

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

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016
FOR
CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

WEDNESDAY



A30 *A5M9TKY2* 21/12/2016 #50
COMPANIES HOUSE

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

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

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for the Year Ended 31 March 2016

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CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

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 2016. The trustees have 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 for Smaller Entities (the FRSSE) (effective 1 January 2015).

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

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:

Bear and Butterfly, a delightful theatre experience about friendship, love and coping with change, for 4 - 7 year olds.

TakeOff Festival, England's leading festival of theatre for children and young people. 2015 was a delegate year, with 90 delegates from the UK and beyond enjoying some of the best in children's theatre nationally and internationally. The festival saw 91 performances take place in 21 venues across the region.

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 Stage 2 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, plans have been agreed, a contractor appointed, and work began on site in May 2015. We continue to pursue other funding opportunities to deliver the best possible flagship children's theatre.

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 new co-production with 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
- Deliver the plan outlined in the 2015-18 Arts Council England National Portfolio agreement for the period.
- Finalise plans and secure a site start for the development of new flagship theatre The Hullaballoon

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

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

OBJECTIVES AND ACTIVITIES

Objectives and aims

The delivery 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 fourth 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.

CLEVELAND INDEPENDENT THEATRE COMPANY
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REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

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

2015/16 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 delivered in partnership with Dance City, Live and Northern Stage. The project aimed 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 selected three. The journey of mentoring by the host venues has been extremely valuable to the artists and Theatre Hullabaloo structured a child-centred development process placing young people as creative collaborators which further developed their individual practice. All three commissions were presented at a scratch performance at TakeOff Festival 2015. Theatre Hullabaloo is grateful for support from the Fenton Arts Trust towards this programme of artist development activity.

Following a Stage 1 award in July 2014, Theatre Hullabaloo were successful in a full application to Arts Council England's Large Scale Capital Fund and was awarded £1.5m at Stage 2 to create a flagship theatre for children to be sited in an Edwardian Fire Station adjacent to the Civic Theatre. Work started on site in May 2015 and is progressing well. The organisation continues to work 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.

The Hullaballoon, due to open in autumn 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 is 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:-

Bear and Butterfly, a show for 4 - 7 year olds about a friendship that develops between a curmudgeonly Bear and an inquisitive young Caterpillar. Their friendship grows as Caterpillar undergoes dramatic changes. Both have to adapt as their friend, and their friendship, will never be the same again. The show utilises puppetry, live music and beautiful storytelling. It was created in partnership with Theatre by the Lake, and toured nationally for 9 weeks before a 3 week residency in Keswick over Christmas.

TakeOff Festival 2015

TakeOff Festival is England's leading festival of theatre for children and young people. In 2015 91 performances took place in 21 venues across the region during Festival week, 18th - 24th October. This was the second year of the festival's new two year cycle, with 2015 focusing on bringing professional delegates together to experience some of the best in children's theatre from the UK and abroad. The festival also welcomed a record number of schools and families from across the region to share a rich programme of theatre from companies from the UK, Spain and South Africa. Productions were shown in areas of the region with almost no cultural provision and enabled us to build on fantastic relationships with schools, nurseries and community organisations. Subsidised travel enabled smaller rural schools and those in areas of limited travel infrastructure to take part. Increased support from Durham County Council and Arts Council England in the programme and infrastructure of the festival helped us deliver on these strategic priorities and reach larger audiences.

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 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.

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

OBJECTIVES AND ACTIVITIES

Significant activities

In 2014/15, Theatre Hullabaloo reviewed its Equalities Plan, and 2015/16 the focus has been on delivering that plan.

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.

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 the capital development.

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 2015/16 Theatre Hullabaloo gave 170 performances in theatres, arts venues and schools which were attended by 14,965 children and their grown-ups.

Fundraising activities

The charity relies on grant aid from donors identified in the accounts, whose support is valued. Other activities have focused fundraising for the Hullaballoon.

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

Transactions and Financial Position

The charitable company showed net outgoing resources for the year of (£152,576), made up of a surplus on unrestricted funds of £30,407 and a deficit on restricted funds of (£182,983). Total charitable income decreased from £479,198 to £375,286 in the year primarily due to the one-off receipt of the grant income for the capital project in the previous year. Reserves at the year end were £131,389 of which £127,603 was unrestricted funds and £3,786 was restricted funds.

