

Company Registration Number 01077517

Charity Registration Number 501935

THE DUKES PLAYHOUSE LIMITED

**AMENDED ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2017

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THE DUKES PLAYHOUSE LIMITED

Annual Report and Financial Statements

CONTENTS

	Page
Trustees annual report	
Reference and administrative details	1
Structure, governance and management	2
Objectives and activities	3
Achievements and performance	4
Financial review	10
Public benefit	12
Plans for future periods	13
Trustees' responsibilities	14
 Independent auditor's report	 15
 Statement of financial activities	 17
 Balance sheet	 18
 Statement of cash flows	 19
 Accounting policies	 20
 Notes to the financial statements	 23

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006
For the year ended 31 March 2017

The amended accounts replace the original accounts and are now the statutory accounts of the charitable company for the year ended 31 March 2017. They have been prepared as at the date of the original accounts and not as at the date of the amendment and accordingly do not deal with events between those dates.

The change made to these amended accounts is in respect of the disclosure of restricted and unrestricted reserves in the Trustees' annual report to agree to the restricted and unrestricted reserves in the financial statements.

The Trustees are pleased to present their report together with the financial statements of the charity for the year ending 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 501935
Company number: 01077517 (England)
Principal Office: The Dukes, Moor Lane, Lancaster, LA1 1QE
Website: www.dukes-lancaster.org
Artistic Director: Joe Sumsion (until 6 January 2017)
Sarah Punshon (in office from 8 May 2017)
Executive Director: Ivan Wadeson

The Artistic Director and Executive Director have responsibility for day-to-day management of the charity on behalf of the Trustees.

Auditors	CLB Coopers Audit Services	Fleet House, New Road, Lancaster LA1 1EZ
Bankers	NatWest	68 Church Street, Lancaster, LA1 1LN
Solicitors	Holdens	2 Castle Hill, Lancaster, LA1 1YR

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year end were as follows:

Lancaster City Council Nominees:	Cllr M E Blamire Cllr A Biddulph Cllr C Cozler Cllr J Leyshon	
Lancashire County Council Nominees:	Co Cllr N D Penney Co Cllr S M G Charles Co Cllr C Henig Co Cllr J R C Lawrenson	Resigned 6 March 2017 Resigned 6 March 2017 Resigned 6 March 2017 Resigned 6 March 2017
Co-opted Trustees:	Alan Halton-Yeo G F Rycroft J K Gardner Carolyn Reynolds Nick Brooks-Sykes J R Chell Maya Dibley	Resigned 4 October 2016
Secretary:	I Wadeson	
Chief Executive Officer:	J Sumsion (until 6 January 2017) I Wadeson (from 6 January 2017)	

THE DUKES PLAYHOUSE LIMITED

**Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006
For the year ended 31 March 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Dukes Playhouse Limited is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 19 October 1972 and amended 21 January 1999 and 6 September 2005 to allow for current governance arrangements. It is registered as a charity with the Charity Commission. The Company is a Private Company and there are currently 9 Members.

Appointment of Trustees

As set out in the Articles of Association there is a Board of Directors of the company who are Trustees of the charity. Lancaster City Council and Lancashire County Council each nominate four Trustees. One Trustee is appointed by the company in General Meeting. The Trustees have the power to co-opt up to seven further members, at least two of which shall have direct connections to the primary objects of the company as set out in the Memorandum & Articles of Association. The appointed and co-opted members may serve on the Board for a maximum of four years and may then offer themselves for reappointment for a further four years.

The appointment of Trustees follows the Dukes recruitment and selection procedure with advertisements seeking new Trustees advertised widely and highlighting any specialist skills required.

Nominees appointed by Lancaster City Council and Lancashire County Council are subject to the appointment processes of those bodies and the guidelines on appointment to public office as they apply to Local Government nominees. In March 2017, Lancashire County Council informed The Dukes that they would be withdrawing appointed Trustees as part of a range of measures aimed to streamline County Council services during a period of budget reduction. It is not envisaged this will lead to any changes in the governing documents of The Dukes but a Board sub-group will be considering any other implications during 2017-18.

Trustee induction and training

New Trustees are provided with an induction pack which includes the Financial Regulations, the Dukes Framework Document, Memorandum & Articles of Association, Business Plan, and recent Financial Statements. These documents provide information on their legal obligations under charity and company law. New Trustees are invited to meet the Director and to discuss these documents as part of their induction and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees which can have up to 16 members administers the charity. The Board met three times during the year in addition to the Annual General Meeting of the company held in November 2016. In October 2016 the Board also met with the Management Team for an 'away day' to consider the priorities for the Company's Arts Council England National Portfolio application.

The Strategic Policy & Governance Committee (SPGC), which was formed in 2007-08 met four times during the year and consists of up to eight board members including the Chair. The SPGC is designed to provide support to the management of The Dukes and meets and works closely and regularly with the Executive Director and Artistic Director and their senior management team and is accountable to the full Board to whom reports and papers are made fully available. The terms of reference of the SPGC are in accordance with the Memorandum and Articles of Association.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

The preparation of the updated three year business plan was approved by the Board in March 2016. The management of Health and Safety is undertaken by a committee of Dukes staff which meets four times a year and reports directly to the Board of Trustees.

The Trustees agree the three year business plan, the artistic and creative learning policies and annual budget. The annual business plan includes a programme of activity to deliver against the charity objectives and policy aims. Delivery of this plan is delegated to the Artistic and Executive Directors.

Pay and remuneration for the charity's key management personnel is set by the Trustees with appropriate external advice and with benchmarking against other local arts and cultural organisations.

Related parties

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager with a production company, contracted actor, exhibitor or performer must be disclosed to the full Board in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Lancaster City Council and Lancashire County Council provide essential annual investment in the charity in support of its charitable objectives, its artistic programme and its creative learning work with young people and vulnerable adults in the District and the County. Both organisations promote the work of the charity in their Visitor Information Centres and through printed and electronic communications. Both organisations nominate Trustees and a summary of transactions with both organisations is set out in note 21 to the financial statements.

The charity's wholly owned subsidiary, DP Moor Lane Productions Limited, has been established to operate future productions at The Dukes but is currently inactive – see note 10 to the financial statements.

OBJECTIVES AND ACTIVITIES

The objects of the company are:

- To promote and advance artistic and aesthetic education and the public appreciation of the arts of drama, literature, poetry, opera, mime, music and ballet, whether presented by living persons on the stage or by films, broadcast, television or other forms of mechanical reproduction.
- To manage a Theatre which will be at the service of the whole community and to carry on the business of the management of repertory players with a view to raising the general standard of dramatic production in any part of the world and educating the taste of the public and for that purpose to act, perform, produce, organise, promote, manage, conduct, broadcast, televise, film or present play readings, poetry readings, plays, operas or other dramatic or musical works of cultural, educational or literary merit, or films, concerts, lectures or exhibitions of such plays, operas or other dramatic works at popular prices and produce new musical works and plays of merit and to further the development of modern drama and music and to produce translations of representative works of foreign drama, ancient and modern, of like character.
- To stimulate the arts of acting and music through the varied opportunities that will be offered to the members of the Duke's Playhouse Limited and to promote both the education and training of students by the institution and award of scholarships, grants, medals and other prizes or benefactions.
- To stimulate public awareness and appreciation of the visual arts and, for that purpose, to carry on the activities of a holder of exhibitions of visual works of art, to be open to, and available for the use and enjoyment of members of the general public.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

The Trustees are satisfied that each of the objects outlined above falls within the charitable purposes listed in the Charities Act 2011, in particular:

- the advancement of the arts, culture, heritage or science
- the advancement of education.

