

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

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
FOR
CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

CPT
Chartered Certified Accountants
Statutory Auditors
80 Victoria Road
Darlington
County Durham
DL1 5JG

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09/12/2017

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CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

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for the Year Ended 31 March 2017

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CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

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 2017. 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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

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:

Spirits of the Sea, an enchanting theatre experience for 6-10 year olds, based on a Japanese folk-tale, using puppetry, live music and action to tell a cautionary tale of people bundling their worries and nightmares into sacks and casting them into the sea. Spirits of the Sea was developed with children from Darlington primary schools and commissioned to support teaching and learning in mental health and well-being.

Luna, a show for 2-4 year olds in a co-production with Cardiff-based Theatr Iolo and in residence at Northern Stage for Christmas 2016. Luna is bored up in the sky by herself, until one night she spots Billy and his friend Pig, and they embark on wonderful adventures together. With original live music this captivating play about friendship and bravery is a wonderful introduction to theatre for young children.

TakeOff Festival 2016, England's leading festival of theatre for children and young people. TakeOff Festival 2016 saw the festival spread across Co Durham welcoming record numbers of schools and families. The festival saw 78 performances take place in 24 venues across the region with total audiences of 6,205 over the week. TakeOff Festival family day, which brings the festival to a close, was the most successful yet in terms of visitor numbers.

2017 saw the successful conclusion of the **North East Children's Theatre Consortium**, a three year project with seven partner venues which was successful in raising the quality and profile of theatre for children and families within those venues.

Theatre Hullabaloo's new flagship theatre started on site in June 2016, and is expected to be completed in November 2017. In addition to the project being delivered on schedule, Theatre Hullabaloo has sourced an additional £115,000 in funding from Garfield Weston Foundation, the Foyle Foundation and the Wolfson Trust.

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 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.
- Secure funds and oversee the build period for The Hullabaloo, a new flagship theatre for children and families and a new home for Theatre Hullabaloo.

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

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

TakeOff Festival, taking place in Durham for a fifth 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
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

OBJECTIVES AND ACTIVITIES

Significant activities

2016/17 saw the continuation of Theatre Hullabaloo's regional leadership role in theatre for young audiences through the continued growth of TakeOff Festival and also through the successful completion of the North East Children's Theatre Consortium programme.

Following a Stage 2 award through Arts Council England's Large Scale Capital Fund for £1.5million, Theatre Hullabaloo was able to secure a site start to create a flagship theatre for children to be sited in an Edwardian Fire Station adjacent to the Darlington Hippodrome, itself currently undergoing a £12million Heritage Lottery Funded refurbishment. Work started on site in May 2016 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.

Theatre Hullabaloo, due to open in November 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:-

Spirits of the Sea, an enchanting theatre experience for 6-10 year olds, was developed with children from Darlington primary schools and commissioned to support teaching and learning in mental health and well-being. **Spirits** was designed to be shown in libraries and schools, and had a successful tour in the region, including three one-week runs at the Crown Street Library, Darlington, developing audiences for The Hullabaloo which opens in 2017.

Luna is an original live music this captivating play about friendship and bravery is a wonderful introduction to theatre for young children, which played at Carmel Secondary, Darlington, did a short tour in the region, then played a sold-out Christmas run as part of a co-presentation with Northern Stage.

TakeOff Festival 2016, England's leading festival of theatre for children and young people. The festival saw 78 performances take place in 24 venues across the region reaching total audiences of 6,205 across the week's programme.

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, 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, and in 2016/17 there have been continued efforts to deliver 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, including delivering BSL (British Sign Language) performances of **Luna** at Northern Stage, with signing fully integrated within the show.

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.

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

OBJECTIVES AND ACTIVITIES

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 2016/17 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. Fundraising activity has particularly focussed on capital investment in The Hullabaloo.

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, The 1989 Willan Charitable Trust, Foyle Foundation, Garfield Weston Foundation, Wolfson Foundation, 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 a surplus of income over expenditure for the year of £14,069 (2016 - deficit of expenditure over income of £152,576), made up of a surplus on unrestricted funds of £17,855 (2016 - £30,407) and a deficit on restricted funds of £3,786 (2016 - £182,983). Total charitable income increased from £375,285 in 2016 to £485,159 in the reported year primarily due to the one-off receipt of £115,000 for additional grant income for the capital project. Reserves at the year end were £145,458 (2016 - £131,389) of which £145,458 (2016 - £127,603) was unrestricted funds and £nil (2016 - £3,786) was restricted funds.

