

## Employers' Association's details

Name of Employers' Association:

SOCIETY OF LONDON THEATRE

Year ended:

31 DECEMBER 2018

List number:

1437E

Head or Main Office:

32 ROSE STREET  
LONDON  
WC2E 9ET

Has the address changed during the year to which the return relates?

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	(Tick as appropriate)
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Website address (if available)

<http://solt.co.uk>

General Secretary:

JULIAN PIERS BIRD (CHIEF EXECUTIVE)

Contact name for queries regarding the completion of this return:

LISA RADFORD

Telephone Number:

020 7557 6705

E-mail:

[lisa@soltukt.co.uk](mailto:lisa@soltukt.co.uk)

**Please follow the guidance notes in the completion of this return. Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 109 3602.**

**The address to which returns and other documents should be sent are:**

**-For Employers' Associations based in England and Wales: Certification Office for Trade Unions and Employers' Associations, Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London, EC4Y 8JX.**

**-For Employers' Associations based in Scotland: Certification Office for Trade Unions and Employers' Associations, Melrose House, 69a George Street, Edinburgh EH2 2JG.**



## Return of members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	Totals
<b>203</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>217</b>

## Change of officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
Member of Board of Management	Mark Terence James Goucher		21/06/2018
"	Michael Cowper Lynas		21/06/2018
"	Catherine Ruth Pakenham		21/06/2018
"	Kim Poster		21/06/2018
"	Nicholas Salmon		21/06/2018
"	Adam Pennington Spiegel		21/06/2018
"		Alexander Rupert Gavin	21/06/2018
"		Niove Rachel Janis	21/06/2018
"		Rebecca Kane Burton	21/06/2018
"		Jeremy Simon Meadow	21/06/2018
"		Adam Speers	21/06/2018
"		Rosemary Anne Squire	21/06/2018

## Officers in post

(see note 10)

Please insert a complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
KENNETH HOWARD WAX	PRESIDENT AND MEMBER OF BOARD OF MANAGEMENT
CAROLINE DENISE NEWLING	VICE-PRESIDENT AND MEMBER OF BOARD OF MANAGEMENT
NICHOLAS DAVID ALLOTT	MEMBER OF BOARD OF MANAGEMENT
JONATHAN RICHARD BATH	"
LOUNICA MAUREEN PATRICIA BURNS	"
JONATHAN RYERSON DOUGLAS CHURCH	"
NICHOLAS HENRY FRANKFORT	"
ALEXANDER RUPERT GAVIN	"
NIOVE RACHEL JANIS	"
REBECCA KANE BURTON	"
ELEANOR ROSE LLOYD	"
CATHERINE ROWENA MALLYON	"
JEREMY SIMON MEADOW	"
ANDRE JAN PTASZYNSKI	"
DAFYDD HARRIES ROGERS	"
ADAM SPEERS	"
ROSEMARY ANNE SQUIRE	"
JULIAN PIERS BIRD	CHIEF EXECUTIVE

## Revenue account/General Fund

(see notes 11 to 16)

Previous Year		£	£
	<b>Income</b>		
	From Members                      Subscriptions, levies, etc		
	Investment income    Interest and dividends (gross) Bank interest (gross) Other (specify)		
	Other income            Rents received Insurance commission Consultancy fees Publications/Seminars Miscellaneous receipts (specify)		
	<b>Total income</b>		
	<b>Expenditure</b>		
	Administrative expenses Remuneration and expenses of staff Occupancy costs Printing, Stationery, Post Telephones Legal and Professional fees Miscellaneous (specify)		
	Other charges            Bank charges Depreciation Sums written off Affiliation fees Donations Conference and meeting fees Expenses Miscellaneous (specify)		
	Taxation		
	<b>Total expenditure</b>		
	Surplus/Deficit for year		
	Amount of fund at beginning of year		
	Amount of fund at end of year		

(See notes 11 to 16)

<b>Account 2</b>		<b>Fund Account</b>		
<b>Name of account:</b>		<b>£</b>	<b>£</b>	
<b>Income</b>	From members			
	Investment income			
	Other income (specify)			
		<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses			
	Other expenditure (specify)			
		<b>Total Expenditure</b>		
		Surplus (Deficit) for the year		
		Amount of fund at beginning of year		
		Amount of fund at the end of year (as Balance Sheet)		

