REGISTERED COMPANY NUMBER: 01458421 (England and Wales)
REGISTERED CHARITY NUMBER: 279690

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 FOR

CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

Christie Proud Thompson
Statutory Auditors
80 Victoria Road
Darlington
County Durham
DL1 5JG

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CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

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CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

REPORT OF THE TRUSTEES for the Year Ended 31 March 2015

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
01458421 (England and Wales)

Registered Charity number
279690

Registered office
The Meeting Rooms
5 Skinnergate
Darlington
County Durham
DL3 7NB

Trustees

Miss A I Besford	
Ms E Gaudern	
Mrs E K Hepplewhite	
Mrs E A Langham	
Mrs D C Long	
Mrs P Moger	
D Parry	- resigned 14/8/2014
Ms S A Paterson	
T J Courtney	- appointed 15/1/2015
J M Jarratt	- appointed 31/7/2014
Ms E Morris	- appointed 31/7/2014
Mrs K E Race	- appointed 15/1/2015
Miss S Gent	- appointed 15/1/2015

Auditors
Christie Proud Thompson
Statutory Auditors
80 Victoria Road
Darlington
County Durham
DL1 5JG

Solicitors
Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

Bankers
The Co-Operative Bank
Delf House
Southway
Skelmersdale
WN8 6WT

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2015

REFERENCE AND ADMINISTRATIVE DETAILS

The full name of the charity is Cleveland Independent Theatre Company Limited. The charity is also known by the name Theatre Hullabaloo.

At the Annual General Meeting three trustees retire on a rotational basis, but are eligible for reappointment if they have served fewer than three terms.

All trustees are members of the charity.

Senior Staff Members

Miranda Thain is the Creative Producer and is responsible for the day to day management of the charity delegated by the charity trustees.

Staff Team

Alan Millar, Finance and Operations Manager
Diann Allenby, Tour Coordinator
Dorcas Pye, Communications Manager
Lucy Ridley, TakeOff Festival Manager
Olivia Furber, Assistant Producer

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is constituted as a company limited by guarantee and is therefore governed by its Memorandum and Articles of Association. The directors of the company are also trustees of the charity. The company's registration number is 01458421. It is a registered charity with the Charity Commission, number 279690. There are currently twelve members, each of whom agree to contribute £1 in the event of the charitable company winding up.

Recruitment and appointment of new trustees

Trustees are elected to Cleveland Independent Theatre Company Limited based on discussions and recommendations offered by board members and external advisors to the organisation. The company also has an open application process for recruitment of board members, the terms of which are available via the website.

Induction and training of new trustees

New trustees are inducted by the Chair of the Board and the Creative Producer. This includes a briefing on the aims and objectives of the organisation, a written induction pack stating the roles and responsibilities of trustees, an invitation to view a performance and then to observe a board meeting. The board operates a 'buddy system' for newly recruited trustees and holds annual away days to address training needs and the company's strategic aims.

Organisational structure

The board meets five times a year to administer the charity. The board also operates a finance sub-group which meets quarterly and also subgroups in areas of personnel, income generation and the capital development. These groups feed into themed board meetings. A Creative Producer is appointed by the board to manage the day to day operations of the charity.

Wider network

Theatre Hullabaloo is a member of the Independent Theatre Council (ITC), the International Association of Theatre for Children and Young People (TYA), Action for Children's Arts (ACA) and the European Small Size Network.

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Relationships between the charity and related parties

The charity has a close relationship with Arts Council England in the North East. The organisation nominates an observer to the board and provides funding to enable the charity to carry out its charitable objectives.

Relationships with other groups, charities and individuals

Valuable partnerships this year included those with Darlington Borough Council, Creative Darlington, Durham County Council and Arts Team, Event Durham and Durham University, Teesside University, Theatre by the Lake and the North East Children's Theatre Consortium.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2015

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's aims including the changes or differences it seeks to make through its activities

Theatre Hullabaloo is a pioneering theatre company, based in the North East of England, creating quality work for young audiences. We believe that children deserve work of the highest quality and greatest artistic challenge, so we collaborate with artists working at the forefront of their art form, developing ideas with young people, to create excellent and inventive theatre.

