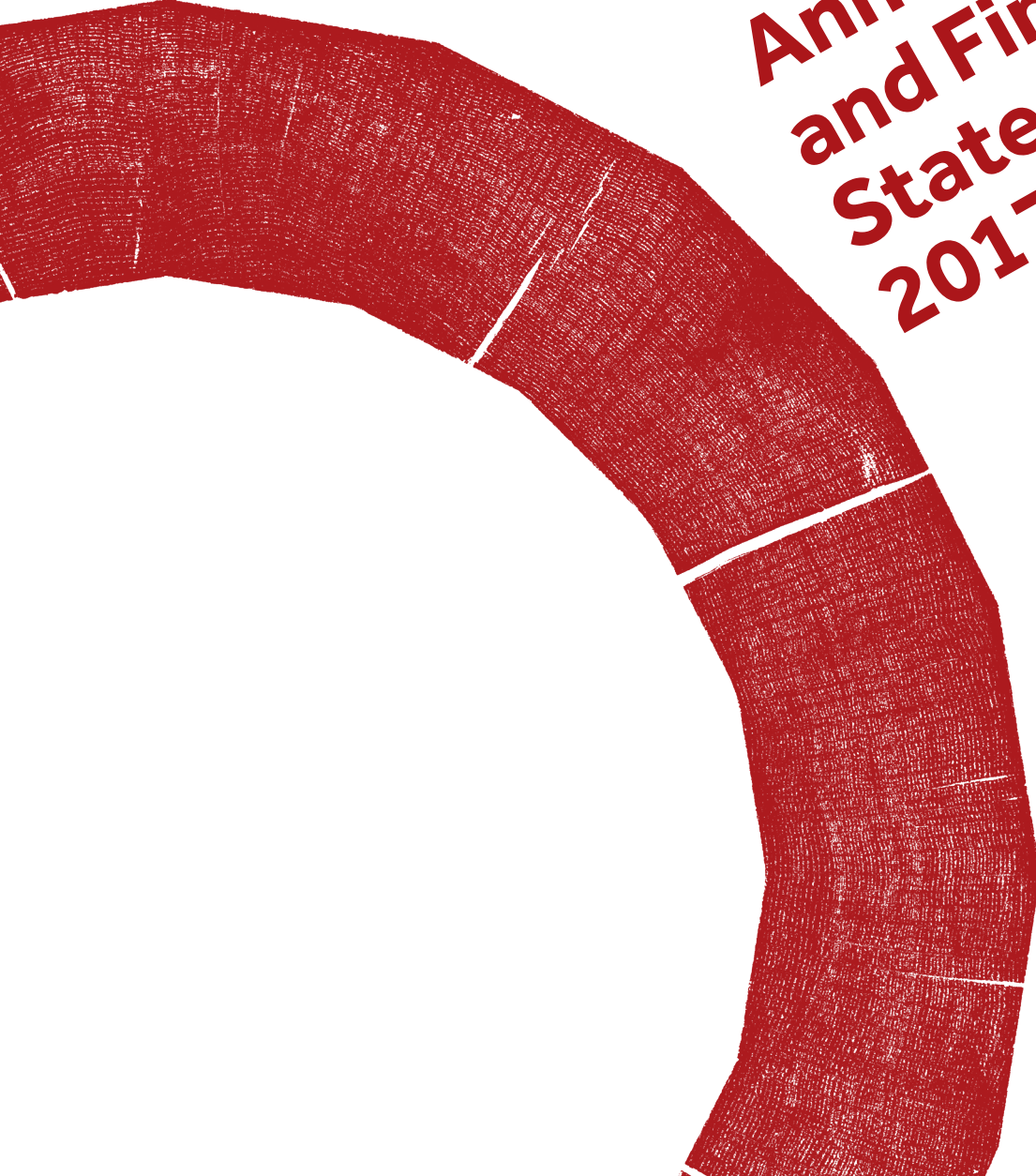


**SHAKESPEARE'S
GLOBE**

The Shakespeare Globe Trust

**Annual Report
and Financial
Statements
2017**



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Mark Sullivan Commercial Director

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Chartered Accountants and Statutory Auditors

PricewaterhouseCoopers LLP

1 Embankment Place

London

WC2N 6RH

Principal Bankers

RBS/Natwest Plc

280 Bishopsgate

London

EC2M 4RB

Legal Advisers

Solomon Taylor and Shaw LLP

3 Coach House Yard

Hampstead High Street

London

NW3 1QD

Bates Wells & Braithwaite LLP

10 Queen Street Place

London

EC4R 1BE

White & Case LLP

5 Old Broad Street

London

EC2N 1DW

The Shakespeare Globe Trust

(Limited by Guarantee)

Registered company number 1152238

Registered charity number 266916

21 New Globe Walk

Bankside

London

SE1 9DT

T 020 7902 1400

F 020 7294 2400

shakespearesglobe.com

info@shakespearesglobe.com

 /ShakespearesGlobe

 @The_Globe

 @The_Globe

shakespearesglobe.com

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Introduction.

The trustees (the 'Trustees') of The Shakespeare Globe Trust (the 'Shakespeare's Globe' or the 'Trust') present their Annual Report (including the Strategic Report) and the Consolidated Financial Statements for the year ended 31 October 2017. In preparing them, the Trustees have complied with the relevant legislation and adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) ('SORP 2015'), the Companies Act 2006 and Charities Act 2011.

Shakespeare's Globe's principal office is set out on the inside front cover of this Report, together with the names of the Trustees at the date on which this Report was approved, any other Trustees who served during the year ended 31 October 2017, the external auditors, the principal bankers and the principal legal advisers.

A unique Globe recreated

In 1970, American actor and director Sam Wanamaker founded the Shakespeare Globe Trust and the International Shakespeare Globe Centre, with the objective of building a faithful recreation of Shakespeare's Globe close to its original location at Bankside in Southwark.

The Trust was set up in December 1973 and was registered as a charity in England and Wales (266916). Together with its subsidiary undertakings, Shakespeare Globe Trading Limited ('SGTL'), the Globe's trading subsidiary, Shakespeare Globe Productions Limited ('SGPL'), the Globe's vehicle which carries out preproduction theatre work on behalf of the Trust, and Shakespeare's Globe NY Limited Liability Company, a company set up for the purposes of investing in the Broadway production of *Farinelli and the King*, together they form the 'Group'.

Message from the Chair and Chief Executive.

In June, Shakespeare's Globe celebrated its 20th anniversary since the royal opening by Her Majesty the Queen in 1997. This milestone brought back many memories to those who were involved with Sam Wanamaker in making his vision come to life and was recognised with a special Reconstructing the Globe exhibition. A year-long ambitious programme of theatre performances, education programmes and cultural tourism activities all played to the Globe's strengths in often being many peoples' first encounter with Shakespeare and cemented the Globe's position as one of the UK's major cultural powerhouses. This year we saw over 923,000 visiting our two theatres and Bankside site, whilst we engaged with 4.6 million visitors to our website.

With Globe Education welcoming a record 138,000 students and participants and the Exhibition & Tour receiving 312,000 visitors, we also saw strong box office attendance with the Summer of Love season playing to 92% maximum capacity. Our activities were again coupled with careful cost control and management of budgets throughout the year which meant we delivered a surplus of £1.41m which will be reinvested in our activities and projects for the next financial year.

The year-long programme of productions in both the Globe Theatre and the Sam Wanamaker Playhouse again attracted record breaking audiences. The Wonder Noir season, opening in October 2016 in the Sam Wanamaker Playhouse, played to over 75,000 theatre-goers and was a rich delight highlighting the broad range of productions that can be welcomed in such an intimate candlelit theatre. Emma Rice's final 26-week long *Summer of Love* Globe Theatre season of 274 performances attracted audiences of over 390,000, representing 92% maximum capacity.

We hosted our first live broadcast of *King Lear* from the Globe to 200 cinemas across the UK and our Olivier award winning production of *Nell Gwynn*, which played a highly successful commercial run in the West End the year before, returned to the Globe stage following an eight week UK tour in association with English Touring Theatre.

Globe on Screen and the Globe Player, for which film content has now been downloaded in over 87 countries, launched for the first time in cinemas in eight major cities in China in collaboration with ATW Culture. We also launched over eight productions from our catalogue on iQiyi, a video on demand platform with over 200 million subscribers in China.

Our Education department had great successes in widening participation, especially with new and exciting strands of work being developed in all areas under the banner of *Around Play*. The events included a second Shakespeare's

Telling Tales Festival and our Read not Dead series this year celebrated playwright Philip Massinger. Lively Action continued to welcome over 73,000 schoolchildren, as well as the increased numbers attending our summer schools and Youth Theatres.

In its 11th year, our *Playing Shakespeare with Deutsche Bank* production of *The Taming of the Shrew* welcomed over 17,000 London and Birmingham students seeing the production for free and enjoying workshops. Higher Education and Research also experienced their own successes with continued growth in research output, papers and scholarly publications and the highest enrolment on our joint MA course with Kings College, London.

Our Exhibition and Theatre Tour had a steady year and coped well with the downturn in domestic and foreign visitor numbers following the terrorist attacks in London that all the major visitor attractions experienced. This decline in visitor numbers also affected our retail and commercially earned income.

With the support of funding secured from the ICAP Charity Day 2016, Shakespeare's Globe has created an apprenticeship scheme, in recognition of the lack of diversity within the Cultural and Creative industries and made a significant investment in introducing new digital technology and upskilling the Globe team to provide a sector-leading welcome to our Access patrons and improve existing provision.

Alongside the recruitment of Emma Rice's successor, the organisation continued to forge ahead with a tremendous number of important strategic projects including, but not limited to, the development of the Globe's new Cause & Brand Model and Visual Identity, a review into the current governance and organisational leadership structures, re-assertion of performance practices for the two theatres, the implementation of a new Customer Relationship Management system and development of long term Diversity and Inclusion ambitions as part of our three-year People Plan. Much of this strategic groundwork came to fruition as Michelle Terry was appointed Artistic Director Designate in October 2017 and the announcement of the 2018 season were received with universal support in recognising the Globe returning to a theatre programme structured around shared light and no designed sound rigs. It is clear that people are passionate about the Globe and what it does, enforcing how important all the work that we have been carrying out for the past 20 years and planning for the future is.

Project Prospero, our next major capital development, represents the completion of Sam Wanamaker's vision for the Globe and will enable future theatre audiences, scholars and the general public to engage more effectively at every level with Shakespeare's work, alongside a new production centre to support our growing all year-round performance needs. We were pleased that we secured formal planning consent from Southwark Council in July and we now start to actively plan for the construction and business interruption periods, alongside working with our Development Board on the ambitious £30m capital fundraising campaign which has so far secured £12m.

In the US, we look forward to the January 2018 launch of the Center for American Centre for Teaching Shakespeare in partnership with UC Davis 2018, whilst on the other side of the US, our award-winning production of *Farinelli and the King* opened at the Belasco on Broadway in December. Both of these projects exemplify the extraordinary and wide-ranging work that staff members create every year for our audiences and participants across the world.

