



THE SHAKESPEARE GLOBE TRUST

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2014

The Shakespeare Globe Trust
(Limited by Guarantee)

Registered company number 1152238

Registered charity number 266916

Principal Office: 21 New Globe Walk, Bankside, London, SE1 9DT

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Liz Fosbury

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STRATEGIC REPORT

CHAIRMAN AND CHIEF EXECUTIVE STATEMENT

The 450th anniversary celebrations of Shakespeare's birth was always going to be a significant year in Shakespeare's Globe's history but no one could have anticipated the wonderful response by audiences, critics and artists alike for our first season in our candlelit jewel box, the Sam Wanamaker Playhouse. It was wonderful to see plays, music, opera and comedy all tumbling into their natural rhythms and shapes, as if such glittering rooms as this had never not been there. This ambitious project could not have been completed without a truly professional and dedicated team of experts and scholars, nor without the spirit and kindness of our community of generous supporters both in the UK and overseas.

Meanwhile the Globe Theatre Summer season continued its long tradition of high quality Shakespeare productions, alongside new writing and welcoming international work. The Globe's impact on the international stage increased with our first productions on Broadway (garnering two Tony Awards) and our audacious Globe to Globe Hamlet tour starting its two-year journey in April visiting every country in the world. We also toured productions extensively across North America and for the first time, shows toured across Russia, China and Asia.

Globe Education for the first time were able to increase their activities by using the Sam Wanamaker Playhouse in the Summer months with significantly increased numbers attending workshops and events and opportunities for new research. The Exhibition and Tour welcomed record attending numbers and our commercial activity continued to underpin and provide support for our mission led activities.

With the 2015 Globe Theatre Summer season being Dominic Dromgoole's last, next year we turn our attention to the search for his successor and continue the detailed planning for our new Library & Archive, new Exhibition and increased production facilities to support our year round playing.

OUR AIMS

Shakespeare's Globe exists to promote and improve the understanding and enjoyment of all aspects of the dramatic art; principally in relation to the works of Shakespeare in performance.

Inspired by Shakespeare and the Globe's theatres, our aim is to be the world's leading centre and organisation for the study and celebration of plays in performance.

The strategies employed to achieve our aims and objectives are to:

- Present a stimulating range of high quality theatre productions of around 260 performances each year at the Globe at relatively low and accessible ticket prices (including up to 600 £5 standing tickets for all Globe Theatre performances and 48 £10 standing tickets for Sam Wanamaker Playhouse performances); supplemented by digital productions of these performances and a touring programme of productions around the UK and abroad.
- Offer a wide range of educational programmes on-site, online and in the community, aimed variously at school students, undergraduates, scholars and the general public, covering all age groups and abilities, a significant element of which is free to students.
- Offer guided tours of the theatre and access to a permanent exhibition to visitors throughout the year.

The Globe uses visitor numbers and levels of demand for our educational courses, theatre performances and exhibition to gauge our success in delivering public benefit in relation to our primary charitable purposes and we invite feedback from all visitors, theatre-goers and students who participate in our educational programmes.

OUR STRATEGY

Our organisational wide strategic objectives for the year as detailed in our five year business plan for the period 2012 to 2016, included the following:

- Enhancing the way in which the artistic, educational and interpretative offers are nurtured, as well as supporting their individual strengths and inter-relationships.
- Providing a long term self-sustainable future by maximising revenue opportunities (at home and abroad) and via rigorous control of costs and resources.
- Making the most of our iconic buildings and planning and prioritising the future maintenance and developments of the overall Globe Centre.
- Developing our national and international profile/reputation and ensuring that we make Shakespeare's Globe the location of choice to see and engage with Shakespeare (and our theatres).
- Developing, enabling and rewarding all those who work here to ensure they help deliver our vision.
- Exceeding the expectations of all those who engage with Shakespeare's Globe.

OUR ACHIEVEMENTS AND PERFORMANCE

GLOBE THEATRE – PROMOTING ARTISTIC AND LITERARY APPRECIATION

- The realisation of Sam Wanamaker's vision of a year round theatre operation, two theatres presenting work summer and winter: The Sam Wanamaker Playhouse presented its first public performances in January 2014.
- The inaugural season in the Sam Wanamaker Playhouse comprised: *The Duchess of Malfi*, written by John Webster and directed by Dominic Dromgoole; *The Knight of the Burning Pestle*, written by Francis Beaumont, Cavalli's *L'Ormindo*, a co-production with the Royal Opera House, and *The Malcontent*, written by John Marston and performed by the Globe Young Players. This opening three and a half month season comprised 110 performances, enjoyed by an audience of 36,000 at an overall capacity attendance of 92%.
- A series of other events and concerts by candle light were presented in the Sam Wanamaker Playhouse; including Eileen Atkins playing Ellen Terry reincarnating Shakespeare's women; to Trevor Pinnock, the master of Baroque music; to John Williams, the Grammy Award winning guitarist; to the punk comedy of Rubberbandits. 57 performances attracted audiences of 18,000 at 87% attendance capacity.
- The Globe Young Players was established, a new company of talented 12 to 16 year olds specially selected and trained by the Globe's resident experts in the craft and performance of early modern drama; their first production was *The Malcontent*, first performed in the Blackfriars playhouse by the Children of the Chapel.
- Two momentous anniversaries: the 450th anniversary of Shakespeare's birth and the centenary of the First World War, were drawn together in our 2014 Globe Theatre Summer season.
- The Globe Theatre Summer Season comprised 280 performances from late April to mid-October, attracting a total audience of 368,000 at an overall audience capacity of 84%.
- Our main scale Shakespeare productions – *Anthony and Cleopatra*, *Julius Caesar*, *The Comedy of Errors* and *Titus Andronicus* – played to 91% capacity, and enjoyed both great critical acclaim and a delighted response from audiences.

- Our touring Shakespeare productions – *King Lear* and *Much Ado About Nothing* – played 20 performances at the Globe to an audience capacity of 97%, plus 138 performances nationally and internationally at 36 venues attracted audiences of 23,000. This was supplemented with a tour of *Eternal Love* with the English Touring Theatre which played at 9 venues across the UK to an audience of 11,347 people.
- 147,748 theatregoers enjoyed our revived productions of *Twelfth Night* and *Richard III* (co-produced with Sonia Friedman Productions) during its 18 week run of 141 performances at the Belasco Theatre in New York – the Globe’s first Broadway transfer. This resulted in five Tony Award nominations and two awards – best supporting actor for Mark Rylance and best costume design for Jenny Tirimani.
- We launched our two year global *Hamlet* Tour in April 2014 to tour every country in the world – this tour had presented 89 performances in 54 countries to the delight of an estimated audience of 54,000 by 31 October 2014.
- Our international Globe to Globe programme comprised: Deafinitely Theatre with *A Midsummer Night’s Dream* in British Sign Language; Theatre Arpana with *All’s Well That Ends Well* in Gujarati and Rakatá with Lope de Vega’s classic *Punishment Without Revenge* in Spanish.
- Our new writing commissions comprised four new productions; *Dr Scroggy’s War* written by Howard Brenton, *Holy Warriors* written by David Eldridge, *Pitcairn* written by Richard Bean and *The Last Days of Troy* written by Simon Armitage– 45 performances played to an audience capacity of 56%.
- Over 40% of our audiences throughout the Globe Theatre Summer Season enjoyed the £5 groundlings tickets, 87% of which were sold, thus ensuring that the Globe continues to play to a truly democratic and broad audience.
- Approximately 1,125 screenings of Globe productions were presented at cinemas around the world and played to an estimated audience of 42,000.
- Our films from previous years continued to sell well on DVD. A variety of digital platforms are now showing our work, including Digital Theatre. Four productions from this season were filmed – *Anthony and Cleopatra*, *Julius Caesar*, *The Comedy of Errors* and *Titus Andronicus*.
- Our digital engagement with our audience has grown significantly on the previous year; we now have 120,000 Facebook friends (up 42%), 100,000 Twitter followers (up 52%) and an e-mail membership of 200,000 (up 31%).
- We developed the Globe Player, an on-demand video platform offering access to a back catalogue of more than 50 productions as well as free to view content; this was launched just after the end of this financial year in November 2014 and is understood to be the first of its kind in the theatre world

