

WEST LOTHIAN YOUTH THEATRE LIMITED
FINANCIAL STATEMENTS
FOR
31 MARCH 2006

Charity Number SCO002848

MARTIN AITKEN & CO

Chartered Accountants & Registered Auditors
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ



WEST LOTHIAN YOUTH THEATRE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

CONTENTS	PAGES
Chairman's statement	1
Trustees Annual Report	2 to 11
Independent auditor's report	12 to 13
Statement of Financial Activity (incorporating the income and expenditure account)	14
Balance sheet	15
Notes to the financial statements	16 to 21
The following pages do not form part of the financial statements	
Detailed statement of financial activity	23 to 25

WEST LoTHIAN YOUTH THEATRE LIMITED

CHAIRMAN'S STATEMENT

YEAR ENDED 31 MARCH 2006

2005/6 has been a very successful year for WLYT. The fundraising carried out by the Senior Management Team has borne much fruit, and careful management of the finances has produced a healthy surplus for our reserves. It has been a year of consolidation and expansion.

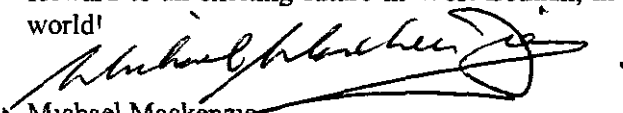
The establishment of a common curriculum for the workshops has enabled staff and participants to work from a shared and familiar base so that any change in workshop leaders causes minimal disruption, and this will form the basis of the accreditation process soon to be introduced. The workshops and projects have continued apace, as has shared work with other Youth Theatres at home and abroad, and the number of participants has expanded steadily.

WLYT's work continues to achieve wide recognition. In the education sector, our services are being called for with increasing regularity, for Continuing Professional Development, for Theatre in Education and for the training of professionals in the sector. Michael Richardson's work has been recognised by the Institute of Directors who commended him for his managing of WLYT and for his contribution to the YT sector nationally. Other local authorities are beginning to call on our services to set up new youth theatres and to train and motivate staff. Plans are in place to establish Salmagundi Theatre Company, for secondUnit to metamorphose into Boxstar, and WLYT has been heavily involved in the plans to develop the Howden Park Centre.

Brian Duguid was central to the process of obtaining funds from the Scottish Arts Council and in developing the plans for the new HPC, and he was always a great supporter of WLYT. His untimely death has deprived West Lothian of an imaginative and inspirational Arts Officer, and he will be sadly missed by us all. We extend our sympathies to his family and colleagues.

I would like to pay tribute to all our funders, especially to West Lothian Council for their continued support, to our expanding and dedicated staff team, and to the Board for their wise leadership and enthusiasm for the work we do. We've even had some board development training this year!

So, with strong finances, sound business plans, great staff and keen participants, WLYT is able to look forward to an exciting future in West Lothian, in the new Howden Park Centre, in Scotland and the world!



Michael Mackenzie,
Chairman, WLYT

09/11/06

WEST LOTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2006

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2006

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	West Lothian Youth Theatre Limited
Charity registration number	SCO002848
Company registration number	SC123773

Registered office	The Playshed Maree Walk Craighill Livingston EH54 5BP
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The trustees

The trustees who served the charity during the period were as follows

Mr Michael Mackenzie (Chairman)	
Mr Andrew Miller	
Mr Michael Bruce	
Mr Allister Mackie	
Mrs Gail Ferguson	
Mrs Jeanette Harris	
Mr Richard Moore	
Mr Chris Adams	
Mr Simon Brown	(Appointed 15 August 2005)
Cllr Lawrence Fitzpatrick	(Appointed 6 March 2006)
Ms Kirstin Elsby	(Retired 31 October 2005)
Mr David Player	(Retired 13 March 2006)
Cllr Willie Dunn	(Retired 6 March 2006)

Secretary	Mrs Jeanette Harris
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Auditor	Martin Aitken & Co Chartered Accountants & Registered Auditors Caledonia House 89 Seaward Street Glasgow G41 1HJ
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Bankers	The Royal Bank of Scotland 4 Almondvale South Livingston EH54 6NB
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WEST LOTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