The strategies for achieving these objectives and activities are contained within the charity's three year business plan 2015-18. The business plan sets out five aims for the charity and then sets out artistic, creative learning and financial policies, programmes of work and objectives for each aim. The Trustees approve the three year plan (and any subsequent annual updating) and instruct the Artistic and Executive Directors to implement these plans.

The objectives and targets within the business plan are the measures of success for the charity in delivering its charitable objectives and activities. Progress on achieving these is reported to the Trustees within Board meetings. Additional information is gathered from artistic evaluation, audience and stakeholder feedback and audience and participant feedback.

Volunteers

In 2016-17 The Dukes continued its engagement with volunteers. All performance events and film screenings now involve volunteer attendants (supervised by professional staff) and our volunteers work with us in other ways too; helping us market our work, attending outdoor events and fundraising. Our volunteer pool continues to grow and diversify: approximately 65 people regularly volunteer plus another 100+ volunteered for Light Up Lancaster.

Volunteers themselves benefit from working with us in a number of ways, including socially, the enriching experience of working within a vibrant cultural organisation, and potentially enhanced career opportunities. Volunteers working with our Creative Learning department gain experience in working with young people, hard to reach groups and vulnerable adults, providing them with numerous transferable skills in people/project management, teaching, creative workshop facilitation, social and youth work practice. A significant number of FE/HE students have volunteered with the department as part of their ongoing education/learning journey and attained degrees and post graduate qualifications, with some volunteers then securing paid employment in the creative industries in part due to the 'real world' experience gained whilst volunteering.

We thank all our volunteers for their valuable support.

ACHIEVEMENTS AND PERFORMANCE

The measures the business plan set for 2016-17 are against the following priorities:

Primary Corporate Priority: Becoming Financially Robust

- 1 – Develop, produce and present inspiring work, inside and beyond our buildings
- 2 – Become an excellent employer
- 3 – Increase the number and diversity of our audiences and participants
- 4 – Become a Learning Theatre
- 5 – Transform our buildings, creating an iconic arts facility for Lancashire

Progress against objectives

In 2016-17 the company continues to deliver consistently with 138,785 participations and attendances, a total directly comparable to the figure the previous year. In 2016-17 we delivered 1,655 performance and exhibition days, a 9% increase on last year, including 85 new commissions or productions (a 50% increase). Our core catchment area is up to an hour's drive time from Lancaster - which increases for the Park Show.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

26 participatory programmes delivered over 18,000 participations across four strands of work: Youth Theatre, Inclusive Practice, Schools and Engagement. All youth theatre and inclusive strands work towards a professionally-supported production or sharing event. This year we introduced new inclusive and engagement activities: Prime Time over 55s drama, Still Me memory loss drama group and Stepping Stones Pupil Referral Unit Comic Art Literacy.

This is alongside continuing programmes for young people with learning disabilities, those affected by street homelessness, young women from Gypsy, Roma and Traveller communities; and development work with our Deaf Drama Group to tour a new production in April 2017.

Beneficiaries	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Audiences for Live Performances and Events	52,073	58,403	61,359	64,135	54,402	59,788	50,664
Young people's participations	14,917	13,899	21,572	19,721	31,048	19,440	17,630
Light Up Lancaster participations	3,099	1,897					
Attendances at film screenings/film education events	41,197	36,522	32,282	29,859	29,663	33,485	29,614
Attendance at arts exhibitions	17,449	18,217	18,620	21,587	17,131	18,833	16,759
Estimated additional admissions	10,000	10,000	7,000	7,850	-	750	-
Total audiences/participations	138,735	138,939	140,833	143,152	132,244	132,296	114,667

Progress Against Objective 1 – Develop, produce and present inspiring work, inside and beyond our buildings

The Artistic Policy reflects The Dukes belief that, at its best, theatre, film and the performing arts have the power to change people's lives for the better. It positions The Dukes as a producing theatre, a creativity centre and a cultural resource for Lancashire, with a real commitment to partnership working.

We created a number of high quality home-grown productions, including:

"A Grimm Evening", April 2016, adapted from Carol Ann Duffy's Grimm Tales, directed by Ruby Henderson. A new production from our Junior Youth Theatre & Playmakers groups, ages 7-11.

"Second Person Narrative", April 2016, written by Jemma Kennedy, co-directed by Jonny Randall & Ruby Henderson. Presented by our Senior Youth Theatre, ages 11-15.

"Journeys", April 2016. A celebration event organised by our Gypsy Roma Traveller Community group for their parents and friends including the first screening of the 'Our Voice' film the young women created

"Robots Rule The World", May 2016, directed by Jilly Sumsion. A cautionary tale about the near future using music, comedy, dance and storytelling from Shattering Images, our theatre company for young adults with learning difficulties.

"The Hobbit", July-August 2016. A new adaptation by Kevin Dyer for open-air walkabout performance in Williamson Park, directed by Joe Sumsion.

"The Ockerbys on Ice", October 2016, by Debbie Oates. A new play exploring the world of cryonics directed by Joe Sumsion.

"After The Floods", December 2016, a theatre piece devised by Alternative Outcomes, our street homeless theatre group.

THE DUKES PLAYHOUSE LIMITED

**Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006
For the year ended 31 March 2017**

"**Pinocchio**", November 2016 – January 2017, a new adaptation by Christopher William Hill, directed by Louie Ingham.

"**I Was A Wife**", February 2017, a re-staging of this well-received new play by Polly Lister, re-directed by Stefan Escreet. The show also toured to Theatre By The Lake Kewstoke and Chipping Norton Theatre.

"**Monsters Register**", a new production from our Playmakers A and B groups (aged 7 and upwards), directed by Liam McCormick

"**Macbeth**", a new staging of Shakespeare's tragedy by our Young Actors, directed by Liz Stephenson.

The quality of our work remained strong, reflected in strong critical perception and recognition of the work:

The Hobbit won the UK Theatre Award For The Best Production For Children and Young People in 2016.

"There's something endearingly Hobbit-like about an industrious regional theatre taking on Jackson's \$675m juggernaut and holding its own." The Guardian, 4 stars.

"It's one of the most audacious and effective stagings of these Dukes theatre outdoor walkabout productions seen in some years." British Theatre Guide.

I Was A Wife: "The Dukes commitment to nurturing and developing new writing has resulted in a bold, funny and poignant play with a terrific performance from Polly Lister." The Reviews Hub

The Ockerbys On Ice by Debbie Oates: "The Dukes has put together a funny, smart and heartwarming show, full of memorable sounds and images." Northern Soul.

Pinocchio adapted by Christopher William Hill: "Enchanting, challenging new version of a much-loved tale." The Stage, 4 stars

Visiting theatre and performance

We increased the quantity of work by BAME writers and performers on our stages: **With a Little Bit Of Luck** by Sabrina Mahfouz, (Paines Plough); **Layla's Room** by Sabrina Mahfouz (Theatre Centre); **Taking Flight**, a touring festival of British East Asian work from Red Dragonfly Productions; **The Chef Show** by Nick Ahad (Ragged Edge Productions) and **Made In India** by Satinder Chohan (Tamasha).

Inclusive Theatre

We staged two professionally-supported productions for marginalised communities. Street homeless theatre group **Alternative Outcomes** devised a theatre piece based on **Storm Desmond**: six public performances in Lancaster sold out and the show toured to homeless shelters in Preston, Morecambe, Blackpool, Liverpool and Manchester. **Shattering Images**, our theatre company for young adults with learning difficulties, devised and created **Robots Rule The World** with a professional director-writer for 3 public performances.