The primary reason for the Statement of Financial Activities showing net outgoing resources for the year is the one-off payment of £145,000 to Darlington Borough Council relating to the Hullaballoon capital project. In the year to 31 March 2015, grant funding of £171,135 was received from Arts Council England against the Hullaballoon project, allocated to restricted funds, and recognised in full on the Statement of Financial Activities for that year. The subsequent expenditure of £145,000 was charged to the Statement of Financial Activities in the year to 31 March 2016, contributing significantly to the swing from surplus to deficit for 2014/15 and 2015/16 respectively. This was a one-off payment which concluded the capital project transactions.

CLEVELAND INDEPENDENT THEATRE COMPANY
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REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

FINANCIAL REVIEW

Principal funding sources

Arts council England, North East provided a revenue grant of £250,318. 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.

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.

FUTURE PLANS

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

Luna, a retour of a production for 2-5 year olds about friendship, the moon and being brave in the dark, in partnership with Cardiff-based Theatr Iolo. Luna will have a short residence in a Darlington school before moving to Northern Stage for a 3 week run up to Christmas.

Spirits of the Sea, an enchanting theatre experience for 6-10 year olds based on a Japanese folk tale, about a young girl who tries to teach her village how best to deal with their worries and anger. The production was developed with children from Darlington primary schools and commissioned to support teaching and learning in mental health and well-being.

Takeoff Festival 2016 will be focused on schools and family audiences, delivering a packed programme of world-class theatre to venues often in areas of cultural deprivation across the region. 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.

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.

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.

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.

CLEVELAND INDEPENDENT THEATRE COMPANY
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REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

Relationships between the charity and related parties

The charity has a close relationship with Arts Council England in the North East as it is currently part of its National Portfolio of funded organisations. The organisation nominates an observer to the board and provides funding to enable the charity to carry out its charitable objectives. The charity received revenue core funding grants amounting to £250,318 (2015: £207,372) from Arts Council England North East during the year. Amounts outstanding at 31 March 2016 were £NIL (2015: £NIL).

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.

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	- resigned 26/11/2015
Mrs E A Langham	
Mrs D C Long	
Mrs P Moger	
Ms S A Paterson	
T J Courtney	
J M Jarratt	
Ms E Morris	
Mrs K E Race	
Miss S Gent	- resigned 26/11/2015

Auditors

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

CLEVELAND INDEPENDENT THEATRE COMPANY
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REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

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

Bankers

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

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

Laura Case, Development Director (Chief Executive covering maternity leave Feb 2015 - December 2015)
Alan Millar, Finance and Operations Manager
Diann Allenby, Tour Coordinator
Kimberley O'Hara, Marketing Officer
Lucy Ridley, TakeOff Festival Manager

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.

CLEVELAND INDEPENDENT THEATRE COMPANY
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REPORT OF THE TRUSTEES
for the Year Ended 31 March 2016

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.

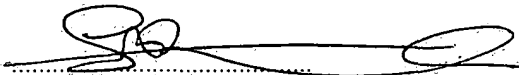
In so far as the trustees are aware:

- 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 29/11/16 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 2016 on pages twelve to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (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 19 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 2016 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
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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: 30/4/16

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2016

		Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	250,368	47,334	297,702	422,647
Charitable activities	4				
Theatre activities		34,829	-	34,829	41,854
TakeOff Festival		-	24,223	24,223	12,759
Investment income	3	897	-	897	947
Other income		17,034	600	17,634	991
Total		303,128	72,157	375,285	479,198
 EXPENDITURE ON					
Raising funds	5	21,900	-	21,900	22,545
Charitable activities	6				
Theatre activities		211,132	194,646	405,778	274,361
TakeOff Festival		39,689	60,494	100,183	43,443
Total		272,721	255,140	527,861	340,349
 NET INCOME/(EXPENDITURE)		30,407	(182,983)	(152,576)	138,849
 RECONCILIATION OF FUNDS					
Total funds brought forward		97,196	186,769	283,965	145,116
 TOTAL FUNDS CARRIED FORWARD		127,603	3,786	131,389	283,965

The notes form part of these financial statements

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

BALANCE SHEET
At 31 March 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
FIXED ASSETS					
Tangible assets	13	8,350	-	8,350	2,745
CURRENT ASSETS					
Debtors	14	31,830	-	31,830	47,622
Cash at bank and in hand		109,292	3,786	113,078	255,043
		<u>141,122</u>	<u>3,786</u>	<u>144,908</u>	<u>302,665</u>
CREDITORS					
Amounts falling due within one year	15	(21,869)	-	(21,869)	(21,445)
NET CURRENT ASSETS		<u>119,253</u>	<u>3,786</u>	<u>123,039</u>	<u>281,220</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>127,603</u>	<u>3,786</u>	<u>131,389</u>	<u>283,965</u>
NET ASSETS		<u>127,603</u>	<u>3,786</u>	<u>131,389</u>	<u>283,965</u>
FUNDS	17				
Unrestricted funds				127,603	97,196
Restricted funds				<u>3,786</u>	<u>186,769</u>
TOTAL FUNDS				<u>131,389</u>	<u>283,965</u>

The notes form part of these financial statements

CLEVELAND INDEPENDENT THEATRE COMPANY
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BALANCE SHEET - CONTINUED
At 31 March 2016

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2016.