GLOBE EDUCATION – LEARNING AND INSPIRATION FOR ALL

- It was an exceptionally busy and successful 25th anniversary year for Globe Education (originally launched in 1989).
- Globe Education's Lively Action workshop programme worked on site at the Globe with over 93,000 students aged 6–18 from the UK and abroad. The pool of Globe Education Practitioners was increased from 59 to 70 to support the growth of Learning projects; 14 Learning Consultants now train and mentor the Practitioners.
- The 2013 *Playing Shakespeare with Deutsche Bank* production was *The Merchant of Venice*. Over 15,500 secondary school students from 166 London schools received free tickets. Over 4,000 members of the general public received free tickets for Saturday performances and 3,500 students bought subsidised tickets. Over 100 teachers took part in Continuing Professional Development classes on the play as part of the project.
- A new partnership with the National Union of Teachers was launched and will offer CPD sessions for teachers in a number of venues across the UK.
- The opening of the Sam Wanamaker Playhouse enriched all areas of Globe Education's work. Over 300 5–10 year olds enjoyed a new storytelling programme in the Playhouse. Three new summer schools for teenagers as well as courses for teachers from Hong Kong, Germany and the USA enabled over 300 participants to enjoy classes or give performances in the Playhouse.
- Globe Education's Season in the Playhouse opened with an all-boys production of John Lyly's *Galatea* presented by the King Edward boys from Shakespeare's own grammar school. *Read not Dead* staged readings attracted record attendances of over 3,000 members of the general public and included *Macbeth* in 'original pronunciation'.
- Globe Education's first Post-doctoral Research Fellow led workshops with theatre practitioners, scholars and members of the public to explore the staging of plays in a candlelit indoor playhouse.
- Globe Education celebrated the 450th anniversary of Shakespeare's birth with a series of lectures given by leading international Shakespeare scholars including Andrew Gurr, James Shapiro, Tiffany Stern, Lisa Jardine and Stanley Wells, that attracted 800 members of the general public.
- The Shakespeare 450th anniversary also provided the theme for the annual *Our Theatre* production on the Globe stage, supported by PwC, in which 130 Southwark students took part.
- Just under 1,000 undergraduates and 329 graduates took courses at the Globe during the year. These included the BFA students from Rutgers University and students on the King's/Globe MA.
- Over 160 events were offered for and attended by over 12,000 members of the general public and included an award-winning interactive performance for families, *Muse of Fire*, and a series of storytelling performances of Shakespeare's plays for children. *Muse of Fire* was awarded Best Family Venue, Best Family Welcome and Best Family Event at the Family Arts Festival Awards.
- Interactivity is a key to the success of Globe Education's digital programmes which won several awards and attracted close to 1.3 million page views (up 20% on 2013); dwell time is also significantly longer than average. A new Exploring Shakespeare film attracted c.7,000 views in its first six months with an average dwell-time of 5.5 minutes. The popular and prizewinning Globe Playground received 140,000 views and three awards: Overall Best in Industry in the New Media Awards, Education Standard of Excellence and Not for Profit Standard of Excellence in the Web Marketing Association Awards.
- A Globe Education Advisory Group, chaired by Bob Osborne, was established to discuss strategy and programming for the areas of Learning, Events, Digital and Higher Education and Research.
- A Globe Library & Archive Advisory Group, chaired by Sir Brian Follett, produced a report that provided Trustees with recommendations for the planned new Library & Performance Digital Archive.

GLOBE EXHIBITION AND THEATRE TOURS – PROMOTING AN APPRECIATION OF HISTORY AND LITERATURE

- We welcomed another record-breaking number of visitors to the Exhibition & Tour with 358,330 over the year. This performance is particularly encouraging given that last year was up on the previous year by 50,000 visitors. This continuing strong performance has been achieved within a context of a positive London visitor economy, more aggressive and better targeted sales and marketing activity and an expansion of the touring options we are now able to offer with the introduction of tours into the Sam Wanamaker Playhouse (see below).
- We have continued to augment the core Exhibition with a vibrant programme of demonstrations and activities within the Exhibition space. Some 2,666 demonstrations have been presented to visitors over the year covering costume dressing, swordplay and the printing press.
- To supplement the core Exhibition and demonstration programme we have presented a number of small temporary exhibitions including:
 - o A continuation of our Festival in Focus photographic exhibition featuring stunning reportage and performance images from our 2012 *Globe to Globe* festival.
 - o Further updated display on the development of the Sam Wanamaker Playhouse project.
 - o An exhibition of etchings by Graham Clarke, including his series 'The Life and Times of Mr William Shakespeare'.
 - o Drawings and sketches from the Globe's 18 years of performances by award-winning illustrator Chris Duggan.
- On 4 May 2014 we launched a new visitor tour option in addition to the Globe and Rose theatre tours: the opportunity to take a fully guided tour of the Sam Wanamaker Playhouse. Between May 2014 and the end of October 2014 we conducted some 309 tours providing 1,111 visitors with a fascinating insight to the development and operation of the indoor playhouse.
- In line with our ambitions to expand the audioguide offering we added two new language versions (Russian and Mandarin) making a total of 8 language versions available to Exhibition visitors; we have also updated the content of all the remaining audioguides to ensure that the information about the development and use of the Sam Wanamaker Playhouse is fully up to date. We have expanded the number of group-guiding units available for tour guides to use on Sam Wanamaker Playhouse tours, as well as improving the clarity of Globe tours for visitors during its busiest periods.

MAKING THE MOST OF OUR ICONIC BUILDINGS

- The realisation of Sam Wanamaker's vision to create an indoor Jacobean theatre – the Sam Wanamaker Playhouse – which opened on time and budget with its inaugural performance of *The Duchess of Malfi* in January 2014. Following authentic designs and craftsmanship of the period, the Sam Wanamaker Playhouse inspires a uniquely intimate and intense theatre experience. Practical completion was achieved on 15 November 2013 and the Sam Wanamaker Playhouse was officially opened on 19 November 2013 by our Royal Patron, His Royal Highness the Duke of Edinburgh. The total cost of the Playhouse project excluding VAT was 8.4m.
- Plans to acquire on long leasehold some accommodation immediately adjacent to our Sackler Studios, to provide a public café space and a well-proportioned education workshop, progressed during the year. The acquisition of this lease should be completed by the end of February 2015, it is anticipated that this additional space will come into use by the summer of 2016.
- Allies and Morrison were commissioned by the Globe at the end of 2013 to produce a feasibility study for what is currently described as the West Block project. The starting point for the project has been the need and desire to develop the Library & Archive, currently housed in a temporary building which is substandard and unfit for purpose. A proper, fully functioning, library

and archive facility on site is an essential component of Sam Wanamaker's mission to 'found a World Centre for Shakespeare Studies, as a higher education institution for graduate studies and research in the work of Shakespeare and his contemporaries'. A potential new West Block building has provided the opportunity to address the long recognised challenge to develop our buildings to properly support our charitable activities whilst also maximising our commercial potential to support such activities. Thinking was extended to consider upgrading, re-planning or transforming spaces and facilities in those parts of the building that belong to or interact with the West Block. The project scope is currently proposed to incorporate a complete remodelling and reimagining of the public exhibition which has remained largely unchanged for the last 15 years; the introduction of a dedicated events space and the consolidation and optimisation of various backstage/ back of house functions such as workshops, wardrobe, dressing rooms and office space. Trustees agreed the feasibility study/ RIBA Stage 1 planning designs in July 14 and authorised the progression of these plans to the RIBA Stage 2. As part of this work, Trustees reviewed and endorsed concept architectural designs in October 14.

- Potential suitable additional space to provide much needed new rehearsal & exhibition space, educational & teaching facilities, as well as additional administration space has been identified within a scheme to re-develop 185 Park Street being undertaken by Delancy. This scheme has been submitted for planning permission and discussions regarding a financial arrangement and lease terms are on-going.

PLANS FOR NEXT YEAR

GLOBE THEATRE

To delight audiences with the Globe's first 12 month theatre performance schedule: the first full six month Sam Wanamaker Playhouse Winter Season, followed by the Globe Theatre Summer Season bought together under the theme of **Justice and Mercy**.

To continue to extend our reach via our touring programme and via digital means.

Specifically we intend to:

- Continue to offer fresh productions of great plays within the Sam Wanamaker Playhouse: the Winter Season will comprise: *'Tis Pity She's A Whore* written by John Ford and directed by Michael Longhurst; **The Changeling** written by Thomas Middleton and William Rowley and directed by Dominic Dromgoole; **The Broken Heart** written by John Ford and **Dido, Queen of Carthage** written by Christopher Marlowe and directed by Jacqui Somerville; two revivals: *The Knight of the Burning Pestle* written by Francis Beaumont and directed by Adele Thomas and Cavalli's **L'Ormindo**, a co-production with the Royal Opera House; and **Farinelli and the King**, a new play written by Claire van Kampen.
- Continue the successful series of other events and concerts by candle light launched last year in the Sam Wanamaker Playhouse.
- Present our 2015 Globe Theatre Summer Season which will include new productions of Shakespeare's **As You Like It** directed by Blanche McIntyre, **Measure for Measure** directed by Dominic Dromgoole, **The Merchant of Venice** directed by Jonathan Munby and **Richard II** directed by Simon Godwin.
- Present two new plays as part of the Globe Theatre Summer Season: **Heresy of Love** by Helen Edmundson and **Neil** by Jessica Swale; and a new production of **The Oresteia**.
- Continue with our two year global tour of **Hamlet** touring every country in the world and tour a revival of this year's **Much Ado About Nothing** and **Romeo and Juliet**.

GLOBE EDUCATION

To continue to extend the reach and impact of our Education work for students, teachers and the general public, with particular consideration to digital means.

