, who are senior management, present their report and review of the year for the year ended 31 March 2018.

Objectives and activities

Aim 1: Artistic Excellence

2017/18 saw the beginning of a new chapter in the Gate's illustrious history: the final piece of programming from outgoing Artistic Director Christopher Haydon closed his successful 5-year tenure and launched the inaugural season of new Artistic Director, Ellen McDougall.

Building on the Gate's reputation for exploring vital questions about the world, Ellen's inaugural season signalled a renewed international focus for the Gate; every production featured an international writer, director, designer or performer. The season explored a wide range of theatrical forms, often playing fast and loose with the relationship between performer and audience; an important gesture which celebrates the live moment of theatre and highlights the importance of community and coming together in the intimacy of our space.

The season has gained serious acclaim in all major critical publications; The Observer concluded that Ellen's programme is '*shaking-up theatre*'.

Productions 2017/18

Assata Taught Me by Kalungi Ssebandeke, directed by Lynette Linton

A Gate Theatre commission, *Assata Taught Me*, was the perfect end to Christopher Haydon's tenure. It successfully debuted writer, Kalungi Ssebandeke's first play as well as providing director Lynette Linton with her first full theatre production; fulfilling our ambition to champion the best emerging talent on the Gate's stage.

"Pulse-quickenning, combustible performances" ★★★★★ What's OnStage

The Unknown Island, by Ellen McDougall and Clare Slater, after Jose Saramago, directed by Ellen McDougall

Opening the season in September 2017 was Ellen's production of *The Unknown Island*, a new adaptation of Jose Saramago's short story, that asked the audience to imagine the impossible - an epic voyage to an unknown island. In its review for the piece, The Stage declared that "the Gate couldn't be in better hands" under Ellen's leadership, and the piece was broadly seen as a manifesto of what is to come.

"Ellen McDougall isn't one of the great young hopes of British theatre for nothing and the piece, which she herself directs, soon reveals itself to be rich in playful ambition and political intent."

★★★★★ The Evening Standard

Suzy Storck by Magali Mougel, in a translation by Chris Campbell, directed by Jean-Pierre Baro

The second show in the season was the UK premiere of *Suzy Storck*, by Magali Mougel, which saw the UK debut of acclaimed French Director Jean-Pierre Baro. An exploration of motherhood and identity, the production received critical acclaim and marked Ellen's ambition to work with international artists and explore the different ways work is made outside of the UK. We are thrilled that our partnership with Extime (Jean-Pierre Baro's theatre company) will continue in 2018 when the production is remounted in France.

"Its simple, essential theatricality is electrifying." ★★★★★ The Stage

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Chief Executives' Report for the Year Ended 31 March 2018

Twilight: Los Angeles, 1992 by Anna Deavere-Smith, directed by Ola Ince

2018 kicked off with *Twilight: Los Angeles 1992* by Anna Deavere-Smith, directed by Ola Ince. Examining race relations in the US in the wake of the LA riots, the themes of the play are remarkably prescient today.

"It's the best kind of history lesson" ★★★★★ The Sunday Times (*Twilight; Los Angeles, 1992*)

Trust by Falk Richter, in a translation by Maja Zade, directed by Jude Christian

Trust was the story of a relationship in meltdown, and an exploration of our own destructive relationship with the capitalist system, directed (and performed) by Gate Associate Artist, Jude Christian.

"Jude Christian's inventive, occasionally bamboozling show, *Trust*, is like watching a huge art installation explode into life across 100 minutes." ★★★★★ The Stage.

Ellen's first season will close with *Effigies of Wickedness*, a co-production with ENO, which will open 2018/19, celebrating diversity and difference, and ambition - as one of the largest productions that Gate has ever staged.

We also welcomed Royal Welsh College of Music and Drama back to the Gate for the sixth consecutive year, enjoying performances by the final year students of plays by Eve Leigh, Simon Longman, Conor Mitchell and Alison Carr.

Artistic development

Ellen McDougall's refreshed artistic ambitions really focus on creative risk taking; encouraging artists both established and new to make work in new ways, that challenge what theatre is and what it could be. We question the structures around how we make work in a supportive environment. It is therefore even more essential that evaluation is part of our process, to take forward the learnings - both good and bad - from this way of working.

R&D is becoming an increasingly important part of the way we make work at the Gate; with workshops for *The Unknown Island*, *Effigies of Wickedness* and *The Ridiculous Darkness* (to be staged in 2019) taking place in year. R&D enables us to review how we might develop projects and re-imagine ways of working, all forming an integral part of the creative review and evaluation process and the making of exceptional work.

We were delighted to welcome Jude Christian to the Gate's wider team, as Associate Artist. As Associate Artist, Jude works closely with Ellen and with Associate Director, Anthony Simpson Pike, on shaping artistic planning and representing the Gate across relationships and networks in the UK and internationally.

Talent development

The Gate's revised mission and vision statement states that "*we strive to empower and support exceptional artists to make their best work, acting as a launch pad for a diverse new generation of theatre talent. We want our staff team to thrive in an energising and creative environment and to feel invested and inspired by our collective aims. We invest time and resource into our team through mentoring and training to enable them to go on to become leaders in their respective fields.*"

This continues the legacy of Christopher Haydon and previous Artistic Directors who have always championed emerging talent at the Gate Theatre.