The Hullabaloo

There were ongoing discussions in 2016-17 with Darlington Borough Council regarding the lease between DBC and Theatre Hullabaloo for the new venue. It has been agreed that Theatre Hullabaloo will pay £16,000 per annum to DBC for use of the space. This figure is within the draft lease.

In addition, there is currently a funding shortfall of £220,000 between funds raised for the new venue and current contractual commitments. This is the minimum fundraising target for Theatre Hullabaloo, although additional funds will be sought to improve the facility. If this fundraising target cannot be met, Darlington Borough Council have indicated a willingness to provide an interest free loan to cover the shortfall.

Spirits of the Sea

The 1989 Willan Charitable Trust committed £8,500 to support the costs of 20 performances of Spirits of the Sea. These funds were restricted for this use, and were used wholly for this purpose.

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.

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

FINANCIAL REVIEW

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 2016-17:-

Bear and Butterfly, a show for 4 - 7 year olds about a friendship that develops between a curmudgeonly Bear and an inquisitive young Caterpillar. The show utilises puppetry, live music and beautiful storytelling. Created originally in 2015 in partnership with Theatre by the Lake, Bear and Butterfly will be the first show at The Hullabaloo where it will be in residence for Christmas followed by a national tour.

Takeoff Festival 2017 is a delegate year, delivering a packed programme of world-class theatre to delegates, schools and families often in areas of cultural deprivation across the region. International companies from 5 different nations will be performing, and the Festival will continue its expansion into areas of cultural deprivation in County Durham.

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.

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.

CLEVELAND INDEPENDENT THEATRE COMPANY
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REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

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 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 (2016: £250,318) from Arts Council England North East during the year. Amounts outstanding at 31 March 2017 were £NIL (2016: £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.

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.

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 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

- resigned 26/11/2016

- resigned 26/11/2016

Auditors

CPT
Chartered Certified Accountants
Statutory Auditors
80 Victoria Road
Darlington
County Durham
DL1 5JG

Solicitors

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

CLEVELAND INDEPENDENT THEATRE COMPANY
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REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

REFERENCE AND ADMINISTRATIVE DETAILS

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
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.

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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

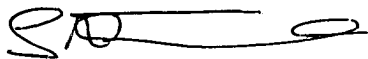
CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2017

AUDITORS

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

Approved by order of the board of trustees on 1st December 2017 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 2017 on pages twelve to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 145 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 eight, 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 145 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 13 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 2017 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; 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.

CPS

CPT

Chartered Certified Accountants

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: 2/12/17

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		262,335	143,602	405,937	297,702
Charitable activities					
Theatre activities		32,398	-	32,398	34,829
TakeOff Festival		-	6,644	6,644	24,223
Wages recharge		27,353	-	27,353	-
Investment income	2	428	-	428	897
Other income		12,399	-	12,399	17,634
Total		334,913	150,246	485,159	375,285
EXPENDITURE ON					
Raising funds		34,815	-	34,815	21,900
Charitable activities					
Theatre activities		232,230	135,388	367,618	405,778
TakeOff Festival		30,866	18,644	49,510	100,183
Wages recharge		19,147	-	19,147	-
Total		317,058	154,032	471,090	527,861
NET INCOME/(EXPENDITURE)		17,855	(3,786)	14,069	(152,576)
RECONCILIATION OF FUNDS					
Total funds brought forward		127,603	3,786	131,389	283,965
TOTAL FUNDS CARRIED FORWARD		145,458	-	145,458	131,389