<b>Account 3</b>		<b>Fund Account</b>		
<b>Name of account:</b>		<b>£</b>	<b>£</b>	
<b>Income</b>	From members			
	Investment income			
	Other income (specify)			
		<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses			
	Other expenditure (specify)			
		<b>Total Expenditure</b>		
		Surplus (Deficit) for the year		
		Amount of fund at beginning of year		
		Amount of fund at the end of year (as Balance Sheet)		

(See notes 11 to 16)

<b>Account 4</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
		<b>Total Income</b>	
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
		<b>Total Expenditure</b>	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

<b>Account 5</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
		<b>Total Income</b>	
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
		<b>Total Expenditure</b>	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

## Accounts other than the revenue account/general fund

(see notes 17 to 18)

<b>Account 6</b>		<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<b>Income</b>	From members Investment income Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses Other expenditure (specify)		
	<b>Total Expenditure</b>		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

<b>Account 7</b>		<b>Fund Account</b>	
<b>Name of account:</b>		£	£
<b>Income</b>	From members Investment income Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses Other expenditure (specify)		
	<b>Total Expenditure</b>		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		





## Fixed Assets Account

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At start of period				
Additions during period				
Less: Disposals during period				
Less: DEPRECIATION:				
Total to end of period				
<b>Book amount at end of period</b>				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
As balance sheet				

## Analysis of investments

(see note 22)

		Other Funds £
<b>Quoted</b>	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total quoted (as Balance Sheet)	
	*Market Value of Quoted Investments	
<b>Unquoted</b>	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	Total quoted (as Balance Sheet)	
	*Market Value of Unquoted Investments	

\* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

## Analysis of investment income (controlling interests)

(see notes 23)

<b>Does the association, or any constituent part of the association, have a controlling interest in any limited company?</b>		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If YES name the relevant companies:			
Company name	Company registration number (if not registered in England & Wales, state where registered)		
<b>Incorporated Employers' Associations</b>			
<b>Are the shares which are controlled by the association registered in the association's name</b>		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, please state the names of the persons in whom the shares controlled by the association are registered.		N/A	
Company name	Names of shareholders		
<b>Unincorporated Employers' Associations</b>			
<b>Are the shares which are controlled by the association registered in the names of the association's trustees?</b>		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the association are registered.		N/A	
Company name	Names of shareholders		

## Summary sheet

(see notes 24 to 33)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>Income</b>			
From Members	561,977	0	561,977
From Investments	28,084	0	28,084
Other Income (including increases by revaluation of assets)	6,498,044	0	6,498,044
<b>Total Income</b>	7,088,105	0	7,088,105
<b>Expenditure</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	6,849,935	0	6,849,935
<b>Funds at beginning of year</b> (including reserves)	1,102,212	0	1,102,212
<b>Funds at end of year</b> (including reserves)	1,340,382	0	1,340,382
<b>Assets</b>			
Fixed Assets			1,563,729
Investment Assets			
Other Assets			19,392,781
		<b>Total Assets</b>	20,956,510
<b>Liabilities</b>		<b>Total Liabilities</b>	19,616,128
<b>Net assets (Total Assets less Total Liabilities)</b>			1,340,382

## Notes to the accounts

(see note 34)

**All notes to the accounts must be entered on or attached to this part of the return.**

Please see enclosed Annual Report and Financial Statements

## Accounting policies

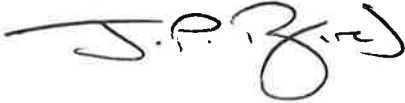
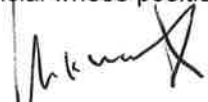
[\(see notes 35 and 36\)](#)

Please see enclosed Annual Report and Financial Statements

## Signatures to the annual return

including the accounts and balance sheet contained in the return.