Independent Cinema

The Dukes Cinema continued to build upon the past few years of success. In 2016/17 we held 759 screenings of cinema and stage on screen, both at The Dukes and at locations around Lancaster. In 2016/17 our programme of new releases offered Lancashire audiences the best that the release schedules had to offer. Key titles include Ken Loach's hard-hitting drama **I, Daniel Blake** which was seen by 2209 people, and Hollywood musical **La La Land**. The performances of both films were bolstered by us being able to make initial two-week bookings.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

We had a strong year for documentary releases, in particular My Scientology Movie and The Beatles: Eight Days a Week. The latter overtook Amy as our best-selling documentary of the decade so far. Throughout the year we had a particular focus on International film. With the support of Film Hub North West Central funding we created a new Marketing Role to focus on increasing audiences for world cinema title. The project had a demonstrable impact: audiences for world cinema were up by 55% over 2015/16 and Pedro Almodovar's Julieta became our best-selling foreign language film since 2011.

The Dukes presented a broad range of film seasons and events. We brought national celebrations of cinema to Lancaster with seasons tying into Shakespeare on Film, Roald Dahl on Film, and the British Film Institutes's Blockbuster season Black Star. We also screened titles from the UK Green Film Festival and in November welcomed several schools through the doors as part of the Into Film Festival. In Autumn we brought the touring LGBTQ festival POUTFest to Lancaster in partnership with Lancaster and Morecambe's Out in the Bay.

In addition to our Dukes-based film programme we held four off-site screening events.

We presented two atmospheric live music and film events – Nosferatu outdoors at Lancaster Castle's courtyard and The Passion of Joan of Arc in Lancaster Priory. Both screenings were accompanied by newly created scores performed live by Ric Smithson and Lee Affen. Joan of Arc marked the 5th film Lee and Ric have scored for The Dukes and the excellence of the score and performance was a testament to their artistic progression.

In October, we partnered with the Vintage by the Sea Festival and the North West Film Archive to present Morecambe on Film, a sold out evening of archive footage, screening at The Platform in Morecambe. Film Hub North West Central funding enabled us to bring the Incredible Moving Picturehouse back to the Lancaster so we could continue our film programme while we had theatre on.

We hosted a selection of Q&As - from satellite broadcast events with filmmakers such as Kenneth Branagh, Louis Theroux, Michael Moore and Werner Herzog to in-house events with Alice Lowe, writer and director of Prevenge, and the filmmakers behind Under the Shadow, Battle Mountain and Android in La La Land. Our guest for Under the Shadow, Oliver Roskill went on to win Outstanding Debut by a British Writer, Director or Producer at the BAFTAs.

We continued our commitment to offering audiences the opportunity to see classics on the big screen, This year we had presentations of Three Colours Trilogy, Stormy Weather, Dr Zhivago, Barry Lyndon and To Kill a Mockingbird, amongst others.

Following several requests, we re-introduced Parent and Baby screenings. Audience numbers have been variable but have stabilised at a sustainable rate for recent screenings.

"I can't believe I've actually been to the cinema! This was the first time since I had my 7months old boy...Thank you" Facebook comment

It was a solid year for Stage on Screen events. Popular titles included No Man's Land and Amadeus from National Theatre Live and The Nutcracker which screened in the Bolshoi Ballet strand. After a dip in attendances in the first quarter of the year, audiences both backed to encouraging levels later on and The Dukes remains one of the strongest performances in this area amongst regional cinemas.

Light Up Lancaster

The Dukes took on the role of lead producer on behalf of Lancaster Arts Partners for Light Up Lancaster. This event included over 100 volunteers and many new commissions. The independent evaluation of 2016's event estimated over 23,000 attendances over the two days of the festival with an additional 3,099 participations in activities before and during the weekend.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006
For the year ended 31 March 2017

Progress Against Objective 2: Becoming An Excellent Employer

In 2016-17 the charity

- ran an auto-enrolment pension scheme and went beyond the minimum legal requirements
- ensured all staff undertook an annual appraisal and performance review
- updated the Equality Action Plan including areas that impacted on recruitment and working conditions
- delivered four company meetings during the year in addition to regular management team and staff meetings
- delivered CPD training sessions in-house.

Senior staff changes were handled smoothly:

A new, permanent Production Manager, Graeme Brown, joined the company in July 2016

A new Artistic Director, Sarah Punshon, was successfully appointed in November 2016 following the decision of Joe Sumsion to stand down after nine years at The Dukes.

<https://dukes-lancaster.org/new-dukes-artistic-director-announced/>

Progress Against Objective 3 – Increase the number and diversity of our audiences and participants

Audiences and Participations

Our combined admissions and participations of 138,785 is comparable to last year's and very pleasing to achieve in a year of political upheaval and mixed consumer confidence. Participations were down slightly at 18,016, reflecting a concentration on quality of engagement, and remain impressive for an organisation of our scale.

We attract a wide range of audiences: the largest proportion (28%) being the highly engaged 'Dormitory Dependables' through to less engaged segments e.g. 'Home and Heritage' segment (11% of our audiences).

Our Christmas offer attracts the less engaged: 'Home and Heritage' (15%) and 'Up Our Street' (10%), both increases on the previous year. Light Up Lancaster also reached new & infrequent attenders: 1 in 10 said they 'rarely or never' attend arts & cultural events, a further 16% do so only once or twice a year. 20% of all tickets booked during 2016/17 (15,691) were for under 18s, compared to 17% (13,889) in 2015/16.

We continue to grow the number of audiences with disabilities, with 12% of our audiences identifying themselves as having day to day activities limited by disability.

Engaging Marginalised Communities

Most engagement activity is aimed at marginalised communities and those with least access to the arts including:

- Working with Lancashire Youth Offending Team and Lancaster & Morecambe CAMHS to develop a school touring production focusing on mental health.
- Working with Key Stage 2 in Pupil Referral Units to engage young reluctant writers through the development and creation of their very own comics. This project also encouraged self-control and anger management.
- Working with young women from Gypsy, Roma and Traveller communities to create a 'Charter for Change', taking a peer education resource and film to other GRT groups, communities and schools throughout Lancashire
- For our Collaborative Schools Festival of 112 participants 83% were from low socio-economic areas and 40% attracted Pupil Premium.
- Dementia-friendly film screenings and creative sessions supported over 2,000 participations from those living with memory loss and their families who are subject to social isolation.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

"As I started coming regularly to the drama sessions I've gradually built my confidence back up whilst making this show & going on tour. Now I feel I'm actually back in society as a person not just a statistic." Tony Swaine, Alternative Outcomes member

Many of our creative engagement and outreach projects include theatre tours and the opportunity to see live theatre, often for the first time. We provide progression routes for participants from our community work and this year three people entered our Young Creatives or Youth Theatre bursary places via this route

Feedback from Carolyn Entwistle, Senior Manager, Lancashire Youth Offending Team:

"Thank you for your contribution to Lancashire's YOT County Day. The presentation that you delivered helped make the day truly valuable for staff. You have re-sparked the creative thinking in staff working with young people with lots of ideas being generated that we will be taking forward.

I thought you might like to see some of the feedback from staff in particular about your presentation, comments included:

'An inspiring young person. The Dukes are brilliant at their community engagement.'

'I think what the Dukes do for young people is very exciting and could be a big help for some young people in giving them confidence and helping them to express themselves.'

'This was inspirational.'