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Chief Executives' Report for the Year Ended 31 March 2018

Our Jerwood Designers programme continued for a 16th year with Frankie Bradshaw, Bethany Wells and Rosie Elnile continuing their creative development with us. For Rosie, it was a return to the Gate having designed *The Convert* in January 2017. As a design led theatre, each production design throws up something different and offers an opportunity to completely re-imagine the space. For Frankie, this meant creating Assata Shakur's living room in Havana, Rosie wrapped the entire theatre in blue sails for *The Unknown Island*, whilst the entire theatre was converted in to a modern housing development by Bethany for *Trust*. Each artist was presented with different challenges but supported in realising in full their creative ambitions, enabling them to hone their craft.

Another returning designer was Cecile Tremolieres, who designed both *Suzy Storck* and the Great Gate Gala. Cecile was able to work again at the Gate and also widen her skills by designing a site-specific event, something that she had not previously done. Her transformation of St Paul's Church in Hammersmith for the Gala was hailed as "breath-taking" and we are delighted that Cecile will be working on *Suzy Storck* when it goes to France later in 2018.

Further examples of artists emerging, excelling and working in new ways at the Gate include:

- Ola Ince, who directed her first full length production (*Twilight; Los Angeles, 1992*) to great critical acclaim. Ola has recently been announced as the director for the Young Vic's production of *The Convert* in Kwame Kwei Armah's first season.
- Jude Christian, a well-regarded director, Jude was able to broaden her skills to perform in and act as dramaturg on her interpretation of Falk Richter's *Trust*.
- Milli Bhatia, Assistant Director on *Assata Taught Me*, has gone on to become one of the three Project 2036 artists at the Bush Theatre and a trainee Director at the Royal Court.

Our commitment to diversity

Diversity and equality sits at the heart of everything we do at the Gate. In line with our organisational values, we believe that diverse teams make for better conversation, better insights and better work. This approach is reflected in our programming choices, where a focus on international work strive to tell the broadest range of stories.

Our Appendix to Directors contracts, making a commitment to a 50/50 gender split across creative teams, is now routed in everyday practice. We continually interrogate all aspects of our company to ensure we are as inclusive as we can be, as an employer, and a place to visit as an audience. To this end, we strive to ensure that the work on our stage, the artists we work with and the make-up of our office staff and audiences reflects the diversity of London.

To this end, we were pleased that data collected about our creative teams during 2017/18 continues to reflect our commitments to diversity:

- 43% female / 57% male
- 21% identified as LGBT
- 35% identified as BAME

The Gate's workforce statistics for 2017/18 breakdown as:

- 80% of the workforce was female (as 2016/17)
- 50% are from a BAME background (increase from 40% in 2016/17)
- 23% of those who enclosed their information identified as LGBT (20% in 2016/17)
- 11% of those who enclosed their information identified as having a physical or mental health condition

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Chief Executives' Report for the Year Ended 31 March 2018

We remain highly aware of the challenges with our office and theatre space in relation to audiences, artists and staff with physical disabilities. It is our long-term aim to become an equal opportunities employer and we must therefore address these challenges. We continue to offer flexible working arrangements but must assess opportunities to move offices and potentially even theatre space if we are to address this issue fully. In the meantime, we will continue to make work outside of our space to enable audiences that may not be able to physically attend our theatre to enjoy our work.

In 2017/18, the Board make-up was:

- 64% female / 36% male
- 20% identified as being from a BAME background
- None identified as having a disability, none identified as LGBT

We see improving our Board diversity as priority and long-term objective. The Board has been actively seeking and reviewing nominations for a diversity focussed recruitment, which is planned for early 18/19 with the objective to increase representation from BAME and disabled communities.

Aim 2: Reach More People

As part of our 2015-2018 business plan, we have set ourselves the ambitious target of 35,000 seeing our work. Year on year, we seek opportunities to grow our audience and also to ensure that once someone visits the Gate, they come back and trust our brand reputation as a destination for exciting and quality theatre.

Attendance figures

We welcomed 9,642 people through our doors for 162 ticketed performances in 2017/18; a real success for a theatre of our size. Having had received additional funding to scale up our activity in 2015/16 and 2016/17, we returned to 5 in-house productions in 2017/18, plus our guest slots, across 26 performance weeks. Averaging at 79% of capacity across all shows, we are thrilled that our work continues to regularly draw audiences, whilst our robust financial targets mean that we can still take a balanced creative risk with our programme.

We were delighted to extend two productions due to popular demand; *Assata Taught Me* and *Twilight; Los Angeles 1992* by an additional week, hitting audience capacity of 95% and 87% respectively.

We are thrilled that during the 2015 - 2018 Business Planning period, our work was seen by over 37,000 people, at the Gate and at our partner venues such as Traverse and Shoreditch Town Hall.