Theatre Hullabaloo works to promote the rights of all children to full participation in cultural and artistic life. We believe that young people need theatre to help them understand an increasingly complicated world. Our work is made in a child-centred way, positioning young people at the heart of the artistic process to ensure the work we create is relevant to their lives.

An explanation of the charity's main objectives for the year

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Our main objectives for the year were to deliver the following projects:

Tiny Treasures, a show about James a young carer who cares for his mum and sister Katy was inspired by stories of young carers.

Luna, a delightful theatre experience about friendship, the moon and being brave in the dark for audiences of 2-5 years old and their families.

Angel, a show about childhood and ageing for 10+ and their grown-ups toured England and Scotland in autumn 2014.

TakeOff Festival, England's leading festival of theatre for children and young people. 2014 saw 73 performances take place in 18 venues across the region. This was the first year of the festival's new two year cycle, with 2014 focusing on young audiences through engagement with schools and families rather than a delegate year.

Theatre Hullabaloo continued to lead the North East Children's Theatre Consortium, a three year project with seven partner venues aimed at raising the quality and profile of theatre for children and families within those venues.

Working closely with colleagues at Darlington Borough Council, Theatre Hullabaloo submitted a detailed bid to Arts Council England for capital funding for a new flagship theatre for children in Darlington. This application received an award of £1.5m at Stage One of the process in July 2014. Over the last year work has started on developing the plans to submit a Stage 2 application and other fundraising bids.

Strategically, objectives were to:

- Invest in new work with strong partnerships to support Theatre Hullabaloo's reputation nationally and as an exemplar organisation commissioning new work for young audiences
- Build on gains made in previous years around the company's national touring of a new show for younger children with higher profile partnerships, for example a residency at The Unicorn and a Christmas run at Theatre by the Lake
- Build regional, national and international partnerships, develop children's theatre regionally and expand the festival offer
- Diversify funding streams and secure new funding partnerships
- Continue to review, develop and document best practice in all areas of the organisation
- Prepare for delivery of 2015-18 Arts Council England National Portfolio for 2015-18.
- Develop plans for development of new flagship theatre The Hullaballoon

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2015

OBJECTIVES AND ACTIVITIES

Objectives and aims

Theatre Hullabaloo is a learning organisation and the developments within company structure, funding portfolio and artistic work seek to promote our core aims:

- Creating a **diverse** programme of high quality theatre for young audiences
- Developing ideas through a **child-centred** approach
- Promoting experimentation and **innovation** in the development of form
- Investing in the development of artists and the sector and championing **equality** of opportunity
- Encouraging **collaboration** and forging meaningful relationships with our partners
- Achieving high **quality** across all areas of production and practice

Theatre Hullabaloo's development of a new show Tiny Treasures, in collaboration with young carers took our child centred approach to another level, with the young people engaging with the creative team throughout the creative process. Tiny Treasures toured to schools in York and the Northeast throughout June, receiving positive feedback. After watching the show 15 young people came forward because they recognised themselves as young carers. Theatre Hullabaloo also supported 8 young carers to achieve their Arts Award.

The launch of the Artist Development Programme supports Theatre Hullabaloo's reputation in the sector for being producers of high quality theatre for young audiences. The partnership with Live Theatre, Dance City and Northern Stage and Theatre Hullabaloo will help to develop a strong body of artists creating work in a child-centred way.

TakeOff Festival, taking place in Durham for a third year, focussed on programming throughout County Durham and the wider region. It brought a wide range of artists and companies from the UK to venues, schools and community settings, focusing on reaching family and school audiences and those areas with low cultural engagement.