[\(see notes 37 and 38\)](#)

<p>Secretary's Chief Executive's Signature:</p>  <p>Name: JULIAN BIRD</p> <p>Date: 21/06/19</p>	<p>Chairman's President's Signature: (or other official whose position should be stated)</p>  <p>Name: KENNETH WAX.</p> <p>Date: 20/6/19.</p>
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## Checklist

[\(see note 39\)](#)

(please tick as appropriate)

Has the return of change of officers been completed? (see Page 2)	Yes	<input checked="" type="checkbox"/>	No	
Has the list of officers been completed? (see page 2a)	Yes	<input checked="" type="checkbox"/>	No	
Has the return been signed? (see Note 38)	Yes	<input checked="" type="checkbox"/>	No	
Has the auditor's report been completed? (see Note 39)	Yes	<input checked="" type="checkbox"/>	No	
Is the rule book enclosed? (see Note 40)	Yes	<input checked="" type="checkbox"/>	No	
Has the summary sheet been completed? (see Notes 6 and 25 to 34)	Yes	<input checked="" type="checkbox"/>	No	

## Checklist for auditor's report

(see notes 40 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?  
(See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
  - a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
  - b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 43)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

**In our opinion the financial statements:**

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the section 28 to 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

## Auditor's report (continued)

### Opinion

We have audited the financial statements of Society of London Theatre (the 'company') for the year ended 31 December 2018, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit 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 and Section 28 to 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

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

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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.
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### Matters on which we are required to report by exception

In the light of the 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 or the Directors' Report.



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

- 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

This report is made solely to the 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 company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signature(s) of auditor or auditors:		
Name(s):	Nyman Libson Paul	
Profession(s) or Calling(s):	Chartered Accountants Registered Auditors	
Address(es):	Regina House 124 Finchley Road London NW3 5JS	
Date:	18 June 2019	
Contact name for enquiries and telephone number:	Paul Taiano 020 7433 2421	

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**SOCIETY OF LONDON THEATRE**  
(A Company Limited by Guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**COMPANY INFORMATION**

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<b>Directors</b>	Nicholas Allott OBE Jonathan Bath Lounica Burns OBE Jonathan Church Lucy Davies (appointed 24 January 2019) Nicholas Frankfort Alexander Gavin (appointed 21 June 2018) Mark Goucher (resigned 21 June 2018) Niove Janis (appointed 21 June 2018) Rebecca Kane Burton (appointed 21 June 2018) Eleanor Lloyd Michael Lynas (resigned 21 June 2018) Catherine Mallyon Jeremy Meadow (appointed 21 June 2018) Caroline Newling Catherine Pakenham (resigned 21 June 2018) Kim Poster (resigned 21 June 2018) Andre Ptaszynski Dafydd Rogers Adam Speers (appointed 21 June 2018) Dame Rosemary Squire (appointed 21 June 2018) Nicholas Salmon (resigned 21 June 2018) Adam Spiegel (resigned 21 June 2018) Kenneth Wax (President)
<b>Secretary and Chief Executive</b>	Julian Bird
<b>Registered number</b>	00527227
<b>Registered office</b>	32 Rose Street London WC2E 9ET
<b>Independent auditors</b>	Nyman Libson Paul Chartered Accountants & Statutory Auditors Regina House 124 Finchley Road London NW3 5JS

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**Business review**

The directors consider the results for the year satisfactory and ahead of expectations. They believe that the current level of reserves is appropriate given the challenges facing the industry, the expanding industry support activities of the organisation and the profile of risks and uncertainties.

Trading activities were generally robust during the year, with revenue up 5% driven by increased sponsorship and ticket sales for the Olivier Awards, successful ticketing promotions and strong sales through the company's regular channels.

The company continued to provide a wide variety of support for the industry, from promotional events including the Olivier Awards, New Year Sale, Kids Week and West End Live, to lobbying and specialist advice. The cost base to support these activities remained largely unchanged from prior year and expenditure was kept under close control notwithstanding several initiatives in the year including further development of the Theatre Tokens system and measures taken to ensure GDPR compliance.

The directors anticipate, subject to trading conditions, a position close to breakeven in 2019 and are of the opinion that the company's underlying finances remain robust.

**Principal risks and uncertainties**

The company generates the majority of revenue from outside its membership but relies quite heavily on the supply of ticket inventory along with participation in the Theatre Tokens scheme and other promotional initiatives. The company benefits from the success of the theatre community in London, through advertising and levies, while also relying on the industry's need to participate in discounting tickets through the company's various operations. The company also relies on a number of partnerships, particularly in funding the Olivier Awards and in operating the national Theatre Token scheme.