At the heart of our newly refreshed organisational values is community, clearly stating our intention to be an international theatre for our local community. We are pleased that statistics show that where we have the data, approximately 10% of our audiences comes from local postcode zones W11, W2, W8, W9 and W14. Anecdotally, we know this figure to be higher.

Audience Finder identifies 16.5% of our audiences under the Kaleidoscope Creativity demographic, a group recognised as having low cultural engagement. This is an increase of 4.5% from 2016/17, which we attribute to our focus on developing relationships with community partners in the North of the borough where socio-economic deprivation is higher and engagement with cultural provision lower. This attendance growth demonstrates that gradually, our focussed approach to engaging these audiences is proving successful, something we wish to build in future years.

17% of bookers saw 2-3 productions at the Gate in 2017/18 (an increase from 14% since 2016/17) and 16% audiences booked 4+ weeks in advance. We correlate this to our decision to announce the full year's programme together, encouraging repeat attendance and early booking and enabling us to build a relationship with bookers across the year.

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Chief Executives' Report for the Year Ended 31 March 2018

Audience development

The Gate is committed to making sure that as wide as possible an audience attends our work. To this end, we kept ticket prices set at £10 (matinees) and £20 (full price) for all performances in 2017/18, to ensure accessible price points.

In line with our objective to bring younger audiences to the Gate, we held a young people's night for all productions. 124 complimentary tickets were distributed to our community partners (Harrow Club, Migrants Organise, Rugby Portobello). A further 112 £7.50 tickets were sold to under-25's for these performances. A post-show discussion, hosted by members of our Young Associates were held at the end of every YPN, to provide further engagement and insights to attendees.

We continue to offer access provision through Caption Nights at all productions, downloadable audio-description notes and touch tours. Tracking success in this area continues to be challenging, as audiences must self-identify as an access user and we know that some audiences choose not to highlight their access needs at point of sale.

Internal conversations continue to address the challenge that the stairs to our theatre produce: we continue to explore opportunities to perform and produce work outside of our space. No off-site performances in 2017/18 this strand of programming continues to be a priority.

Open Gate

598 people engaged with our "Open Gate" strand of programming (formerly known as Gate Educate). Open Gate activity provides young people, the local community and emerging theatre-makers a range of opportunities to engage with our work in different ways - from introductions to theatre practice, to in-depth discussions around the themes of our productions.

Included in our 2017/18 activity are public workshops (one held for each production) and "In Conversation with...", sessions; a newly reinvigorated post-show talks series which included an animated session with Tottenham MP David Lammy, reflecting on the themes of riot in *Twilight; Los Angeles, 1992*.

Young Associates continued into its second year, with fifteen 17-21's year olds benefitting from the programme. These young people attended monthly workshops led by theatre professionals, received one-to-one mentoring from Lynette Linton, participated in two week long intensive sessions and involved as performers in R&D sessions for *Trust* and *Twilight*.

We held three special Open Gate events during the year:

- The Gate is Open: we opened our doors for two days and invited members of the community and people passing by on the street to come and explore the space, have a chat and a piece of cake and offer their thoughts on what a Fun Palace at the Gate might look like. We met people who had always walked past and wondered what was behind the Gate's front door but come in - and we hope to welcome them back in the near future.
- Fun Palaces: we hosted an open workshop with director Tyrell Williams about self-producing a documentary and online content, following feedback we received during The Gate is Open weekend.
- Future Kitchen: inspired from an idea by artist Folke Kobberling and developed with our Young Associates, Future Kitchen is an attempt to radically imagine possibilities for the community we live in through the form of recipes. Our Young Associates hosted a stall at Portobello Market during New Youthquake (an RBKC initiative), asking market shoppers and community members what ingredients they thought were needed to imagine a more positive future and devising performances out of the results.

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Chief Executives' Report for the Year Ended 31 March 2018

A planned Future Kitchen workshop as part of a Gate take-over day at local arts festival, InTransit, was cancelled in the wake of the Grenfell Tower fire, where it was felt that delivery would not be appropriate. In response to the fire, we felt strongly that we wanted to open our doors to the community and make our theatre a safe space, responding sensitively to local events. As such, we relocated the planned activity to the theatre and hosted a special performance of Future Kitchen by our Young Associates and from special guests Ben Okri, Paterson Joseph and Adjoa Andoh. This performance was free for members of the community and collected donations for the Kensington & Chelsea Foundation's Grenfell Tower Fund.

The Gate's digital conversion

Our website received 122,585 unique users in 2017/18. The level of interaction remains comparable with 16/17, with the average dwell time on each page at 1 min 49 seconds, and an average of 4.39 pages per session. 81.7% of users were new, indicating that the Gate website is often the first interaction that people have with the Gate.

Following technical issues and customer feedback, a website development project was initiated in 2017/18 (due for completion in September 2018) which will improve usability and customer journeys to ensure continued growth of website use - a key objective of our Business Plan.

As a tool to create deeper engagement, we were pleased to see our blog reach 7,000 visitors in 2017/18. The Blog provides an online theatre-makers toolkit for the creatively curious; offering insights from the rehearsal room, alongside insights on the season from Ellen McDougall and updates on our Green activity.

