

CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

DIRECTORS REPORT
AND
STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED
31st MARCH 1997

REG. CHARITY NUMBER 279690

COMPANY NO. 1458421

BARROWCLIFF HAMER & CO.
Chartered Accountants
MIDDLESBROUGH



CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

COMPANY INFORMATION

DIRECTORS	B. JOHNSON E. HEPPLEWHITE F. REGAN P. SCOTT B. ROBINSON
SECRETARY	L. CLAPHAM
COMPANY NUMBER	1458421
CHARITY NUMBER	279690
REGISTERED OFFICE	RAGWORTH NEIGHBOURHOOD CENTRE DOVER ROAD STOCKTON ON TEES CLEVELAND
BANKERS	CO-OPERATIVE BANK BUSINESS DIRECT OLYMPIC HOUSE 6 OLYMPIC COURT MONTFORD STREET SALFORD
AUDITORS	MESSRS BARROWCLIFF HAMER & CO. 242 MARTON ROD MIDDLESBROUGH TS4 2AJ

CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their report and the accounts of the Company for the year ended 31st March 1997.

The Company is limited by guarantee, each member agreeing to contribute to the Company the sum of £1 in the event of a winding up.

Its principal activities are the production of plays and performances conducive to the maintenance and advancement of education and the arts.

The Company is a registered charity. The results of its activities for the year are given on page 4 of the accounts.

The Directors who held office during the year were:

B. JOHNSON	
E. HEPPLEWHITE	
F. REGAN	
G. ARMSTRONG	Resigned 25/9/96
P. SCOTT	
B. ROBINSON	Appointed 25/9/96

DIRECTORS' RESPONSIBILITIES

Company Law required us as Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period. In preparing those financial statements we are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable us to ensure that the financial statements comply with the Companies Act 1985. We are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The Auditors, Messrs Barrowcliff Hamer & Co., have expressed their willingness to continue in office for the ensuing year and a resolution proposing their re-appointment as auditors will be put to the forthcoming Annual General Meeting.

This report has been prepared taking advantage of the exemptions conferred by Part II of Schedule 8 of the Companies Act 1985.

BY ORDER OF THE BOARD

Liz Clapham

LIZ CLAPHAM
SECRETARY

REGISTERED OFFICE

Ragworth Neighbourhood Centre
Dover Road,
Stockton on Tees,
Cleveland.
TS19 0JT.

9th July 1997

CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS OF CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

We have audited the financial statements on pages four to eight which have been prepared under the Historical Cost Convention and the accounting policies set out on page six.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page one the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

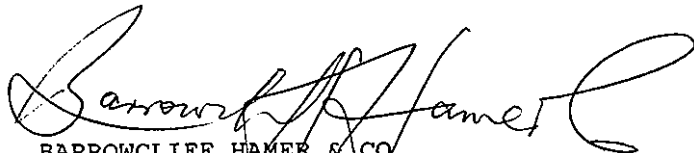
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31st March 1997 and of its Deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 as applicable to small companies.


BARROWCLIFF HAMER & CO.
Registered Auditor
Chartered Accountants

242 Marton Road,
MIDDLESBROUGH

9th July 1997

CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 1997

		<u>1997</u>	<u>1996</u>
	<u>Notes</u>	£	£
<u>TURNOVER</u>	2	108,507	100,439
Administrative Expenses	4	37,144	22,501
Depreciation		351	1,848
Production Expenses	5	85,607	61,876
		<u>123,102</u>	<u>86,225</u>
<u>OPERATING (DEFICIT)/SURPLUS</u>	3	(14,595)	14,214
Other Income (Bank Interest)		<u>1,171</u>	<u>995</u>
<u>RETAINED (DEFICIT)/SURPLUS</u> <u>FOR THE FINANCIAL YEAR</u>		(13,424)	15,209
<u>RETAINED SURPLUS</u> At 1st April 1996		<u>26,765</u>	<u>11,556</u>
<u>RETAINED SURPLUS</u> At 31st March 1997		<u>13,341</u>	<u>26,765</u>

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profits for the current year and losses for previous years.

The notes on pages 6 to 8 form part of these financial statements.

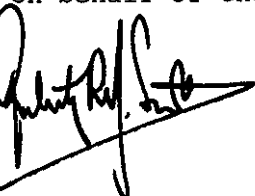
CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 31st MARCH 1997

		<u>1997</u>		<u>1996</u>	
	<u>Notes</u>	£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	7		1,053		1
<u>CURRENT ASSETS</u>					
Debtors		7,296		5,764	
Prepayments		4,356		338	
Cash at Bank and in Hand		3,927		28,659	
		<u>15,579</u>		<u>34,761</u>	
<u>CREDITORS : Amounts Falling Due Within One Year</u>					
Social Security and Other Taxes		1,068		1,006	
Other Creditors		795		795	
Accruals		1,428		6,196	
		<u>3,291</u>		<u>7,997</u>	
<u>NET CURRENT ASSETS</u>			12,288		26,764
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>13,341</u>		<u>26,765</u>
<u>SURPLUS ON ACTIVITIES - UNRESTRICTED FUNDS</u>			<u>13,341</u>		<u>26,765</u>

The Directors have taken advantage of the exemptions conferred by Part 1 of Schedule 8 of the Companies Act 1985 and have done so on the grounds that in their opinion the Company is entitled to these exemptions as a small company.