Our work in dementia arts practice and dementia-friendly film is being rolled out nationally. In 2016 our first partner venues were Picturehouse at FACT; Wern Town Hall; Chorley Little Theatre; Ludlow Assembly Rooms, and Light Cinema in New Brighton. In 2016-17 we extended this to include Venue Cymru in Conwy, Oldham Coliseum and other UK Light Cinema venues including Wisbech, Cambridge, Walsall, Bolton, Thetford and Sheffield.

The Dukes seeks feedback from its audiences and participants directly and via external evaluation. We expect audiences to experience the same depth and quality regardless of the status of the performers, whether 'professional' or 'community'. E.g. audience feedback for street homeless theatre performance *After The Floods*: "A very special theatrical event. Moving, clever, engaging, emotional. Loved the intensity and proximity... The actors were all so engaging and what a wonderful ending."

As of January 2017, The Dukes has 4.5 stars out of 5 and a Certificate Of Excellence on TripAdvisor:

"This has been one of my favourite places in Lancaster for many years. Such a great range of theatre and film in a great atmosphere. From mainstream to a little obscure the Dukes has it all." October 2016, Gemma D

"An amazing artistic venue, great theatre, independent cinema, live streaming and more. A real asset to Lancaster." August 2016, David R

Engaging Children, Young People and Schools

Creative Lounge, our Teachers Network meets 4-5 times a year with between 20-28 teachers across primary and secondary attending. This is supported by Curious Minds through attendance, training and awareness sessions. In this year Curious Minds delivered sessions on Local Cultural Education Partnerships and how the network could be part of that steering group; a session on Artsmark; and a follow-up dedicated Artsmark Development Day at The Dukes.

Curious Minds co-funded a six month Digital Arts Administration Internship with Lancashire County Council Business Enterprise team. One of our Young Creatives One of our Young Creatives progressed from this development programme to become a Curious Minds Young Ambassador.

The Dukes is a Registered Arts Award Supporter Centre which is promoted visibly on The Dukes website and our marketing print. Arts Award is embedded into two of our key programmes for young people with limited experience or access to the arts:

Young Creatives – this development programme features weekly drop in sessions for Bronze, Silver and Gold Awards. In this year, eight young people registered for Silver and three for Gold. Arts Box and Arts Award Voice is promoted by The Dukes for the Young People to digitally upload their portfolio of work.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

Our Schools Collaborative festival supported schools in registering as Arts Award Leaders and delivering Arts Awards. The performance used themes and concepts from The Hobbit to explore modern day quests and barriers young people needed to overcome to achieve their personal, social and educational goals. Five new schools registered, with 82 achieving Bronze Awards and 10 Silver Awards.

A further 53 Bronze, 3 Silver, 1 Gold and 38 Explore Awards were achieved via our engagement work with young women from the Gypsy, Roma and Traveller communities, Young Carers and Pupil Referral Units.

Media Profile:

Radio & TV: 33 radio (R. Lancs, Oxford, Merseyside, The Bay, Beyond Radio, Asian Network. That's Lancashire TV).

National press: 6 (The Guardian, The Observer, Guardian Travel, Travellers Times)

Regional press: 487 (Craven Herald, Blackpool Gazette, Oxford Times, Banbury Guardian, Wilts & Gloucestershire Standard, Westmorland Gazette, Shields Gazette, Oxford Mail, Mid Sussex Times, Wilts Society, South Wilts mag, Portsmouth Team locals, Salisbury Journal, Portsmouth News, Lancaster Guardian, LEP, Visitor, Garstang Courier, Lancaster Mag, Big Issue, Lancashire Life, Burnley Express, Lancs Telegraph, Chorley Citizen, Prestwich & Whitefield Guide)

Trade: 16 (Arts Industry, The Stage, Arts Professional)

Online: 85 (Guardian online, Reviews Hub, Whatsgoodtodo, Lakes UK, Virtual Lancaster, British Theatre Guide, Netmums, BBC Online, SCAN, Northern Soul, Mini Travellers, Bride, North West End.)

Total press cuttings: 627 (this has to be approx as some cuttings will be missed)

Progress Against Objective 4: Become A Learning Theatre

Significant progress has been made with Lancaster University on developing joint teaching and learning. In October 2016 a ten week module on Writing For The Stage for 2nd year Creative Writing students was co-delivered between LU academic staff and Dukes artistic staff. The course engaged stage directors, writers and professional actors in addition to academic staff. Course feedback was very strong. This module and a new one on Adaptation will be run in the academic year October 2017. Planning is underway on a potential co-designed and co-delivered Theatre Studies degree to be delivered from October 2019-20.

Progress Against Objective 5: Transforming Our Buildings

In 2016-17, The Dukes supported Lancaster City Council in their bid to Arts Council England's Large Scale Capital bid for Arts Hub Lancaster, a new cultural centre for the District.

Progress Against our Primary Corporate Objective with regard to financial robustness is shown in the Financial Review section below.

FINANCIAL REVIEW

The Dukes is pleased to report a surplus at the year-end of £24,211. This takes our unrestricted reserves to £47,814 (this was £17,383 at 31 March 2016 and a negative figure the previous year) and our restricted reserves to £135,508. The Dukes is delivering against its number one corporate objective of achieving financial resilience.

Public funding at The Dukes from Lancaster City Council, Lancashire County Council and ACE now equates to 28% of total income, down from 33% in 2014-15. This was the third year of The Dukes three year Arts Council England funding as a National Portfolio Organisation, one of only 9 in Lancashire from a national portfolio of 664.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

With County Council funding on a planned reduction, The Dukes prioritised increasing earned income and diversifying investment sources. In 2016-17, The Dukes successfully exceeded the targets set for income from tickets for the park show (£248K achieved against a target of £215K) and for the Christmas show (£121K achieved against a target of £108K). We are maintaining the number of live-by-satellite and film screenings from 2015-16's highpoint to provide another robust income stream.

Individual giving grew in the year too. The number of Dukes Friends at March 2016 was 1064. By 31 March 2017, this total had risen to 1141 plus nearly 40 other higher level givers. Individual giving through membership fees alone generated just short of £45K in this year. The company is grateful to all individuals – Friends, Patrons and Guardians – who give regularly to support the work of The Dukes and to safeguard the future of the company.

The Dukes continues to be successful in attracting alternative investment from trusts and foundations including awards this year from D'Oyly Carte Foundation and Granada Foundation in addition to the current three year awards from Esmée Fairbairn Foundation and the Rayne Foundation. We also received support from Film Hub North West and Central and in January 2017 a three year extension to the Cultural Partnership with the University of Lancaster was signed. We thank them all and our three public funders for their continued and invaluable support.

The Trustees are aware of future challenges through reduced public investment in the arts but have plans in hand to mitigate the impact of these and that the charity will remain a going concern in the forthcoming twelve months.

Risk management

Following the review visit by the Charity Commission in September 2005 the Trustees developed a risk management strategy to include:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

2017-18 is the last financial year that The Dukes receive annual investment from Lancashire County Council. The charity's business plan for 2018-22 identifies increases earned income and individual giving to counter this reduction and continue to allow The Dukes to thrive.

Cash flow and liquidity risks remain for The Dukes in 2017-18. The financial performance in 2016-17 helps reduce some of the risk. Expenditure is set in line with anticipated income and quarterly payments from our investment partners. Cash flow reporting is updated monthly and is reported to SPGC and Board meetings so is proactively reviewed and managed.

Investment powers and policy

In the Memorandum & Articles of Association the charity has the power to invest any monies not immediately required in any way as may be thought fit.

Reserves policy

At 31 March 2017 the amount of general unrestricted funds (reserves) was £47,814; and restricted funds was £135,508.