West Lothian Youth Theatre is a charitable company limited by guarantee. It was incorporated on 15 March 1990. The company was established under a Memorandum and of Association which established the objects and the powers of the charitable company and is governed under its articles of association.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Directors. Under the requirements of the Memorandum and Articles of Association the members of the Board of Directors are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

West Lothian Youth Theatre's work focuses on delivering drama and theatre related workshops and activities to young people across West Lothian. The aim of these activities is to enhance and enrich the lives of young people and to improve their personal, social, educational and creative development. The Board of Directors seeks to ensure that the needs of this group are appropriately reflected through the diversity of the Board of Directors. To enhance the potential pool of Directors, WLYT regularly approaches Arts and Business Scotland's Board Bank for assistance. Individuals are also approached to offer themselves for election to the Board of Directors.

The more traditional business and theatre skills are well represented across the Board of Directors. In an effort to maintain this broad skill mix, members of the Management Committee have undergone Board Development Training, provided by Arts and Business Scotland and have taken part in a skills audit, providing a list of their skills in the event of skills loss due to retirements.

Trustee Induction and Training

All directors are already familiar with the practical work of the charity having been encouraged to attend workshops and performances. They have also undergone Board Development Training with Arts and Business Scotland.

Additionally, potential new directors are invited to a meeting with the Chair / Vice Chairperson and members of Senior Management to obtain an information pack and to discuss the work of WLYT. This usually covers the following areas:

- the governance structure of the organisation
- the WLYT 3 year Business Plan
- resourcing and the current financial position
- future plans and objectives

Risk Management

The major risks affecting WLYT are:

- a) Reduction in funding. WLYT has fundraising and income generating strategies in place to ensure that these risks are minimal, and over the last two years has worked to develop financial reserves to protect against any period of funding difficulty.

WEST LoTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

WLYT is in the process of developing social enterprise initiatives to ensure financial sustainability

b) Legislation compliance WLYT has a staff handbook in place which covers areas that may put WLYT at risk such as Health and Safety and Child Protection This is reviewed annually by the WLYT Board of Directors

Organisational Structure

WLYT is governed by a voluntary Board of Directors who meet between 6 and 8 times per year At present there are 8 members they are responsible for the strategic direction and policy making of WLYT

The day to day management of WLYT is delegated to the Artistic Director / Chief Executive Michael Richardson He is supported by other members of the senior management team (SMT), the Business Manager and the Associate Director The SMT also have responsibility for the supervision of the staff team and ensuring that the team continue to develop their skills and working practices in line with good practice There are 8 members of staff in total and 2 full time volunteers in lace

OBJECTIVES AND ACTIVITIES

Aims

West Lothian Youth Theatre aims to enhance and enrich the lives of young people through a range of theatre and drama related workshops and high quality projects and productions of a professional standard

The principal aims of WLYT are to improve the personal, social, educational and artistic development of young people The strategies in place to deliver these aims are

delivering a weekly drama workshops to young people in areas across West Lothian

delivering an education programme and working with schools throughout West Lothian (this includes touring Theatre in Education projects, and Continuous Professional Development and Mentoring for teachers)

delivering drama and video work for young people with learning disabilities

delivering video work for young people in West Lothian and

delivering holiday projects and productions of high artistic quality to young people

ACHIEVEMENTS AND PERFORMANCE

Drama Workshops

Over the past year WLYT has delivered 24 weekly workshops to 12 areas across West Lothian The workshops are for young people aged from Primary 5 up to 25 years across West Lothian and are spilt into three age groups, Juniors, Intermediates and Seniors Through its drama workshop programme alone, WLYT works with an average of 350 members each week WLYT has also delivered taster workshops to 11 schools across West Lothian, reaching out to a further 1397 young people

WEST LoTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

In order to maximise the impact of the workshops, WLYT has specially designed a youth theatre curriculum. The WLYT curriculum is a games based curriculum which encourages the development of drama skills in a fun and informal environment. Skills are taught at an age appropriate level, using games and simple exercises as a starting point for the work. The aim of this curriculum is to maximise the educational development of young people through the youth theatre process.