**Financial key performance indicators**

The company has an aim of maintaining reserves at a reasonable level by operating at break even or a small surplus over the medium to long term. Given the nature of the business, the company's directors are of the opinion that analysis using KPI's is not required for an understanding of the development, performance or position of the business.

This report was approved by the board on 18 June 2019 and signed on its behalf.



**Julian Bird**  
Secretary and Chief Executive

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors present their report and the financial statements for the year ended 31 December 2018.

**Directors**

The directors who served during the year were:

Nicholas Allott OBE  
Jonathan Bath  
Lounica Burns OBE  
Jonathan Church  
Nicholas Frankfort  
Alexander Gavin (appointed 21 June 2018)  
Mark Goucher (resigned 21 June 2018)  
Niove Janis (appointed 21 June 2018)  
Rebecca Kane Burton (appointed 21 June 2018)  
Eleanor Lloyd  
Michael Lynas (resigned 21 June 2018)  
Catherine Mallyon  
Jeremy Meadow (appointed 21 June 2018)  
Caroline Newling  
Catherine Pakenham (resigned 21 June 2018)  
Kim Poster (resigned 21 June 2018)  
Andre Ptaszynski  
Dafydd Rogers  
Adam Speers (appointed 21 June 2018)  
Dame Rosemary Squire (appointed 21 June 2018)  
Nicholas Salmon (resigned 21 June 2018)  
Adam Spiegel (resigned 21 June 2018)  
Kenneth Wax (President)

**Directors' responsibilities statement**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors 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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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

**Land and buildings**

In the opinion of the directors the value of the company's freehold property is likely to be greater than cost but a formal valuation has not been carried out.

**Financial instruments**

The company has no financial instruments except for cash, debtors and creditors all arising in the normal course of business.

The main financial risks to which the company is exposed include liquidity risk, cash flow risk, and credit risk. These risks are managed by ensuring sufficient liquidity is available to meet foreseeable needs.

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

**Auditors**

The auditors, Nyman Libson Paul, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 18 June 2019 and signed on its behalf.



Julian Bird  
Secretary and Chief Executive

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOCIETY OF LONDON THEATRE**

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**Opinion**

We have audited the financial statements of Society of London Theatre (the 'company') for the year ended 31 December 2018, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

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

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



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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOCIETY OF LONDON THEATRE**  
**(CONTINUED)**

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

**Matters on which we are required to report by exception**

In the light of the 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 or the Directors' Report.

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

- 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOCIETY OF LONDON THEATRE**  
**(CONTINUED)**

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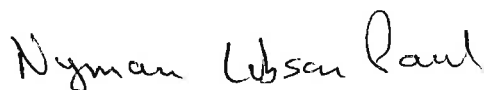
**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

This report is made solely to the 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 company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jennifer Pope (Senior Statutory Auditor)

for and on behalf of  
**Nyman Libson Paul**

Chartered Accountants  
Statutory Auditors

Regina House  
124 Finchley Road  
London  
NW3 5JS

18 June 2019

**SOCIETY OF LONDON THEATRE**  
(A Company Limited by Guarantee)

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
Turnover	4	6,700,867	6,381,660
<b>Gross profit</b>		<u>6,700,867</u>	<u>6,381,660</u>
Distribution costs		(5,709,136)	(5,675,189)
Administrative expenses		(936,523)	(1,032,349)
Other operating income	5	359,153	317,463
<b>Operating profit/(loss)</b>		<u>414,361</u>	<u>(8,415)</u>
Interest receivable and similar income	8	28,084	19,481
Other finance income	9	(67,000)	(1,000)
<b>Profit before tax</b>		<u>375,445</u>	<u>10,066</u>
Tax on profit	10	(74,305)	(8,016)
<b>Profit for the financial year</b>		<u><u>301,140</u></u>	<u><u>2,050</u></u>
<b>Other comprehensive income for the year</b>			
Actuarial (losses)/gains on defined benefit pension scheme		(70,000)	10,000
Movement of deferred tax relating to pension deficit		7,030	(11,410)
<b>Other comprehensive income for the year</b>		<u>(62,970)</u>	<u>(1,410)</u>
<b>Total comprehensive income for the year</b>		<u><u>238,170</u></u>	<u><u>640</u></u>

The notes on pages 11 to 26 form part of these financial statements.