On the Board of Trustees, we are sad to note that Lord Bichard is to shortly retire as our Chair and as Trustee having come to the end of his nine-year term. The appointment of his successor is supported by external search firm Saxton Bampfylde, with the selection panel led by Deputy Chair Iraj Ispahani - an announcement of the appointment of the new Chair is expected in early in 2018. Three new Trustees, Alex Beard, Gaurav Kripalani and Nell Leyshon joined the Board in 2017, with their significant relative experience in the corporate and arts worlds further strengthening the composition of the Board. Philip Kirkpatrick and Professor Laurie Maguire were also reappointed as Trustees for additional final three-year terms.

In June, we were all shocked by the horrific terrorist attacks on London Bridge and Borough Market. Both the Trustees and the Executive team recognised the tremendous courage shown by staff and volunteers during those attacks and those who worked tirelessly to ensure that our doors remained open to all visitors. Sadly, these horrendous events did result in cancellations for the Exhibition & Tour and reduced levels of both national and overseas participants for Globe Education's Lively Action workshops; however, we remain stoical and stand alongside our local community in the face of such adversity.

As our 20th Anniversary year draws to a close, we want to extend our thanks to all our Trustees, volunteers and every staff member, all of whom have made 2017 another significant year in the Globe's history. We are also hugely grateful to all our supporters and partners whose generosity is crucial for our success. We were thrilled to honour our longest-serving staff members and volunteers, many of whom have been here long before our Royal opening of the theatre in 1997, with a specially commissioned medal and we are sure the Globe will go from strength to strength in opening people's eyes to Shakespeare for many decades to come.



Lord Bichard
Chair



Neil Constable
Chief Executive

Our cause.

We celebrate Shakespeare's transformative impact on the world by conducting a radical theatrical experiment.

Inspired and informed by the unique historic playing conditions of two beautiful iconic theatres, our diverse programme of work harnesses the power of performance, cultivates intellectual curiosity and excites learning to make Shakespeare accessible for all.

'And let us...on your imaginary forces work'.

Henry V, Prologue

Key achievements.

Audiences of 473,000 saw 545 performances

160,000 £5 Groundling tickets sold

**11th year of *Playing Shakespeare with Deutsche Bank*,
providing 17,000 free tickets to 200 schools**

Supported by 6,000 members and 650 volunteers

42 access performances

Over 400,000 followers on social media

4.6 million website visitors

OUR ACHIEVEMENTS AND PERFORMANCE IN THE PAST YEAR

- 390,000 tickets sold for our main Summer Season in the Globe Theatre, representing 92% of capacity.
- 83,000 tickets sold for the Sam Wanamaker Playhouse, representing 90% of capacity.
- 138,000 Globe Education participants
- 312,000 visitors to our Globe Exhibition & Tour
- Prospero planning is at the contractor selection phase, and risks and costs of the project are understood.

OUR PLANS FOR NEXT YEAR

- Delivering our 2018 programming ambitions under new Artistic leadership
- Embedding our new Cause, Brand Values and Visual Identity
- Develop a ten year business plan for a sustainable future
- Accelerate the fundraising for Project Prospero
- Develop a conservation management plan to invest in our unique spaces
- Implementing our Staff Engagement and Development plan
- Completing a significant digital infrastructure transition



Photo by Tristram Kenton

OBJECTIVES AND ACTIVITIES

Recognising that the Globe's theatres are what define, unite and enable excellence in all our work, we will deliver our purpose and achieve our aim by:

- Enhancing the way in which the artistic, educational and interpretative offers are nurtured, as well as supporting their individual strengths and interrelationships.
- Providing a long term self-sustaining 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 and 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.



Photo by John Wildgoose



Shakespeare's Telling Tales.

20+ events
30+ authors
four children's laureates
1800+ tickets sold each year

CASE STUDY

Over the weekend of the 28 – 30 July 2017, families were invited to join leading authors, storytellers and practitioners in a special weekend celebration. The Festival included immersive story telling sessions, poetry readings, Questions and Answer sessions and craft and illustration workshops in the our unique spaces. Highlights included a unique concert performance, narrated by Michael Morpurgo, one of Britain's best loved story makers and a Shakespeare comic book workshop with the award winning author and illustrator Marcia Williams.

The Festival encourages children and adults of all ages to engage with the works of William Shakespeare through imagination and play, bringing favourite stories to life and creating new ones.

The Festival, with its diverse and inclusive programming, is committed to fair access which is supported by low ticket prices, free activities and a range of accessible mediums for interaction.



Photos by Cesare de Giglio

How we deliver our charitable cause

Through our unique buildings, we aim 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.

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

- Present a stimulating range of high quality theatre productions of around 270 performances each year in the Globe Theatre and over 270 performances in the Sam Wanamaker Playhouse.
- Offer a wide range of educational programmes on site, online, nationally, internationally 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.

Our people / working with us

Our people make us who we are. They range from employees to the Trustee and Executive, the Council, and volunteers.

All of our people are motivated by our shared purpose which is captured in our cause statement and brand values which inspire and inform everything we do. We value learning and experimentation and a desire to stimulate, enlighten and entertain – as do our employees. We are committed to our core values which inspire everything we do.

We value equality, diversity and inclusion in our employees, and we have positive plans in place to improve in these areas as an organisation. We launched an equality, diversity and inclusion programme that includes improving data and benchmarking by making changes to our recruitment strategy, raising awareness in the organisation and communicating our progress to employees.

We completed our first milestone to improve data and benchmarking by launching a campaign asking employees to anonymously log data about age, gender, ethnicity and disability so that we have 100% completion.



Photo by John Wildgoose

Achievements and performance.

SHAKESPEARE FOR ALL

Access to All

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 700 standing tickets at £5 for every theatre performance in the Globe Theatre; there has been no change to this price since the Globe Theatre opened 20 years ago. 160,000 £5 tickets were available for our main 2017 Theatre Season, which represented approximately 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 17,000 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.

Our education activities and workshops, such as Telling Tales is committed to fair access which is supported by low ticket prices, free activities and a range of accessible mediums for interaction.

Filming

Our filming of *King Lear* brings us a step closer to our ambition of completing the canon of Shakespearian productions filmed here in the unique setting of the Globe. This is now available on the Globe Player, and will be joined in the near future by our joyous production of *Twelfth Night*, also filmed this summer.

Our pioneering digital portal, Globe Player, continues to enjoy year on year increases in visitor numbers, with 6,500 downloads and 5,000 rentals this year and successfully reaching more countries than ever, hosting more content both free and on demand.

Digital Learning

The Globe has a wealth of free educational resources online that are widely used by schools and educational establishments. In 2017, our Globe Education website was accessed 580,832 times by 271,681 users.

OUR PERFORMANCES

Promoting artistic exploration and experimentation, Emma Rice's first Sam Wanamaker Playhouse season as Artistic Director was named *Wonder Noir*. It saw Milton's masque *Comus* reimagined by Globe favourite Lucy Bailey, Emma Rice and Joel Horwood's new adaptation of Hans Christian Anderson stories *The Little Matchgirl and Other Happier Tales* play to enchanted audiences of all ages, and a revival of Nick Drake's majestic *All the Angels*, directed by Jonathan Munby, provide us with a further festive treat. The notoriously complex revenge play *The White Devil* by John Webster was directed by Annie Ryan and was brought alive by candlelight, and Ellen McDougall's hauntingly intense production of Shakespeare's *Othello* brought the season to a dramatic close.

In April the Globe theatre was illuminated with LOVE, a sign hanging proudly on the exterior walls, announcing Emma Rice's second summer season, *The Summer of Love*. The season opened with a ground breaking production of *Romeo and Juliet* directed by Daniel Kramer. Audience reactions were overwhelming with patrons of all ages responding to this explosive production. In May the UK tour of Jessica Swale's Olivier Award-winning *Nell Gwynn* returned home, in a coproduction with English Touring Theatre, filling audiences with joy. The season continued with Emma Rice's new production of *Twelfth Night* which delighted audiences and critics with 5 and 4 star reviews across the board.

Kneehigh's seminal production of *Tristan & Yseult* was revived on the Globe stage as part of a major tour and played to packed houses; this sell out show was swiftly followed by *Much Ado About Nothing*, directed by Globe Associate Director Matthew Dunster which enjoyed the same success.

Nancy Meckler's heart breaking production of *King Lear* joined us in the autumn and was the Globe's first filmed production to be broadcast live to cinemas worldwide. The season was brought to a heady close with the forceful, ambitious and striking world premiere of Tristan Bernays' new play *Boudica*, directed by Eleanor Rhode.

Also during the summer, our Festival of Independence, thrillingly curated by Tanika Gupta, marked 70 years since Indian independence with a selection of surprises in the Sam Wanamaker Playhouse. Highlights included Soumik Datta and the City of London Sinfonia playing a live score to *King of Ghosts*, an evening with Nitin Sawhney listening to his cultural and artistic journey through music and Tanika Gupta's own *Lions and Tigers*, which was directed by Pooja Ghai and gained unanimous 4 star reviews.

Nitin Sawhney returned to play in the Globe Theatre as one of two large scale music events held in the space over the summer. Plan B, our own 21st century poet, rapper and musician was the second. Both events furthered our reach into the global community, appealing to wildly new audiences and offering experiences outside our norm. Both also enjoyed sell out performances, Plan B selling out in just 40 minutes.

Sonnets

Having hosted Sir Mark Rylance's Sonnet Walks for many years, the sonnets were further explored this year with a spectacular event at Westminster Abbey. The historical surroundings of the abbey became the setting for a troupe of actors to explore Shakespeare's sonnets and prose and pop up in front of audiences as they wandered around the majestic environs of one of England's most loved locations.

EDUCATION FOR ALL

Over 130,000 people of all ages and nationalities participated in Globe Education workshops, courses and events this year. The annual Concert for Winter in the Globe welcomed choirs from 2 to 96 years old, celebrating our immediate Southwark Community and the age-range of the people we work with throughout the year.

Families were welcomed to the summer Shakespeare's Telling Tales Festival and half-term story-telling events. The Taming of the Shrew was chosen for the annual *Playing Shakespeare with Deutsche Bank* production and played to 25,000 people – with 17,000 free tickets given to London and Birmingham secondary schools.

International outreach workshops were offered in Singapore, France, the UAE, Denmark, India and in several cities across the USA. Longer term projects were created for primary and secondary schools across the UK.

The department welcomed over 1,000 students from across the world who participated in undergraduate and MA conservatory and English courses and every major drama school in the UK was represented at the annual Sam Wanamaker Drama School Festival.

A summer programme was initiated for US teacher trainees based at University of California, Davis and Globe Education's Teach Shakespeare website was launched. Over 5,000 teachers have already subscribed.

The performance of Othello's last speech by the 100 year old actor, Earl Cameron, was a particular highlight amongst many memorable public engagement events in the Sam Wanamaker Playhouse.

The Rutgers University at Shakespeare's Globe students will present *Richard II* and *Henry IV pt 1* in the Globe while a new cohort of King's/Shakespeare's Globe MA students will join us to study early modern plays and playhouses.