Specifically we intend to:

- Develop a national outreach offer for schools, with the support of a newly appointed National Outreach Manager.
- Create an on-line Teachers' Hub to support the teaching of Shakespeare following the implementation of the new curriculum.
- Present *Othello Playing Shakespeare with Deutsche Bank* production free to 15,000 school children, with an additional week to be supported by tickets sales targeted at schools and with accompanying workshops, CPD sessions and web resources. The production of *Othello* will be complemented by a schools' project at the Royal Courts of Justice.
- Present our annual *Our Theatre* production created with Southwark Schools in the Sam Wanamaker Playhouse for the first time.
- Develop our education reach offsite to include the delivery of outreach projects in schools in a number of London boroughs, including the successful *Children as Storytellers* primary school project.
- Offer a new undergraduate module focusing on the repertory of the indoor playhouse for undergraduates at Sussex University and a new MA module based on indoor theatre repertory to the King's/Globe MA. We will be seeking Independent Research Organisation status for our research work. *Research in Action* workshops will continue in the Sam Wanamaker Playhouse.
- Present two seasons of events themed *Shakespeare and Friendship* and *Shakespeare Inspired* to include lectures, seminars and an academic conference, supplemented with Read not Dead staged readings both in the Sam Wanamaker Playhouse and in historic venues such as the Inns of Court. Family programmes will include a day focusing on Shakespeare and Puppets and storytelling of tales from Ovid and Cinthio which inspired Shakespeare. The award-winning family immersive theatre piece, *Muse of Fire*, will be reprised.
- Mark the anniversaries of Agincourt and the Magna Carta with a staged reading of *Henry V* in original pronunciation, a staged reading of the source play that inspired Shakespeare's *King John* and a talk on *King John* by John Wolfson, the Globe's Curator of Rare Books.
- Continue to develop digital resources to introduce children to the Globe and to Shakespeare and to support the teaching of the plays in schools in the English speaking world.
- Extend the streaming of educational events for the public and to make some lectures accessible from our website.
- Continue to develop the digital learning platform for Globe Education Shakespeare Editions.
- Seek alternative sources of funding to enable us to continue with externally funded education projects.

EXHIBITION & TOUR

- To continue to develop the Sam Wanamaker guided tour offering by training all guides in this new Theatre.
- To develop and launch a new audio-guide designed specifically for our younger visitors.
- To continue our temporary exhibition programmes with the following small exhibitions, including:
 - A display of mezzotint prints depicting Shakespeare's work, recently donated to the Globe Library and Archive by the estate of Charles Lennox Boyd.
 - A bronze bust created by sculptor Judy Methuen, based closely upon a painting from Hatchlands Park in Surrey that is claimed by some to be of Shakespeare.
- To utilise recently acquired showcases in the main foyer areas to display materials relating to Globe activities, beginning with 17th-century books – from the collection of John Wolfson – of plays presented in the Sam Wanamaker Playhouse.
- A huge amount of work has been achieved in developing the themes and topics for a new Exhibition working with a number of in-house staff and partners; the Exhibition concept is now at RIBA Stage 2. Over the coming year we will be working with a wide range of partners and cultural organisations to develop the Exhibition further and working closely with the Development department to assess funding potential.

MAKING THE MOST OF OUR ICONIC BUILDINGS

- To continue plans for the development of the West Block project, to provide a new fit for purpose library and archive facility, new exhibition and events space, and to upgrade our back of house facilities and office accommodation to support year round performances. As noted above RIBA Stage 2 works started in 2014 and will be complete for Trustees review in March 2015. This stage will comprise the concept design with proposals for structural design and strategy, building services systems and outline specifications, a supporting sustainability, maintenance and operational strategy and a full cost plan, budget and construction delivery plan. Alongside this we will further develop the visions for the new Exhibition, Library and Archive, and compile a supporting project business plan and funding strategy to support the overall significant capital costs.
- To complete lease arrangements for the acquisition on long leasehold of accommodation immediately adjacent to Sackler Studios to provide a public café and education workshop; to develop fit out plans and obtain the necessary planning and licence consents, with a view to these facilities coming into operation in the summer of 2016.
- To complete lease negotiations and develop a scheme to provide new rehearsal and exhibition space, education and teaching facilities and additional administration space at 185 Park street as part of a major development being undertaken by Delancy.

TRUSTEES' AND DIRECTORS' REPORT

The Trustees present their report and audited financial statements for the year ended 31 October 2014.

The reference and administrative information set out on pages 1 and 17 and the Statement of Trustees' Responsibilities set out on page 19 form part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and Statement of Recommended Practice – Accounting and Reporting by Charities.

PUBLIC BENEFIT

Children, students and other members of the general public benefit from the activities of the Globe.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit. The Globe receives no direct annual government funding and relies on grants and donations, the income from fees and charges in respect of its charitable activities and from its ancillary and non-charitable trading activities to cover its operating costs and to provide the necessary investment for future development.

The Globe's pricing policy reflects its strategy of enabling all members of the public, whatever their means, to attend our theatre and take part in our educational activities. In setting the level of fees and charges, the Trustees give careful consideration to the accessibility of our educational services and theatrical performances for those on low incomes. The Globe makes available up to 600 standing tickets at £5 for every theatre performance in the Globe Theatre, held at this price since the theatre opened 18 years ago. 170,000 £5 tickets were available for our main 2014 Theatre Season, which represented 40% of all available tickets. Our annual production of a Shakespeare play aimed specifically at 12 to 16 year olds is provided free of charge to 15,000 young people, due to the generous support of Deutsche Bank. Certain public education events are free, as are most of the education services delivered to schools in Southwark. Web based resources for schools are also made available at no charge. Full price adult entry to the Exhibition & Tour is £13.50; with concessions available to students, seniors, children and families.

FINANCIAL REVIEW

A surplus of £838,000 (2013: £3,699,000) was achieved for the year, a decrease of £2,861,000 on the previous year and reflective of the continued growth to and investment in the Globe's charitable activities. Total incoming resources for the year were £22,017,000 (2013: £21,662,000), an increase of 1.6% (£355,000) on the previous year. This increase is attributable to higher incoming resources from charitable activities of £2,078,000 (15%) largely offset by lower legacy and capital fundraising income of £1,608,000 (39%).

We enjoyed our fifth year of exceptional box office sales, achieving average audience attendance levels across the Globe Theatre Summer Season of 84%; our four main scale Shakespeare plays achieving average attendance levels of 91%. We continued to enjoy high demand for our educational services and our exhibition/tour offering attracted 2% more visitors than the previous year.

The results of Shakespeare Globe Trading Limited (SGTL), the Globe's trading subsidiary, are summarised at note six to the consolidated financial statements and show a net surplus of £1,372,000 (2013: £1,727,000) before a gift aid payment of £1,330,000 (2013: £1,750,000) to the Globe.

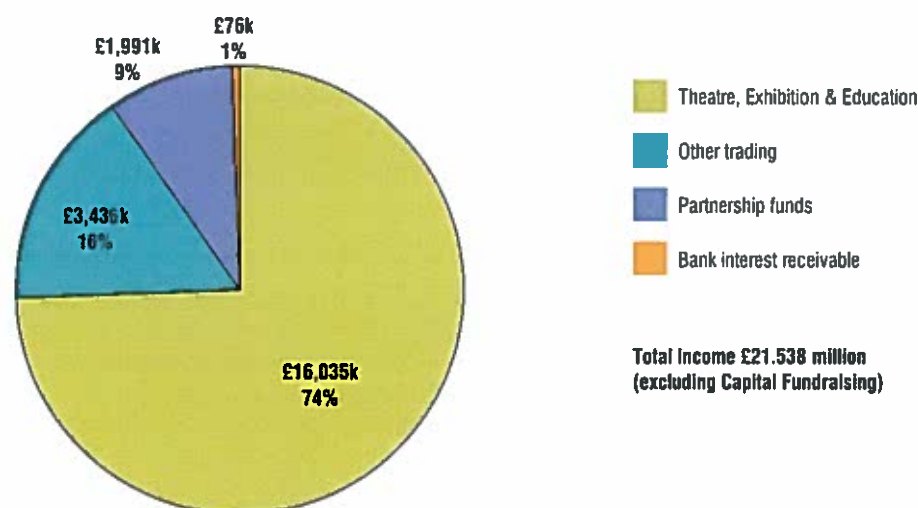
The total balance carried forward on the Globe's consolidated unrestricted and restricted income funds at the end of the year was £41,079,000 (2013: £40,241,000).

Consolidated unrestricted funds at the end of the year amounted to £8,389,000 (2013: £8,156,000); which included designated funds of £6,302,000 (2013: £6,137,000).

INCOMING RESOURCES

Around three quarters of the Globe's incoming resources derive from primary purposes in the form of admission charges to the theatre and exhibition, together with fees for educational services. Secondary revenue is generated largely from visitor spending in the on-site shop, catering and facilities hire. Recurring annual sponsorships, corporate support and general donations make up less than ten per cent of the group's annual incoming resources.

A summary of incoming resources, excluding capital funds, is set out below:



Income from **charitable activities** totalled £16,035,000 (2013: £13,957,000), an increase of £2,078,000 (15%) on the previous year.

Total **Theatre** income was £11,388,000 (2013: £9,529,000), an increase of 20% on the previous year. A total of 280 (2013: 283) performances were presented at the Globe Theatre and 167 (2013: nil) at the Sam Wanamaker Playhouse. Box office income in respect of these theatre performances amounted to £9.0 million (2013: £7.2 million); it was another highly successful season with overall attendance of just under 356,000 paid theatre goers at 84% occupancy (2013: 87% occupancy) for the Globe Theatre and 51,000 paid theatre goers at 90% occupancy for the inaugural first three and a half month season in the Sam Wanamaker Playhouse, complemented with a series of events and concerts by candle light during the summer period. The balance of theatre income is made up of programme sales and performance related merchandise income, other events income, touring box office income (which achieved a 9% growth in sales on the previous year) and filming income (which grew by 48% on the previous year).