**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00527227**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	11	1,563,729	1,600,908
		<u>1,563,729</u>	<u>1,600,908</u>
<b>Current assets</b>			
Debtors	12	14,422,749	14,438,061
Current asset investments	13	2,200,000	1,800,000
Cash at bank and in hand	14	2,770,032	2,289,983
		<u>19,392,781</u>	<u>18,528,044</u>
Creditors: amounts falling due within one year	15	<u>(19,578,128)</u>	<u>(19,025,740)</u>
<b>Net current liabilities</b>		<u>(185,347)</u>	<u>(497,696)</u>
<b>Total assets less current liabilities</b>		1,378,382	1,103,212
Pension liability	19	<u>(38,000)</u>	<u>(1,000)</u>
<b>Net assets</b>		<u>1,340,382</u>	<u>1,102,212</u>
<b>Capital and reserves</b>			
Profit and loss account		<u>1,340,382</u>	<u>1,102,212</u>
		<u>1,340,382</u>	<u>1,102,212</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 June 2019.

  
Kenneth Wax  
Director

  
Rebecca Kane Burton  
Director

**SOCIETY OF LONDON THEATRE**  
(A Company Limited by Guarantee)

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Profit and loss account £	Total equity £
<b>At 1 January 2017</b>	1,101,572	1,101,572
<b>Comprehensive income for the year</b>		
Profit for the year	2,050	2,050
Actuarial gains on pension scheme	10,000	10,000
Deferred tax movements	(11,410)	(11,410)
<b>Other comprehensive income for the year</b>	(1,410)	(1,410)
<b>Total comprehensive income for the year</b>	640	640
<b>At 1 January 2018</b>	1,102,212	1,102,212
<b>Comprehensive income for the year</b>		
Profit for the year	301,140	301,140
Actuarial losses on pension scheme	(70,000)	(70,000)
Deferred tax movements	7,030	7,030
<b>Other comprehensive income for the year</b>	(62,970)	(62,970)
<b>Total comprehensive income for the year</b>	238,170	238,170
<b>At 31 December 2018</b>	1,340,382	1,340,382

The notes on pages 11 to 26 form part of these financial statements.

**SOCIETY OF LONDON THEATRE**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	301,140	2,050
<b>Adjustments for:</b>		
Depreciation of tangible assets	58,580	58,989
Non cash pension interest	67,000	1,000
Interest receivable	(28,084)	(19,481)
Taxation charge	74,305	8,016
Decrease in debtors	22,342	46,484
Increase in creditors	486,099	288,696
Defined benefit contributions paid	(100,000)	(48,000)
Corporation tax (paid)	(8,016)	(71,365)
<b>Net cash generated from operating activities</b>	<u>873,366</u>	<u>266,389</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(21,401)	(17,056)
Purchase of short term unlisted investments	(2,200,000)	(1,800,000)
Sale of short term unlisted investments	1,800,000	1,750,000
Interest received	28,084	19,481
<b>Net cash from investing activities</b>	<u>(393,317)</u>	<u>(47,575)</u>
<b>Net increase in cash and cash equivalents</b>	480,049	218,814
Cash and cash equivalents at beginning of year	2,289,983	2,071,169
<b>Cash and cash equivalents at the end of year</b>	<u>2,770,032</u>	<u>2,289,983</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	2,770,032	2,289,983
	<u>2,770,032</u>	<u>2,289,983</u>

The notes on pages 11 to 26 form part of these financial statements.

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**1. General information**

Society of London Theatre is a company limited by guarantee and incorporated in England. The address of the registered office is 32 Rose Street, London, WC2E 9ET.

The company does not have share capital and is limited by guarantee. In the event of the company being wound up, the maximum amount which each member is liable to contribute is £1. As at 31 December 2018 there were 216 members (2017: 194 members).

The Society has maintained as part of its activities the Official London Theatre Guide, the TKTS Ticket Booth in Leicester Square, the Theatre Tokens scheme and the Olivier Awards.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements have been prepared using the presentational currency of pounds sterling.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going concern**

The company meets its day to day working capital requirements through its bank facilities.