Read Not Dead

Read Not Dead is a series of play readings, or staged 'performances with scripts' that have been presented as part of the educational program of Shakespeare's Globe since 1995. The plays selected are those that were written between 1567 and 1642 by Shakespeare's contemporaries or near contemporaries. These readings are performed in the Sam Wanamaker Playhouse as well as other theatres, halls, festivals and fields nationwide.

The plays of Philip Massinger were chosen for the Read not Dead series of staged readings in 2017. They were complemented by an exhibition of quartos gifted to the Globe Library & Archive by John Wolfson. This followed a foyer exhibition celebrating the 20th anniversary of the opening of the Globe. Research projects also included explorations of poetry and prose by Spenser, Marston, Nashe, Davenant and Dryden as well as plays written 'Before Shakespeare'.

Our Exhibits

We continued to present a vibrant programme of public demonstrations in the Exhibition during the year, with around 3,000 demonstrations of stage combat techniques, costume dressing, and the printing press. Several sections of the Exhibition were refreshed by comprehensive repainting, installation of brighter lighting, and a more varied selection of photography from recent Globe productions. The complimentary printed family trail map, which aims to engage our youngest visitors with the main Exhibition display, was updated to integrate the locations covered by the family-oriented tracks on our audioguide handsets.

Alongside the main Exhibition, we presented a varied programme of small-scale temporary displays: designs for Royal Mail stamps and Penguin Shakespeare covers by the renowned artist David Gentleman, who has recently donated work to the Globe Library & Archives; documents, photographs and models lent by Mark Rylance, Claire van Kampen and Jenny Tiramani in a display exploring Phoebus Cart's *The Tempest*, which played on the Globe site in 1991; two new large oil paintings based on *A Midsummer Night's Dream* and *The Tempest* by award-winning French artist Alain Senez; winning designs by school students from national competitions organised by Shakespeare Globe Centre New Zealand; and a display of set and costume designs and millinery by students on the Rutgers design course. In the main foyer, we presented archive material on Globe productions of *Othello* and Sam Wanamaker's performance as Iago, complementing the production in the Sam Wanamaker Playhouse; a selection of new photography by Michael Wharley for his project 'The Attitudes', marking the return of *Nell Gwynn* to the Globe; and we celebrated the twentieth anniversary of the Globe Theatre opening with a display illustrating aspects of the meticulous research and craftsmanship that went into the building's design.

EQUALITY AND DIVERSITY

On & Off Stage

The Wonder Noir season in the Sam Wanamaker Playhouse was the first time we had an entire season that was directed by women (with the exception of the returning *All the Angels*).

In the Sam Wanamaker Playhouse, we have committed to captioned, audio described and relaxed performances for all productions, and have trialled BSL interpreted performances.

Audience Access

We have appointed an Access Manager and, thanks to money donated by ICAP, are investing in several projects to improve physical and cognitive access to our sites and works.

We currently have 2,000+ Deaf or disabled patrons in our database. To cater for them, we provided more assisted performances than ever before (42 vs 32 last year), and expanded our relaxed performance offering into the Sam Wanamaker Playhouse. In 2017, we completed the first two films of a BSL Shakespeare synopsis series. These films will also be used to give Deaf students, teachers of the Deaf, families and audience members access to plays at the Globe.

We welcomed two Tourette's syndrome groups, an Asperger's syndrome group and various autism groups into a variety of performances over the summer season. Alongside this, we hosted a series of three workshops around sonic inclusion, mapping the sonic spaces of the Globe and identifying barriers for visually impaired, neuro-divergent and Deaf patrons.

Our Volunteers

We are committed to diversifying our pool of volunteers and in 2017 have recruited new stewards from local community groups in Southwark. We are looking to expand volunteer opportunities to people with additional needs. We have been awarded a Certificate of Good Practice from Community Southwark following a review of our volunteer program against the London Volunteer Management Charter. We scored 'good' or 'excellent' in every category.

Our Apprenticeships

With the support of funding secured from the ICAP Charity Day 2016, Shakespeare's Globe has created an apprenticeship scheme, in recognition of the lack of diversity within the Cultural and Creative industries. As a result four apprentices aged between 16 to 19 were taken on in September 2017 and are currently working in each of the following departments, Theatre (live events), Communications (digital), Visitor Experience (Exhibition and Tour) and Globe Education (Administration and Operations). The ICAP Charity Day has also funded the salary of the Pathways Co-ordinator to run the scheme and oversee the recruitment, placement and work of the apprentices. Following the apprenticeship programme, we expect the participants to be well placed to go on to have fruitful careers in the Cultural and Creative industries. Shakespeare's Globe is already one of the most accessible theatres in the world, with no economic barrier to attending a performance. With this programme, we have been able to open our doors even wider and remove further barriers to those wanting to access our world and are currently looking for support to continue this work.



Photo by Steve Tanner

INVESTING IN OUR ICONIC BUILDINGS

The summer 2017 Globe season continued to use sound and light technology in the Globe Theatre. Following a review of our theatrical practices, performances in future seasons will not be amplified and will be lit using simple fixed lighting which is necessary for evening performances and tours to take place. The technology used in the 2016 and 2017 seasons has now been removed from the Globe Theatre and there will be an investment in a new basic lighting infrastructure during 2018.

There is a constant need to invest in our buildings in order to support the work that we do and to provide the facilities that our visitors expect. This will be informed by a large scale survey to be commissioned in 2018, looking at the unique Globe building and conservation maintenance requirements over the next five to ten years.

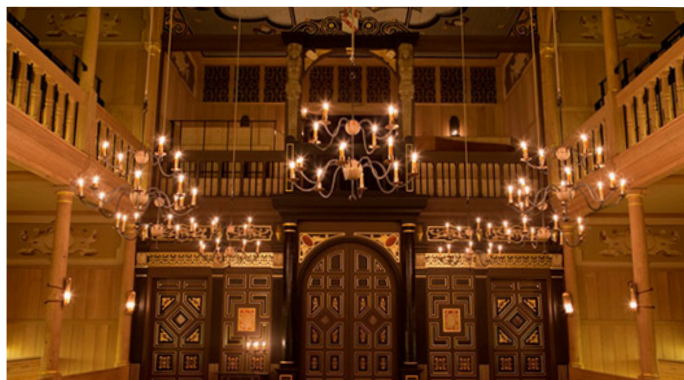
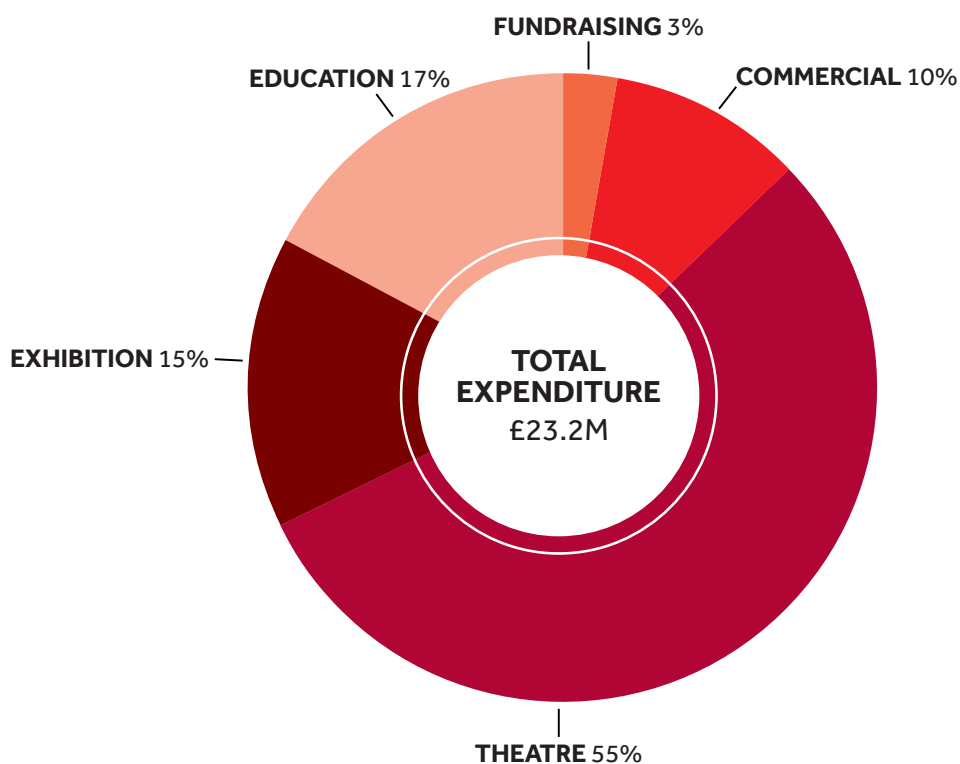
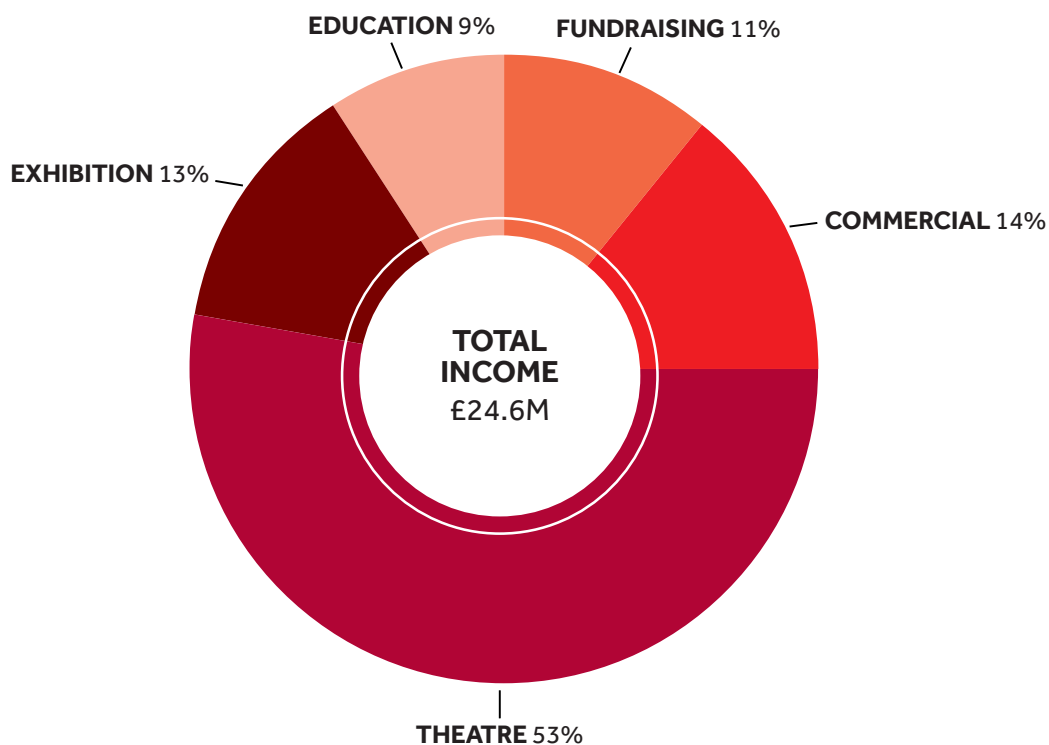


Photo by Pete Le May

Achievements and Performance.