Our social media engagement continued to grow:

- 47,516 Twitter followers (12% increase from 16/17)
- 6,696 Facebook followers (10% increase from 16/17)
- 2,329 Instagram followers (43% increase from 16/17)

Additionally, over 500 watched live streams of post-show discussions for *Assata Taught Me* and *Twilight*.

Aim 3: Make the Gate a more resilient company

2017/18 saw the first full year of Ellen McDougall's tenure, having started in March 2017. Jo Royce started her second year in post as Executive Director and together they focussed on a revised artistic mission and organisational plan for the Gate - with resilience and sustainability at the heart of planning.

The engagement of the Board of Directors, providing support and institutional knowledge during this time, was invaluable to the ongoing stability of the organisation. From a governance perspective, Mark Robinson and Natasha Bucknor stepped down from the Board in year, with Sarah Nicholson recruited to the Board to bring her knowledge and experience and ensure the Board continued to have a relevant and broad skills set represented. Charles Prideaux, Sarah Chappatte and Joseph Smith were re-elected for a second term.

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Chief Executives' Report for the Year Ended 31 March 2018

2017/18 year end position

Earned income through box office and programmes reached 125% of target at £125,262, in large part due to the successes of *Assata Taught Me* and *Twilight: Los Angeles, 1992*. Thanks to the Gate's ongoing relationship with Royal Welsh College of Music and Drama, who hired the space for a fifth successive year and a second in year hire by Chepstow House School, the Gate Guest strand of income hit £9,765. A further £3,345 of earned income came through Open Gate workshops, bank interest and merchandise sales.

Contributed income (fundraising) ended the year at £318,901, 94% of our £335,996 target. We are incredibly pleased with this result, particularly considering the ambitious target for the year where Development resource was split across Gala planning and revenue fundraising. The Gala exceeded target raising over £150,000, with £130,000 of income received in 17/18. The remaining income will be accounted for in 2018/19.

Individual giving line closed the year at 104% of target at £104,501 thanks to two major gifts of £20,000, the first time the Gate has received donations of this size. These successes bolstered the lower level giving lines which did not hit target in year. These successes have given interesting food for thought about our future fundraising strategy and how we best allocate our finite fundraising resource to solicit major gifts over lower level giving. A production syndicate for *The Unknown Island* raised £3,325 and we had a healthy year for internet, phone and foyer donations, raising £3,923.

We were pleased to secure £25,000 from Cockayne / London Community Foundation in support of Ellen McDougall's first season. This income gave confidence to other production support, which included a significant partnership with the Institut Francais, who funded the translation of Suzy Storck in to English and further production costs. Beyond this, Trusts and Foundations had a difficult year, as we were unable to draw down the second instalment of our John Lyon's Charity funding, which had been budgeted at £18,000. This income specifically funds the Gate's Apprentice, and due to recruitment challenges, we did not recruit a second apprentice in year. Following the end of our three-year funding from Backstage Trust to support the Associate Director role, we were unsuccessful in fundraising for this role from Trusts but were delighted to secure a major gift to fund this role for another year.

Arts Council NPO income for the year at 38% of annual turnover. This was made possible due to the boosted fundraising income following our successful Gala in March 2018.

The Gate's year-end position saw a surplus of £22,574 and an general unrestricted reserves level of £245,464 (over our target of £230,000). This surplus will be used to support the projected shortfall for 2018/19, which has also been supported by the Gala, demonstrating the continued resilience of the Gate and a strategic approach to financial ongoing stability.

Sustainability

Our Green Gate strand of work, and associated sustainability action plan, remains a key focus for year-round activity. We remain committed to responding to recommendations from the COP21 and the Creative Climate Coalition, and ensuring that we remain in line local, national and international developments surrounding Climate Change. We have pledged to work in such a way as to strive to keep global temperature rise below 2 degrees celsius, this century, and to drive efforts to limit the temperature increase even further, to below 1.5 degrees celsius.

We were therefore particularly proud to be awarded 4* from Julie's Bicycle Creative Green reporting for a second year running (for figures submitted from 2016/17), demonstrating that our ongoing work in this area is having a tangible impact in terms of our organisation and our impact on the environment.

Gate Theatre Company Limited(the)

Chief Executives' Report for the Year Ended 31 March 2018

Ellen McDougall attended the Julie's Bicycle Creative Climate Leadership course, engaging with other industry colleagues to share ideas and best practice and to receive specific training on how to engage with environmental issues within our creative and organisational practice. Following the course, Ellen led a series of mini-workshops around sustainability as part of the weekly staff meeting, sharing the learning and keeping environmental issues at the forefront of our minds. Monthly Green Gate challenges continue to be a talking point for staff, who remain actively involved in our work around sustainability. We welcomed Lucy Neal, author of *Playing for Time*, to an extended staff meeting to present on how we can take an active and participatory role in the fight against Climate Change.

In terms of programming, *The Unknown Island* had a particular environmental resonance, with the characters of the play striving to imagine a more positive future for themselves and the world around them. Positive approaches to a shared humanity and environmental awareness sit at the heart of Ellen McDougall's programming, taking our Green Gate values from the organisational plan directly on to our stage.