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

BALANCE SHEET
At 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	7	7,560	-	7,560	8,350
CURRENT ASSETS					
Debtors	8	40,509	16,602	57,111	31,830
Cash at bank and in hand		131,222	-	131,222	113,078
		<u>171,731</u>	<u>16,602</u>	<u>188,333</u>	<u>144,908</u>
CREDITORS					
Amounts falling due within one year	9	(33,833)	(16,602)	(50,435)	(21,869)
NET CURRENT ASSETS		<u>137,898</u>	<u>-</u>	<u>137,898</u>	<u>123,039</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>145,458</u>	<u>-</u>	<u>145,458</u>	<u>131,389</u>
NET ASSETS		<u>145,458</u>	<u>-</u>	<u>145,458</u>	<u>131,389</u>
FUNDS	11				
Unrestricted funds				145,458	127,603
Restricted funds				-	3,786
TOTAL FUNDS				<u>145,458</u>	<u>131,389</u>

The notes form part of these financial statements

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

BALANCE SHEET - CONTINUED
At 31 March 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

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

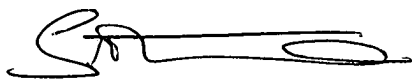
The trustees acknowledge their responsibilities for

- (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 145 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.

The financial statements were approved by the Board of Trustees on^{1st December 2017} and were signed on its behalf by:



.....
Ms S A Paterson -Trustee

The notes form part of these financial statements

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' EFA, the and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 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.

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.

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES - continued

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.

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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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. INVESTMENT INCOME

	2017	2016
	£	£
Deposit account interest	428	897
	<u> </u>	<u> </u>

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2017

3. NET INCOME/(EXPENDITURE)

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

	2017	2016
	£	£
Auditors' remuneration	2,000	2,000
Depreciation - owned assets	4,363	2,295
	<u> </u>	<u> </u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2017 (2016: £NIL).

5. STAFF COSTS

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

	2017	2016
	1	1
Management	5	4
Charitable activities	<u> </u>	<u> </u>
	6	5
	<u> </u>	<u> </u>

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

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	250,368	47,334	297,702
Charitable activities			
Theatre activities	34,829	-	34,829
TakeOff Festival	-	24,223	24,223
Investment income	897	-	897
Other income	17,034	600	17,634
	<u> </u>	<u> </u>	<u> </u>
Total	303,128	72,157	375,285
 EXPENDITURE ON			
Raising funds	21,900	-	21,900
Charitable activities			
Theatre activities	211,132	194,646	405,778
TakeOff Festival	39,689	60,494	100,183
	<u> </u>	<u> </u>	<u> </u>
Total	272,721	255,140	527,861
	<u> </u>	<u> </u>	<u> </u>
NET INCOME/(EXPENDITURE)	30,407	(182,983)	(152,576)

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2017

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued			
	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	97,196	186,769	283,965
TOTAL FUNDS CARRIED FORWARD	<u>127,603</u>	<u>3,786</u>	<u>131,389</u>
7. TANGIBLE FIXED ASSETS			
	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2016	5,839	13,398	19,237
Additions	-	3,573	3,573
At 31 March 2017	<u>5,839</u>	<u>16,971</u>	<u>22,810</u>
DEPRECIATION			
At 1 April 2016	4,454	6,433	10,887
Charge for year	723	3,640	4,363
At 31 March 2017	<u>5,177</u>	<u>10,073</u>	<u>15,250</u>
NET BOOK VALUE			
At 31 March 2017	<u>662</u>	<u>6,898</u>	<u>7,560</u>
At 31 March 2016	<u>1,385</u>	<u>6,965</u>	<u>8,350</u>
8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
		2017 £	2016 £
Trade debtors		19,072	13,151
Tax		19,822	17,034
Prepayments and accrued income		18,217	1,645
		<u>57,111</u>	<u>31,830</u>

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2017

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	16,570	6,778
Social security and other taxes	-	(556)
VAT	4,734	10,916
Other creditors	16,631	-
Accrued expenses	12,500	4,731
	<u>50,435</u>	<u>21,869</u>

10. LEASING AGREEMENTS

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

	2017	2016
	£	£
Within one year	9,580	-
Between one and five years	16,480	-
	<u>26,060</u>	<u>-</u>

11. MOVEMENT IN FUNDS

	At 1.4.16	Net movement	Transfers	At 31.3.17
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	119,603	17,855	3,000	140,458
Designated fund	8,000	-	(3,000)	5,000
	<u>127,603</u>	<u>17,855</u>	<u>-</u>	<u>145,458</u>
Restricted funds				
ACE - NECTC	1,226	(1,226)	-	-
Capital project	2,560	(2,560)	-	-
	<u>3,786</u>	<u>(3,786)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>131,389</u>	<u>14,069</u>	<u>-</u>	<u>145,458</u>