Playing Shakespeare.

Since 2007:

170,000 free tickets have been given to London & Birmingham schools
Over 1,000 teachers have taken part in Continuing Professional Development
Over 20,000 students have attended workshops
Over 1.5 million microsite users

CASE STUDY

In March 2017, *Playing Shakespeare with Deutsche Bank* presented a vibrant production of *The Taming of the Shrew*, tailored for 11 – 18 year olds. Every state secondary school in London and Birmingham was offered free tickets, approaching 20,000 per year.

Teachers were supported with Continuing Professional Development sessions and a wealth of resource materials to complement GCSE and A Level curricula. Students explored the language and themes with programs and resources that ran alongside the production including a dedicated online microsite; an extensive resource to explore and research the play more deeply with director and actor interviews, scholarly research from the Globe's in-house academics, and a unique bank of information from past Shakespeare's Globe productions of the play.



Plans for future period.

*'We celebrate Shakespeare's transformative impact on the world
by conducting a radical theatrical experiment.'*

PERFORMANCE PRACTICE

Winter productions

The Winter Selection, Emma Rice's final Playhouse season as Artistic Director, will see one of our busiest winters to date. It will contain our first new Playhouse musical, *Romantics Anonymous*, Anders Lustgartens historical piece of new writing, *The Secret Theatre*, cabaret from the world renowned artist Meow Meow, a stunning interpretation of Shakespeare's *Alls Well That Ends Well* directed by Caroline Byrne, a modern take on a Dryden classic with Barrie Rutter's interpretation of *Aureng-zebe*, *The Captive Queen*, and a beautiful reimagining of Vivaldi's *Four Seasons* using the music of Max Richter and brought alive by Gyre and Gimble. To complete Emma Rice's tenure and to draw *The Winter Selection* to a close, her wonderfully reviewed 2016 production of *The Little Matchgirl and Other Happier Tales* will return to the Sam Wanamaker Playhouse at the end of a tour which will have taken it to audiences in Bristol, Clwyd, Chichester, Oxford, Plymouth, Buxton, Liverpool and Malvern, spreading the reach of this stunning production to audiences across the country.

Summer Productions

Our new Artistic Director, Michelle Terry, will open the Globe stage summer season with *Hamlet* and *As You Like It* presented by the Globe Ensemble. Our touring company will rehearse three productions; *Twelfth Night*, *The Taming of the Shrew* and *The Merchant of Venice* which will play in repertory together and open at the Globe. Over two glorious days at the end of their run, they will allow the audience in situ to pick which show they would like to see. This 'pick your own' approach will be toured nationwide and to Europe throughout the summer. Back in the Globe, *The Two Noble Kinsmen*, directed by Barrie Rutter, joins the season in May and will be Barrie's first show since leaving Northern Broadsides. *The Winters' Tale*, directed by Blanche McIntyre, opens in June and the same company of actors will then go on to rehearse *Eyam*, a new play by Matt Hartley directed by Adele Thomas.

In mid-summer, *Othello* opens starring Sir Mark Rylance as Iago and Andre Holland in the title role. *Othello* will be directed by Claire van Kampen, writer of the Globe's production of *Farinelli and the King* which played to sell out audiences here in the Sam Wanamaker Playhouse, in the West End, and on Broadway.

Our final play in the Globe is *Emilia* by Morgan Lloyd-Malcolm. The play will explore the life of Emilia Bassano, whom many consider to be the 'Dark Lady of the Sonnets', but who was also a writer, poet, mother, feminist and woman in her own right. This summer will be an opportunity to follow the elusive 'Emilia' as she threads her way through the canon from the 'Dark Lady of the Sonnets', to Rosaline in *Love's Labour's Lost*, *The Two Noble Kinsmen*, *Othello* and *The Winter's Tale*.

In the Playhouse, *Love's Labour's Lost* will be directed by Nick Bagnall in August.

Refugee Week

In response to Refugee Week (18 to 24 June), the Globe will present a festival of events exploring Shakespeare's response to refuge and refugees. The week will include the premiere of *Nanjing*, written and performed by Jude Christian, it is a piece about identity, dispossession, and the consequences of war.

Sonnets and Songs

As part of a series of scenes, sonnets and songs, a unique event at Westminster Abbey, *All Places that the Eye of Heaven Visits* returns. In celebration of Shakespeare's birthday, Sir Mark Rylance will join a company of 23 actors, as Shakespeare's plays, poetry and song are brought to life in fleeting and intimate encounters throughout the Abbey. Shakespeare's birthday weekend will also include the Globe and Mark's annual *Sonnet Walks: Sweet Love Remember'd*, a walk through Shakespeare's London brought alive by actors. This sonnet journey will culminate in *Sonnet Sunday: Ten Times Happy Me*. This site specific venture will give audiences the rare opportunity to experience all of the sonnets from 1 – 154 over the course of one day as we celebrate Shakespeare with our local, national and international community.

EDUCATION FOR ALL

Outreach and the Community

A new Our Theatre project in Southwark will culminate in a production of *As You Like It* by secondary students and an adult theatre group. Work in Southwark will also include pilot workshops for a Southwark Elders Company, work with the St Mungo's homeless charity and a range of projects with London South Bank University. *Much Ado About Nothing* has been chosen for the twelfth *Playing Shakespeare with Deutsche Bank* production in 2018. 18,000 free tickets will be given to secondary school students in London and Birmingham.

International

2018 will also see the launch of a Center for Shakespeare in the Classroom created in collaboration with the School of Education at the University of California (Davis).

Shakespeare and Race

In August, we are hosting a festival of events dedicated to the topic of Shakespeare and Race, which will include performances, workshops, public lectures, panels and an international conference. Curated to draw attention to and provide a platform for scholars, practitioners and educators of colour in the teaching, study and performance of Shakespeare, this festival will highlight the importance of race to the consideration of Shakespeare not only in his time, but more urgently, in our own.

Shakespeare & Censorship

'The rest is silence.' *Hamlet*, Act V, scene 2

Throughout February to September, a series of events will focus on Shakespeare and Censorship. Censorship of British theatre started in 1737 and officially ended 50 years ago on 26 September 1968. This bold series of events explores censorship from historical, national and international viewpoints, and explores what the future may hold. From August, Shakespeare and Race will be a festival of events which will include performances, workshops, public lectures, panels and an international conference.

Curated to draw attention to and provide a platform for scholars, practitioners and educators of colour in the teaching, study and performance of Shakespeare, this festival will highlight the importance of race to the consideration of Shakespeare not only in his time, but more urgently, in our own.

Our Exhibits

We are curating temporary displays in our Exhibition space in 2018 highlighting the wealth of assets in the Globe Library & Archive. The displays will reflect planned productions and research themes in the coming year. We will begin with an exhibition of work by actor and artist Keith Michell, who played Hamlet for the Globe in a temporary Bankside arena in 1972, and iconic photographs of the theatre under construction in the 1990s by Richard Kalina.

INVESTING IN ICONIC BUILDINGS

Project Prospero

Project Prospero is our next major capital development, realising the final stage in Sam Wanamaker's vision for Shakespeare's Globe. Our ambition is to raise £30million to build a vibrant new facility on the bank of the River Thames, transforming the Globe campus. The total build is approximately 8,000sqm and will significantly increase capacity across all our activities. It will transform the organisation, enabling audiences, scholars and the general public to engage at all levels with the most iconic writer of our times. It will be the final onsite development necessary to fulfil the Globe's original mission; underpinning the understanding of Shakespeare in performance for a global audience. The new building will be of the highest quality design, contemporary in feel and in keeping with the aesthetic of the Globe Theatre. Glass panelling will ensure that activities taking place can be seen from outside, creating a sense of openness and inviting passers-by to come in and explore. It will be a beacon of excellence, architecturally and operationally, as the first new building on Bankside for many years. It will enable the Globe to achieve the following:

- The Globe Library will become the dedicated Shakespeare repository specialising in Shakespeare in performance. Housing the Wolfson Rare Books Collection, the Globe's unique digital and analogue performance archive and special collections of music, prompt books, scripts and costumes. It will provide a home for Globe Education's highly esteemed research programme led by Globe scholars and peopled by research fellows, visiting faculty and doctoral students. The Globe Library will prompt new and innovative courses on Shakespeare.
- The new Exhibition will offer a truly world class experience, on a par with leading international museums and galleries. The Exhibition will accurately reflect and embody the Globe's unique personality and general approach; it will, therefore be highly theatrical, playful, exciting, participative, performance focused, educational and sometimes irreverent. At the core of the vision for the new Exhibition is a lively dialogue between performance, and the historical and scholarly context in which that performance is made.
- The new building will be a hub for theatrical exploration. By creating a suite of rehearsal rooms onsite, the Globe Theatre department will be able to develop new work in many ways. The main rehearsal room houses the footprint of the Globe stage, whilst its smaller, sister studio can replicate the Sam Wanamaker Playhouse, allowing directors and actors to rehearse held candle work and chandelier options.

- The project also provides the opportunity to install world class production facilities to support the current operation. To attract the most exciting creative teams, we need to reassure our writers, directors, actors and designers that we can realise their visions. We need to deliver exceptional productions, demonstrate high standards in backstage facilities and resources, and have facilities that reflect the theatre's status, output and ambition.
- It will provide for up to six more additional education studio spaces which will provide for more Lively Action, conservatory courses and Continuing Professional Development teaching opportunities to increase Globe Education's offer.
- Finally it will provide additional commercially earned income with new events spaces to balance the additional mission led costs helping us to maintain our financial independence and resilience.

Over the course of 2018, we hope to make great strides towards the realisation of the project. Two years into the fundraising campaign, we are thrilled that we have already secured 40% of the target (with just under £12million pledged) and our heartfelt thanks are due to all who have given their support to date. The project is expected to commence in 2019/20 on securing the funds required.

With Stage 4 of the RIBA design process complete and full Planning Permission received from Southwark Council, the coming year will see our fundraising efforts accelerate in search of the remaining £18million we need to complete the project. Unlike many other UK charitable arts organisations, the Globe receives no annual Government subsidy; therefore we will rely heavily on individual philanthropists and leading cultural grant-makers – as well as our devoted audiences, visitors, friends, patrons and volunteers for support.

Our previous capital campaigns, the Education Studios in 2010 and the Sam Wanamaker Playhouse in 2014, have made valuable additions to the organisation: enhancing our artistic and educational output whilst providing additional income and securing our financial footing. For twenty years, and latterly with these additional capital developments, the Globe has become a cultural leader in making Shakespeare accessible for all.

Project Prospero, the most transformative project envisaged since the creation of the Globe itself, will enable audiences, young learners, scholars and the general public to engage at all levels with the most iconic writer of our time.



Photo by Pawel Liberia

Financial review.

INCOME AND EXPENDITURE HIGHLIGHTS

Where did our income come from in 2017?

The Globe has a varied range of income sources. Around three quarters of the Globe's incoming resources derive from primary purposes in the form of admission charges to theatre performances, educational workshops and exhibition and tours. Secondary revenue is generated largely from visitor spending in the onsite retail outlet, catering concession income and facilities hire.