We will be submitting our full 2017/18 statistics to Julie's Bicycle in July 2018, and it is our hope to further improve on our 2016/17 score of 79/100.

Staff training and professional development

70% of the Gate's workforce is currently under-35, continuing our track record of early career administrators working at the Gate. We employed 1 Apprentice in 2017/18 as a role with a particular training focus.

We also extended the contract of our Development Assistant, who was originally recruited on a 12-month internship, for a further 12-month post enabling career progression across the year working on the Gala. The Gate has dedicated staff training budget to enable year-round professional development, something that is vital to support these emerging professionals to succeed in their roles and future careers.

Partnerships and networks

As a small organisation, building a network of strong partners enables us to be more resilient in the long-run. As a member of the London Theatre Consortium, we are part of a sector wide dialogue around diversity, sustainability and digital, seeking opportunities to share services and create shared work.

Additionally, we attend weekly WhatNext? meetings to stay engaged with conversations relating to strategy and policy and engaging with issues, from Brexit and government policy to environmental sustainability.

Our other vital partnerships are referenced throughout this report, from our funders to our artists, and our local charity partners, the network around the Gate is wide and every connection we make serves to support and strengthen our work.

Gate Theatre Company Limited(the)

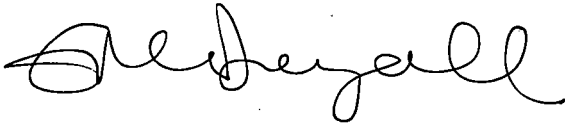
Chief Executives' Report for the Year Ended 31 March 2018

Arts Council England - a National Portfolio Organisation

2017/18 was the final year of the 2015 - 2018 Arts Council NPO funding cycle. The charity received £306,330 towards core cost in the year. We are thrilled to have been confirmed as part of the Arts Council portfolio for 2018 - 2022.

We are proud to be one of the smallest producing houses in the portfolio and take seriously our role as innovators, as home for emerging talent and as a tiny theatre with ambition that far outstrips its size.

We would like to take this opportunity to thank everyone that has worked with us and supported us over the last year; our committed Board, our fantastic staff team, the freelancers and creatives who have made work for us, our volunteers and our donors. The continued success of the Gate is only possible with your dedication and we are hugely grateful for it, and we look forward to working with you in to 2018/19 and beyond.



Ellen McDougall
Artistic Director and joint CEO



Joanne Royce
Executive Director and joint CEO

Gate Theatre Company Limited(the)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2018.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The charity's objectives are educational and its principal activity continues to be that of producing theatre performances, introducing international dramatic art to the British stage and public, and the upkeep and promotion of the theatre to that end.

The charity's main objectives for 2015-18, as outlined in the 3 year Business Plan, are:

Aim 1 – artistic excellence

- Produce excellent new productions made by a diverse range of artists
- Be a high quality 'teaching theatre'; a platform for the next generation of artists

Aim 2 – reach more people

- Maintain and grow audiences at the Gate
- Improve communication of the Gate's access offerings
- Bringing younger audiences to the Gate
- Create regional partners with ambitions to tour work outside of London
- Deepen the reach of Gate Educate, introducing a more diverse range of participants to our work
- Develop the Gate's digital conversation

Aim 3 – make the Gate a more resilient company

- Increase our earned income
- Grow our fundraised income
- Reduce the Gate's carbon footprint
- Build a community around the Gate
- Invest in and train the Gate's workforce: diverse industry leaders of tomorrow

By producing theatre and funding the core organisation that allows the charity to do this, the charity's expenditure for the year was put wholly into meeting these objectives.

The Joint Chief Executives' report outlines how the charity has undertaken to further public benefit through the delivery of these activities against the stated objectives.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

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Trustees' Report

Financial review

A Financial Controls Policy is held as part of the charity's Business Plan and is reviewed on an annual basis by the Executive Director and Finance Sub-committee. It is approved at Board level. This sets out the charity's methods of budget, setting, discharge and monitoring and sets out the financial reserves policy, which requires the charity to maintain an unrestricted reserves level amounting to 3.5 months operating activity. In 2017/18, this was set at £230,000.

An incident of financial fraud (phishing) occurred during the year; in response, a thorough investigation was led by the Finance sub-committee and Executive Director, resulting in a review of financial policy and internal procedures to ensure that the Gate's financial management is as robust as it can possibly be and to prevent the risk of such events occurring in future. Thanks to the Gate's prudent approach to budget management and to ensuring other savings across the year, the financial loss was managed through part of the 2017/18 surplus, without impacting on the general P&L of the charity and ensuring that all funding and income received in year was spent on the charitable activities as stated in our objectives. The incident was reported to the Charities Commission following a full investigation.

The Gate closed the 2017/18 with a restricted funds balance of £61,156. Designated unrestricted funds closed the year at £162,526. These funds will be carried throughout 2017/18 to support artistic output and specified learning and digital activity. The general unrestricted reserves ended the year at £245,464, above the £230,000 outlined by the Gate's Financial Policy.

The Gate continues to invest in equipment and infrastructure as required and keeps a nominated level of designated funds available if needed for future, long term investment.