An explanation of the charity's strategies for achieving its stated objectives

We strive to deliver our mission by the following activities:

Commissioning, developing and touring a diverse programme of theatre for young audiences to schools and venues in the North East and to theatre venues and festivals nationally,

Working creatively with artists and investing in new ideas and partnerships,

Partnership working with public agencies, local authorities, education providers, arts funders and other organisations to develop projects which have greater value and benefit to our young people.

Positive advocacy and commitment to best practice for theatre for young people, both through our artistic work and our business practice.

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2015

OBJECTIVES AND ACTIVITIES

Significant activities

Details of significant activities (including its main programmes, projects, or services provided) that contribute to the achievement of the stated objectives

2014/15 saw continued expansion of Theatre Hullabaloo's regional leadership role in theatre for young audiences through the continued growth of TakeOff Festival and also through the development of the North East Children's Theatre Consortium.

TakeOff Artist Development was launched in partnership with Dance City, Live and Northern Stage. The project aims to create a critical mass of artists in our region engaging with making quality and dynamic theatre and dance for young audiences through a child-centred approach. We received 34 applications from artists and choose three. The journey of mentoring has started by the host venues and Theatre Hullabaloo structuring a child-centred development process placing young people as creative collaborators. All 3 commissions will be presented at a scratch performance at this year's TakeOff Festival.

In 2014 Theatre Hullabaloo were successful in an application to Arts Council England's Large Scale Capital Fund and was awarded £1.5m at Stage 1 to create a flagship theatre for children to be sited in an Edwardian Fire Station adjacent to the Civic Theatre. The organisation is now working closely with colleagues at Darlington Borough Council to further develop this unique proposition for the benefit of children and families in the town and beyond and will submit a Stage 2 application in November 2015.

The Hullaballoon, due to open in early 2017, will have national significance as a centre of excellence for theatre for children and a destination for families from across the North East and beyond. The venue will be vision-led, creating a space that is truly child-centred, embodying the values of Theatre Hullabaloo and providing a base for the organisation to develop new strands of child-centred work that will diversify its income streams and attract new investment. The venue will include a 150 seat studio theatre, creative play installation space, café area, rehearsal room, dressing rooms, toilets and play space.

Alongside these key strategic developments, Theatre Hullabaloo also delivered an ambitious artistic programme of work including;-

Luna, a production for 2-5 year olds about friendship, the moon and being brave in the dark, in partnership with Cardiff-based Theatr Iolo. The show was created in Cardiff and trialled in short residencies in South Wales and also through a three week residency at ARC, Stockton, where Theatre Hullabaloo provided supported visits for local nurseries. Luna then went on to tour nationally in the autumn 2013, including residencies at The Unicorn Theatre and Theatre by the Lake, and again in the Spring 2014.

Angel, a show about childhood and ageing for 10+ and their grown-ups toured England and Scotland in autumn 2014. The show visited regional venues such as, Arc and Bishop Auckland Town Hall and played multiple shows at leading children's theatre Polka. The show received positive feedback from the audiences and great feedback from families dealing with an ageing parent and finding Angel an invaluable way to discuss these issues with their children.

TakeOff Festival 2014 saw 73 performances take place in 18 venues across the region. This was the first year of the festival's new two year cycle, with 2014 focusing on young audiences through engagement with schools and families rather than a delegate year. The festival brought great theatre to areas of the region with almost no cultural provision and enabled us to create fantastic relationships with schools, nurseries and community organisations. Integrated travel and ticket deals for schools were a strategic priority and the results speak for themselves - schools audience increased by 212% from 1,413 in 2013 to 4,468 in 2014.

Theatre Hullabaloo continues to pioneer a child-centred artistic process, positioning children and young people at the heart of the way we develop our work. In partnership with social enterprise, Inspired Youth, a long period of development with Young Carers Revolution, a group of young carers aged 11-18, resulted in a new play Tiny **Treasures** which toured to schools in June 2014. The child-centred approach and huge commitment from the young people and the creative team enabled Tiny Treasures to have integrity and authenticity. After watching the show 15 young people came forward because they recognised themselves as young carers.