In 2017, our total income from all sources was lower by £2.5m than in 2016, at £24.6m. The decrease in income, and the corresponding decrease in expenditure was predominantly due to few touring productions in the year. By developing new responsible and innovative ways to attract supporters, we were able to secure similar levels of income from public fundraising activities as last year (£2.7m). Income from charitable activities totalled £18.3m a decrease of £2.4m (12%) on the previous year.

How did we invest in programmes in 2017?

The Globe's expenditure on charitable activities decreased by 15% to £20.2m in 2017. 63% of that expenditure was allocated to performances; 19% to our educational work and 18% on our exhibition and tour. Examples of these major achievements and other selected activities will be examined throughout this report.

Total resources expended amounted to £23.2m, a decrease of 13% on the previous year.

Fundraising

The Globe receives no annual subsidy from Arts Council England for our core artistic and educational work, or for current capital projects. Therefore we rely on our family of supporters for all fundraising income.

Total funds raised amounted to £2.7m (2016: £2.6m), of which £1.5m (2016: £0.6m) related to the Capital Campaign for Project Prospero to fund the next stages of the design. Other unrestricted income raised amounted to £0.6m (2016: £0.7m), of which £0.1m related to a single large legacy.

Restricted income received in support of our education work totalled £0.4m (2016: £0.9m). Restricted income to support, Theatre & Performance, Access & Apprenticeship, Sam Wanamaker Playhouse and other works was £0.3m (2016: £0.4m). Restricted income is either used in the year received, as intended by the donor, or held until the specified project or activity has taken place.

Balance Sheet

The balance sheet value of the Group's net assets at 31 October 2017 was £43.4m (31 October 2016: £42.0m). The difference between this and the previous year is attributable to the items detailed above.

Capital expenditure of £1.1m (2016: £2.0m) was largely incurred by the Group on Project Prospero of £0.6m (2016: £1.3m), as well as IT assets and the upkeep of the Globe estate and theatres. Depreciation was £1.8m (2016: £1.6m).

Other principal active members of the Group

Profits generated by the Trust's subsidiaries are redistributed to the Trust as payment under gift aid.

Risk Management

The Trustees, supported by the Audit Committee, keep under regular review the risks to which the Group is exposed, the risk appetite, and ways in which risk management processes can be used to enhance performance. The Trustees seek to limit the impact of those risks by adopting appropriate measures and monitoring their implementation. The Strategic Risk Register and Operational Risk Registers for each business area record risks, their inherent and residual scores, and mitigation measures. Each strategic risk is owned by a member of the Executive Board who is responsible for monitoring it and ensuring that the measures are implemented. Risk management is undertaken at all levels of the organisation.

The principal risks and uncertainties facing the Globe and its subsidiary undertakings, as identified by the Trustees', are as follows (with a summary of the Trustees' plans and strategies for managing those risks):

- Failure to balance 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. The balance of activities is managed by the Executive Committee taking account of the organisation wide objectives. A strong budgeting process is in place which reflects the balanced portfolio of activities and recognizes the contributions to income which need to be achieved. The budget recognises the longer term investment that also needs to be made in the Globe's buildings and facilities.
- Failure to ensure 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. Specific funds are established and replenished each year in

order to recognise the substantial cost that needs to be incurred each year to maintain the Globe's assets. An emergency fund is also available in the event of a significant unforeseen issue. A survey of assets will be completed in early 2018, which will inform the longer term commitments required.

- Inability to raise the capital funds required to develop and enhance our operating facilities, and in particular the development of Project Prospero to include a new Library, Research and Archive Centre, a new Exhibition, new studio and rehearsal space and upgraded production facilities. The capital fund raising campaign as led by a development committee is kept under regular review. Significant work will not be allowed to commence before an appropriate level of fund raising certainty has been achieved.
- Failure to identify space and funding to develop our education work. We continue to pursue options to obtain more studio space which needs to be close to the main Globe site. Our Development team work closely with the Education department to provide financial backing for their work.
- Loss of key systems and/or data. We manage this risk by reviewing the existing hosting and backup arrangements to provide security of data and continuity of operations. We have a programme of hardware replacement and are considering cloud based solutions. Core software is upgraded regularly to enhance security.
- The impact of the UK's decision to leave the European Union. The immediate risks include the impact of an economic downturn on attendance and therefore our income. We monitor visitor numbers and obtain information on visitor numbers to other attractions. A regular review process is in place such that we can respond appropriately to a long term downturn.

Reserves Policy

The Globe adopts a risk based approach to setting a minimum level of free reserves which the Trustees consider to be appropriate to maintain for the coming year. Factors considered include budget cash flow forecasts, long term plans, key risks, the timing of major income, expenditure and capital items, potential cash outflows not included in the budget process (acquisitions for example), and estimated closure costs.

The Globe aspires to having reserves that would cover of three to six months of expenditure. The current reserves cover is 1.4 months. The value of the actual free reserves at 31 October 2017 was £2.3m (2016: £2.4m).

In addition to the unrestricted reserves held for the purposes detailed above, the Globe has designated reserves of £7.5 million (2016: £6.9 million) for the following purposes:

- A £3 million Preservation of the Theatre fund has been set aside for estimated quinquennial building and maintenance requirements and emergency facilities for uninsured and unforeseen circumstances.
- £3 million towards the funding of its capital plans relating to Project Prospero;
- An Artistic Support Fund of £0.3 million to provide for the risk element of programming and developing new work;
- A Film fund of £0.2m towards its commitment to filming and investing in its digital assets; and
- £1 million related to capital and other one off expenditure planned in 2017/18.

The Trustees are satisfied that sufficient reserves are held to meet the Globe's requirements. Should it be required, the designated reserves may be used to cover over 5.5 months of operating expenditure.

The reserves policy is subject to regular review to ensure that the retained reserves meet the long term needs of the organisation on an ongoing 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. The primary objective is capital protection and the secondary objective to maximise interest income. The investment policy is subject to regular review to ensure that it continues to meet the needs of the organisation.

Relationships between the Trust and related parties

The Trust provides a range of services to its subsidiaries, for which payments are made at arms' length. The nature of those services varies according to the subsidiary concerned but may include management and support services such as IT, human resources (HR), finance, facilities and legal.

Fundraising Policy

We raise a small percentage of our funds from the public and our aim is to ensure we do this in both a respectful and compelling way that is consistent with our values.

The Trust is a member of the Fundraising Regulator and supports its purpose and activities. All fundraising conducted on behalf of the Globe, whether by committees, volunteers or staff, must comply with the Fundraising Regulator's: Code of Fundraising Practice, the Globe's policy on fundraising and all relevant legislation.

The Trust does not engage in unsolicited approaches to the public, whether by the use of external agencies or otherwise, for the purposes of raising funds. Donation boxes are present throughout the site but the public are not solicited for donations.

Remuneration matters.

THE REMUNERATION AND HR COMMITTEE

The Remuneration and HR Committee ('the Committee') is a Committee of the Trustee Board of the Globe. The Trustee Board considers the Committee's members to be independent. The current members of the Committee are Iraj Ispahani, Emma Stenning and Cynthia Hall. The role of the Committee is to decide remuneration policy, terms of employment and remuneration plan design for the executive key management personnel, including the CEO, and to confirm their salaries, individual opportunity and pay increases under the annual inflationary and performance related pay scheme. The Committee considers other human related matters such as pay benchmarking and staff welfare.

Trustees' 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 in 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 in Note 18 to the financial statements. The Trustees received no remuneration or benefits for their contribution to the Trust, with the exception of the Chief Executive of the Globe who received a salary in respect of his position as Chief Executive (as permitted under the Trust's Articles of Association). The Trustees were reimbursed for expenses wholly and necessarily incurred on behalf of the Globe.

Pay policy for senior staff

The Trustees consider that together the Board of Trustees and the Executive Committee comprise the key management personnel of the Globe in charge of directing and controlling, running and operating the Globe on a day to day basis.

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. Pay levels have been benchmarked against similar roles in other organisations with an objective of remunerating at the median level for roles. Pay proposals are presented to and agreed by the Remuneration and HR Committee.

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.

Our people agenda

Over the past 12 months we have taken the opportunity to reappraise our approach to engaging with our people and better defining what the employee experience could look like at the Globe. We want to establish a much clearer employer brand and make The Globe a great place to work. In order to achieve this we have set out a clear three stage plan which has been presented to our people. The whole plan will take two to three years to be realised and we are currently at the early stages. So far some of the actions we have taken have included ensuring that our basic housekeeping is in good order, running pension workshops to enable employees to better understand our current pension arrangements and to make informed decisions about their long term pension planning, preparing for digitisation of the HR function and core processes with a new digital HR system which will launch in 2018 and changing the way that we do staff inductions to be more experiential and action oriented.

We continue to work with our Staff Consultation Group which meets at least twice a year to discuss matters which impact on our people. We also recognise the importance of effective communication with all our people. During the year we have reviewed the ways and channels which we use to do this and have started to make some changes to do this well.

Structure, governance and management.

Constitution and charitable status

The Shakespeare Globe Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated December 1973 and most recently amended in 2016.

The guarantee is an amount not exceeding £10 for each member. There were 19 members at the end of the year (2016: 17).

The Trustees have due regard to the Charity Commission public benefit guidance when exercising any powers or duties to which it is relevant, and take the view that the contents of this Report demonstrate that its requirements are met.

Trustees and directors

The Trustees, who act as directors for the purposes of the Companies Acts, are elected by the Board. The Trustees have control of, and responsibility for, the affairs of the Trust. The Trustee Board consists of the Chair, the Chief Executive and other Trustees appointed on advice from the Nominations Committee 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 Chair reviews each Trustee's role and contribution on reappointment, usually at three year intervals and the Chair receives feedback on their own position annually.

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

Under the Articles of Association the Trustees may be remunerated for professional services rendered, and the Chief Executive may also be remunerated for acting in his executive capacity. No other benefits may be received except as permitted by law. Details of trustee expenses and any other benefits and remuneration may be found in the Financial Statements.

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 Chair, Chief Executive and Executive Committee members, as well as the opportunity to tour the Globe site and see its activities.

Committees

There are four Trustee Board Committees: the Chairs' Committee, the Nominations Committee, the Audit Committee and the Remuneration and HR Committee. The chair of each committee is a Trustee who reports to the Trustee Board on its activities.

Chairs' 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 relation to financial matters, are reserved to the Board. The Committee is chaired by the Chair of the Board and also includes the Deputy Chairs and other Trustees according to the requirements of the Chair from time to time. They met three times in 2017 (2016: 1).

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 one of the Deputy Chairs and also includes two other members of the Board.

Remuneration and HR 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 Deputy Chair and includes two other members of the Board. The Committee met twice in 2017 (2016: 2).

Audit Committee

The Audit Committee has overall responsibility for regularly reviewing, assessing and monitoring the risks to which the Globe is exposed; and to ensure that the organisation has a robust framework of internal controls in place and that such controls are working effectively. The Committee is also responsible for the annual report and financial statement process and liaising on a regular basis with the external auditors. 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, Chief Finance and Operations Officer and Director of Finance normally attend meetings of the Committee by invitation. The Committee met three times in 2017 (2016: 3).