Taking into account the company's current financial position and after reviewing ongoing forecasts and projections, the directors have a good expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**2. Accounting policies (continued)**

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts and rebates. The following criteria must also be met before revenue is recognised:

**Subscriptions and service charges**

Revenue from subscriptions and service charges are recognised over the period to which they relate. These are invoiced to individual and theatre members on an annual basis.

**Performance levies**

Revenue from performance levies is invoiced to the theatre on a monthly basis and is recognised in the period to which the relevant performance took place.

**Commissions on ticket sales**

Revenue from service charges and commissions on theatre tickets sold online and in the ticket booth are recognised at the point of sale as the risks and rewards of ownership have transferred to the customer.

**Olivier Awards**

Revenue from the Olivier Awards is recognised in the year in which the associated awards ceremony is held. The awards are held annually and income is generated from advertisements in the event brochure, the sale of tickets to attend the ceremony and sponsorship.

**Theatre tokens**

Commission on the redemption of theatre tokens is recognised at the point of redemption. Revenue from unredeemed theatre tokens is recognised when it is considered probable that the customer will not exchange the token for theatre tickets.

**Theatre marketing, media, digital and publications**

Sponsorship revenue generated through theatre marketing events is recognised when the event is held.

Revenue generated by advertising in the London Theatre Guide and listing services is recognised in the period to which the publication relates.

Online advertising is recognised when the relevant advert is sent to customers through the company's e-marketing.

**Rental revenue**

A proportion of the company's freehold property is leased to tenants under operating leases. The rental income receivable under these leases is recognised through profit or loss on a straight-line basis over the term of the lease. Since the risks and rewards of ownership have not been transferred to the lessee, the asset continues to be recognised in the company's financial statements.



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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**2. Accounting policies (continued)**

**2.4 Investments**

Current asset investments are a form of basic financial instrument and are initially, and subsequently, recognised at their transaction value. Interest receivable is included in debtors and is recognised in the statement of comprehensive income.

**2.5 Tangible fixed assets**

**Freehold property**

The property held by the company comprises office space and retail units. A proportion of the building is rented out on a commercial basis however the majority of the property is occupied by the company. Freehold property is initially recognised at cost and subsequently depreciated over its estimated useful life.

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line basis
Office furniture and equipment	-	20% straight line basis
Computer equipment	-	33% straight line basis

**2.6 Operating leases: the company as lessee**

Leases that do not transfer all of the risks and rewards of ownership are classified as operating leases.

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

**2.7 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs.

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**2. Accounting policies (continued)**

**2.8 Cash and cash equivalents**

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 are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

**2.9 Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

The company has no material exposures to interest rate, credit or foreign exchange risk by virtue that there are no external borrowings.

**2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost.

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**2. Accounting policies (continued)**

**2.11 Pensions**

**Defined benefit pension plan**

The company operates a defined benefit plan for a number of former employees. The plan is now closed to new employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**Defined contribution pension plan**

The company operates two defined contribution plans for employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**2. Accounting policies (continued)**

**2.12 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**2.13 Current and deferred taxation**

Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences.

**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

**Accruals**

The company makes an estimate of accruals at the year end based on invoices received after the year end which relate to the year and which have not been invoiced.

**Unredeemed theatre tokens**

The company makes an estimate at the end of each financial year of the amount of unredeemed theatre tokens which it considers are unlikely to be redeemed. The calculation is reviewed annually and is based on the historical trends of token redemption since tokens were introduced in 1984. Movements are recognised in the income statement.

**Tangible assets**

Tangible assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In re-assessing the assets' lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

**Impairment of debtors**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management considers factors including the current credit rating of the debtor, the ageing profile and historical experience.

**4. Turnover**

The total turnover of the company for the year has been derived from its principal activities wholly undertaken in the United Kingdom.

Further segmental analysis by business segment is not given, as in the opinion of the directors, such disclosure or information would be prejudicial to the interests of the company.