Education fees raised were £1,803,000 (2013: £1,604,000) an increase of 12% on the previous year. This reflects both a growth to activity, notably in respect of our Lively Action workshop programme (which achieved a growth of 17% on the previous year) and an increase in attendance capacity at courses and events.

The **Exhibition & Tour** generated attendance levels for the year of 358,000 paying visitors (2013: 352,000) and income of £2,845,000 (2013: £2,823,000), showing growth to income of 1% on the previous year.

The Globe receives no direct annual government subsidy for our core artistic and educational work. Therefore we rely on our family of supporters for all **Fundraising** income.

Total funds raised amounted to £2,470,000 (2013: £4,078,000), of which £479,000 (2013: £1,859,000) related to the Capital Campaign for the Sam Wanamaker Playhouse.

Income from **Friends** subscriptions, individual donations, legacy income and general unrestricted donations from Trusts amounted to £1,216,000 (2013: £1,726,000), unrestricted donations (excluding Friends subscriptions and donations) are down on the previous year by £262,000 and legacy income is down by £300,000; marginally offset by an increase to Friends subscriptions and donations income of £52,000 (11%), partly reflective of the additional interest generated by the Sam Wanamaker Playhouse.

Funds received in support of our **education** work totalled £389,000 (2013: £257,000). Of this £96,000, in addition to £36,000 of funding received in the previous year, was used to support education projects during the year; the balance of £329,000 relating to projects to be carried out in 2015. This includes a donation of £200,000 from Deutsche Bank, for the *Playing Shakespeare with Deutsche Bank* project. This represents a proportion of their total contribution of £257,000, the balance of which is reported under trading and other income.

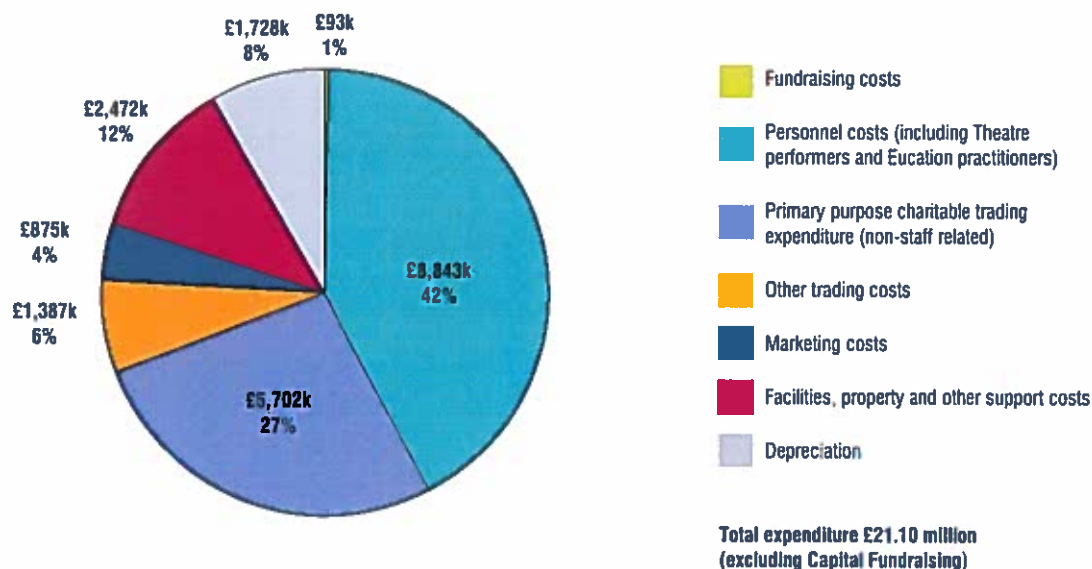
Trading and other income Trading operations, including public and events catering, hire of facilities and provision of corporate and private event management services, merchandise sales and publications and music recordings, are carried out by the Globe's wholly owned subsidiary, Shakespeare Globe Trading Limited (SGTL).

SGTL achieved a turnover of £3,436,000 (2013: £3,482,000) for the year representing a decline of just over 1% on the previous year; whilst income in respect of our retail and catering activities grew by 3.5%, there was a significant decline to our corporate sponsorship income. The surplus of £1,372,000 (2013: £1,727,000) showed a decline of 21% on the previous year, due to the decline to turnover and an increase to cost of sales of 25% and administration expenses of 8%.

RESOURCES EXPENDED

Total **resources expended** amounted to £21,179,000 (2013: £17,963,000), an increase of 18% on the previous year.

A summary of expenditure, excluding capital fundraising costs, is set out below:



Expenditure on **charitable activities** totalled £17,348,000, (2013: £14,831,000) an increase of £2,517,000 (15%).

Theatre costs totalled £11,530,000 (2013: £9,202,000), an increase of 25% on the previous year, reflective of the growth to income of 19% related to the opening of the Sam Wanamaker Playhouse and the increased commitment and investment to filming activity and touring, including significant investment in the Hamlet world tour, on the previous year.

Education costs amounted to £3,130,000 (2013: £3,082,000), an increase of just under 2% on the previous year.

Exhibition costs were 6% higher than the previous year at £2,688,000 (2013: £2,547,000), due to an increase to its allocation of shared costs.

Fundraising The costs of generating voluntary income totalled £798,000 (2013: £1,786,000), an increase of 14% on the previous year. This reflects an increase to staff resource and donor cultivation activities to support our capital campaign.

Trading Ancillary and trading expenses amounted to £2,044,000 (2013: £1,786,000), an increase of 14% on the previous year and reflective of the increase to costs of sales.

Shared services costs totalled £4,026,000 (2013: £3,805,000), an increase of just under 6% on the previous year. Shared services costs cover expenditure on the management and maintenance of the building, including insurance and utility costs, finance, personnel and IT. The increase on the previous year relates mainly to the additional management and maintenance building costs associated with the Sam Wanamaker Playhouse and inflationary cost pressures.

Capital expenditure amounted to £2,137,000 during the year (2013: £6,833,000). Of this £1,076,000 was expended on the construction of the new Sam Wanamaker Playhouse and £292,000 on assets under construction in relation to the West Block project. Approximately £500,000 was spent on other improvements to our building and its fixtures and fittings, including replacement of our catering kitchen extract, air handling and heating systems and catering lift, replacement air handling for our retail operation, the refurbishment of the Globe Theatre's gentlemen's boxes including new painted canvas back drops, visioning work for our new exhibition and new signage. The balance of capital expenditure of just over £150,000 relates to improvements to our technical support facilities and IT infrastructure and hardware, and development of the new Globe Player.

A significant contribution was made from **volunteers** to enable the Globe to carry out its activities, mostly in the form of a growing pool of over 500 enthusiastic and dedicated volunteer stewards who provided essential house management support throughout the theatre season and at other public events from time to time.

Other volunteers worked on the donations/Friends' desk in the foyer, helping with our fundraising efforts by accepting donations from tour groups and other visitors to the Globe all year round.

No monetary amount has been included in the Globe's voluntary income for the period to reflect the value of the 'in kind' support provided by the Globe's volunteers. The 'in kind' contribution from volunteer theatre stewards, many of whom are also members of the Friends' scheme, exceeded 80,000 hours over the year, at an estimated value in excess of £700,000.

RESERVES POLICY

The Globe has reviewed its policy during the year and has determined to maintain its unrestricted charitable reserves in the following manner:

- A minimum level of liquid reserves of £1.9 million to be held by way of operating contingency at all times to enable the Globe to continue operating in the event of a fall in trading or fundraising revenue; the intention is to increase this to £3 million over the next 12 years to provide an operating contingency equivalent to three months of operating expenditure.

The Globe's consolidated unrestricted and otherwise undesignated reserves as at 31 October 2014 of £2 million meet the needs of this policy.

In addition to the unrestricted reserves held for the purposes detailed above the Globe has designated a reserve of £6,302,000 (£6,137,000) from its own cash resources for the following purposes:

- A £1 million emergency facilities estate maintenance and renewal fund to deal with unforeseen and uninsured issues.
- A short to medium term building maintenance and renewal fund of £1.3 million of which

£0.5 million is planned to be spent in 2015.

- £2.7 million towards the funding of its West Block development.
- An artistic contingency fund of £0.4million to provide for the risk element of programming and developing new work.
- £0.9 million related to capital and other one off expenditure planned in 2015.

A table showing the movement of designated reserves over the period is set out below.

Designated Reserves	Brought forward at 1/11/13	Funds utilised during the year	Designations during the year	Carried forward at 31/10/14
	£000s	£000s	£000s	£000s
Emergency term facilities estate maintenance and renewal fund	1,000	0	0	1,000
Short to medium term estate maintenance and renewal fund	1,248	(509)	550	1,289
Capital Campaign	2,274	(971)	1,404	2,707
Artistic contingency fund	450	(340)	300	410
Capital and other one off expenditure planned in next 12 months	1,165	(755)	486	896
Total Designated Reserves	6,137	(2,575)	2,740	6,302

Trustees are satisfied that sufficient reserves are held to meet the Globe's requirements and to maintain them at this level for the time being. The reserves policy is subject to regular review to ensure that the retained reserves meet the long term needs of the organisation on an on-going basis.