The year 05/06 has seen the first successful year of implementation of this curriculum. The purpose of the curriculum is to ensure all young people within the Youth Theatre are aiming to achieve a similar level. In 2006/07 WLYT will recognise these achievements through the development of an accreditation scheme. This will be not only be relevant in theatre skills, but also in areas relevant to their lives, in particular their personal, social and educational development.

Education

It is becoming increasingly recognised that the youth theatre process makes a valuable contribution to the educational development of young people, in both formal and informal settings. West Lothian Youth Theatre is at the forefront of developing techniques within the youth theatre process which maximise educational benefits to participants and which can be developed and refined for application within formal education. WLYT currently delivers an extensive education programme to primary and secondary schools and Further Education Colleges across West Lothian. WLYT is in the process of developing strategies to deliver its work nationally. Recent projects have included

Life's A Pizza

This was a Theatre in Education project based on the subject of healthy eating and was funded by NHS Lothian, the Chest, Heart and Stroke Foundation and the Scottish Book Trust. In 05/06 it toured round 9 primary schools in West Lothian. The project consisted of 3 parts

- a pre interactive drama workshop for primary school children
- a performance of the production and
- Continuous Professional Development for primary school teachers

Arts across the Curriculum

WLYT is committed to using youth theatre and drama techniques to aid active learning in areas across the curriculum, thereby complying with the national remit for 'A Curriculum for Excellence'. As a result of funding from the Russell Trust, West Lothian Youth Theatre delivered a project in Broxburn Academy, using youth theatre techniques to teach French. The aim of this project was to work for one school term in collaboration with a French teacher using drama techniques as an alternative and engaging way of teaching the French 5-14 curriculum. Skills were passed on to the teacher guaranteeing sustainability of the project within the school. The project was successful because it offered an alternative approach to teaching that enhanced and complemented the learning process.

Continuous Professional Development

WLYT secured the contract with West Lothian Council's Continuous Professional Development Unit (CPD). Experts within WLYT delivered a broad range of courses to primary and secondary teachers across West Lothian including, Games for Active Learning, Approaches to Voice, and Video Editing.

WEST LOTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

Blackburn Project

WLYT continued delivering this project to schools in Blackburn. The aim of this project is to research and assess the impact of the regular use of drama games on general levels of achievement and attainment across the schools. WLYT delivers this project to 90 pupils each week.

secondUNIT

Funded by the Scottish Arts Council, Lottery Fund, this project delivered video and post production workshops and projects to young people 16-25 years of age, developing their confidence, team working skills and self esteem. A video workshop specifically for young people with learning disabilities was also established into WLYT's regular programme of weekly workshops.

secondUNIT also continued to develop and consolidate links with other local and national youth agencies including Youthlink Scotland, West Lothian College and West Lothian Youth Action Project.

Projects

Throughout the year, WLYT has delivered a number of holiday projects.

During the summer, participants had the opportunity to take part in summer schools.

13 young people took part in an Integrated Play in a Week project and worked with members of the World Youth Congress to produce and perform a play, Every Three Seconds, based around the subject of poverty.

26 participants worked together for two weeks to produce and perform Fame at Howden Park Centre (HPC), Livingston.

37 young people took part in the summer Play in a Week project. This took place in 3 venues, Livingston, Bathgate and Fauldhouse, with final performances at Deans Theatre in Livingston.

In a joint project with Behind the Scenes Youth Theatre in Fife, 5 members of WLYT attended a 10 day international youth theatre festival, Open Mind, Open Border, in Azerbaijan. Participants had the opportunity to take part in a variety of different workshops including mask, dance and visual installation and work with young people from countries such as Bulgaria, Lithuania, Georgia and Azerbaijan.

Productions

The Tempest

WLYT secured funding from the Foyle Foundation to create and tour a multimedia production of Shakespeare's, The Tempest. This production performed at Howden Park Centre, Livingston, the North Edinburgh Arts Centre as part of the Edinburgh Festival Fringe and the Lemon Tree as part of the Aberdeen International Youth Festival.

WEST LoTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

Capital Redevelopment

WLYT has agreed a working partnership with West Lothian Council (WLC) and WLC has successfully submitted an application to the Scottish Arts Council to enable it to refurbish the Howden Park Centre (HPC), Livingston, a current arts venue. The proposed refurbishment will mean that WLYT can move to purpose designed premises and work as key partners in this building. The development of HPC will provide WLYT with new offices for current staff members and give WLYT sole access to a rehearsal space within the building. WLYT will also have access to a newly refurbished theatre and other rehearsal spaces when required. The move is timetabled to take place in December 2007.