**5. Other operating income**

	2018	2017
	£	£
Other operating income	24,080	2,196
Net rents receivable	335,073	315,267
	<u>359,153</u>	<u>317,463</u>

**SOCIETY OF LONDON THEATRE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**6. Employees**

Staff costs, including directors' remuneration, were as follows:

	2018 £	2017 £
Wages and salaries	2,053,097	2,064,449
Social security costs	215,236	212,150
Cost of defined contribution scheme	177,220	171,124
	<u>2,445,553</u>	<u>2,447,723</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Administration	<u>69</u>	<u>69</u>

**7. Directors' remuneration**

	2018 £	2017 £
Directors' emoluments	<u>2,125</u>	<u>2,000</u>
	<u>2,125</u>	<u>2,000</u>

**Key management compensation**

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services was £618,017 (2017: £604,041).

**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**8. Interest receivable**

	2018 £	2017 £
Other interest receivable	28,084	19,481
	<u>28,084</u>	<u>19,481</u>

**9. Other finance income**

	2018 £	2017 £
Net interest on net defined benefit liability	(67,000)	(1,000)
	<u>(67,000)</u>	<u>(1,000)</u>

**10. Taxation**

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	74,305	8,016
<b>Taxation on profit on ordinary activities</b>	<u>74,305</u>	<u>8,016</u>

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**SOCIETY OF LONDON THEATRE**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**10. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	375,445	10,066
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	71,335	1,938
<b>Effects of:</b>		
Expenses not deductible for tax purposes	15,830	3,767
Capital allowances for year in excess of depreciation	6,140	6,931
Pension contributions allowable for tax purposes	(19,000)	(4,620)
<b>Total tax charge for the year</b>	<b>74,305</b>	<b>8,016</b>



**SOCIETY OF LONDON THEATRE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**11. Tangible fixed assets**

	Freehold property £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 January 2018	2,458,635	268,047	2,726,682
Additions	-	21,401	21,401
Disposals	-	(13,077)	(13,077)
At 31 December 2018	<u>2,458,635</u>	<u>276,371</u>	<u>2,735,006</u>
<b>Depreciation</b>			
At 1 January 2018	877,996	247,778	1,125,774
Charge for the year on owned assets	40,000	18,580	58,580
Disposals	-	(13,077)	(13,077)
At 31 December 2018	<u>917,996</u>	<u>253,281</u>	<u>1,171,277</u>
<b>Net book value</b>			
At 31 December 2018	<u>1,540,639</u>	<u>23,090</u>	<u>1,563,729</u>
At 31 December 2017	<u>1,580,639</u>	<u>20,269</u>	<u>1,600,908</u>

**12. Debtors**

	2018 £	2017 £
<b>Due after more than one year</b>		
Deferred tax asset	7,220	190
	<u>7,220</u>	<u>190</u>
<b>Due within one year</b>		
Trade debtors	2,701,674	2,643,118
Other debtors	11,448,288	11,480,676
Prepayments and accrued income	265,567	314,077
	<u>14,422,749</u>	<u>14,438,061</u>

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**13. Current asset investments**

	2018 £	2017 £
Bank deposits not repayable on demand	2,200,000	1,800,000
	2,200,000	1,800,000
	2,200,000	1,800,000

**14. Cash and cash equivalents**

	2018 £	2017 £
Cash at bank and in hand	2,770,032	2,289,983
	2,770,032	2,289,983
	2,770,032	2,289,983

**15. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	714,376	901,571
Corporation tax	74,305	8,016
Other taxation and social security	186,913	202,914
Unredeemed theatre tokens	18,243,441	17,547,779
Accruals and deferred income	359,093	365,460
	19,578,128	19,025,740
	19,578,128	19,025,740

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**16. Financial instruments**

	2018 £	2017 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>16,338,399</u>	<u>15,923,794</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(714,376)</u>	<u>(901,571)</u>

Financial assets that are debt instruments measured at amortised cost comprise current asset investments, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors.