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2015

OBJECTIVES AND ACTIVITIES

Significant activities

In summary, the artistic programme has been characterised by new work, created in partnership, aimed at engaging broader family audiences and reinforcing the company's national touring profile, the further development of the child-centred approach and the way artists work with young people and the expansion of festival opportunities to strategically target those with little access to cultural opportunities.

In 2014/15, Theatre Hullabaloo reviewed its Equalities Plan. This was led by the Creative Producer and nominated Board Member, but the staff team and the Board collaborated to identify priority areas.

The focus of the equalities plan is the recognition that many areas of our region and its young people suffer significant socio-economic disadvantage and so Theatre Hullabaloo will show a particular commitment to ensuring that our programme and practice extends opportunities to areas of low cultural activity. Our expansion of the opportunities of the TakeOff Festival in County Durham and Teesside, with subsidised travel to enable rural schools to participate, is one example of how we are trying to address this priority.

The Equality Plan covers the following areas:

1. Recruitment and employment
2. Artistic policy and programming
3. Marketing and audience development
4. Monitoring and evaluation
5. Budget

Our own artistic programme is made up of a diverse repertoire of work for a wide age-range, always made in partnership with other organisations and with different creative teams.

A new website was launched in September 2014 which embodies latest best practice in DDA compliance.

Following the Creative Case for Culture, a Board Member has been appointed to champion equalities issues, to ensure equality remains at the heart of the organisation.

We continue to offer and champion relaxed performances within our national tour and across the North East Children's Theatre Consortium and work with venues to offer signed performances where there is demand.

The development of the Board over the last few years, with formal rotational and recruitment structures, has paid dividends and Trustees have been closely involved with business planning, staff recruitment and issues connected to relocation.

Public benefit

Although heavily subsidised by Arts Council England and other funding, the company does need to make a charge for its activities to schools and venues. Schools and arts venues pay a very small proportion of the actual cost of a performance and, in the case of schools, this money generally comes from an allocated enrichment budget and venues rarely have significant budgets to programme innovative work for young audiences. In line with our equalities policy, the organisation champions the right of all young people to access to high quality theatre experiences as a vital part of childhood. We therefore pioneer an integrated travel and ticket subsidy for schools and nurseries in order not to discriminate against smaller rural schools with limited access to affordable transport or cultural opportunities.

It is the view of the trustees that performances in schools, theatres and other places where children are is the best way to deliver the benefit of our activity to young people and ensure it is situated within a wider educational remit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In 2014/15 Theatre Hullabaloo gave 169 performances in theatres, arts venues and schools which were attended by 10,696 children and their grown-ups.

The company also ran educational workshops and extension activities to enhance young people's experiences of our work, 720 young people took part in these activities.

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2015

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

The charity relies on grant aid from donors identified in the accounts, whose support is valued. There have been no other fundraising activities.

Factors relevant to the achievement of the charity's objectives

We are grateful for the ongoing support of project funders and partners such as Darlington Borough Council, Creative Darlington, Durham County Council, Durham University, Teesside University, Fenton Arts Trust, our festival corporate supporters, volunteers and private donors and to our primary funder, Arts Council England.

FINANCIAL REVIEW

Reserves policy

During the year the charity's reserves were reviewed and the fund allocations confirmed as adequate in line with the Charity Commission guidelines. In accordance with best practice the reserves policy will be reviewed annually in line with new budget setting.

The level of reserves will be achieved by a review of salary and accommodation overheads for a three month period. For this year, the trustees set an acceptable reserve of £35,000 which we believe would adequately cover costs of the company if it had to be dissolved.

Principal funding sources

Arts council England, North East provided a revenue grant of £207,372. These funds were used to support the core activity of the charity in its creation and touring of theatre for young audiences regionally, nationally and internationally.