Other Committees

The Development Committee assists the Trustees in developing funding opportunities and fundraising strategies and policies for the Globe and to assist in their implementation, in particular in supporting fundraising for the Globe's capital development programme. There is also an independent Shakespeare's Globe Centre USA Board that supports fundraising activities in the USA.

Executive Management

The executive management of the Trust is delegated to the Chief Executive, who reports to the Trustees. He has all the powers not expressly reserved to the Board or delegated by them to committees, and these powers may be exercised on his behalf by such members of staff as he determines. He works with and through an Executive Committee, which deals with major strategic and operational issues and receives reports from representatives of the Globe's operations.

The policies maintained by the Trustees and the governing bodies of the other Group members include a policy which sets out the limits of the authority given to people at different levels to commit to transactions by reference to their financial or other value. The Executive Committee met 24 times in 2017 (2016: 24).

The Globe Council

The purpose of the Council is to serve as an advisory group for the Trustees with respect to the overall strategies and activities of the Globe. The Council is chaired by the Chair of the Board.

Trustees' responsibilities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Shakespeare Globe Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the affairs of the charitable company and the group 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;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Qualifying third party indemnity

The articles of association provide the directors with a qualifying third party indemnity which was in force throughout the period. The indemnity remains in force at the date of the approval of this report and the financial statements.

Auditors.

Appointment of the Auditors

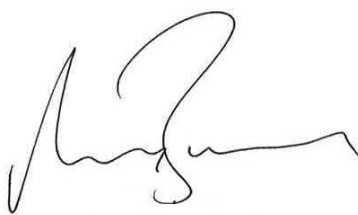
The Board of Trustees appointed PricewaterhouseCoopers LLP as its auditors at their meeting on 11 September 2017. This followed a decision by the Trustees to review the external audit services and a tender process managed by the Audit Committee. Under the Companies Act 2006, outgoing auditors are required to provide a Statement of Reasons explaining why they cease to hold office and any matters which should be brought to the notice of the Trustees or the Globe's creditors. BDO LLP's resignation letter confirmed that there were no such matters. PricewaterhouseCoopers LLP has indicated its willingness to continue in office as Shakespeare Globes' auditors and it is the intention that they should do so.

Information to the 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.

Approval and signature

This Annual Report (including the Strategic Report) set out on pages 5 to 31 was approved by the Trustees and signed on their behalf on 1 February 2018 by:



Lord Richard
Chair

INDEPENDENT AUDITORS' REPORT

To The Members Of The Shakespeare Globe Trust

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, The Shakespeare Globe Trust's group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 October 2017 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheets as at 31 October 2017; the consolidated statement of financial activities and the consolidated cash flow statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report, and Trustees' Annual Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the statement of trustees' responsibilities set out on page 30, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable 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 trustees either intend to liquidate the group and parent charitable company or to cease operations, or have no realistic alternative 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/auditors responsibilities. This description forms part of our auditors' report.

Use of the report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Andrew Lowe (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

1 February 2018

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

				2017			2016†
	NOTE	£000	£000	£000	£000	£000	£000
		Unrestricted	Restricted	Total Funds	Unrestricted (restated)	Restricted (restated)	Total Funds (restated)
Income from:							
Donations and legacies	2	643	2,089	2,732	679	1,873	2,552
Other trading activities	3	3,509	-	3,509	3,713	-	3,713
Charitable activities	4	18,347	-	18,347	20,723	-	20,723
Interest receivable		17	-	17	63	-	63
Total income		22,516	2,089	24,605	25,178	1,873	27,051
Expenditure on:							
Raising funds		755	-	755	857	-	857
Other trading activities		2,251	-	2,251	1,983	-	1,983
Charitable activities		19,112	1,079	20,191	19,690	4,057	23,747
Total expenditure	5	22,118	1,079	23,197	22,530	4,057	26,587
Net income/ (expenditure) before transfers		398	1,010	1,408	2,648	(2,184)	464
Transfers between funds	13	(130)	130	-	(1,729)	1,729	-
Net movement in funds		268	1,140	1,408	919	(455)	464
Accumulated funds brought forward at 1 November		34,969	7,046	42,015	34,050	7,501	41,551
Accumulated funds carried forward at 31 October	13	35,237	8,186	43,423	34,969	7,046	42,015

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. There is no difference between the Statement of Financial Activities and the Income and Expenditure Account and therefore a separate statement of recognised gains and losses has not been prepared.

The notes on pages 37 to 48 form part of these financial statements.

[†]The expenditure in 2016 has been reclassified to reflect 2017 support cost allocation (Note 5). There is no change to the net income (expenditure).


BALANCE SHEETS

	NOTE	Group 2017 £000	2016 £000	Trust 2017 £000	2016 £000
Fixed assets					
Tangible assets	8	31,206	31,890	31,206	31,890
Current assets					
Stocks		225	299	-	-
Short term investments	9	184	-	184	-
Debtors	10	2,637	2,933	5,993	5,550
Cash at bank and in hand		12,368	10,538	8,731	7,788
		15,414	13,700	14,908	13,338
Current liabilities					
Creditors: amounts falling due within one year	11	(3,197)	(3,575)	(2,837)	(3,359)
Net current assets		12,217	10,125	12,071	9,979
Total assets less current liabilities		43,423	42,015	43,277	41,869
Creditors: amounts falling due after one year	12	-	-	(3,481)	(3,481)
Total net assets	14	43,423	42,015	39,796	38,388

Funds of the Group/Trust					
Unrestricted funds	13,14	2,323	2,362	-	-
Designated funds	13,14	7,518	6,883	6,384	5,788
Fixed asset reserve	13,14	25,226	25,554	25,226	25,554
Capital redemption reserve	13,14	170	170	-	-
Total unrestricted funds		35,237	34,969	31,610	31,342
Restricted funds	13,14	8,186	7,046	8,186	7,046
Total funds	13,14	43,423	42,015	39,796	38,388

The notes on pages 37 to 48 form part of these financial statements. The Trust's net movement on funds was £1,408k (2016: £445k).

These financial statements were approved by the Trustees and signed on their behalf on 1 February 2018 by:



Lord Richard
Chair



Daniel Witter
Honorary Treasurer

CONSOLIDATED CASH FLOW STATEMENT

	NOTE	2017 £000	2016 £000
Cash flows from operating activities	17	3,135	1,932
Interest receivable		17	63
Net cash generated from operating activities		3,152	1,995
Cash flows from investing activities			
Purchases of tangible fixed assets	8	(1,138)	(2,046)
Purchases of short term investments	9	(184)	-
Net cash utilised by investing activities		(1,322)	(2,046)
Net increase/(decrease) in cash and cash equivalents		1,830	(51)
Cash and cash equivalents at beginning of year		10,538	10,589
Cash and cash equivalents at end of year		12,368	10,538
Cash and cash equivalents comprise:			
Cash at bank and in hand		12,368	10,538

The notes on pages 37 to 48 form part of these financial statements.

1. Accounting policies

The following principle accounting policies have been applied consistently in dealing with items that are considered material to the Group financial statements.

1.1 Basis of preparation

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared on the historical cost convention. The financial statements have been prepared on the going concern basis. The Trust is a public benefit entity.

1.2 Basis of consolidation

The consolidated financial statements incorporate the results and financial position of The Shakespeare Globe Trust (the 'Trust') and its subsidiary undertakings. The consolidated entity is referred to as the 'Group'. The subsidiaries (which are all beneficially owned and controlled) have been consolidated on a line-by-line basis. Intra group transactions, profits and balances have been eliminated on consolidation. No separate company Statement of Financial Activities (SOFA) has been prepared for the Trust as permitted by section 408 of the Companies Act 2006.

1.3 Cash flow statement

The Group prepares a consolidated cash flow statement and the consolidated financial statements, in which the Trust's results are included, are available to the public. It has therefore taken advantage of the exemption conferred by FRS 102 Section 1 not to prepare a separate cash flow statement for the Trust.

1.4 Reserves and fund structure

Unrestricted funds comprise accumulated surpluses on general funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been donated to the Trust for particular purposes.

Transfer between funds takes place where there is a deficit on a restricted fund and the shortfall is met from unrestricted funds (Note 13).

1.5 Income

Income is recognised when the Group has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income from grants is recognised when the Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the Group is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Group that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount due can be measured reliably and the Group has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Group, or the Group is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Theatre box office income is recognised when performances have taken place. Income received in advance of a theatrical performance or provision of other specified service is deferred until the criteria for income recognition are met.

Other income, including exhibition and education income, is recognised on an accruals basis, once there is reasonable probability of receipt and the amount can be measured reliably.

1.6 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred.

Irrecoverable VAT is included within expenditure or capitalised with the appropriate asset.

Costs of raising funds include the salaries and direct expenditure costs of the staff who primarily promote fundraising.

Support costs include central functions and have been allocated to activities on a basis consistent with the use of resources. The allocation of building costs is based on square footage. Where the costs arise from the use of the asset and not directly allocated, the costs have been apportioned based on full time equivalent number of staff in each area. Indirect marketing costs have been apportioned in line with each charitable area's marketing budget.

1.7 Pensions

The Group 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.

1.8 Transactions in foreign currencies

The Trust's functional and presentational currency is pounds sterling. Transactions in foreign currencies are recorded at the exchange rate 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 Consolidated Statement of Financial Activities.

Notes to the Financial Statements

1.9 Tangible fixed assets

The Group's long leasehold offices and Theatres at 21 Globe Walk and the freehold property at Bear Gardens are held at cost and depreciated on a straight-line basis over 50 years. Land is not depreciated.

Short leasehold properties held by the Group are accounted for as operating leases, but any initial or other major expenditure on improvements is capitalised and written off on a straight-line basis less residual value over the life of the leases, subject to a maximum period of 50 years.

Group policy is generally to capitalise equipment greater than £1k.

Assets which are subject to a period of construction are depreciated from the date they are brought into operational use. Other tangible fixed assets as stated below are depreciated on a straight-line basis, less residual value, over their estimated useful life as follows:

Freehold buildings	– 2% per annum
Leasehold buildings	– 2% per annum
Leasehold improvements	– 10% per annum
Leasehold plant & machinery	– 5% to 25% per annum
Computer equipment	– 25% per annum
Fixtures and fittings	– 25% per annum
Exhibition & theatre artefacts	– 10% to 25% per annum

1.10 Stocks

Valuation of retail stock, comprising books and gifts, is determined using the “first in-first out” method and stocks are stated at the lower of cost and net realisable value less costs to sell.

1.11 Taxation

The Trust is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the Trust is exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Trading subsidiaries provide for tax at amounts expected to be paid or recovered using tax rates and laws that have been enacted or substantially enacted at the balance sheet date. The Trust's UK trading subsidiaries pay any taxable profits to the Trust under Gift Aid.

The Trust is a culturally exempt organisation under Schedule 9 of the VAT Act 1994 and during the year VAT returns have been submitted on a culturally exempt basis. Irrecoverable VAT is charged against the cost of charitable activities, where it is incurred. Irrecoverable VAT on capital expenditure has been capitalised and will be written off over the life of the assets.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash in hand and short term deposits held at banks each with original maturities of three months or less.