Policy on reserves

As in 2016/17, the Gate invested a portion of its reserves to ensure that they are working as hard as possible for the charity. This investment sat below the Financial Services Compensation scheme limit of £75,000 and the investment reviewed and approved by the Finance Sub-Committee before being enacted.

Principal funding sources

2017/18 was the final year of the 2015-2018 funding cycle of the Arts Council England National Portfolio. The Gate is pleased to have been confirmed as an NPO for 2018 – 2022, which enables us to plan for a resilient future. We are extremely grateful to Arts Council England for this investment which is a testament to the Gate's position as a key part of the theatre ecology of London and the UK.

Looking ahead, it is Board and Senior Management priority to diversify our income streams, increase our wider portfolio of donors and funders and raise box office income, to offset the real term cuts resulting from 10 years of standstill public funding and to continue to grow our charitable output.

Structure, governance and management

Nature of governing document

The charity is constituted as a company limited by guarantee, and is governed by a memorandum and articles of association.

Recruitment and appointment of trustees

The Board of Directors form the governing body. All directors of the company are also trustees of the charity, and there are no other trustees. The Board has the power to appoint additional trustees as it sees fit. Recruitment of new trustees is discussed regularly at Board meetings, with the aim of addressing skills gaps and broadening diversity.

Gate Theatre Company Limited(the)

Trustees' Report

Induction and training of trustees

The recruitment process is led by the Chair. After meeting with the Chair, at least one other Board member and representatives from the senior management team, potential new trustees are invited to attend a Board meeting as an observer. New trustees receive a comprehensive induction pack which includes the Gate's Board member description; our current Business Plan, most recent management accounts, audited accounts and accompanying Directors'/Trustees' Report; the charity's Memorandum and Articles of Association; and the Scottish Arts Council's publication "Care, Diligence and Skill (A Corporate Governance Handbook for Arts Organisations)". Additional training for trustees is arranged if needed.

Organisational structure

In 2017/18, the day-to-day management of the charity was delegated to the senior management team comprising Artistic Director and Executive Director, who also acted as Joint-Chief Executives. These positions were occupied during the year as follows:

Artistic Director: Ellen McDougall

Executive Director: Jo Royce

The charity's Business Plan and annual budgets are subject to Board approval. The senior management team's progress in financial management and health and safety is monitored regularly by sub-committees of the Board of Directors. A Remuneration Sub-Committee of the Board meets annually to consider staff salaries. All sub-committees report directly to the full Board of Directors, who meet quarterly. The Board of Directors are actively involved in recruitment of senior management and lead any recruitment process for the two roles.

In this year the senior management team was supported by three full-time permanent, two full-time temporary, two-part time permanent and one part-time temporary members of staff. Production staff and volunteers were hired on a project by project basis.

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and procedures have been established to manage these risks.

Responsible and ethical fundraising

At the Gate, we are committed to being open, honest and transparent in our fundraising activity - adhering to the Fundraising Promise and registering with code of practice issued the Fundraising Regulator (of whom we are a member) and Charity Commission guidance.

The Gate's fundraising activity is led by the Head of Development, overseen by the Executive Director who takes due care to report to the Board on a quarterly basis.

The Gate's donor charter is accessible on our website and a section of the Gate's Privacy Policy is dedicated to protection of data gathered for fundraising purposes (in line with Data Protection and GDPR regulations). This makes clear the process for complaints relating to fundraising and our commitment to consent and communicating with donors and prospects in a non-intrusive way. The Gate's Ethical Policy also makes clear the Gate's approach to balancing the financial needs of the organisation with our wider, ethical responsibilities, something that is governed at Board level.

Gate Theatre Company Limited(the)**Trustees' Report**

Financial instruments*Objectives and policies*

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

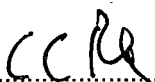
The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 19 July 2018 and signed on its behalf by:


.....
Charles Prideaux
Trustee

Gate Theatre Company Limited(the)**Statement of Trustees' Responsibilities**

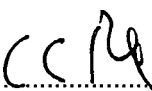
The trustees (who are also the directors of Gate Theatre Company Limited(the) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

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

Approved by the trustees of the charity on 19 July 2018 and signed on its behalf by:


.....
Charles Prideaux
Trustee

Gate Theatre Company Limited(the)**Independent Auditor's Report to the Members of Gate Theatre Company Limited(the)**

Opinion

We have audited the financial statements of Gate Theatre Company Limited(the) (the 'charity') for the year ended 31 March 2018, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its results 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charity'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 auditor's 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.