Investment policy and objectives

The trustees have considered the most appropriate way for investing cash resources and have decided that term bank deposits meet their requirements of a reasonable rate of return, without capital risk, and with predictable accessibility to the funds. The trustees review this policy on a regular basis.

PLANS FOR FUTURE PERIODS

The following projects begun this year and will come into fruition in 2015-16;-

Bear & Butterfly, a new show about love loss and friendships, for ages 4-7 and their families will be produced as a co-production with Theatre by the Lake. The show will tour nationally and finish the run at Theatre by the Lake.

TakeOff Artist Development was launched in partnership with Dance City, Live and Northern Stage in 2014. The project aims to create a critical mass of artists in our region engaging with making quality and dynamic theatre and dance for young audiences through a child-centred approach. We received 34 applications from artists and chose three. The journey of mentoring has started by the host venues and Theatre Hullabaloo structuring a child centred development process placing young people as creative collaborators. All 3 commissions will be presented at a scratch performance at this TakeOff Festival 2015.

Takeoff Festival 2015 will be the first delegate year in an increased festival programme. The packed programme in venues including theatres, schools, community centres and even an old post van, will bring world-class theatre to schools, young people and their families across the region, and to delegates from the sector. Theatre Hullabaloo will continue to take a regional leadership role in promoting family theatre and leads an annual programme of work through the North East Children's Theatre Consortium.

TRANSACTIONS AND FINANCIAL POSITION

The charitable company achieved a surplus of £138,849 in the year made up of a deficit of unrestricted funds of £16,794 and a surplus on restricted funds of £155,643. Total charitable income increased from £347,206 to £479,198 in the year due to the receipt of the grant income for the capital project. Reserves at the year end were £283,965 of which £97,196 is unrestricted funds and £186,769 is restricted funds.

CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

REPORT OF THE TRUSTEES for the Year Ended 31 March 2015

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Cleveland Independent Theatre Company Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

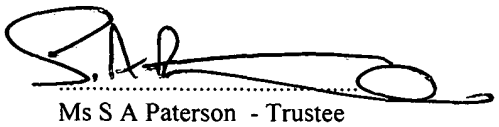
In so far as the trustees are aware:

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

AUDITORS

The auditors, Christie Proud Thompson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 26/11/15 and signed on its behalf by:



Ms S A Paterson - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

We have audited the financial statements of Cleveland Independent Theatre Company Limited for the year ended 31 March 2015 on pages twelve to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 18 to the financial statements

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

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Christie Proud Thompson
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
80 Victoria Road
Darlington
County Durham
DL1 5JG

Date: 26/11/15

CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES for the Year Ended 31 March 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	211,850	210,797	422,647	293,180
Investment income	3	947	-	947	301
Incoming resources from charitable activities	4				
Theatre activities		41,854	-	41,854	35,595
TakeOff Festival		-	12,759	12,759	17,305
Other incoming resources		991	-	991	825
Total incoming resources		255,642	223,556	479,198	347,206
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	22,545	-	22,545	23,890
Charitable activities	6				
Theatre activities		214,357	55,154	269,511	314,633
TakeOff Festival		30,684	12,759	43,443	17,305
Governance costs	8	4,850	-	4,850	4,240
Total resources expended		272,436	67,913	340,349	360,068
NET INCOMING/(OUTGOING) RESOURCES		(16,794)	155,643	138,849	(12,862)
RECONCILIATION OF FUNDS					
Total funds brought forward		113,990	31,126	145,116	157,978
TOTAL FUNDS CARRIED FORWARD		97,196	186,769	283,965	145,116