The Board's current strategy is informed by balancing the need to build up a sufficient reserve in the medium term with the services and outputs demanded by funders and customers alike in the short term, during a difficult economic climate throughout the country.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

The Budget for the five years to 31 March 2019 has been set with these services and demands as the priority and the forecast level of general unrestricted funds at 31 March 2019 of £61,921.

This budget will allow the company to continue to operate and the reserves over this period are to support running costs in the event of a drop in income to enable the Dukes to have the ability to take necessary remedial action.

Ideally the company would aim to have free unrestricted funds of three to six months running costs totalling £200,000 but the Board believes that this figure may not be achievable in the short to medium term for the reasons outlined above but see it as essential to not lose focus on the need to build reserves.

The level of reserves is monitored and reviewed at each meeting of the Board's Strategic Policy and Governance Committee, the minutes of which are submitted to all Board members and the three main funders.

EBITDA

These accounts on page 25 reconcile the net movement in funds to EBITDA, a non-statutory measure which the Directors and Trustees consider an appropriate measure in assessing the performance of the company. EBITDA is defined by the Directors and Trustees as net movement in funds before interest, depreciation, amortization and exceptional items. It is therefore useful to show financial performance in a given year separate to these and exceptional items, whilst at the same time the company looks at longer term strategies for building up appropriate reserves.

PUBLIC BENEFIT

The Dukes does not restrict any member of the public from enjoying its performances though as a regional arts organisation it is not surprising that the majority of customers are from Lancashire. Our audience research shows that:

- 64% of bookers came from the Lancaster District, with clusters in Morecambe, Lancaster and outlying villages
- 85% of bookers came from across Lancashire (with bookers from every administrative district)
- 25% of Dukes audiences were under 24 years of age
- 1.3% of audiences identified as non-White
- 14% of audiences classified themselves as having a disability

In terms of encouraging those on low incomes to benefit from the Dukes' productions, Trustees have to balance their strategy of increasing earned income with concessions offered to this section of the public.

The following is a list of opportunities for enjoying Dukes' productions at a cost below the advertised full price of attendance:

PREVIEWS	- Preview tickets available for all Dukes productions, ranging from £9 - £15
CHILD	- between half and two thirds of the full price ticket
STUDENT, UNEMPLOYED, OAP	- £2 off all performances
DISABLED	- £2 off all performances (with free carer ticket on request)
SMALL GROUPS 10+ people	- £1 discount per ticket purchased,
LARGE GROUPS 40+ people	- £2 discount per ticket purchased
YOUNG PEOPLE'S PASS (YPP)	- £5 tickets for those aged 26 or under (limited availability)
EQUITY	- CONCESSION RATE APPLIES
EARLY BIRD OFFERS	- £2 off if tickets purchased in advance before a specific date
FRIENDS	- One Half Price night for all home grown productions plus at least £1 off all events.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006 For the year ended 31 March 2017

In addition we identify opportunities throughout the year to engage community groups highlighted as having low income and low engagement with the arts through events such as dress rehearsals.

The Trustees believe that the policy, activities and outcomes described above ensure that the charity meets both the spirit and the letter of the Public Benefit requirements.

The Trustees of The Dukes Playhouse Limited believe they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

PLANS FOR FUTURE PERIODS

The Dukes has developed a new four year business plan for 2018 onwards which will see us working to a new investment model that takes into account the cessation of revenue funding from Lancashire County Council. The preparations made by The Dukes between 2013 & 2016 to work with a plurality of investment partners and to grow a strong base of individual giving means we have a new funding base on which we can maintain & expand our creative endeavours led by new Artistic Director Sarah Punshon with renewed confidence & vigour.

On 27 June 2017, The Dukes was confirmed as part of Arts Council England's new National Portfolio which ensures annual revenue funding between now and 2018. The investment model for 2018-2022 around this core funding builds resilience & growth in earned income, fundraising and alternative sources of investment. Specific initiatives to deliver this include

- Increasing the capacity of our Development team by 50% to grow the base of individual giving and introduce additional fundraising events throughout the year
- Continuing to grow the box office success of our key seasonal offers in summer and park. In the last two years, we increased the box office takings of the park show from £187K to £248K and of the Christmas show from £96K to £121K. 2017 looks to repeat this growth with advance sales for Treasure Island in summer and Aladdin at Christmas both exceeding sales at the equivalent time last year.
- Working with Lancaster University on co-delivered undergraduate teaching. In 2017-18 we deliver two modules in Creative Writing at The Dukes and are working on advanced plans for a jointly delivered Theatre Studies degree to follow.
- Developing major bids to Trust and Foundations for inclusive theatre programmes following on the success of our partnership with Esmée Fairbairn Foundation.
- To achieve our mission, we have set 4 fresh strategic aims for 2018-22:
- To enhance our role as an excellent creative producer, stimulating, developing, producing and presenting inspiring work, inside and beyond our buildings.
- To be an invaluable resource and springboard for diverse artist development, dedicating space, expertise & facilities, and collaborating locally & nationally to provide more opportunities for Lancashire artists.
- To deepen engagement from our current audiences and achieve a more diverse base of audiences & participants by investing in partnerships, networks & outreach.
- To expand as a hub for learning; raising ambition in children & young people, giving a voice to marginalised communities and supporting those preparing for creative careers.

Securing Arts Council England National Portfolio support for these refreshed strategic aims and our new investment model is a tremendous endorsement of the positive steps the charity has taken to improve its financial resilience whilst retaining its artistic ambition.

THE DUKES PLAYHOUSE LIMITED

Trustees' annual report for the purposes of Part 8 of the Charities Act 2011 and Directors' report for the purposes of section 417 of the Companies Act 2006
For the year ended 31 March 2017

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments 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 to operate.

The Trustees are responsible for keeping adequate accounting records that 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Statutory compliance

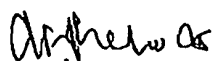
The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Auditors

The auditor, CLB Coopers, tendered its resignation and was replaced by CLB Coopers Audit Services, who will be proposed for appointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

By order of the Trustees and signed on their behalf on 20.07.17. by:



Gary Rycroft
Chair of the Board of Trustees

THE DUKES PLAYHOUSE LIMITED

Independent Auditor's Report to the members of The Dukes Playhouse Limited

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

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

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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

THE DUKES PLAYHOUSE LIMITED

Independent Auditor's Report to the members of The Dukes Playhouse Limited

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 Trustees' Annual 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in exemption from the requirement to prepare a strategic report or preparing the Trustees' Annual Report.

CLB Coopers Audit Services

Philip Whiteaway (senior statutory auditor)
for and on behalf of
CLB Coopers Audit Services
Statutory Auditors

Fleet House
New Road
Lancaster
LA1 1EZ

Date 20-07-17

THE DUKES PLAYHOUSE LIMITED

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 March 2017

	Note	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Income and endowments from:					
Donations and legacies					
- Donations		-	57,221	57,221	54,452
- Grants receivable					
- Arts Council England		-	256,190	256,190	256,190
- Esmeé Fairbairn Foundation		-	30,000	30,000	30,000
Charitable activities					
- Theatre	2	12,500	854,312	866,812	849,324
- Independent cinema	2	-	244,848	244,848	229,219
- Creative Learning	2	10,000	114,916	124,916	121,909
- Development projects	2	-	12,650	12,650	7,500
- Other projects	2	261,862	-	261,862	172,960
Other trading activities					
- Bar and catering		-	147,009	147,009	151,248
Investments	1	-	15	15	26
Other					
- Theatre tax credit		-	65,651	65,651	52,660
Total income and endowments		284,362	1,782,812	2,067,174	1,925,488
Expenditure on:					
Raising funds					
- Donations	3	-	872	872	1,098
- Bar and catering	3	-	162,749	162,749	153,102
- Fundraising events	3	-	1,172	1,172	1,825
Charitable activities					
- Theatre	3	57,373	1,094,360	1,151,733	1,118,020
- Independent cinema	3	-	282,586	282,586	258,203
- Creative Learning	3	-	191,962	191,962	207,782
- Other projects	3	233,209	-	233,209	172,960
- Governance costs	3	-	18,680	18,680	13,176
Total expenditure		290,582	1,752,381	2,042,963	1,926,166
Net income / (expenditure) and net movement in funds for the year	4	(6,220)	30,431	24,211	(678)
Reconciliation of funds:					
Total funds at 1 April 2016		141,728	17,383	159,111	159,789
Total funds at 31 March 2017		135,508	47,814	183,322	159,111

The statement of financial activities includes all gains and losses in the year.