1.13 Operating leases and leased assets

Rentals applicable to operating leases are charged to the Consolidated Statement of Financial Activities on an accruals basis.

1.14 Investments

Investments in subsidiary companies are shown at cost in the Trust, less provisions where appropriate.

1.15 Financial Instruments

The Group has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their cost less impairment. The Group does not hold any assets which would qualify as a complex financial instrument.

1.16 Critical estimates and areas of significant judgement

In preparing these financial statements, management has made the following judgements:

The future viability of development costs

Development in new products, including play commissions, has many inherent uncertainties, with the future viability being the key one. The Group mitigates this risk through the use of analytical and tracking tools like regular market research, and box office advance bookings. As at the balance sheet date, the management considers the risk to be remote. The Group also has a prudent policy of immediately expending all research and development costs, and incurred pre-production expenditure as incurred. Other expenditure in relation to work in progress capital projects is capitalised only when the likelihood of the project going ahead is probable.

Indicators of impairment

Management reviews whether there are indicators of impairment of the Group's tangible fixed assets, including investments. Factors taken into the consideration include any changes in condition of the asset, the expected future performance of the asset and future service potential.

Tangible fixed assets

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 on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

1.17 General information

The Trust is a charitable company limited by guarantee, incorporated in the United Kingdom and registered with the Charities Commission. Company number: 1152238; Charity number: 266916. There is no ultimate controlling party. The registered office is: 21 New Globe Walk, Bankside, London SE1 9DT. The principal activities of the Trust derive through theatre performances, educational workshops and exhibitions and tours. Details of the Trust's subsidiaries are set out in Note 9.

2. Donations and legacies

	Unrestricted	Restricted	2017 Total Funds	Unrestricted	Restricted	2016 Total Funds
	£000	£000	£000	£000	£000	£000
Donations and gifts	539	2,089	2,628	645	1,873	2,518
Legacies	104	-	104	34	-	34
	643	2,089	2,732	679	1,873	2,552

The Group benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in the annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements..

3. Income from other trading activities

	2017 £000	2016 £000
Retail	1,955	2,184
Catering and hospitality	782	732
Venue hire	485	442
Corporate memberships	149	192
Corporate sponsorships	68	86
Other trading income	70	77
	3,509	3,713

4. Income from charitable activities

	2017 £000	2016 £000
Theatre and performance	12,877	15,499
Exhibition and tours	3,168	3,058
Education activities	2,302	2,166
	18,347	20,723

Income from charitable activities includes theatre tax credit of £473k (2016: £434k) and film tax credit of £243k (2016: £nil).

5. Expenditure

(a) Analysis of total expenditure

	Direct Costs £000	Support Costs £000	2017 Total £000	Direct Costs £000	Support Costs £000	2016* Total £000
Cost of raising funds	474	281	755	531	326	857
Other trading activities	1,802	449	2,251	1,445	538	1,983
Charitable activities						
Theatre and performance	8,926	3,877	12,803	13,604	2,959	16,563
Exhibition and tours	1,350	2,206	3,556	1,546	1,634	3,180
Education activities	2,140	1,692	3,832	2,317	1,687	4,004
Total expenditure on charitable activities	12,416	7,775	20,191	17,467	6,280	23,747
Support costs	8,505	(8,505)	-	7,144	(7,144)	-
Total expenditure	23,197	-	23,197	26,587	-	26,587

(b) Analysis of support costs

	2017 £000	2016 £000
Premises and associated costs	2,746	2,555
Finance, Human Resources, Information Technology and Administration	1,962	2,000
Depreciation (Note 8)	1,822	1,635
Visitor experience [†] (customer facing staff)	1,050	-
Communications	925	954
	8,505	7,144

(c) Cost analysis

Included within total expenditure are the following individual items:

	2017 £000	2016 £000
Group auditors' remuneration:		
Audit fees	42	42
Other services (taxation compliance services)	22	-
Operating lease rentals:		
Land and buildings	270	125
Plant and equipment	105	201

*In 2017, management reviewed the allocation of support costs, which is now in accordance with time spent on each activity. The 2016 comparatives were reclassified accordingly.

[†]Visitor experience costs were directly allocated to activities in 2016, although comparative costs in 2016 were £1,048k. Due to a change in organisation structure, staff time can no longer be directly allocated and are now included in support costs.

6. Staff costs

	2017 £000	2016 £000
Monthly wages and salaries	6,014	6,193
Weekly theatre production actors, musicians and associated workers	3,131	4,083
Social security costs	642	588
Other pension costs	169	189
	9,956	11,053

Average weekly/monthly number of staff during the year	2017	2016†
Theatre and performance	131	160
Education activities	40	37
Exhibition and tours	34	42
Visitor experience	23	27
Finance, Human Resources, Information Technology and Administration	21	22
Communications	18	21
Retail	11	15
Development	10	11
	288	335

Number of staff whose gross salaries fell within the following bands	2017	2016
£60,001 – £70,000	2	-
£70,001 – £80,000	1	1
£80,001 – £90,000	1	1
£90,001 – £100,000	3	3
£120,001 – £130,000	1	1
	8	6

The Group considers its key management personnel to be the Executive Board. The total employment benefits including employer pension contributions of the key personnel were £761k (2016: £759k).

During the year the Group paid total severance benefits of £166k (2016: £8k) to eight employees (2016: 1).

Pension costs	2017 £000	2016 £000
Defined contributions pension costs outstanding at end of year	63	41

†In 2017, management reviewed the computation of the full time equivalent staff numbers, which now better reflect the Group's staff numbers. The 2016 comparatives were reclassified accordingly.

7. Trustees' emoluments and expenses

No remuneration was paid to any trustee, other than the Chief Executive, during the year nor did they receive any other benefits from employment with the Trust or its subsidiaries during the year. The Chief Executive was remunerated for his services as Chief Executive, and not in his capacity as Trustee. This is permitted under Article 3.3.2(c) of the Articles of Association. He was paid £136k (2016: £134k), including pension contributions of £11k (2016: £11k).

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 year. A total of £1k (2016: £1k) was reimbursed to five Trustees (2016: six) in respect of expenditure incurred by them in the course of Trustee activities in the year. The Trustees are entitled to the same discounts enjoyed by staff in the restaurant and café. Third party indemnity insurance cover is provided for Trustees.

8. Tangible fixed assets

Group and Trust	Freehold Property	Long Leasehold Property	Leasehold Improvements	Plant & Machinery	Fixtures, Fittings & Equipment	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost							
At beginning of the year	4,244	29,665	226	13,215	4,989	1,800	54,139
Additions	-	22	16	93	370	637	1,138
Transfers	-	-	5	-	-	(5)	-
At end of the year	4,244	29,687	247	13,308	5,359	2,432	55,277
Depreciation							
At beginning of the year	390	9,579	71	8,150	4,059	-	22,249
Charge for the year	68	599	24	735	396	-	1,822
At end of the year	458	10,178	95	8,885	4,455	-	24,071
Net Book Values							
At 31 October 2017	3,786	19,509	152	4,423	904	2,432	31,206
At 31 October 2016	3,854	20,086	155	5,065	930	1,800	31,890

Assets under construction mainly relate to enabling costs of Project Prospero. The capital commitments as at 31 October 2017 are £103k (2016: £480k). There were no disposals in the year.

9. Investments

a) Subsidiary undertakings

The Group's net movement in funds, a surplus of £1,408k (2016: surplus of £464k), includes the results of the following two 100% beneficially owned subsidiaries, which are incorporated in the UK, and registered at the same address as the Trust:

Shakespeare Globe Trading Limited ('SGTL'), a limited company which undertakes commercial activities on behalf of the Group.

Shakespeare Globe Productions Limited ('SGPL'), a limited company that has the principal activities of producing, running and closing productions on behalf of the Group.

The carrying value as well as the financial performance of these two subsidiaries is summarised below:

	Company Number		Total Income	Total Expenditure	Surplus/ (Deficit) before tax	Assets	Liabilities	Funds
			£000	£000	£000	£000	£000	£000
Shakespeare Globe Trading Limited	997433	2017	3,585	(2,310)	1,275	7,895	(7,225)	670
		2016	3,750	(2,044)	1,706	6,675	(6,005)	670
Shakespeare Globe Production Limited	9288721	2017	5,590	(6,063)	(473)	907	(907)	-
		2016	5,790	(6,244)	(434)	434	(434)	-

In prior years, the Trust has been gifted a cumulative total of 2,958,000 redeemable preference shares in SGTL. The Trust now owns 100% of the redeemable preference shares held in its subsidiary undertaking. These shares are held in the Trust at £nil value due to the extended period of capital redemption (see note 16).

b) Short term investments

In the year, the Trust set up and owns the single share in the Shakespeare's Globe NY Limited Liability Company (registered at 165 West 46th Street, Suite 700, New York, NY 10036, USA), a company, which invested \$225k (£184k) in the Farinelli Broadway Limited Partnership (registered at 230 West 41st Street, Suite 1703, New York, NY 10036, USA). At 31 October 2017, the value of the Trust's share of the net liabilities is £93k.

10. Debtors

	Group		Trust	
	2017	2016	2017	2016
	£000	£000	£000	£000
Amounts falling due within one year				
Trade debtors	636	1,155	156	942
Other debtors	101	159	48	409
Tax credit recoverable	1,150	434	243	-
Amounts owed by subsidiary undertakings	-	-	4,814	3,016
Prepayments and accrued income	750	1,185	732	1,183
	2,637	2,933	5,993	5,550

Notes to the Financial Statements

11. Creditors: amounts falling due within one year

	Group 2017 £000	2016 £000	Trust 2017 £000	2016 £000
Trade creditors	810	1,020	754	915
Taxes and social security	241	170	60	170
Other creditors	345	111	310	71
Accruals and deferred income	1,801	2,274	1,713	2,203
	3,197	3,575	2,837	3,359
Deferred income	2017 £000	2016 £000	2017 £000	2016 £000
At 1 November	1,623	1,934	1,554	1,875
Deferred income recognised in the year	(1,623)	(1,934)	(1,554)	(1,875)
Deferred in year	1,261	1,623	1,194	1,554
At 31 October	1,261	1,623	1,194	1,554

12. Creditors: amounts falling after one year

	Group 2017 £000	2016 £000	Trust 2017 £000	2016 £000
Amounts owed to subsidiary undertaking	-	-	3,481	3,481

The long term creditor was established on acquisition of the net assets of the SGTL in 2005. This amount is unsecured, non-interest bearing and has no fixed date for repayment.