The notes form part of these financial statements

CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

BALANCE SHEET
At 31 March 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
FIXED ASSETS					
Tangible assets	12	2,745	-	2,745	3,301
CURRENT ASSETS					
Debtors	13	47,622	-	47,622	51,171
Cash at bank and in hand		68,274	186,769	255,043	104,368
		115,896	186,769	302,665	155,539
CREDITORS					
Amounts falling due within one year	14	(21,445)	-	(21,445)	(13,724)
NET CURRENT ASSETS		94,451	186,769	281,220	141,815
TOTAL ASSETS LESS CURRENT LIABILITIES		97,196	186,769	283,965	145,116
NET ASSETS		97,196	186,769	283,965	145,116
FUNDS	16				
Unrestricted funds				97,196	113,990
Restricted funds				186,769	31,126
TOTAL FUNDS				283,965	145,116

The notes form part of these financial statements

continued...

BALANCE SHEET - CONTINUED
At 31 March 2015

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on .....26/11/15..... and were signed on its behalf by:

.....
Ms S A Paterson -Trustee

The notes form part of these financial statements

Notes to the Financial Statements for the Year Ended 31 March 2015

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, and all other applicable accounting standards, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England and Wales, (revised June 2008) (The SORP). The accounts have been drawn up in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 and the Companies Act 2006, and include the results of the charity's operations which are described in the Trustee's Report, all of which are continuing.

Insofar as the SORP requires compliance with specific Financial Reporting Standards other than the FRSSE then the specific Financial Reporting Standards have been followed where their requirements differ from those of the FRSSE.

Advantage has been taken of Section 396(5) of the Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operation and in order to comply with the requirements of the SORP.

The charity has taken advantage of the exemption in the FRSSE from the requirement to produce a cash flow statement.

The particular accounting policies adopted are set out below.

Accounting convention
The financial statements are prepared, on a going concern basis, under the historical cost convention.

The charity is entirely dependent on continuing grant aid and as a consequence the going concern basis is also dependent on the continuing grant aid.

Incoming resources
All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1. ACCOUNTING POLICIES - continued

Resources expended
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Cost of generating funds
The costs of generating funds includes the relevant proportion of management salaries appropriate to the amounts of time spent on these activities.

Charitable activities
Charitable expenditure includes all expenditure directly related to the objects of the charity including the following:

The costs of activities in furtherance of the charity's objectives represents the project costs that have been incurred in the charitable activities.

Support costs of activities of charitable purposes includes the relevant proportion of staff salaries appropriate to the amounts of time spent on project development and management, and promotion and marketing costs.

Governance costs
Governance costs include all expenditure directly related to the administration of the charity including expenditure incurred in the management of the charity's assets, organisational administration and compliance with charitable and statutory requirements.

Allocation and apportionment of costs
The methods and principles of the allocation and apportionment of all costs between the different activity categories of resources set out above are:

The charity's operating costs include staff costs, rent and other related costs. Such costs are allocated between types of resources expended and between charitable expenditure and management and administration by applying reasonable judgement.

Administration expenditure includes all expenditure not directly related to charitable activity. In respect of certain items of expenditure it is a matter of judgement as to whether such items are direct charitable expenditure or are administrative, and the trustees have applied what they consider to be reasonable judgements in apportioning such costs.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

All tangible fixed assets are stated at cost less depreciation. Items of less than £100 are not capitalised.

A regular review of the likelihood of asset impairment is undertaken.

Taxation
As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

Value Added Tax is partially recoverable by the charity. The recovered amounts are excluded from the relevant income and expenditure in the Statement of Financial Activities and tangible fixed assets on the Balance Sheet.