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2017

11. 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	334,913	(317,058)	17,855
Restricted funds			
ACE - NECTC	16,602	(17,828)	(1,226)
Takeoff festival	18,644	(18,644)	-
Capital project	115,000	(117,560)	(2,560)
	<u>150,246</u>	<u>(154,032)</u>	<u>(3,786)</u>
TOTAL FUNDS	<u><u>485,159</u></u>	<u><u>(471,090)</u></u>	<u><u>14,069</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 £27,145 (2016: £25,456) 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 (2016: £12,000) to assist with the funding of the festival. Delegate, visitor and schools contributed income of £6,644 (2016: £24,223) 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 £5,000 (2016 - £5,000) towards adaptations. The £3,000 designated fund reported in the previous year for disabled access has been transferred back into general funds as the charity's new premises will comply with disabled access requirements.

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

13. 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 2017

14. 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 new offices 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.

After the balance sheet date, the charity committed to a 25 year lease to move into a creative play area, office and meeting rooms at the newly refurbished Civic Theatre in Darlington. The expected cost of the lease is £16,000 per annum.

As a result of the above, the charity has applied to terminate its current lease on its phone system which currently expires in 2021. A quote was received from the leasing company and the expected cost to the charity is £6869.

15. ULTIMATE CONTROLLING PARTY

The charity is under the control of the trustees.

16. 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 8 members of the charity (2016: 10 members).

CLEVELAND INDEPENDENT THEATRE COMPANY
LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2017

	2017 £	2016 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grant income	155,602	47,333
Donated services and facilities	17	51
Core funding	250,318	250,318
	405,937	297,702
 Investment income		
Deposit account interest	428	897
 Charitable activities		
Production income	32,414	34,829
Earned income	6,628	24,223
Wages recharge	27,353	-
	66,395	59,052
 Other income		
Other income	12,399	17,634
Total incoming resources	485,159	375,285
 EXPENDITURE		
Raising donations and legacies		
Wages	32,720	20,649
Social security	2,095	1,251
	34,815	21,900
 Charitable activities		
Wages	61,440	54,853
Social security	3,162	4,234
Pensions	29	-
Production costs	1,027	7,454
Directors and designers	13,862	22,532
Sets and props	9,107	8,445
Actors fees	17,300	21,080
Musicians fees	4,654	9,868
Marketing	18,642	6,526
Takeoff festival	49,510	44,829
Touring travel and subsistence	16,037	26,522
Management fees	5,440	7,727
NECTC direct expenses	27,145	12,774
Professional fees: Capital bid	-	16,000
Professional Fees: NECTC	-	6,620
Grants to institutions	115,000	145,000
	342,355	394,464
 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 2017

	2017	2016
	£	£
Management		
Wages	11,754	17,988
Social security	553	901
Rates and water	930	497
Insurance	1,489	1,472
Light and heat	2,118	1,770
Telephone	1,917	2,054
Print, post and stationery	479	2,058
Advertising	-	7,793
Sundries	1,547	1,352
Rent	7,072	7,118
Subscriptions	1,520	1,307
IT support and maintenance	3,288	4,348
Bank charges	-	315
Leasing of equipment	3,825	7,305
Repairs and maintenance	58	143
Cleaning	880	729
Professional fees	8,032	109
Consultancy fees	-	980
Bad debts	-	1,083
Training and welfare	972	1,726
Travel and subsistence	4,225	9,541
Recruitment expenses	396	374
Refreshments	1,097	1,682
VAT manual adjustments	1,906	11,010
Lease negotiation fees	4,006	-
Fixtures and fittings	723	803
Computer equipment	3,641	1,492
	62,428	85,950
Finance		
Wages	26,280	20,377
Social security	1,712	1,475
	27,992	21,852
Governance costs		
Auditors' remuneration	2,000	2,000
Accountancy fees	1,500	1,695
	3,500	3,695
Total resources expended	471,090	527,861
Net income/(expenditure)	14,069	(152,576)

This page does not form part of the statutory financial statements