13. Movement in funds

2017 Restricted Funds Group	As at 1 November 2016 £000	Income £000	Expenditure £000	Transfers £000	As at 31 October 2017 £000
Globe Building Grant	6,336	-	-	(356)	5,980
Prospero Capital Campaign	80	1,459	-	-	1,539
Globe Education China	493	-	(51)	-	442
Education Projects	38	366	(489)	149	64
Performance & Theatre	29	(6)	(241)	219	1
Access & Apprenticeships	36	203	(79)	-	160
Sam Wanamaker Playhouse	-	22	(131)	109	-
Other	34	45	(88)	9	-
	7,046	2,089	(1,079)	130	8,186

2017 Unrestricted Funds Group	As at 1 November 2016 £000	Income £000	Expenditure £000	Transfers £000	As at 31 October 2017 £000
Preservation of the Theatres	2,700	-	(153)	423	2,970
Prospero Capital Campaign	2,907	-	(792)	850	2,965
Strategic Projects	1,034	-	(681)	688	1,041
Film Fund	-	-	-	250	250
Artistic Support Fund	242	-	-	50	292
Designated Funds	6,883	-	(1,626)	2,261	7,518
Capital Redemption Reserve	170	-	-	-	170
Fixed Assets Reserve	25,554	-	(684)	356	25,226
General Free Reserve	2,362	22,516	(19,808)	(2,747)	2,323
	34,969	22,516	(22,118)	(130)	35,237

Notes to the Financial Statements

Fixed Assets Reserves

The fixed assets reserve is a permanent fund matched to fixed assets, recognising that in the event cash is required, these assets cannot be readily liquidated, and their realisable value may be negligible. There are two funds held, the **Globe Building Grant** (£5,980k) reflecting a restricted Arts Council England grant received in 1995 that was used to build the Globe, and the **Fixed Assets Reserve** (£25,226k) reflecting the balance of non-liquid assets held within tangible fixed assets (Note 8).

Restricted Funds

The **Project Prospero** fund £1,539k (2016: £80k) is restricted to the development of the Globe's West Block incorporating a new library, archive, exhibition, workshops and rehearsal studios and an upgrading of its production departments. The project is currently expected to commence in the autumn of 2019 on raising sufficient funds for the capital project. These funds are expected to be utilised by 2022.

The **Globe Education China** fund £442k (2016: £493k) is a restricted Arts Council England grant to promote Shakespeare in China through workshops and performances planned for 2018 and 2019.

The **Education Projects** fund £64k (2016: £38k) is restricted for use in specific education activities. The largest of these funds relates to the Playing Shakespeare project funded by Deutsche Bank whereby performances are created for young people and designed to support teaching of English in the UK National Curriculum at Key Stages 3, 4 and 5 as well as being suitable for those teaching international curricula. The Globe has a long-standing relationship with Deutsche Bank, with a similar project planned to take place next year.

The **Performance & Theatre** fund £1k (2016: £29k) is restricted for use in specific theatre projects. Some funds were utilised against research and developing new writes such as *Boudica*, which was performed on the Globe stage in 2017.

The **Access & Apprenticeships** fund £160k (2016: £36k) is restricted for the improvement of access and diversity to the Globe. The majority of the fund comprises a significant donation from ICAP of £203k received in 2017 which has allowed the Globe to fund a new apprentice scheme and to kick start a drive through significant investment in new digital technologies, to upskill the Globe team to welcome

access patrons and to deliver activities that enable those from diverse backgrounds to engage with the Creative and Cultural industries. The remaining balance will be spent on continuing to sponsor these activities in 2018.

The **Sam Wanamaker Playhouse** fund £nil (2016: £nil) is restricted for preservation of the Sam Wanamaker Theatre. Funds of £22k were generated from seat donations in the year.

Other funds £nil (2016: £34k) is for the support of the Globe's general facilities. The largest of these funds were to support educational promotional activities in the year. Additional funds were donated to promote Shakespeare and the Globe in the USA.

Designated Funds

Preservation of the Theatres fund £2,970k (2016: £2,700k) was set up for the estimated quinquennial building and theatres maintenance requirements. In addition there is a fund set aside for emergency facilities for any uninsured and unforeseen circumstances.

Project Prospero £2,965k (2016: £2,907k) is the fund set up to support Project Prospero. It is predominantly derived from the Globe's contribution from annual surpluses over recent years. Project expenditure to date has been charged to the fund. The fund will be utilised on planned commencement of the project in 2019.

Strategic Projects fund £1,041k (2016: £1,034k) supports capital and other one-off projects planned for the next financial year. This year the funds have been utilised against developing a new brand and visual identity as well as developing a new customer relationship management system. These projects will continue into 2018.

Film Fund £250k (2016: £nil) was set up in 2017 to fund the Globe's commitment to filming and investing in its digital assets. The fund is expected to be fully utilised in 2018.

Artistic Support Fund £292k (2016: £242k) provides for the inherent risk in programming, and will be utilised in the event that box office income does not meet research and development commitments in the year.

The Trust's restricted funds balance and fixed asset reserve, and movement on these funds is as per the Group's movement on these funds. The Trust's designated funds was £6,384k (2016: £5,788k) and the Trust's unrestricted fund had a balance of £nil at both 31 October 2016 and 31 October 2017.

Notes to the Financial Statements

2016 Restricted Funds Group	As at 1 November 2015	Income	Expenditure	Transfers	As at 31 October 2016
	£000	£000	£000	£000	£000
Globe Building Grant	6,692	-	-	(356)	6,336
Education Projects	285	876	(440)	(190)	531
Performance & Theatre	33	28	(1,769)	1,737	29
Access & Apprenticeships	36	-	-	-	36
Prospero Capital Campaign	435	595	(1,384)	434	80
Sam Wanamaker Playhouse	-	58	(122)	64	-
Other	20	316	(342)	40	34
	7,501	1,873	(4,057)	1,729	7,046

2016 Unrestricted Funds Group	As at 1 November 2015	Income	Expenditure	Transfers	As at 31 October 2016
	£000	£000	£000	£000	£000
Prospero Capital Campaign	2,692	-	-	215	2,907
Artistic Support Fund	480	879	-	(1,117)	242
Strategic Projects	1,176	58	(882)	682	1,034
Designated Funds	7,088	937	(1,357)	215	6,883
Fixed Assets Reserve	24,786	-	412	356	25,554
Capital Redemption Reserve	170	-	-	-	170
General Free Reserve	2,006	24,241	(21,585)	(2,300)	2,362
	34,050	25,178	(22,530)	(1,729)	34,969

14. Analysis of total net assets between funds

Group	Restricted	Unrestricted	2017	Restricted	Unrestricted	2016
	£000	£000	£000	£000	£000	£000
Fixed assets	5,980	25,226	31,206	6,336	25,554	31,890
Net current assets	2,206	10,011	12,217	710	9,415	10,125
Net assets at 31 October	8,186	35,237	43,423	7,046	34,969	42,015

Trust	Restricted	Unrestricted	2017	Restricted	Unrestricted	2016
	£000	£000	£000	£000	£000	£000
Fixed assets	5,980	25,226	31,206	6,336	25,554	31,890
Net current assets	2,206	9,865	12,071	710	9,269	9,979
Creditors: amounts falling due after one year	-	(3,481)	(3,481)	-	(3,481)	(3,481)
Net assets at 31 October	8,186	31,610	39,796	7,046	31,342	38,388

15. Operating leases

Minimum lease payments under non-cancellable operating leases were as follows:

	Group		Trust	
	2017	2016	2017	2016
	£000	£000	£000	£000
Payment due:				
Land and buildings:				
Within one year	271	37	271	37
In two to five years	774	1,170	774	1,170
Plant and equipment:				
Within one year	80	-	80	-
In two to five years	53	50	53	50
	1,178	1,257	1,178	1,257

16. Redeemable preference shares

	2017	2016
	£000	£000
Issued (note 9)		
At 1 November	2,958	2,958
At 31 October	2,958	2,958

The redeemable preference shares issued by SGTL 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 Trust's subsidiary undertaking, up to a maximum of 5% of the annual trading surplus.

A matching transfer is made to a capital redemption reserve in accordance with the provisions of the Companies Act 2006.

The Trust owns 100% of these shares and has waived its right to its annual dividend and capital redemption for the period ended 31 October 2017.

All of these shares have been donated to the Trust during prior periods; on consolidation therefore the Group has a net liability of £nil.

17. Reconciliation of changes in resources to net cash inflow from operating activities

	2017	2016
	£000	£000
Net income	1,408	464
Interest receivable	(17)	(63)
Depreciation	1,822	1,635
Decrease in stocks	4	36
Decrease /(increase) in debtors	296	(533)
(Decrease)/increase in creditors	(378)	393
Net cash inflow from operating activities	3,135	1,932

18. Related party transactions

Related parties comprise subsidiaries and those charged with governance, deemed to be Trustees and Executives.

	2017		2016	
	Amounts due from £000	Amounts due to £000	Amounts due from £000	Amounts due to £000
The Shakespeare Globe Trust:				
Subsidiary undertakings				
Shakespeare Globe Productions Limited	907	-	434	-
Shakespeare Globe Trading Limited	3,907	3,481	2,582	3,481
Total	4,814	3,481	3,016	3,481

Unless specified otherwise, amounts due from and to subsidiary undertakings are unsecured, non-interest bearing and repayable on demand.

Transactions with subsidiary undertakings are primarily for intra-group services and cross company recharges.

Trustees

The total amount donated by 16 Trustees (2016: 18) and Executives amounted to £47k (2016: £20k).

In addition, the following Trustees have relationships with organisations that have engaged with the Group:

Philip Kirkpatrick is a Trustee of the Globe and a partner with Bates Wells & Braithwaite LLP, one of the Group's legal advisers. Total fees paid to Bates Wells & Braithwaite LLP during the financial year amounted to £nil (2016: £7k). Total income received from Bates Wells & Braithwaite LLP during the financial year amounted to £7k (2016: £7k). No amounts were outstanding at year end.

Cynthia Hall is a Trustee of the Globe and partner at Saxton Bamfylde. In 2017, the Globe engaged Saxton Bamfylde in a £20k contract, after competitive tender, to appoint a new Chair. The services received in the year amounted to £7k (2016: £nil), which were outstanding at year end.

Martin Clarke is a Trustee of the Globe who holds a minority share (less than 1%) equity stake in Digital Theatre Ltd. Total income received from Digital Theatre Ltd during the financial year amounted to £1k (2016: £nil).

Emma Stenning is a Trustee of the Globe and the executive director of Bristol Old Vic. The Trust is planning a coproduction with Bristol Old Vic touring *The Little Matchgirl (and Other Happier Tales)* in 2017/18. No costs had been incurred in the year ended 31 October 2017.

Neil Constable, a Trustee and Chief Executive Officer at the Globe, is also a Trustee of Shakespeare Birthplace Trust. Total income received from Shakespeare Birthplace Trust during the financial year amounted to £4k (2016: £nil).

Daniel Witter is a Trustee of the Globe and CEO of Work for Good Limited, a fundraising platform for charities of which the Group is a member. During the financial year, the Group received £1k (2016: £nil).

19. Financial instruments

Group	2017 £000	2016 £000
Financial assets that are debt instruments measured at amortised cost		
Short term investments	184	-
Trade debtors	636	1,155
Accrued income	422	822
Total	1,242	1,977
Financial liabilities measured at amortised cost		
Trade creditors	810	1,020
Accruals	540	651
Total	1,350	1,671

The Trust has taken advantage of the disclosure exemption granted by FRS102 from disclosing an analysis of the Trust's financial instruments.