INVESTMENT POLICY

In accordance with the Globe's **investment policy** it does not hold any investments other than in the form of bank deposit accounts. With regard to these, the primary objective is capital protection, the secondary objective to maximise interest income. The investment policy is subject to regular review to ensure it meets the needs of the organisation on an on-going basis.

INTERNAL CONTROL AND RISK MANAGEMENT

The Trustees are responsible for ensuring the Globe has effective risk management and control systems in place. Agreed processes are in place by which the Trustees review, identify and assess major risks and agree with management the controls that already are, or will be, put in place to manage those risks. The details form part of the Risk Register, which Trustees review in full on an annual basis, all significant risks being reviewed on a regular basis. Senior management has responsibility for managing resources, monitoring performance and establishing and maintaining effective internal control systems. The system of internal control and risk management is designed to:

- identify and prioritise strategic and operational risks to the achievement of the Globe's aims and objectives;
- evaluate the likelihood of those risks being realised and their potential impact; and
- manage these risks efficiently, effectively and economically.

The Trustees are satisfied that appropriate internal control systems and risk management processes are in place.

The key components of the Globe's risk management include:

- A strategic plan and annual budget approved by the Trustees, against which progress is reported regularly, including monthly financial reporting of results;
- Regular consideration by the Trustees of financial results and variance from budgets;
- Delegation of authority and segregation of duties;
- Senior management review of key strategic and operational risks on a regular basis. Consideration is given to progress on mitigating actions, new and emerging risks, and opportunities.
- The Audit Committee reviews risks and internal controls on a regular basis.
- The Trustees review the Globe's highest rated risks, together with action taken or proposed to manage such risks, at each Board meeting, and the full Risk Register on an annual basis.
- Clear policies on health and safety and safeguarding children and vulnerable adults to ensure compliance with statutory requirements.

The system is designed to manage rather than to eliminate the risks faced by the Globe and it must be recognised that such a system can provide only reasonable and not absolute assurance.

PRINCIPAL RISKS AND UNCERTAINTIES

The Globe faces the following principal risks and challenges:

- balancing the artistic and educational objectives of the Globe with commercial considerations necessary to ensure continued financial viability in the absence of any government subsidy and in the current economic climate;
- ensuring sufficient annual surpluses are generated from primary and secondary trading to allow for the maintenance and renewal of existing facilities and operating assets of the Globe;
- our ability to raise the capital funds required to develop and enhance our operating facilities, and in particular the development of the West Block to include a new Library, Research and Archive Centre, a new Exhibition and upgraded production facilities.
- finding space and funding to develop our education work.

STRUCTURE AND GOVERNANCE

LEGAL STATUS

The Shakespeare Globe Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 18 December 1973 and most recently amended 20 May 2009.

Ancillary and non-charitable trading activities in support of the Globe's primary aims are carried on by the Globe's subsidiary undertaking, Shakespeare Globe Trading Limited ('SGTL'). SGTL pays its annual taxable surplus to the Globe under Gift Aid legislation.

The Trust also uses the name Shakespeare's Globe and the Globe for its charitable and other trading activities.

TRUSTEES AND DIRECTORS

The Trustees, who act as directors for the purposes of the Companies Acts, are elected by the Board.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Recruitment and appointment of new Trustees is handled by a Nomination Committee which reports to the Board. This committee considers and makes recommendations to the Board in accordance with guidelines agreed by the Board aimed at ensuring that an appropriate mix of skills, experience, background and diversity relevant to the full scope of the Globe's activities is in place on the Board and its committees. The Chairman reviews with each Trustee his/her role and contribution when such Trustee is due for re-appointment, usually at three year intervals and the Chairman receives feedback on his own position annually.

Trustees usually serve for two terms of three years, extendable for an additional three years by mutual agreement. The Chairman, Deputy Chairman and Honorary Treasurer serve for two terms of three years, extendable only in exceptional circumstances.

POLICIES AND PROCEDURES FOR TRUSTEE INDUCTION AND TRAINING

Trustee induction and training needs are reviewed on a case by case basis by the Nomination Committee. When first appointed, Trustees receive an induction pack and are briefed by the Chairman, Chief Executive and Executive Committee members, as well as the opportunity to tour the Globe site and see its activities.

THE BOARD AND ITS COMMITTEES

The Trustees, as a Board, recognise that they are responsible for the good standing of the Globe, the safe management of its assets, and the approval of strategy for its future development and all key policy decisions. The Trustees meet on a formal basis at least six times a year to carry out such responsibilities.

The following committees have formally reported and/or provided support to the Trustees in directing the affairs of the Globe during the period.

Chairman's Committee

The Committee's function is to oversee the business of the Globe between meetings of the Board in accordance with the principles, policies and the specific decisions and instructions of the Board. All major decisions, particularly in the financial area, are reserved to the Board. The Committee is chaired by the Chairman of the Board and also includes the Deputy Chairman and other Trustees according to the requirements of the Chairman from time to time.

Nomination Committee

The purpose of the Committee is to: (i) review regularly the size, structure and composition of the Board and Board committees; (ii) identify and nominate candidates for the Board and Board committees, having regard to the Globe's need for the requisite blend of skills, expertise and diversity as well as to fill vacancies and have regard to succession; (iii) put forward candidates to the Board for approval. The Committee is chaired by the Deputy Chairman and also includes two other members of the Board.

Remuneration Committee

The purpose of the Committee is to consider remuneration strategy, policies, structure and other issues and matters, particularly with respect to the Executive Committee and senior staff, and advise the Board accordingly. The Committee is chaired by a Trustee and includes three other members of the Board.

Development Committee Board

The function of this Committee is to assist the Trustees in developing funding opportunities and fund-raising strategies and policies for the Globe and to assist in their implementation, in particular in supporting fundraising for the Globe's capital development programme.

The Campaign Executive Committee is chaired by a Trustee and includes advisers and other Trustees appointed by the Board. There is also an independent Shakespeare's Globe Centre USA Board that supports fundraising activities in the US.

Audit Committee

The Audit Committee has overall responsibility to ensure that the organisation has robust internal controls in place, that these controls are working effectively at all times and are regularly reviewed to reflect changing business conditions.

The Committee's function is: (i) to review the financial management of the Globe and its subsidiary company in a way that enables the Committee to satisfy the Trustees that there are appropriate mechanisms in place to secure the proper reporting of financial performance and (ii) to assist the Board in its observance of its responsibility to ensure that the Globe's published financial statements represent a true and fair reflection of that performance. The Committee also reviews the Risk Analysis and Governance procedures and practice.

The Committee is chaired by the Honorary Treasurer and also includes three other members of the Board. The company's external auditors and the Chief Executive and Chief Financial and Operations Officer normally attend meetings of the Committee by invitation.

The Shakespeare Globe Council

The purpose of the Council, made up of 130 members comprising all Trustees and former Trustees as well as a wider group of friends and supporters, is to serve as an advisory and support group for the Trustees with respect to the overall artistic, educational and exhibition strategies and activities of the Globe. The Council is chaired by the Chairman of the Board. Working groups are formed from its number to advise on the Theatre, Education, International and other activities.

DAY TO DAY MANAGEMENT

Executive Committee

Not a formal Committee of the Board, this Committee's function is the formulation of strategy and policy for Board approval, and the effective day to day operation, management and administration of Globe's activities in accordance with the general strategy, principles and policy approved by the Board. The Committee is chaired by the Chief Executive and also includes the senior executive officers of the company.

OTHER MATTERS

Employment of disabled persons and disability awareness policy

The Globe considers all applications for employment from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Globe continues. The Globe's policy is to provide training, career development and opportunities for promotion which are, as far as possible, identical to those for other employees.

The Globe seeks to achieve the objectives set down in the Equality Act 2010 and regularly reviews its operational procedures and policies to ensure that equality of access to the Globe's facilities and services is offered to all persons, in accordance with the requirements of disability legislation, and in furtherance of the Globe's charitable aims to be accessible, open and welcoming to persons from all sections of society.

Staff consultation

The Globe recognises the benefits of good communication, at all levels, between management and staff in promoting the effective pursuit of its charitable aims. Active staff involvement is facilitated through periodic meetings with the Executive Committee and through regular briefings from senior management. Operational managers meet monthly to review operational performance, exchange information about departmental priorities and participate in the development of the strategic plan.

Trustee's Transactions

Trustees declare any actual or potential conflicts of interest and these are recorded. A declaration is made annually in accordance with the Conflicts Policy adopted by the Board on 7 December 2009 and the item is on the agenda of each Board meeting. No Trustee was materially interested in any contract or matter of significance to the Globe's business during the period or subsequently; immaterial interests are detailed at Note 26 on page 38. The Trustees received no remuneration or benefits for their contribution to the charity, with the exception of the Chief Executive of the Globe who received a salary in respect of his position as Chief Executive and was reimbursed for expenses wholly and necessarily incurred on behalf of the Globe.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements 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 charity will continue in business.

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

Financial statements are published on the charitable company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the on-going integrity of the financial statements contained therein.

INFORMATION TO AUDITORS

The Trustees who held office at the date of approval of this Trustees' report confirm, so far as they are aware, that there is no relevant audit information of which the company's auditors are unaware; and each Trustee has taken all the steps that he or she ought to have taken as a Trustee to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, BDO LLP, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Board (Trustees') Meeting on 2 February 2015 in accordance with section 485 of the Companies Act 2006.