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 January 2015).

The financial statements were approved by the Board of Trustees on29/11/16..... and were signed on its behalf by:



Ms S A Paterson -Trustee

The notes form part of these financial statements

CLEVELAND INDEPENDENT THEATRE COMPANY
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NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost conventions 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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

CLEVELAND INDEPENDENT THEATRE COMPANY
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2016

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

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.

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2016

1. ACCOUNTING POLICIES - continued

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.

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. DONATIONS AND LEGACIES

	2016	2015
	£	£
Grant income	47,333	213,247
Donated services and facilities	51	2,028
Core funding	250,318	207,372
	<u>297,702</u>	<u>422,647</u>

3. INVESTMENT INCOME

	2016	2015
	£	£
Deposit account interest	<u>897</u>	<u>947</u>

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2016

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2016 £	2015 £
Production income	Theatre activities	34,829	41,854
Earned income	TakeOff Festival	24,223	12,759
		<u>59,052</u>	<u>54,613</u>

5. RAISING FUNDS

Raising donations and legacies

	2016 £	2015 £
Staff costs	<u>21,900</u>	<u>22,545</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (See note 7) £	Support costs (See note 8) £	Totals £
Theatre activities	163,430	145,000	97,348	405,778
TakeOff Festival	86,034	-	14,149	100,183
	<u>249,464</u>	<u>145,000</u>	<u>111,497</u>	<u>505,961</u>

7. GRANTS PAYABLE

	2016 £	2015 £
Theatre activities	<u>145,000</u>	<u>-</u>

Total grants paid to institutions during the year were £145,000 (2015: £NIL).

8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Theatre activities	71,801	21,852	3,695	97,348
TakeOff Festival	14,149	-	-	14,149
	<u>85,950</u>	<u>21,852</u>	<u>3,695</u>	<u>111,497</u>

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2016

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2016	2015
	£	£
Auditors' remuneration	2,000	2,000
Depreciation - owned assets	<u>2,295</u>	<u>1,954</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2016 nor for the year ended 31 March 2015.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2016 (2015: £NIL).

11. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	113,867	111,728
Social security costs	<u>7,861</u>	<u>7,965</u>
	<u>121,728</u>	<u>119,693</u>

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

	2016	2015
Management	1	1
Charitable activities	<u>4</u>	<u>4</u>
	<u>5</u>	<u>5</u>

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	211,850	210,797	422,647
Charitable activities			
Theatre activities	41,854	-	41,854
TakeOff Festival	-	12,759	12,759
Investment income	947	-	947
Other income	<u>991</u>	<u>-</u>	<u>991</u>
Total	255,642	223,556	479,198

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2016

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Raising funds	22,545	-	22,545
Charitable activities			
Theatre activities	219,207	55,154	274,361
TakeOff Festival	30,684	12,759	43,443
Total	272,436	67,913	340,349
NET INCOME/(EXPENDITURE)	(16,794)	155,643	138,849
RECONCILIATION OF FUNDS			
Total funds brought forward	113,990	31,126	145,116
TOTAL FUNDS CARRIED FORWARD	97,196	186,769	283,965

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2015	5,839	5,498	11,337
Additions	-	7,900	7,900
At 31 March 2016	5,839	13,398	19,237
DEPRECIATION			
At 1 April 2015	3,651	4,941	8,592
Charge for year	803	1,492	2,295
At 31 March 2016	4,454	6,433	10,887
NET BOOK VALUE			
At 31 March 2016	1,385	6,965	8,350
At 31 March 2015	2,188	557	2,745

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2016

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	13,151	4,565
Tax	17,034	-
VAT	-	7,054
Prepayments and accrued income	1,645	36,003
	<u>31,830</u>	<u>47,622</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	6,778	15,472
Social security and other taxes	(556)	(556)
VAT	10,916	-
Accrued expenses	4,731	6,529
	<u>21,869</u>	<u>21,445</u>

16. OPERATING LEASE COMMITMENTS

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

	2016	2015
	£	£
Expiring:		
Within one year	9,580	5,980
Between one and five years	21,860	21,540
In more than five years	90	4,500
	<u>31,530</u>	<u>32,020</u>