1. ACCOUNTING POLICIES - continued

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

There is no formal policy for transfers between funds or on the allocation of funds to designated funds, other than that described above. Any other proposed transfer between funds would be considered on the particular circumstances.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Deferred income
In accordance with the SORP, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

Finance and operating lease

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

2. VOLUNTARY INCOME

	2015	2014
	£	£
Grant income	213,247	83,522
Donated services and facilities	2,028	1,909
Core funding	207,372	207,749
	422,647	293,180

3. INVESTMENT INCOME

	2015	2014
	£	£
Deposit account interest	947	301

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Activity	2015	2014
		£	£
Production income	Theatre activities	41,854	35,595
Earned income	TakeOff Festival	12,759	17,305
		54,613	52,900

5. COSTS OF GENERATING VOLUNTARY INCOME

	2015	2014
	£	£
Staff costs	22,545	23,890

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
Theatre activities	172,694	96,817	269,511
TakeOff Festival	43,443	-	43,443
	216,137	96,817	312,954

7. SUPPORT COSTS

	Management	Finance	Totals
	£	£	£
Theatre activities	64,977	31,840	96,817

8. GOVERNANCE COSTS

	2015	2014
	£	£
Accountancy	2,850	2,240
Auditors remuneration	2,000	2,000
	4,850	4,240

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2015	2014
	£	£
Depreciation - owned assets	1,954	1,589

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2015 nor for the year ended 31 March 2014.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2015 (2014: £NIL).

11. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	111,728	99,084
Social security costs	7,965	11,590
	119,693	110,674

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

	2015	2014
Management	1	1
Charitable activities	4	4
	5	5

No employees received emoluments in excess of £60,000.

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Computer equipment	Totals
	£	£	£
COST			
At 1 April 2014	4,441	5,498	9,939
Additions	1,398	-	1,398
At 31 March 2015	5,839	5,498	11,337
DEPRECIATION			
At 1 April 2014	2,892	3,746	6,638
Charge for year	759	1,195	1,954
At 31 March 2015	3,651	4,941	8,592
NET BOOK VALUE			
At 31 March 2015	2,188	557	2,745
At 31 March 2014	1,549	1,752	3,301

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade debtors	4,565	1,697
VAT	7,054	5,043
Prepayments and accrued income	36,003	44,431
	47,622	51,171

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	15,472	7,718
Social security and other taxes	(556)	1,467
Accrued expenses	6,529	4,539
	21,445	13,724

15. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2015	2014
	£	£
Expiring:		
Within one year	5,980	9,580
Between one and five years	21,540	28,420
In more than five years	4,500	8,100
	32,020	46,100

16. MOVEMENT IN FUNDS

	At 1.4.14	Net movement in funds	At 31.3.15
	£	£	£
Unrestricted funds			
General fund	110,990	(16,794)	94,196
Designated fund	3,000	-	3,000
	113,990	(16,794)	97,196
Restricted funds			
ACE - NECTC	31,126	(4,444)	26,682
Capital project	-	160,087	160,087
	31,126	155,643	186,769
TOTAL FUNDS	145,116	138,849	283,965

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	255,642	(272,436)	(16,794)
Restricted funds			
ACE - NECTC	33,886	(38,330)	(4,444)
ACE - Catalyst funding	1,776	(1,776)	-
DCC - Takeoff festival	4,000	(4,000)	-
Takeoff festival	12,759	(12,759)	-
Capital project	171,135	(11,048)	160,087
	223,556	(67,913)	155,643
TOTAL FUNDS	479,198	(340,349)	138,849

North East Children's Theatre Consortium (NECTC)
As lead member and responsible for managing the funds from Arts Council England, Theatre Hullabaloo has distributed £51,421 (2014: £63,410) as contributions to the costs of the consortium members incurred in programming work for young audiences, raising the profile of that work and investing in future development opportunities for this work.

Takeoff Festival
Durham County Council awarded £4,000 (2014: £4,000) to assist with the funding of the festival. Delegate, visitor and schools contributed income of £12,759 (2014: £17,305) towards the costs of the festival.

Catalyst Funding
Arts Council England provides support and match funding to enable fundraising and income generation.

Capital Project
Arts Council England and Darlington Council, through Creative Darlington, provided consultancy fees to support the charity's business planning and feasibility for the capital project.

Designated Fund
Included within unrestricted reserves is a designated fund of £3,000, a fund towards disabled access.