Lord Falconer
Chairman

2 February 2015



Philip Kirkpatrick
Director

2 February 2015

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE SHAKESPEARE GLOBE TRUST

We have audited the financial statements of The Shakespeare Globe Trust for the year ended 31 October 2014 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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).

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 October 2014, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

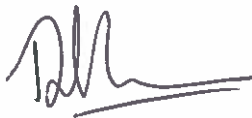
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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:

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



Don Bawtree Senior Statutory Auditor

for and on behalf of BDO LLP, Statutory Auditor
Gatwick
United Kingdom

Date: 9 July 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Year ended 31 October 2014

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

					Year end 31/10/12
Incoming Resources	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£000	£000	£000	£000
Incoming resources from generated funds:					
– Voluntary income					
Donations and other fundraising income	2	732	1,162	1,894	3,202
Legacies		576		576	876
– Activities for generating funds					
Ancillary and other non-charitable trading income	3	3,436	–	3,436	3,482
– Investment income					
Interest receivable	4	65	11	76	145
Incoming resources from charitable activities					
– Theatre, exhibition and education income	5	16,035	–	16,035	13,957
Total incoming resources		20,844	1,173	22,017	21,662
Resources Expended	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£000	£000	£000	£000
Cost of generating funds:					
– Costs of generating voluntary income	7	307	490	798	699
– Ancillary and non-charitable trading expenses	7	2,042	–	2,042	1,786
Charitable activities					
– Theatre, exhibition and education expenses	7,19	16,927	421	17,348	14,831
Preservation of the Globe Theatre	7,19	591	356	947	602
Governance costs	8	44	–	44	45
Total resources expended		19,911	1,267	21,179	17,963
Net incoming resources		932	(94)	838	3,699
Total funds brought forward		32,536	7,705	40,241	36,542
Total funds carried forward	19	33,468	7,611	41,079	40,241

During the year £2137,000 (2013: £6,833,000) has been spent by the group on the acquisition of tangible fixed assets so is not shown as resources expended. Of this £1,076,000 has been spent on the construction of the new Sam Wanamaker Playhouse and £292,000 has been spent on initial work for the West Block Project.

All restricted funds are income funds. There have been no discontinued operations in the period. There are no material gains or losses other than those disclosed in the Consolidated Statement of Financial Activities. There is no difference between the result on a historical cost basis and that shown in the Consolidated Statement of Financial Activities.

The notes on pages 27 to 38 form part of these financial statements.

Year ended 31 October 2014

CONSOLIDATED BALANCE SHEET

	Note	As at 31/10/14		As at 31/10/13	
		£000	£000	£000	£000
Fixed Assets – Tangible	13		32,127		31,784
Current Assets					
– Stocks	14	268		221	
– Debtors	16	1,709		1,860	
– Cash at bank and in hand	15	10,072		8,819	
		12,049		10,900	
Creditors: amounts falling due within one year	17	(2,927)		(2,273)	
Net current assets			9,122		8,627
Total assets less current liabilities			41,249		40,411
Creditors: amounts falling due after more than one year	18		–		–
			41,249		40,411

Funds					
Restricted income funds	19		7,611		7,705
Fixed asset reserves	19		25,079		24,380
Designated funds	19		6,302		6,137
Unrestricted funds	19		2,087		2,019
Capital redemption reserve			170		170
			41,249		40,411

Unrestricted funds of £2.1 million are held to meet the Trust's reserves policy to hold a minimum level of liquid reserves of £1.9 million by way of an operating contingency at all times.

These financial statements were approved by the trustees on 2 February 2015 and signed on their behalf by:



Lord Falconer
Chairman



Daniel Witter
Honorary Treasurer

The notes on pages 27 to 38 form part of these financial statements.

Year ended 31 October 2014

TRUST BALANCE SHEET

		As at 31/10/14		As at 31/10/13	
Trust Balance Sheet	Note	£000	£000	£000	£000
Fixed Assets Tangible	13		32,127		31,784
Current Assets					
– Stocks	14	45		45	
– Debtors	16	2,177		2,085	
– Cash at bank and in hand	15	9,355		8,597	
		11,577		10,727	
Creditors: amounts falling due within one year	17	(2,566)		(2,617)	
Net current assets			9,011		8,560
Total assets less current liabilities			41,138		40,345
Creditors: amounts falling due after more than one year	18		(3,481)		(3,481)
			37,657		36,863

Funds					
Restricted income funds	19		7,611		7,705
Fixed asset reserves	21		25,079		24,380
Unrestricted funds (including designated funds)	21		4,967		4,778
			37,657		36,863

These financial statements were approved by the trustees on 2 February 2015 and signed on their behalf by:



Lord Falconer
Chairman



Daniel Witter
Honorary Treasurer

The notes on pages 27 to 38 form part of these financial statements.

Year ended 31 October 2014

CONSOLIDATED CASH FLOW STATEMENT

	Note	Year ended 31/10/14		Year ended 31/10/13	
		£000	£000	£000	£000
Net Cash inflow from operating activities	12		3,247		6,407
Return on investment and servicing of finance					
– Interest received	4	76		145	
Net cash inflow from returns on investment and servicing of finance			76		145
Capital expenditure					
– Purchase of tangible fixed assets	13	(2,070)		(6,833)	
Net cash outflow from capital expenditure			(2,070)		(6,833)
Management of liquid resources					
– Increase (decrease) in cash on term deposit	15		1,253		(281)
(Decrease) Increase in cash and cash equivalents	23		2,506		(562)

The notes on pages 27 to 38 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Globe's financial statements.

The financial statements have been prepared in accordance with FRS25 'Financial instruments'.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' ('SORP') issued in March 2005 (revised), the Charities Act 2011 and the Companies Act 2006.

Fund accounting

Unrestricted funds

Unrestricted funds are generally available to be applied by the Trustees in furtherance of the objects of the charity.

Designated funds

Designated funds are those funds which have been set aside by the Trustees for a particular purpose, in accordance with the Globe's five year Business Plan.

Restricted income funds

Restricted income funds include those which are subject to specific conditions imposed by the Arts Council of England, in respect of two National Lottery Fund grants awarded for site development and construction, and conditions imposed by English Partnerships in relation to its contribution towards the funding of the development of the Shakespeare's Globe Exhibition.

Other restricted donations arise where donors have stipulated a specific project, within the artistic, educational and site development activities carried on in furtherance of the Globe's charitable purposes, to which they wish their support to be applied (see note 20).

Depreciation relating to restricted fund assets is charged to restricted funds.

Transfer between funds

Where all conditions attached to a restricted fund are met a transfer of funds is recognised to transfer unused amounts to unrestricted funds.

Basis of consolidation

The group accounts consolidate the accounts of The Shakespeare Globe Trust and its subsidiary undertaking, Shakespeare Globe Trading Limited, which carries on non-primary purpose trading activities to generate funds in support of the Globe's mission. The results of Shakespeare Globe Trading are consolidated on a line by line basis, after eliminating inter-company transfers of goods for resale.

The Globe has taken advantage of section 230 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements. The income of the Globe for the year was £19,909,139 (2013: £19,929,582) and expenditure of the Globe for the year was £19,113,796 (2013: £16,207,236) giving net income for the year of £795,343 (2013: £3,722,346).

Investments

Investments held as fixed assets are stated at cost less provision for impairment. When gifted, investments are initially recorded at valuation before being considered for impairment.

Impairment of fixed assets

The need for any fixed asset impairment write down is assessed by comparison to of the carrying value of the asset against the higher of realisable value and value in use.

Assets under construction

Assets under construction are accounted for at cost pending completion, at which point an assessment is made of the carrying value of the asset against the higher of realisable value and value in use.

Donations

- i) Covenants and donations, including legacies, are accounted for as they are received, unless there is reasonable assurance of entitlement and receipt, when they are recognised on an accruals basis.
- ii) Donated facilities and services have been included as income where the benefit is reasonably quantifiable and measurable. The value placed on them has been the value to the charity (ie the price that the charity would have paid on the open market).

Theatre box office income

Advance box office receipts are carried forward as deferred income and not recognised as incoming resources until after performances have matured.

Other income

Other income, including exhibition income, is recognised on an accruals basis, once there is reasonable certainty of receipt.

Resources expended

Resources expended are accounted for on an accruals basis. The cost of generating funds includes expenditure directly attributable to raising income and gifts in kind.

Basis of cost allocation and apportionment

Where costs are identifiable to a specific cost category in the consolidated Statement of Financial Activities, they are allocated in full to that category.

Support costs are apportioned to revenue generating departments on the following bases:

Facilities management costs	Departmental head count
Visitor services costs	Visitor numbers
Rates and Utilities	Management assessment/Floor space
Finance, IT and HR	Departmental head count
Marketing and communications overheads	Management assessment of time/cost
General Administration costs	Departmental head count
Depreciation	Management assessment of usage

Governance costs comprise statutory audit fees and the costs of servicing the Board and other Trustee meetings.

Stocks

Merchandise Stocks are stated at the lower of cost and net realisable value.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided, on a straight-line basis, to write off the cost of tangible fixed assets over their estimated useful economic lives, at the following annual rates:

Computer equipment (hardware and software)	–	25% per annum
Fixtures and fittings	–	25% per annum
Leasehold plant and machinery	–	4% to 10% per annum
Exhibition and theatre artefacts	–	10% to 25% per annum
Leasehold buildings	–	2% per annum
Leasehold improvements	–	2% per annum

Pension costs

The Globe offers a stakeholder scheme to its employees and contributes defined contributions into individual pension schemes on behalf of eligible employees. The amounts charged in the consolidated Statement of Financial Activities represent the contributions payable to these schemes in respect of the accounting period.