**17. Deferred taxation**

	2018 £	2017 £
At beginning of year	190	11,600
Credited/charged to other comprehensive income	7,030	(11,410)
<b>At end of year</b>	<u>7,220</u>	<u>190</u>

The deferred tax asset is made up as follows:

	2018 £	2017 £
Deferred tax in respect of defined benefit pension liability	<u>7,220</u>	<u>190</u>
	<u>7,220</u>	<u>190</u>

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**18. Commitments under operating leases**

At 31 December 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
<b>Land and buildings</b>		
Not later than 1 year	27,500	27,500
Later than 1 year and not later than 5 years	52,708	80,208
	80,208	107,708
	80,208	107,708
	2018 £	2017 £
<b>Other</b>		
Not later than 1 year	7,944	7,141
Later than 1 year and not later than 5 years	23,848	-
	31,792	7,141
	31,792	7,141

**19. Pension commitments**

The company operates a defined benefit pension scheme.

The assets of the scheme are held separately from those of the company. The scheme is closed to new entrants and contributions of £100,000 (2017: £24,000) were made during the year. The company expects to make contributions of £20,000 in 2019.

The date of the actuarial valuation for accounting purposes was 31 December 2018 and the following information is reflected in the financial statements in accordance with Financial Reporting Standard 102.

	2018 £	2017 £
<b>Amount recognised in the statement of financial position</b>		
Fair value of plan assets	996,000	980,000
Present value of defined benefit obligation	(1,034,000)	(981,000)
	(38,000)	(1,000)
<b>Recognised defined benefit liability</b>	(38,000)	(1,000)

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**Pension commitments (continued)**

	2018 £	2017 £
<b>Amounts recognised in the statement of comprehensive income</b>		
Past service cost	67,000	1,000
Remeasurements recognised in comprehensive income	70,000	(10,000)
<b>Defined benefit cost</b>	<u>137,000</u>	<u>(9,000)</u>
	2018 £	2017 £
<b>Change in plan assets</b>		
Assets at beginning of period	980,000	916,000
Interest income	23,000	24,000
Actual return on plan assets, excluding interest income	(73,000)	25,000
Employer contributions	100,000	48,000
Benefits paid	(34,000)	(33,000)
<b>Plan assets at end of period</b>	<u>996,000</u>	<u>980,000</u>
	2018 £	2017 £
<b>Asset class split as at 31 December 2018</b>		
Equities	348,600	372,400
Property	149,400	147,000
Corporate bonds	229,100	186,200
Gilts	219,100	215,600
Cash	49,800	58,800
	<u>996,000</u>	<u>980,000</u>
	2018 £	2017 £
<b>Change in defined benefit obligation</b>		
Defined benefit obligation at beginning of period	981,000	974,000
Interest expense	23,000	25,000
Past service cost	67,000	-
Remeasurement arising from changes in assumptions	(49,000)	20,000
Remeasurement arising from experience	46,000	(5,000)
Benefits paid	(34,000)	(33,000)
<b>Defined benefit obligation at end of period</b>	<u>1,034,000</u>	<u>981,000</u>

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**Pension commitments (continued)**

	2018 %	2017 %
<b>Principal actuarial assumptions</b>		
Discount rate at 31 December	2	2
Retail price inflation	3	3
Customer price inflation	2	2
Rates of increase in pensions payment - pre 6 April 1997	3	3
Rates of increase in pensions payment - post 6 April 1997	2	2
	2	2

**20. Defined contribution pension scheme**

The company also operates a defined contribution scheme. Contributions payable by the company for the year were:

Distribution	31,128	36,602
Staff pension costs	146,092	134,522
	177,220	171,124

Contributions amounting to £nil (2017: £nil) were outstanding at the balance sheet date.

**21. Related party transactions**

At the balance sheet date an amount of £5,160 (2017: £5,929) representing contributions receivable during the year was owed to the company by The Theatre Council, a body comprising UK Theatre Association, Society of London Theatre and Equity, all of which have responsibility for meeting the administrative expenses of the council.

Included in other debtors is an amount owed by the Theatre Development Trust, a charitable body with substantially the same Board of Directors as Society of London Theatre. The total loan outstanding at the balance sheet date was £11,150,000 (2017: £11,150,000). The loan is non interest bearing and repayable on demand. At the balance sheet date £14,087 was also owed from (2017: £7,815 owed to) the Theatre Development Trust.

During the year the company generated turnover of £5,501,765 (2017: £5,301,315) from operations conducted by the company on behalf its Members. Certain directors of the company have significant influence over Members entering into transactions through the above operations but all transactions are undertaken on normal commercial terms.