All incoming resources and resources expended derive from continuing activities.

THE DUKES PLAYHOUSE LIMITED
Company registered number: 01077517
Charity registered number: 501935

Balance Sheet
As at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	192,978	219,930
Investments	10	100	100
		193,078	220,030
Current assets			
Stocks	11	3,563	5,351
Debtors	12	176,605	176,915
Cash at bank and in hand		45,217	12,997
		225,385	195,263
Creditors : amounts falling due within one year	13	(184,576)	(138,195)
Net current assets		40,809	57,068
Total assets less current liabilities		233,887	277,098
Deferred Income	14	(50,565)	(117,987)
Total net assets		183,322	159,111
Funds of the charity:			
Unrestricted funds			
- General funds	17	47,814	17,383
Restricted funds	17	135,508	141,728
Total funds		183,322	159,111

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 15 to 29 were approved and authorised for issue by the Board of Trustees on 20.07.17 and signed on its behalf by:



Gary Rycroft
Director

The notes on pages 21 to 29 form part of these financial statements.

THE DUKES PLAYHOUSE LIMITED

**Statement of Cash Flows
For the year ended 31 March 2017**

	2017 £	2016 £
Cash flows from operating activities:		
Net Income / (expenditure) for the year	24,211	(678)
Adjustments for:		
Depreciation of tangible assets	68,119	67,255
Interest receivable	(15)	(26)
Decrease / (increase) in stock	1,788	(657)
Decrease / (increase) in debtors	310	(74,968)
Increase / (decrease) in creditors	(21,041)	18,482
Net cash provided by operating activities	73,372	9,408
Cash flows from investing activities:		
Interest received	15	26
Purchase of tangible fixed assets	(41,167)	-
Net cash (used in) / provided by investing activities	(41,152)	26
Net increase in cash and cash equivalents	32,220	9,434
Cash and cash equivalents at the beginning of the year	12,997	3,563
Cash and cash equivalents at the end of the year	45,217	12,997

THE DUKES PLAYHOUSE LIMITED

Accounting Policies

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

Basis of accounting

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

The Dukes Playhouse Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Consolidated financial statements have not been prepared on the basis that there is no statutory requirement to prepare group accounts and the results of the subsidiary undertaking are not considered material to the group.

Going concern

These financial statements show net income for the year of £24,211. The trustees have prepared financial forecasts which demonstrate the future viability and profitability of the charity which lead the trustees to believe that there are no material uncertainties regarding going concern. Therefore in the opinion of the trustees the financial statements should be prepared on a going concern basis.

Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income in respect of productions is recognised in the period in which the production occurs.

Other trading income is recognised on a receivable basis.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met (see note 14).

Investment income is included in the SoFA in the year in which it is receivable.

Donations including tax reclaimable on Gift Aid donations are recognised as income in the SoFA when there is evidence of entitlement, receipt is probable and the amount can be measured reliably.

THE DUKES PLAYHOUSE LIMITED

Accounting Policies (continued)

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs of trading of the bar and catering services.
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis eg. Floor area, per capita or estimated usage as set out in note 3 to the financial statements.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 3.

Fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included on the balance sheet initially at cost.

Depreciation has been provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its estimated useful life as follows:

Leasehold property improvements	Term of lease
Fixtures & fittings	4-10 years

Investments

Investments in group undertakings are stated at cost. Provision is made where there is an impairment in the value of the investment.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

Debtors

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

Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

THE DUKES PLAYHOUSE LIMITED

Accounting Policies (continued)

Operating leases

Rentals payable under operating leases are charged to the SoFA on the straight line basis over the term of the lease.

Pension scheme

The charity contributes to a defined contribution pension scheme for certain of its employees. Contributions paid are charged to the SoFA in the period to which they relate.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund accounting

Funds held by the charity are either:-

Unrestricted general funds

- these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds

- these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds

- these are funds that 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 purposes.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Related party transactions

The charity discloses transactions with related parties. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the trustees, separate disclosure is necessary to understand the effect of the transactions on the charity financial statements.

THE DUKES PLAYHOUSE LIMITED

Notes to the financial statements For the year ended 31 March 2017

1 Investment income	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Bank interest receivable	-	15	15	26
2 Incoming resources from charitable activities	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
<i>Theatre</i>				
Box office	-	391,225	391,225	367,036
Incoming tours	-	80,751	80,751	97,906
Theatre hire	-	28,887	28,887	18,445
Programmes	-	7,498	7,498	6,940
Set building - external contracts	-	-	-	6,690
Sponsorship	-	30,300	30,300	35,150
Booking fees	-	4,270	4,270	5,185
Other income	-	2,281	2,281	3,222
Grants receivable				
- Lancaster City Council	12,500	140,000	162,600	150,200
- Lancashire County Council	-	169,100	169,100	158,550
	12,500	854,312	866,812	849,324
<i>Independent cinema</i>				
Box office	-	229,085	229,085	227,284
Sponsorship	-	2,101	2,101	1,935
Grants receivable - British Film Industry	-	13,662	13,662	-
	-	244,848	244,848	229,219
<i>Creative Learning</i>				
Outreach	-	64,916	64,916	71,909
Sponsorship	-	50,000	50,000	50,000
Grants receivable - Francis C Scott Charitable Trust	10,000	-	10,000	-
	10,000	114,916	124,916	121,909
<i>Development projects</i>				
Grants receivable				
- Development of new production	-	12,650	12,650	7,500
	-	12,650	12,650	7,500
<i>Other projects</i>				
Grants receivable				
- Light up Lancaster	120,196	-	120,196	85,750
- A Life More Ordinary	86,987	-	86,987	87,210
- Port Stories	54,679	-	54,679	-
	261,862	-	261,862	172,960
	284,362	1,226,726	1,511,088	1,380,912

In the prior year total incoming resources of charitable activities were £1,380,912 of which £185,460 was restricted and £1,195,452 was unrestricted. Total resources expended (as detailed in note 3) were £1,926,166 in the prior year of which £230,334 was restricted and £1,695,832 was unrestricted.