Gate Theatre Company Limited(the)

Independent Auditor's Report to the Members of Gate Theatre Company Limited(the)

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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 16], the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

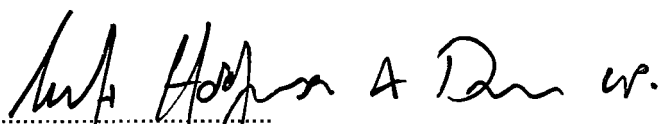
Gate Theatre Company Limited(the)

Independent Auditor's Report to the Members of Gate Theatre Company Limited(the)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Adam Hickie FCA CTA (Senior Statutory Auditor)
For and on behalf of Lucraft Hodgson & Dawes LLP, Statutory Auditor

2/4 Ash Lane
Rustington
West Sussex
BN16 3BZ

Date: 23/09/2018

Gate Theatre Company Limited(the)

**Statement of Financial Activities for the Year Ended 31 March 2018
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

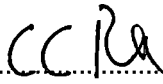
	Note	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income and Endowments from:					
Donations and legacies	3	411,638	85,365	497,003	494,105
Charitable activities	4	169,966	-	169,966	200,676
Other trading activities	5	130,297	-	130,297	19,462
Investment income	6	1,055	-	1,055	1,651
Total Income		712,956	85,365	798,321	715,894
Expenditure on:					
Raising funds	7	(109,070)	(3,853)	(112,923)	(55,622)
Charitable activities	8	(576,671)	(86,153)	(662,824)	(715,213)
Total Expenditure		(685,741)	(90,006)	(775,747)	(770,835)
Net income/(expenditure)		27,215	(4,641)	22,574	(54,941)
Net movement in funds		27,215	(4,641)	22,574	(54,941)
Reconciliation of funds					
Total funds brought forward		380,776	65,797	446,573	501,516
Total funds carried forward	19	407,991	61,156	469,147	446,575

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2017 is shown in note 19.

Gate Theatre Company Limited(the)**(Registration number: 01495543)****Balance Sheet as at 31 March 2018**

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	15	34,557	40,743
Current assets			
Debtors	16	147,540	124,466
Cash at bank and in hand		376,936	332,090
		524,476	456,556
Creditors: Amounts falling due within one year	17	(89,886)	(50,724)
Net current assets		434,590	405,832
Net assets		469,147	446,575
Funds of the charity:			
Restricted funds		61,156	65,798
Unrestricted income funds			
Designated Funds		162,585	144,809
General Funds		245,406	235,968
Total unrestricted funds		407,991	380,777
Total funds	19	469,147	446,575

The financial statements on pages 20 to 36 were approved by the trustees, and authorised for issue on 19 July 2018 and signed on their behalf by:


.....
Charles Prideaux
Trustee

Gate Theatre Company Limited(the)**Statement of Cash Flows for the Year Ended 31 March 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash income/(expenditure)		22,574	(54,941)
Adjustments to cash flows from non-cash items			
Depreciation	7	17,424	15,499
Investment income	6	(1,055)	(1,651)
		38,943	(41,093)
Working capital adjustments			
Increase in debtors	16	(23,074)	(27,014)
Increase in creditors	17	39,160	287
Net cash flows from operating activities		55,029	(67,820)
Cash flows from investing activities			
Interest receivable and similar income	6	1,055	1,651
Purchase of tangible fixed assets	15	(11,238)	(13,693)
Net cash flows from investing activities		(10,183)	(12,042)
Net increase/(decrease) in cash and cash equivalents		44,846	(79,862)
Cash and cash equivalents at 1 April		332,090	411,952
Cash and cash equivalents at 31 March		376,936	332,090

All of the cash flows are derived from continuing operations during the above two periods.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2018**

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies*Summary of significant accounting policies and key accounting estimates*

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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.

Basis of preparation

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

These financial statements are presented in Sterling, which is also the company's functional currency. The financial statements are rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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 the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

2 Accounting policies (continued)

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2018**

2 Accounting policies (continued)

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	5 year straight line
Office equipment	3 year straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2 Accounting policies (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

2 Accounting policies (continued)

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Accounting policies (continued)

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2018**

2 Accounting policies (continued)

Derivative financial instruments

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds			
	General £	Restricted funds £	Total 2018 £	Total 2017 £
Donations and legacies;				
Donations from individuals	21,238	24,325	45,563	10,093
Gift aid reclaimed	22,457	-	22,457	11,617
Grants, including capital grants;				
Government grants	306,330	-	306,330	306,330
Grants from other charities	-	61,040	61,040	93,043
Regular giving and capital donations	61,613	-	61,613	73,022
	411,638	85,365	497,003	494,105

4 Income from charitable activities

	Unrestricted funds		
	General £	Total 2018 £	Total 2017 £
Theatre production	169,966	169,966	200,676

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2018

5 Income from other trading activities

	Unrestricted funds			
	Designated £	General £	Total 2018 £	Total 2017 £
Fundraising events income;				
Other events income	119,685	-	119,685	14,555
Sponsorship income	6,300	-	6,300	-
Other income from other trading activities & fundraising	-	4,312	4,312	4,907
	125,985	4,312	130,297	19,462

6 Investment income

	Unrestricted funds			
		General £	Total 2018 £	Total 2017 £
Interest receivable and similar income;				
Interest receivable on bank deposits		1,055	1,055	1,651

7 Expenditure on raising funds

a) Costs of generating donations and legacies

		Unrestricted funds				
	Note	Designated £	General £	Restricted funds £	Total 2018 £	Total 2017 £
Regular giving		-	142	-	142	228
Other direct costs of generating voluntary income		63,147	-	-	63,147	4,523
Allocated support costs	9	-	10,988	-	10,988	10,966
Staff costs		4,642	30,151	3,853	38,646	39,905
		67,789	41,281	3,853	112,923	55,622