Direct Taxation

The Globe is a registered charity and is exempt from taxation on its charitable activities under the provisions of the Income and Corporation Taxes Act 1988. The annual taxable surplus of Shakespeare Globe Trading Limited is paid over under Gift Aid. Consequently, no liability for corporation tax is provided for in its accounts.

VAT

VAT is included in income according to the tax status of the supply in question. Exhibition admissions income, theatre box office sales and fees for educational services are regarded as exempt income. Input VAT is recoverable in accordance with non-business apportionment and partial exemption calculation methods agreed with HMRC.

Leases

Operating lease rental charges are charged to the consolidated Statement of Financial Activities on a straight-line basis over the life of the lease.

Transactions in foreign currency

In accordance with SSAP20, transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses are included in the SOFA.

Classification of redeemable preference shares

In accordance with FRS25, the redeemable preference shares issued by Shakespeare Globe Trading Limited (see note 28) are classified as a financial liability and are included in creditors (see notes 17 and 18). The fixed annual amount payable to the redeemable preference shareholders is charged against income for the period as interest payable.

The relevant cost of redeemable preference share capital issued at the balance sheet date is included in creditors due in less than one year to the extent that redemption falls due to be made from the annual surplus of the Globe's subsidiary undertaking for the most recently ended accounting period. The balance of unredeemed shares in issue at the balance sheet date is treated as creditors due after more than one year.

Liquid resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short term deposits.

2. DONATIONS AND OTHER FUND-RAISING INCOME

	Year ended 31/10/14	Year ended 31/10/13
	£000	£000
Unrestricted donations and covenants	132	394
Tax recoverable (on unrestricted donations and subscriptions)	92	88
Restricted donations (see note 19)	1,162	2,265
Friend's subscriptions and donations	508	456
	1,894	3,203
Legacies received	576	876
	2,470	4,079

3. ANCILLARY AND OTHER NON-CHARITABLE TRADING INCOME

	Year ended 31/10/14	Year ended 31/10/13
	£000	£000
Retail sales, including front of house merchandise	2,062	2,040
Facilities hire and access fees (including associated catering commission)	374	400
Catering concession income	647	540
Corporate hospitality	182	168
Corporate sponsorships	75	272
Other trading income	97	62
	3,436	3,482

4. INTEREST RECEIVABLE

	Year ended 31/10/14	Year ended 31/10/13
	£000	£000
Bank deposit interest	76	145

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Year ended 31/10/14	Year ended 31/10/13
Theatre, Exhibition and Education Income	£000	£000
Theatre (including restricted filming income)	11,388	9,529
Exhibition – admissions income	2,845	2,823
Education fees	1,803	1,604
	16,035	13,957

6. INVESTMENT IN SUBSIDIARY UNDERTAKING

The Globe's investment in its wholly owned subsidiary undertaking, Shakespeare Globe Trading Limited (company number 997433 registered in England and Wales) is stated at cost within its own accounts. The results of Shakespeare Globe Trading Limited for the period are summarised below. The Trust established a new wholly owned subsidiary undertaking, Shakespeare Globe Productions Limited, on 30 October 2014 (company number 9288721 registered in England and Wales); this company did not carry out any trading activities within the year ended 31 October 2014.

	Year ended 31/10/14	Year ended 31/10/13
	£000	£000
Income		
Trading activities in support of parent company	3,436	3,482
	3,436	3,482
Expenditure		
Cost of sales	1,271	1,019
Administrative expenses	830	771
	2,101	1,790
Surplus before interest and gift aid payment	1,335	1,692
Interest receivable	37	35
Surplus after interest and before gift aid payment	1,372	1,727
Payment under gift aid to parent company	(1,330)	(1,750)
Deficit for the year before and after taxation	42	(23)
Income and expenditure account brought forward	238	261
Income and expenditure account carried forward	280	238

After adjustments required by FRS 25 in respect of redeemable preference shares in issue at the respective balance sheet dates (see notes 1 and 27), the aggregate amount of assets, liabilities and shareholders' funds attributable to Shakespeare Globe Trading Limited at 31 October 2014 was: assets £4,762,000 (2013: £4,123,000); liabilities £4,129,000 (2013: £3,532,000); shareholders' funds £633,000 (2013: £591,000).

In prior years the charity has been gifted a cumulative total of 2,958,000 redeemable preference shares in its wholly owned subsidiary undertaking Shakespeare Globe Trading Limited. The Globe now owns 100% of the redeemable preference shares held in its subsidiary undertaking. These shares are held in the Globe at NIL value due to the extended period of capital redemption.

7. RESOURCES EXPENDED

	Year ended 31/10/14					Year ended 31/10/13
	Direct Costs	Press & Marketing	Shared Services	Depreciation	Total – All funds	Total – All funds
	£000	£000	£000	£000	£000	£000
Cost of generating funds:						
Fund-raising activities	564	24	182	28	798	699
Ancillary and non-charitable trading activities	1,673	4	265	100	2,042	1,786
	2,237	28	447	128	2,840	2,485

Charitable activities						
Theatre	9,213	735	1,400	182	11,530	9,202
Exhibition	1,129	80	1,226	253	2,688	2,547
Education	1,972	32	909	217	3,130	3,082
Total primary charitable activities	12,314	847	3,535	652	17,348	14,831
Preservation of The Globe Theatre and Sam Wanamaker Playhouse	–	–		947	947	602
Governance	–	–	44		44	45
	–	–	44	947	991	647
Total resources expended	14,551	875	4,026	1,727	21,179	17,963

8. GOVERNANCE

	Year ended 31/10/14					Year ended 31/10/13
	Direct Costs	Press & Marketing	Shared Services	Depreciation	Total – All funds	Total – All funds
	£000	£000	£000	£000	£000	£000
Governance	–	–	44	–	44	45

Governance costs comprise statutory audit fees and costs of servicing board and other Trustee meetings.

9. TRUSTEES' AND DIRECTORS' EMOLUMENTS AND EXPENSES

None of the Trustees, who are also Directors for the purposes of the Companies Act, received emoluments in respect of services provided in their capacity as Trustees or Directors during the period. £599 was reimbursed to Trustees in respect of expenditure incurred by them in the course of Trustee activities in the period (2013: nil). The Trustees are entitled to the same discounts enjoyed by staff in the restaurant, café and shop. Third party indemnity insurance cover is provided for Trustees.

10. STAFF NUMBERS AND COSTS

The aggregate staff costs were as follows:

	Year ended 31/10/14	Year ended 31/10/13
	£000	£000
Wages and salaries	4,957	4,390
Theatre production actors, musicians and associated workers	3,239	2,328
Social security costs	502	556
Other pension costs	145	97
	8,843	7,371

	Year ended 31/10/14	Year ended 31/10/13
	£000	£000
Higher paid employees The number of staff whose emoluments, excluding pension contributions, fell within the following bandings, was as follows:		
£60,001 – £70,000	1	1
£70,001 – £80,000	1	1
£80,001 – £90,000	1	1
£90,001 – £100,000	1	1
£100,001 – £110,000	–	1
£110,001 – £120,000	1	–

Contributions to personal pension schemes in respect of the above higher paid employees amounted to £38,003 (2013: £37,837)

The average number of staff engaged by the group during the year was:

2014

	Theatre	Exhibition, Shop & Guides	Education	Comms, Admin & Central services	Fundraising	Total
Full-time equivalent paid workers	137	79	51	46	8	321
Interns	0	1	1	0	1	3
Volunteers	35	0	0	0	4	39
Total	172	80	52	46	13	363

2013

	Theatre	Exhibition, Shop & Guides	Education	Comms, Admin & Central services	Fundraising	Total
Full-time equivalent paid workers	103	73	52	41	9	278
Interns	1	0	2	1	1	5
Volunteers	22	0	0	0	4	26
Total	127	73	54	42	13	309

11. NET MOVEMENT IN FUNDS

	Year ended 31/10/14	Year ended 31/10/13
This is stated after charging	£000	£000
Operating lease rentals		
– plant & machinery	128	123
– land & buildings	91	91
Auditor's remuneration		
– audit fee	34	34
Depreciation	1,727	1,366

12. RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year ended 31/10/14	Year ended 31/10/13
	£000	£000
Changes in resources	838	3,699
Interest receivable	(76)	(145)
Depreciation	1,727	1,366
Decrease/(increase) in stocks	(47)	12
Decrease in debtors	151	614
Increase in creditors	654	861
Net cash inflow from operating activities	3,247	6,407

13. TANGIBLE FIXED ASSETS

Group and charity	Freehold Property	Long Leasehold Property	Leasehold Improvements	Plant & Machinery	Fixtures, Fittings & Equipment	Assets under Construction	Total
Cost	£000	£000	£000	£000	£000	£000	£000
At beginning of the year	4,220	23,377	2,197	10,090	3,776	5,536	49,196
Additions	–	699	–	566	581	292	2,137
Transfers	–	3,407	–	2,008	53	(5,469)	–
Disposals	–	–	–	–	–	(67)	(67)
At end of the year	4,220	27,483	2,197	12,664	4,410	292	51,266
Depreciation							
At beginning of the year	193	7,781	49	6,522	2,867	–	17,412
Charge for the year	64	530	71	571	491	–	1,727
Disposals	–	–	–	–	–	–	–
At end of the year	257	8,311	120	7,093	3,358	–	19,139
Net Book Value							
At 31 October 2014	3,963	19,172	2,077	5,571	1,052	292	32,127
At 31 October 2013	4,027	15,596	2,148	3,568	909	5,536	31,784

Fixed assets are held by the Trust for charitable and ancillary trading purposes. Items with a cost of £500 or more are capitalised.