THE DUKES PLAYHOUSE LIMITED
Notes to the financial statements (continued)
For the year ended 31 March 2017

3 Total resources expended

											2017 Total £	2016 Total £
	Basis of allocation	Donations	Fundraising events	Bar & catering	Theatre	Independent cinema	Creative learning	Light up Lancaster	A Life More Ordinary	Port Stories	Governance	
Activities undertaken directly												
Staff costs	Direct	-	-	66,490	445,368	22,437	87,276	14,977	-	5,000	-	614,280
Bar & catering cost of sales	Direct	-	-	62,591	-	-	-	-	-	-	-	56,898
Production costs	Direct	-	-	-	135,811	-	-	-	-	-	-	131,083
Film hire	Direct	-	-	-	-	95,710	-	-	-	-	-	95,401
Film carriage	Direct	-	-	-	-	2,113	-	-	-	-	-	2,113
Cinema equipment	Direct	-	-	-	-	1,143	-	-	-	-	-	(268)
Other cinema costs	Direct	-	-	-	-	10,087	-	-	-	-	-	8,029
Marketing	Direct	-	-	-	72,216	12,954	-	-	-	-	-	79,959
Auditor's remuneration	Direct	-	-	-	-	-	-	-	-	-	12,997	5,736
Legal fees	Direct	-	-	-	-	-	-	-	-	-	5,478	7,330
Creative learning	Direct	-	-	-	-	-	56,331	-	-	-	-	73,274
Incoming tours	Direct	-	-	-	66,324	-	-	-	-	-	-	74,850
Bar music	Direct	-	-	50	-	-	-	-	-	-	-	440
Programmes and merchandise	Direct	-	-	-	5,719	-	-	-	-	-	-	4,391
Sponsorship activity expenses	Direct	-	-	-	84	-	-	-	-	-	-	134
Set building	Direct	-	-	-	2,541	-	-	-	-	-	-	5,908
Depreciation of fixed assets	Direct	-	-	-	54,875	980	12,264	-	-	-	-	67,256
Stationery and sundries	Direct	872	-	-	-	-	-	-	-	-	-	1,098
Governance	Direct	-	-	-	-	-	-	-	-	-	205	110
Audio description and signing costs	Direct	-	-	-	1,894	-	-	-	-	-	-	2,510
Fundraising event expenses	Direct	-	-	-	-	-	-	-	-	-	-	45
Lancaster Arts Partnership expenses	Direct	-	-	-	-	-	-	-	-	-	-	-
Lancaster University Cultural Partnership expenses	Direct	-	-	-	-	-	-	-	-	-	-	-
Other Light up Lancaster costs	Direct	-	-	-	-	-	-	102,444	-	-	-	77,728
Other A Life More Ordinary costs	Direct	-	-	-	-	-	-	-	61,109	-	-	33,080
BFI Film (re A Life More Ordinary)	Direct	-	-	-	-	-	-	-	-	-	-	28,410
Other Port Stories costs	Direct	-	-	-	-	-	-	-	-	49,679	-	-
Cinema project costs	Direct	-	-	-	-	7,386	-	-	-	-	-	-
SRO box office costs	Direct	-	-	-	12,012	-	-	-	-	-	-	10,804
Support costs												
Rent & rates	Usage	-	-	1,844	27,036	6,455	10,168	-	-	-	-	59,469
Heat & light	Usage	-	-	3,426	19,350	11,999	5,840	-	-	-	-	49,072
Staff costs - office & finance	Staff time	-	-	7,258	108,875	29,033	-	-	-	-	-	135,181
Staff costs - marketing	Staff time	-	-	6,436	90,103	32,180	-	-	-	-	-	117,321
Staff costs - front of house	Staff time	-	-	5,119	25,595	20,476	-	-	-	-	-	47,890
Staff costs - fundraising	Staff time	-	1,172	-	5,859	-	4,687	-	-	-	-	17,796
Cleaning	Staff time	-	-	1,831	9,155	3,662	3,926	-	-	-	-	18,767
Repairs & maintenance	Usage	-	-	1,377	7,571	4,818	3,567	-	-	-	-	18,258
Workshop move costs	Usage	-	-	-	10,254	4,394	-	-	-	-	-	-
Telephone	Usage	-	-	-	8,795	-	-	-	-	-	-	8,442
Insurance	Floor area	-	-	1,721	6,882	3,441	5,162	-	-	-	-	15,086
Stationery & computer consumables	Usage	-	-	705	8,455	3,523	1,409	-	-	-	-	16,180
Postage	Usage	-	-	-	1,436	-	160	-	-	-	-	158
Licences & subscriptions	Usage	-	-	1,963	1,963	1,963	654	-	-	-	-	8,487
Bank charges & interest	Trans	-	-	1,677	9,224	5,870	-	-	-	-	-	16,397
Office & sundry expenditure	Usage	-	-	259	3,621	777	518	-	-	-	-	5,066
Staff recruitment & training	Usage	-	-	-	8,021	-	-	-	-	-	-	8,280
Front of house costs	Floor area	-	-	-	1,204	803	-	-	-	-	-	2,304
Travel	Usage	-	-	-	1,490	372	-	-	-	-	-	1,413
Total		872	1,172	162,749	1,151,733	282,586	191,962	117,421	61,109	54,679	18,680	1,926,166

THE DUKES PLAYHOUSE LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2017

4 EBITDA

The following table reconciles the net movement in funds as stated on the Statement of Financial Activities to EBITDA, a non-statutory measure which the directors and trustees consider appropriate in assessing the performance of the company.

EBITDA is defined by the directors and trustees as net movement in funds before interest, tax, depreciation, amortisation and exceptional items.

	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Net movement in funds	(6,220)	30,431	24,211	(678)
Depreciation	44,873	23,246	68,119	67,255
Bank interest receivable	-	(15)	(15)	(26)
EBITDA	38,653	53,662	92,315	66,551

5 Net Incoming resources

Net incoming resources is stated after charging :-

	2017 £	2016 £
Depreciation of tangible fixed assets	68,119	67,255
Auditor's remuneration - Audit services	4,950	4,941
Auditor's remuneration - Tax advisory services	5,350	
Auditor's remuneration - Other services	2,697	795
Operating lease payments - property	37,473	35,500
Operating lease payments - other	2,549	3,833

6 Staff costs and numbers

The aggregate payroll costs during the year amounted to :-

	2017 £	2016 £
Wages and salaries	926,653	881,831
Social security costs	49,896	50,441
Pension costs	12,838	11,922
	989,387	944,195

No employee received emoluments of more than £60,000 in either the current or previous year.

The charity made pension contributions to an Equity pension scheme for Nil (2016: Nil) employees and 15 (2016: 12) actors. The assets of the schemes are held in separately administered funds. The pension cost charge represents contributions payable by the charity and amounted to £1,830 (2016: £1,320). At the balance sheet date the charity owed £3,051 (2016: £898) to the pension scheme. The charity made pension contributions to an occupational pension scheme for 34 (2016: 33) employees. The assets of the schemes are held in separately administered funds. The pension cost charge represents contributions payable by the charity and amounted to £11,008 (2016: £10,602). At the balance sheet date the charity owed £1,657 (2016: £5,440) to the pension scheme.

	2017 Number	2016 Number
Actor weeks	148	149

THE DUKES PLAYHOUSE LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2017

6 Staff costs and numbers (continued)

	2017	2016
	Number	Number
The average monthly number of employees during the year were:-		
Production - full-time	5	5
Front of house - full-time	2	2
Front of house - part-time	11	13
Administration - full-time	8	9
Administration - part-time	11	5
Creative Learning	4	3
Creative Learning - part-time	1	-
	<hr/> 42	<hr/> 37
Average number of full time equivalent employees	<hr/> 29	<hr/> 26

7 Trustees' remuneration

No trustee received any remuneration from the charity during the current or previous year.

No expenses were reimbursed to any trustee in either the current or previous year.

All Trustees receive two free tickets for the guest night performance of a Dukes theatre production.