17. RELATED PARTY DISCLOSURES

The charity has a close relationship with Arts Council England. The organisation nominates an observer to the board meetings and provides funding to enable the charity to carry out its charitable objectives. The charity received revenue core funding grants amounting to £207,372 (2014: £207,749) from Arts Council England North East during the year and £171,135 (2014: NIL) for the capital project. There were no amounts outstanding at 31 March 2015 (2014: £NIL).

There are no other related party transactions.

18. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

19. POST BALANCE SHEET EVENTS

The charity has secured continued National Portfolio Funding from Arts Council England at the level of £207,372 per year for the period April 2016 - March 2018. This will support the ambitious expansion of TakeOff Festival into rural areas of County Durham and create more opportunities for younger children and families in areas of low engagement.

The Board of Trustees has made prudent plans to invest unrestricted reserves into specific projects over the period 2016 - 2018, including significant investment into the transition into The Hullaballoon and the growth of TakeOff Festival into areas of greatest need. Project budgets show that reserves will be reduced to the minimum levels advised by the end of 2017/2018.

20. ULTIMATE CONTROLLING PARTY

The charity is under the control of the trustees.

21. LIMITED BY GUARANTEE

The charity is incorporated under the Companies Act 2006 and is limited by guarantee. Each member has undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

There are currently 11 members of the charity (2014: 8 members).

CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2015

	2015 £	2014 £
INCOMING RESOURCES		
Voluntary income		
Grant income	213,247	83,522
Donated services and facilities	2,028	1,909
Core funding	207,372	207,749
	422,647	293,180
Investment income		
Deposit account interest	947	301
Incoming resources from charitable activities		
Production income	41,854	35,595
Earned income	12,759	17,305
	54,613	52,900
Other incoming resources		
Other income	991	825
Total incoming resources	479,198	347,206
RESOURCES EXPENDED		
Costs of generating voluntary income		
Wages	21,404	22,265
Social security	1,141	1,625
	22,545	23,890
Charitable activities		
Wages	54,578	44,018
Social security	4,101	6,869
Production costs	39,921	11,997
Directors and designers	19,255	9,568
Sets and props	8,676	6,840
Actors fees	24,250	35,818
Royalties	1,125	8,362
Marketing	2,691	8,946
Takeoff festival	31,140	31,884
Touring company fees	-	2,238
Touring travel and subsistence	12,212	21,320
NECTC direct expenses	7,152	38,904
Professional fees: Capital bid	11,036	21,844
	216,137	248,608

CLEVELAND INDEPENDENT THEATRE COMPANY LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES for the Year Ended 31 March 2015

	2015	2014
	£	£
Governance costs		
Accountancy	2,850	2,240
Auditors remuneration	2,000	2,000
	4,850	4,240
Support costs		
Management		
Wages	6,400	8,510
Social security	229	636
Rates and water	711	695
Insurance	1,309	1,303
Light and heat	2,546	2,793
Telephone	1,678	2,063
Print, post and stationery	1,557	2,647
Advertising	16,092	7,681
Sundries	2,512	313
Rent	5,685	5,545
Information and publications	-	141
Subscriptions	957	943
IT support and maintenance	2,006	1,360
Bank charges	173	1,175
Leasing of equipment	2,845	3,279
Repairs and maintenance	199	350
Cleaning	896	842
Legal fees	3,743	-
Consultancy fees	1,792	3,595
Bad debts	-	511
Training and welfare	3,328	1,559
Travel and subsistence	7,313	4,095
Recruitment expenses	663	132
Refreshments	390	-
VAT manual adjustments	-	4,822
Fixtures and fittings	1,195	524
Computer equipment	758	1,065
	64,977	56,579
Finance		
Wages	29,346	24,291
Social security	2,494	2,460
Training and welfare	-	-
Travel and subsistence	-	-
	31,840	26,751
Total resources expended	340,349	360,068
Net income/(expenditure)	138,849	(12,862)