On behalf of the Board



P. SCOTT
DIRECTOR

Approved by the Board on 9th July 1997

The notes on pages 6 to 8 form part of these financial statements.

CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 1997

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and also have been consistently applied within the same accounts.

(a) Basis of Preparation of Financial Statements

The financial statements have been prepared under the Historical Cost Convention and in accordance with Section 228 of, and Schedule 4 to, the Companies Act 1985 and with Statement of Recommended Practice No. 2.

(b) Depreciation

Depreciation is provided on fixed assets at the following rates which are expected to write off the assets over their useful lives:

Fixtures and fittings 25% R.B./50% S.L.

(c) Grants

Grants towards production expenses and overheads, (revenue grants), have been credited to income and expenditure account on the basis that the grant accrues evenly over the period to which it relates.

(d) Leasing

Rentals payable under operating leases are charged to the Profit and Loss account on a straight line basis over the period of the lease.

2 TURNOVER

The turnover and surplus are attributable to the principal activity of the Company and includes grants and sponsorship.

	<u>1997</u>	<u>1996</u>
	£	£
Income from Productions	26,101	19,549
Income from Other Projects	5,100	4,903
Grant Aid	76,331	75,739
Miscellaneous Income	975	248
	<u>108,507</u>	<u>100,439</u>

3 OPERATING (DEFICIT)/SURPLUS

The operating (deficit)/surplus is stated after charging:-

	<u>1997</u>	<u>1996</u>
	£	£
Depreciation of Tangible Fixed Assets	351	1,848
Auditors' Remuneration	1,000	600
Operating Lease - Rental of Office	900	900
	<u>2,251</u>	<u>3,348</u>

4 ADMINISTRATION EXPENDITURE

	<u>1997</u>	<u>1996</u>
	£	£
Office Rent, Heat and Light	900	900
Administration Staff	26,345	16,678
Audit	1,000	600
Other Administration Costs	8,899	4,323
	<u>37,144</u>	<u>22,501</u>

CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 1997

5 PRODUCTION EXPENDITURE

	<u>1997</u>	<u>1996</u>
	£	£
Wages and National Insurance	38,459	23,844
Other Costs	47,148	38,032
	<u>85,607</u>	<u>61,876</u>

6 STAFF COSTS

	<u>1997</u>	<u>1996</u>
	£	£
Wages and Fees	61,255	39,868
National Insurance Costs	4,159	2,145
	<u>65,414</u>	<u>42,013</u>
Administration Staff	2	2
	==	==
Artistic Director	1	1
	==	==

The figure for wages and fees quoted above includes payments to performers who are involved for the short period of a production only.

7 TANGIBLE FIXED ASSETS

	<u>Fixtures Fittings & Equipment</u>	<u>Total</u>
	£	£
Cost		
At 1st April 1996	11,670	11,670
Additions During Year	1,403	1,403
At 31st March 1997	<u>13,073</u>	<u>13,073</u>
Depreciation		
At 1st April 1996	11,669	11,669
Charge for the year	351	351
At 31st March 1997	<u>12,020</u>	<u>12,020</u>
Net Book Value		
At 31st March 1997	<u>1,053</u>	<u>1,053</u>
At 31st March 1996	<u>1</u>	<u>1</u>

8 TAXATION

No provision has been made for corporation tax as the Company is a registered charity and, subject to agreement with H.M. Inspector of Taxes, is exempt from corporation tax to the extent that its revenue has been utilised for charitable purposes. The Directors consider that the Company's income has been utilised in this manner.

CLEVELAND INDEPENDENT THEATRE COMPANY
(LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 1997

9 LEASING COMMITMENTS

At 31st March 1997 the Company had annual commitments under non-cancellable operating leases as detailed below :

	<u>1997</u>		<u>1996</u>	
	<u>Land and</u>	<u>Other</u>	<u>Land and</u>	<u>Other</u>
	<u>Buildings</u>		<u>Buildings</u>	
	£	£	£	£
Operating Leases which				
Expire :				
Within One Year	900	-	900	-
	<u>900</u>	<u>-</u>	<u>900</u>	<u>-</u>

10 CAPITAL COMMITMENTS

The Company had no capital commitments at 31st March 1997 (1996 Nil).

11 CONTINGENT LIABILITIES

The Company had no contingent liabilities at 31st March 1997 (1996 Nil).

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

A reconciliation has not been prepared as the assets cannot be distributed among the members of the Company. On dissolution the assets must be transferred to some other charitable organisation having objects similar to the Company.

13 RELATED PARTY TRANSACTIONS

There were no material transactions with related parties as defined by FRS8 'Related Party Transactions'.