FINANCIAL REVIEW

Results

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

The accounts show total funds of £170,937, of which £92,194 is restricted funds. The Restricted Funds balance represents project income which was sourced during this year and which is already committed to projects that will take place in 2006/07. Some of the main commitments are:

Audience Development £27,313

The aim of this two year project is to increase participation levels within WLYT and to develop audience number for WLYT projects and productions.

There will be 3 main elements to the delivery of this project:

- 1) market research: new ways of collecting data (e.g. focus groups) for market research purposes will be identified and analysis of data will take place.
- 2) audience development strategies will be developed and subsequently implemented to target potential attendees.
- 3) monitoring and evaluation: WLYT will measure the success of this project against targets set.

The British Council £8,450

The purpose of this grant is to deliver an international training week on the subject, "Youth Theatre as a Tool for Social Integration" in May 2006.

to attempt to clarify the meaning of social integration

to offer specific training in theatre techniques for use with young people

to develop ideas around the use of theatre as an important tool for social integration

to exploring the possibility of developing projects with a European dimension in West Lothian

to stimulate participants to exchange ideas and develop proposals for future projects

WEST LOTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

The Rank Foundation £10,344

This purpose of this grant is to fund the salary costs for a Drama Workshop Leader up until December 2006

The Knights Templar £9,924

WLYT has successfully secured funding from the Heritage Lottery Fund and BSkyB to deliver a large scale, high quality community play based on the Knights Templar and the Knights of St John WLYT will work in collaboration with other partners to deliver this project and make the history more accessible to the young people of West Lothian and explore their influences in modern society The play was performed in June 2006

West Lothian Council/ Scottish Arts Council Capital Project £32,019

WLYT secured funding from the Scottish Arts Council and West Lothian Council to purchase

- new office furniture
- new IT equipment
- black drapes for the drama studio
- touring lighting equipment
- touring PA equipment
- a sewing machine and
- an induction loop system

WLYT has purchased some of this equipment in 05/06, however, it has not yet purchased the full amount This WLC money will be used to purchase additional equipment in the year 06/07 and matches funding from the Scottish Arts Council

The surplus of unrestricted funds, £28,342, resulted from a vigorous and successful fundraising campaign This surplus will be used to contribute to the reserves required under our reserves policy

In view of the requirement to relocate in the future, the Trustees decided to designate funds of £10,000 during the year to the relocation fund The Trustees also decided to designate £15,000 of funds to an organisational development fund in view of future changes

Reserves Policy

Unrestricted reserves will be maintained to provide for contingency planning Reserves will be maintained at a level that ensures that West Lothian Youth Theatre's core activities could continue during a period of unforeseen difficulty

The Trustees have estimated that the level of free reserves (that is those funds not tied up in fixed assets, restricted or designated funds) the charity still require to sustain its operations represents four months running costs They estimate this would be £83,000

As unrestricted free reserves (those unrestricted funds, not tied up in fixed assets or designated as to use) currently stand at £11,721 (2005 £6,818) the trustees will aim to build up reserves in the future

WEST LoTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

Principal Funding Sources

WLYT has a fundraising strategy in place which complements its three year business plan and sources funding through applying to a wide range of funding sources including government funding, trusts and foundations. Its main sources of funding this year have been

- West Lothian Council
- Scottish Arts Council
- The Scottish Executive
- The Rank Foundation
- The Heritage Lottery Fund
- NHS Lothian
- BSkyB
- Arts and Business
- Lloyds TSB Foundation
- The Foyle Foundation
- British Council

In addition to the main sources of funding, WLYT has been awarded smaller project grants to contribute towards the costs of delivering projects

PLANS FOR FUTURE PERIODS

Local

It is an exciting time for arts development in West Lothian with the three venue strategy which places the arts at the heart of WLC's Community Plan. Much of WLYT's work is directly linked to the Council's commitment to supporting the personal and social development of young people in disadvantaged communities. WLYT will continue to ensure that it keeps strong links with WLC and continue to complement local strategies.