14. STOCKS

	Group		Charity	
	31/10/14	31/10/13	31/10/14	31/10/13
	£000	£000	£000	£000
Goods for resale	223	176	0	0
Stock of Oak for construction work	45	45	45	45
Sundry stock items	0	0	0	0
	268	221	45	45

15. CASH AT BANK AND IN HAND

	Group		Charity	
	31/10/14	31/10/13	31/10/14	31/10/13
	£000	£000	£000	£000
Cash at the bank and in hand	10,072	4,357	9,355	4,135
Cash on term deposit	0	4,462	0	4,462
	10,072	8,819	9,355	8,597

16. DEBTORS

	Group		Charity	
	31/10/14	31/10/13	31/10/14	31/10/13
	£000	£000	£000	£000
Trade debtors	626	0	322	563
Other debtors	519	358	493	356
Amounts owed by subsidiary undertaking	0	0	810	468
Prepayments and accrued income	564	254	553	254
Legacies receivable	0	444	0	444
	1,709	1,056	2,177	2,085

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31/10/14	31/10/13	31/10/14	31/10/13
	£000	£000	£000	£000
Trade creditors	419	458	338	418
Taxes and social security	275	172	120	155
Other creditors	155	177	117	140
Accruals and deferred income	2,077	1,466	1,991	1,454
	2,927	2,273	2,566	2,167

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	31/10/14	31/10/13	31/10/14	31/10/13
	£000	£000	£000	£000
Amounts owed to subsidiary undertaking	0	0	3,481	3,481
	0	0	3,481	3,481

19. MOVEMENT IN FUNDS

a) Restricted Funds

Source	Funds brought forward at 1 November 2013	Incoming resources	Resources expended (including associated fundraising cost)	Funds carried forward at 31 October 2014
	£000	£000	£000	£000
Education Partnership funds	36	389	(96)	329
Total Restricted Educational Funds	36	389	(96)	329
Theatre & Others				
Theatre	55	182	(213)	24
Other	30	112	(112)	30
Total Other Restricted Funds	85	294	(325)	54
Capital Campaigns				
Sam Wanamaker Playhouse and Library, Archive & Research Centre	160	479	(479)	160
Bank Interest on campaign funds	20	0	0	20
Total Capital Campaigns	180	479	(479)	180
TOTAL INCOME FUNDS	301	1,162	(900)	563
Restricted fund capital grants	7,404	0	(356)	7,048
TOTAL RESTRICTED FUNDS	7,705	1,162	(1,256)	7,611

b) Unrestricted Funds

Source	Funds brought forward at 1 November 2013	Net Additions	Transfers Out	Funds carried forward at 31 October 2014
	£000	£000	£000	£000
Fixed Asset Reserve	24,380	2,070	(1,371)	25,079
Designated Funds	6,137	2,740	(2,575)	6,302
Unrestricted Funds	2,019	68	0	2,087
TOTAL FUNDS	32,536	4,878	(3,946)	33,468

20. CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

Source	Unrestricted funds	Restricted funds	Total 31 October 2014	Total 31 October 2013
	£000	£000	£000	£000
Net movement in funds for the year	932	(94)	838	3,699
Net consumption of tangible fixed assets held for charitable purposes	(343)	-	(343)	(5,467)
Net movement in funds available for future activities	589	(94)	495	(1,768)

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Other Assets	Liabilities	Capital Redemption Reserve	Total 31 October 2014
	£000	£000	£000	£000	£000
Restricted income funds	7,048	563	-	-	7,611
Fixed asset reserve	25,079	-	-	-	25,079
Designated	-	6,302	-	-	6,302
Unrestricted funds	-	5,814	(2,927)	(170)	2,087
Total for group	32,127	12,049	(2,927)	(170)	41,079

Analysis of designated and unrestricted funds:

	Total 31 October 2014
	£000
The Shakespeare Globe Trust	30,046
Shakespeare Globe Trading Limited	280
Adjustment on consolidation	3,142
	33,468

22. RECONCILIATION OF MOVEMENT IN CHARITY FUNDS

	Total 31 October 2014
	£000
Opening fund balances at 1 November 2013	36,863
Net movement in funds for year ended 31 October 2014	(536)
Gift aid payments from subsidiary undertaking	1,330
Closing fund balances at 31 October 2014	37,657

23. RECONCILIATION OF NET CASH FLOW MOVEMENT IN NET FUNDS

	Year Ended 31 October 2014	Year Ended 31 October 2013
	£000	£000
Decrease in cash	2,507	(562)
Cash inflow from changes in liquid resources	(1,253)	281
Net funds brought forward	8,819	9,100
Net funds carried forward	10,072	8,819

24. ANALYSIS OF CHANGE IN NET FUNDS

	Cash at Bank & in hand	Cash on deposit	Total
	£000	£000	£000
At 31 October 2013	4,357	4,462	8,819
Cash flows	5,715	(4,462)	1,253
At 31 October 2014	10,072	–	10,072

25. COMMITMENTS

The group had capital commitments at 31 October 2014 of £10,500 (2013: £817,000). The 2014 commitment relates to professional advisor fees in relation to the construction of the West Block project.

Operating leases payable in the following year, analysed by the period in which the lease expires, are as follows:

	31 October 2014	31 October 2013
	£000	£000
Land & buildings – lease expiring in less than one year	91	91
Plant & machinery – in the 1st to 5th years inclusive	128	123
	219	214

26. RELATED PARTY TRANSACTIONS

The related party transactions noted below are not strictly disclosable but are set out in the interests of transparency. Martin Clarke, a Trustee, holds a minority share (less than 1%) equity stake holding in Digital Theatre Ltd, a company with whom the Globe has a non-material commercial relationship. Daniel Witter is a Trustee and employee of Deutsche Bank; he chairs the Deutsche Bank UK Corporate Citizenship Committee which oversees the funding support provided to the Globe's annual 'Playing Shakespeare' education project. Philip Kirkpatrick is a Trustee and partner with Bates Wells Braithwaite, one of the Globe's legal advisers who provide advice on a commercial and pro bono basis. Total fees paid to Bates Wells & Braithwaite during the financial year amounted to £2,191 (2013: £NIL).

27. LIMITED BY GUARANTEE

The Globe does not have a paid up share capital and is limited by guarantee to an amount not exceeding £10 for each member.

There were 15 members at the end of the year (2013: 16)

28. REDEEMABLE PREFERENCE SHARES

	31 October 2014	31 October 2013
Issued:	£000	£000
At beginning of the year	2,957	3,019
Redeemed in the year	–	–
At the end of the year	2,957	2,957

The redeemable preference shares issued by the Globe's subsidiary undertaking have a nominal value of £1. Holders of these redeemable preference shares are entitled to receive an annual dividend of 0.01 pence per share. Otherwise, they are not entitled to any profits available for distribution. The preference shares are redeemable at par, subject to the Companies Act 2006, out of annual trading surpluses of the Globe's subsidiary undertaking, up to a maximum of 5% of the annual trading surplus. A matching transfer is made to capital redemption reserve in accordance with the provisions of the Companies Act 2006.

The Globe owns 100% of these shares and has waived its right to its annual dividend and capital redemption for the year ending 31 October 2014. All of these shares have been donated to the Globe during prior periods; on consolidation therefore the group has a net liability of £NIL.

29. TAXATION

No provision for corporation tax arises on group trading activities in the year (2013: £NIL).

No liability for deferred tax arises in the year (2013: £none) due to permanent differences and other timing differences not expected to reserve in the foreseeable future on adjustment of the subsidiary company's taxable surplus.

30. RECONCILIATION OF TAX CHARGE

	31 October 2014	31 October 2013
	£000	£000
Tax on surplus for the year before gift aid payment at 19% (2013: 19%)	261	328
Permanent and timing differences	(8)	5
Tax liability extinguished by deed of covenant payment	(253)	(333)
Tax charge for the year	–	–

AUDITORS AND PROFESSIONAL ADVISERS

AUDITORS

BDO LLP
Emerald House
East Street
Epsom
Surrey
KT17 1HS

BANKERS

RBS/Natwest Plc
280 Bishopsgate
London
EC2M 4RB

CAF Bank
Kings Hill
West Malling
Kent
ME19 4TA

LEGAL ADVISERS

Soloman Taylor and Shaw
3 Coach House Yard
Hampstead High Street
London
NW3 1QD

Bates Wells & Braithwaite
Scandinavian House
2–6 Cannon Street
London
EC4M 6YH

TAX ADVISERS

PricewaterhouseCoopers
1 Embankment Place
London
WC2N 6RH

INSURANCE ADVISERS

Walton & Parkinson Ltd
20 St Dunstan's Hill
London
EC3R 8PP