17. MOVEMENT IN FUNDS

	At 1.4.15	Net movement in funds	Transfers between funds	At 31.3.16
	£	£	£	£
Unrestricted funds				
General fund	94,196	30,407	(5,000)	119,603
Designated fund	3,000	-	5,000	8,000
	<u>97,196</u>	<u>30,407</u>	<u>-</u>	<u>127,603</u>
Restricted funds				
ACE - NECTC	26,682	(25,456)	-	1,226
Capital project	160,087	(157,527)	-	2,560
	<u>186,769</u>	<u>(182,983)</u>	<u>-</u>	<u>3,786</u>
TOTAL FUNDS	<u>283,965</u>	<u>(152,576)</u>	<u>-</u>	<u>131,389</u>

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2016

17. 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	303,128	(272,721)	30,407
Restricted funds			
ACE - NECTC	-	(25,456)	(25,456)
Takeoff festival	60,494	(60,494)	-
Capital project	11,663	(169,190)	(157,527)
	<u>72,157</u>	<u>(255,140)</u>	<u>(182,983)</u>
TOTAL FUNDS	<u><u>375,285</u></u>	<u><u>(527,861)</u></u>	<u><u>(152,576)</u></u>

North East Children's Theatre Consortium (NECTC)

As lead member and responsible for managing the funds from Arts Council England, Theatre Hullabaloo has distributed £25,456 (2015: £51,421) 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 £12,000 (2015: £4,000) to assist with the funding of the festival. Delegate, visitor and schools contributed income of £24,223 (2015: £12,759) towards the costs of the festival.

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 Funds

Included within unrestricted reserves is a designated fund of £3,000, a fund towards disabled access, and £5,000 - a fund towards adaptations.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2016.

19. 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.

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2016

20. POST BALANCE SHEET EVENTS

The charity has secured continued National Portfolio Funding from Arts Council England at the level of £250,318 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.

21. ULTIMATE CONTROLLING PARTY

The charity is under the control of the trustees.

22. 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 10 members of the charity (2015: 11 members).

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2016

	2016 £	2015 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grant income	47,333	213,247
Donated services and facilities	51	2,028
Core funding	250,318	207,372
	297,702	422,647
Investment income		
Deposit account interest	897	947
Charitable activities		
Production income	34,829	41,854
Earned income	24,223	12,759
	59,052	54,613
Other income		
Other income	17,634	991
Total incoming resources	375,285	479,198
 EXPENDITURE		
Raising donations and legacies		
Wages	20,649	21,404
Social security	1,251	1,141
	21,900	22,545
Charitable activities		
Wages	54,853	54,578
Social security	4,234	4,101
Production costs	7,454	39,921
Directors and designers	22,532	19,255
Sets and props	8,445	8,676
Actors fees	21,080	24,250
Musicians fees	9,868	-
Royalties	-	1,125
Marketing	6,526	2,691
Takeoff festival	44,829	31,140
Touring travel and subsistence	26,522	12,212
Management fees	7,727	-
NECTC direct expenses	12,774	7,152
Professional fees: Capital bid	16,000	11,036
Professional Fees: NECTC	6,620	-
Grants to institutions	145,000	-
	394,464	216,137
Support costs		

This page does not form part of the statutory financial statements

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2016

	2016	2015
	£	£
Management		
Wages	17,988	6,400
Social security	901	229
Rates and water	497	711
Insurance	1,472	1,309
Light and heat	1,770	2,546
Telephone	2,054	1,678
Print, post and stationery	2,058	1,557
Advertising	7,793	16,092
Sundries	1,352	2,512
Rent	7,118	5,685
Subscriptions	1,307	957
IT support and maintenance	4,348	2,006
Bank charges	315	173
Leasing of equipment	7,305	2,845
Repairs and maintenance	143	199
Cleaning	729	896
Legal fees	109	3,743
Consultancy fees	980	1,792
Bad debts	1,083	-
Training and welfare	1,726	3,328
Travel and subsistence	9,541	7,313
Recruitment expenses	374	663
Refreshments	1,682	390
VAT manual adjustments	11,010	-
Fixtures and fittings	803	1,195
Computer equipment	1,492	758
	85,950	64,977
Finance		
Wages	20,377	29,346
Social security	1,475	2,494
Training and welfare	-	-
Travel and subsistence	-	-
	21,852	31,840
Governance costs		
Auditors' remuneration	2,000	2,000
Accountancy fees	1,695	2,850
	3,695	4,850
Total resources expended	527,861	340,349
Net (expenditure)/income	<u>(152,576)</u>	<u>138,849</u>

This page does not form part of the statutory financial statements