WLYT is also in the process of developing two new exciting and innovative projects, Boxstar and Salmagundi.

Boxstar

WLYT is a small organisation fulfilling an important social need, however, it has to compete for cash limited resources in local government, the arts and charities. As a result it is adopting a more business like approach and is developing more entrepreneurial skills in order to generate additional income and reduce the risks of over dependency on government or quasi government funding. To enable this change, WLYT has plans in place to re launch its second UNIT project as Boxstar in the new financial year.

Boxstar is a social enterprise initiative within West Lothian Youth Theatre, however, it will be branded separately for marketing purposes. During the first year of operation, Boxstar aims to generate £8,000 through developing partnerships with other social enterprise companies and other bodies. All of this money will contribute towards developing our video and drama workshop programme for young people.

WEST LoTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

Salmagundi

This is a new department in WLYT and the name originates from a Jacobite salad, meaning mixture. This department will deliver workshops, projects, performances and exchanges for young people in an integrated environment. It will give young people with learning disabilities the opportunity to interact with one another and encourage integration between mainstream participants and those with learning disabilities thereby encouraging active citizenship. In order to generate income for Salmagundi, WLYT will apply to a wide range of funding sources.

The creation of Salmagundi Theatre Company will give young adults over the age of 21 the continued opportunity to work with drama and to produce high quality performances of a professional standard in an integrated environment.

Salmagundi Theatre Company will be based at The Playshed, Livingston. As a key part of West Lothian Youth Theatre, Salmagundi's core staff will train participants of a mixed level of ability to produce new work and perform across West Lothian, Scotland and internationally.

The purpose of Salmagundi Theatre Company will be to build on the existing experience of young people, some of whom will already have been members of WLYT.

Salmagundi will be fundamental in increasing their development socially, educationally, culturally and artistically.

National

The aims and activities of WLYT are in line with a number of several key policies:

- Determined to Succeed (Scottish Executive, 2002)
- Scotland's National Cultural Strategy (Scottish Parliament, 2001)
- A Curriculum for Excellence (The Scottish Executive, 2004)
- The Cultural Commission (The Scottish Executive, 2004)

and the work of the organization successfully links out of school hours provision with formal education, be that direct delivery to pupils or working to develop the skills of teachers.

As a result of this Arts Development Officers and Creative Links Officers in several local authorities are expressing interest in the possibility of WLYT delivering aspects of its work more widely, and as an organization we are looking forward to finding ways that we can begin to deliver our successful model outside of West Lothian.

WLYT is also a key agency in training youth theatre practitioners, and is looking forward to a developing partnership with Promote YT, the national development agency for youth theatre in Scotland.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees Annual Report, the Chairman's statement and the financial statements in accordance with applicable law and 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 charity and of the surplus or deficit of the charity for that period.

WEST LOTHIAN YOUTH THEATRE LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2006

In preparing these financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity 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 charity'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

AUDITOR

A resolution to re appoint Martin Aitken & Co as auditor for the ensuing year will be proposed at the Annual General Meeting

Registered office
The Playshed
Maree Walk
Craighill
Livingston
EH54 5BP

Signed on behalf of the trustees



Mr Michael Mackenzie
Chairman

9/12/06

WEST LOTHIAN YOUTH THEATRE LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST
LOTHIAN YOUTH THEATRE LIMITED
YEAR ENDED 31 MARCH 2006

We have audited the financial statements of West Lothian Youth Theatre Limited for the year ended 31 March 2006 on pages 14 to 21 which have been prepared under the historical cost convention and the accounting policies set out on pages 16 to 17

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

The responsibilities of the trustees (who also act as directors of West Lothian Youth Theatre Limited for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on pages 10 to 11.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Trustees Annual Report is consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the trustees and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees Annual Report and the Chairman's statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

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

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

WEST LOTHIAN YOUTH THEATRE LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST
LOTHIAN YOUTH THEATRE LIMITED *(continued)***

YEAR ENDED 31 MARCH 2006

OPINION

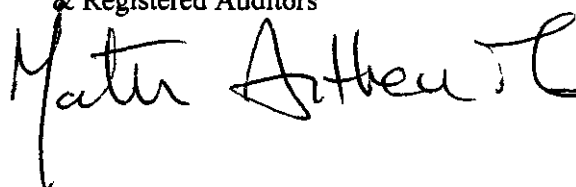
In our opinion,

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees Annual Report is consistent with the financial statements

Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

7/1/2007.