8 Taxation

The Dukes Playhouse Limited is a registered charity. All the Charity income is applied to its charitable objectives and the Charity is therefore exempt under current legislation from most forms of taxation. A claim will be made for theatre tax relief under CTA 2009 Part 15C.

THE DUKES PLAYHOUSE LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2017

9 Tangible fixed assets

	Leasehold property improvements £	Fixtures & fittings £	Total £
Cost			
At 1 April 2016	742,001	483,612	1,225,613
Additions	-	41,167	41,167
Disposals	(11,300)	-	(11,300)
At 31 March 2017	730,701	524,779	1,255,480
Depreciation			
At 1 April 2016	594,999	410,684	1,005,683
Charge for the year	46,984	21,135	68,119
Disposals	(11,300)	-	(11,300)
At 31 March 2017	630,683	431,819	1,062,502
Net book value			
At 31 March 2017	100,018	92,980	192,978
At 31 March 2016	147,002	72,928	219,930

Included in leasehold property improvements is conversion work carried out on a derelict church to create a new Youth Arts Centre (DT3). The net book value of DT3 The Creative Learning Centre at the year end was £42,931. The work originally undertaken amounted to £280,750 and was funded by a National Lottery grant of £194,750 from Arts Council England and a grant of £86,000 from Lancaster City Council. The Dukes Playhouse Limited, as part of its charitable aims, supports DT3 The Creative Learning Centre in its work in providing participation activities for local young people.

Included in leasehold property improvements is refurbishment work of the 'round' theatre. The net book value of the studio refurbishment at the year end was £57,087. The work originally undertaken amounted to £380,583 and was funded by a grant of £260,383 from North West Development Agency and a grant of £99,100 from Arts Council England.

Included within fixtures & fittings are assets funded by designated funds. The original cost of these assets was £33,680 and their net book value at 31 March 2017 amounted to £Nil.

10 Fixed asset investments

	Shares in group undertakings £	Total £
Cost		
At 1 April 2016	100	100
At 31 March 2017	100	100
Net book value		
At 31 March 2017	100	100
At 31 March 2016	100	100

THE DUKES PLAYHOUSE LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2017

10 Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of Share	Holding	Country of Incorporation	Activity
DP Moor Lane Productions Limited	Ordinary	100%	England	Dormant

The aggregate of the share capital and reserves as at 31 March 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
DP Moor Lane Productions Limited	100	-

11 Stocks

	2017 £	2016 £
Consumables	1,500	1,500
Goods for resale	2,063	3,851
	3,563	5,351

The total value of stocks sold in the year amounted to £65,765 (2016: £56,898).

12 Debtors

	2017 £	2016 £
Trade debtors	22,328	10,491
Amounts owed by group undertakings	-	100
Other debtors	78,969	132,517
Grants receivable	33,229	-
Prepayments and accrued income	42,079	33,807
	176,605	176,915

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	65,016	47,539
Amounts owed to group undertakings	100	-
Other taxation and social security	20,436	21,562
Other creditors	60,619	36,992
Accruals and deferred income	38,405	32,102
	184,576	138,195

THE DUKES PLAYHOUSE LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2017

14 Deferred income	2017 £	2016 £
Deferred income brought forward	117,987	124,118
Released in the year	(117,987)	(116,618)
Deferred in the year	50,565	110,487
Amounts falling due within one year	50,565	117,987

The income in the above note has been deferred as it related to either box office productions which occurred after 31 March 2017 or grants which covered the period after the year end.

15 Analysis of net assets between funds

	General Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	96,223	96,855	193,078
Current assets	186,732	38,653	225,385
Current liabilities	(184,576)	-	(184,576)
Deferred income	(50,565)	-	(50,565)
	47,814	135,508	183,322

16 Financial instruments	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	134,526	143,108
	134,526	143,108
Financial liabilities		
Financial assets measured at amortised cost	125,735	84,531
	125,735	84,531

Financial assets measured at amortised cost comprise:

Trade debtors of £22,328 (2016: £10,491) incurred in the normal course of the charities activities. The balances are recoverable within one year.

Amounts owed by group undertakings amounting to £Nil (2016: £100).

Other debtors amounting to £78,969 (2016: £132,517).

Grants receivable amounting to £33,229 (2016: £Nil).

Financial liabilities measured at amortised cost comprise:

Trade creditors of £65,016 (2016: £47,539) as detailed in note 13 to the financial statements. The balances are due within one year.

Other creditors amounting to £60,619 (2016: £36,992).

Amounts owed to group undertakings amounting to £100 (2016: £Nil).

THE DUKES PLAYHOUSE LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2017

17 Movement in funds

		Balance at 1 April 2016 £	Income £	Expenditure £	Balance at 31 March 2017 £
Restricted funds:					
<i>Grants receivable</i>					
Lancaster City Council	(i)	-	12,500	(12,500)	-
Light up Lancaster	(ii)	-	120,196	(117,421)	2,775
A Life More Ordinary	(iii)	-	86,987	(61,109)	25,878
Port Stories	(iv)	-	54,679	(54,679)	-
Redbananallama	(v)	-	10,000	-	10,000
Fixed asset restricted funds		141,728	-	(44,873)	96,855
Total restricted funds		141,728	284,362	(290,582)	135,508
Unrestricted funds:					
General funds		17,383	1,782,812	(1,752,381)	47,814
Total unrestricted funds		17,383	1,782,812	(1,752,381)	47,814
Total funds		159,111	2,067,174	(2,042,963)	183,322

Purposes of restricted funds

- (i) Grants received in respect of the rent of the theatre.
- (ii) Grants received in respect of a weekend festival of art and light.
- (iii) Grants in respect of a project to give hundreds of people with dementia a better quality of life.
- (iv) Grant received in respect of a project exploring Lancaster's maritime heritage.
- (v) Grant received in respect of a theatre group for young people with learning disabilities.

THE DUKES PLAYHOUSE LIMITED

Notes to the financial statements (continued) For the year ended 31 March 2017

18 Operating lease commitments

The company has the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2017 £	2016 £
Land and buildings		
Within one year	24,250	8,000
Between 2 to 5 years	28,000	32,000
After more than five years	-	4,000
	52,250	44,000
Other		
Within one year	7,021	3,713
Between two to five years	12,531	6,743
	19,552	10,456

19 Contingent liabilities

There were no contingent liabilities at the balance sheet date.

20 Capital commitments

At the balance sheet date the charitable company has capital commitments amounting to £Nil (2016: £Nil).

21 Related party transactions

The Charitable Company has nominated Trustees from Lancashire County Council and Lancaster City Council which provide funding to enable the charity to carry out its charitable objectives. During the year grants were received amounting to £169,100 (2016: £158,500) from Lancashire County Council and £152,500 (2016: £150,200) from Lancaster City Council. The Charitable Company occupies premises owned by Lancaster City Council and pays an annual rent of £12,500 (2016: £12,500) and buildings insurance of £4,125 (2016: £3,823) in respect of this. All amounts were paid during the year. DT3 The Creative Learning Centre occupies a former church which is also owned by Lancaster City Council. The Charitable Company maintains the building and pays an annual rent of £8,000 (2016: £8,000) in respect of this.

During the year the charity continued to loan funds interest free to and borrow funds interest free from DP Moor Lane Productions Limited, its subsidiary company. At the balance sheet date the charity owed £100 to (2016: was owed £100 by) DP Moor Lane Productions Limited.

During the year the charity paid £92,066 (2016: £100,282) in remuneration to key management personnel.

During the year the charity received donations, excluding gift aid, totalling £492 (2016: £10,034) from trustees.

22 Control

There is no ultimate controlling party in either the current or previous year.