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2018

7 Expenditure on raising funds (continued)

	Direct costs £	Allocated support costs £	Total 2018 £	Total 2017 £
Costs of generating donations and legacies	63,289	10,988	74,277	15,717
	63,289	10,988	74,277	15,717

8 Expenditure on charitable activities

Unrestricted funds						
	Note	Designated £	General £	Restricted funds £	Total 2018 £	Total 2017 £
Theatre production		11,400	292,694	66,897	370,991	433,411
Staff costs		21,302	138,363	17,679	177,344	183,097
Allocated support costs	9	-	50,411	-	50,411	50,319
Governance costs	9	7,717	54,784	1,577	64,078	48,386
		40,419	536,252	86,153	662,824	715,213
		Activity undertaken directly £	Activity support costs £		Total 2018 £	Total 2017 £
Theatre production		370,991	50,411		421,402	483,730
Staff costs		-	177,344		177,344	183,097
		370,991	227,755		598,746	666,827

£514,170 (2017 - £524,295) of the above expenditure was attributable to unrestricted funds and £84,576 (2017 - £142,532) to restricted funds.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2018**

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds			Total	Total
	Designated	General	Restricted	2018	2017
	£	£	funds	£	£
			£		
Staff costs					
Wages and salaries	1,170	8,271	1,133	10,574	10,972
Social security costs	182	490	-	672	701
Pension costs	13	78	-	91	65
Other staff costs	-	3,834	-	3,834	4,184
Audit fees					
Audit of the financial statements	-	5,668	-	5,668	5,270
Legal fees	-	21,897	444	22,341	8,310
Marketing and publicity	-	61	-	61	22
Depreciation, amortisation and other similar costs	6,352	11,073	-	17,425	15,500
Other governance costs	-	3,412	-	3,412	3,362
	7,717	54,784	1,577	64,078	48,386

10 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2018	2017
	£	£
Depreciation of fixed assets	17,425	15,500

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2018**

12 Staff costs

The aggregate payroll costs were as follows:

	2018 £	2017 £
Staff costs during the year were:		
Wages and salaries	212,082	219,415
Social security costs	13,433	14,023
Pension costs	1,812	1,302
Other staff costs	3,834	4,184
	231,161	238,924

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2018 No	2017 No
Administration	9	11
Production (including cast)	8	13
	17	24

No employee received emoluments of more than £60,000 during the year.

13 Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	5,668	5,270

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2018

15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 April 2017	221,584	142,013	74,932	438,529
Additions	-	11,238	-	11,238
At 31 March 2018	221,584	153,251	74,932	449,767
Depreciation				
At 1 April 2017	221,584	105,048	71,154	397,786
Charge for the year	-	14,114	3,310	17,424
At 31 March 2018	221,584	119,162	74,464	415,210
Net book value				
At 31 March 2018	-	34,089	468	34,557
At 31 March 2017	-	36,965	3,778	40,743

Included within the net book value of land and buildings above is £Nil (2017 - £Nil) in respect of freehold land and buildings and £Nil (2017 - £Nil) in respect of leaseholds.

16 Debtors

	2018 £	2017 £
Trade debtors	8,333	8,833
Prepayments	80,134	36,135
Other debtors	59,073	79,498
	147,540	124,466

17 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	27,425	17,035
Other taxation and social security	5,429	3,999
Other creditors	5,003	491
Accruals	52,029	29,199
	89,886	50,724

Gate Theatre Company Limited(the)

Notes to the Financial Statements for the Year Ended 31 March 2018

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,811 (2017 - £1,302).

19 Funds

	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Balance at 31 March 2018 £
Unrestricted funds				
General	235,968	586,971	(577,533)	245,406
Designated	144,808	125,985	(108,208)	162,585
Total unrestricted funds	380,776	712,956	(685,741)	407,991
Restricted funds	65,797	85,365	(90,006)	61,156
Total funds	446,573	798,321	(775,747)	469,147

	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2017 £
Unrestricted funds					
General	233,001	614,776	(554,809)	(57,000)	235,968
Designated	150,470	-	(65,661)	60,000	144,809
Total unrestricted funds	383,471	614,776	(620,470)	3,000	380,777
Restricted funds	118,045	101,118	(150,365)	(3,000)	65,798
Total funds	501,516	715,894	(770,835)	-	446,575

Gate Theatre Company Limited(the)**Notes to the Financial Statements for the Year Ended 31 March 2018**

20 Analysis of net assets between funds

	Unrestricted funds			
	General £	Designated £	Restricted funds £	Total funds £
Tangible fixed assets	21,852	12,705	-	34,557
Current assets	312,790	150,530	61,156	524,476
Current liabilities	(89,236)	(650)	-	(89,886)
Total net assets	245,406	162,585	61,156	469,147

21 Analysis of net funds

	At 1 April 2017 £	Cash flow £	At 31 March 2018 £
Cash at bank and in hand	332,090	44,846	376,936
Net debt	332,090	44,846	376,936