MARTIN AITKEN & CO
Chartered Accountants
& Registered Auditors



WEST LOTHIAN YOUTH THEATRE LIMITED
STATEMENT OF FINANCIAL ACTIVITY (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2006

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	112,010	186,370	298,380	215,903
Investment income	3	2,212	—	2,212	1,716
Incoming resources from charitable activities	4	15,309	1,369	16,678	13,026
Other incoming resources	5	3,687	351	4,038	2,896
TOTAL INCOMING RESOURCES		133,218	188,090	321,308	233,541
RESOURCES EXPENDED					
Charitable activities	6	(99,277)	(122,988)	(222,265)	(185,478)
Governance costs	7	(5,599)	—	(5,599)	(8,251)
TOTAL RESOURCES EXPENDED		(104,876)	(122,988)	(227,864)	(193,729)
NET INCOMING RESOURCES FOR THE YEAR/NET INCOME FOR THE YEAR					
	8	28,342	65,102	93,444	39,812
RECONCILIATION OF FUNDS					
Total funds brought forward		50,401	27,092	77,493	37,681
TOTAL FUNDS CARRIED FORWARD		78,743	92,194	170,937	77,493

The Statement of Financial Activity includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

WEST LOTHIAN YOUTH THEATRE LIMITED

BALANCE SHEET

31 MARCH 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	11	51,821	23,583
CURRENT ASSETS			
Debtors	12	22,161	5,110
Cash at bank and in hand		127,012	64,012
		<u>149,173</u>	<u>69,122</u>
CREDITORS: Amounts falling due within one year	13	<u>(30,057)</u>	<u>(15,212)</u>
NET CURRENT ASSETS		119,116	53,910
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>170,937</u>	<u>77,493</u>
NET ASSETS		<u>170,937</u>	<u>77,493</u>
FUNDS			
Restricted income funds	14	92,194	27,092
Unrestricted income funds	15	78,743	50,401
TOTAL FUNDS		<u>170,937</u>	<u>77,493</u>

These financial statements were approved by the members of the committee on the 9/11/06 and are signed on their behalf by

Michael Mackenzie



WEST LOTHIAN YOUTH THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds

Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund

Grants

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Commitments and use of designated funds

Designated funds are set aside in anticipation of relocation costs and for organisational development

Fixed assets

All fixed assets are initially recorded at cost

WEST LOTHIAN YOUTH THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	No depreciation required
Equipment	25% Reducing Balance
Fixtures and Fittings	25% Reducing Balance

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the directors believe that the policy of not providing depreciation is necessary in order for the accounts to give a true and fair view, since the current value of property, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Donations				
Donations	1,808	13	1,821	6,474
Friends scheme	1,350	—	1,350	—
Grants receivable				
WLC project grants	1,899	17,378	19,277	20,951
SAC Audience Development 06/07	—	27,673	27,673	—
Autumn Festival	—	500	500	—
Reid Kerr	800	—	800	5,600
Sky	—	5,000	5,000	5,350
SAC "second unit"	—	38,255	38,255	34,072
Scottish Executive	16,000	—	16,000	14,068
Lloyds TSB Foundation	—	2,000	2,000	20,000
Other grant income	220	9,037	9,257	3,175
WLC New Deal	—	—	—	160
WLC Core funding	89,933	—	89,933	87,062
Templar	—	12,450	12,450	—
Life's a pizza	—	700	700	13,000
Tempest	—	641	641	5,991
Rank foundation	—	27,390	27,390	—
International Youth Theatre Festival	—	1,495	1,495	—
British Council	—	8,450	8,450	—
Scottish Arts Council	—	35,388	35,388	—
	<u>112,010</u>	<u>186,370</u>	<u>298,380</u>	<u>215,903</u>

WEST LOTHIAN YOUTH THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

3 INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2006	Total Funds 2005
	£	£	£
Bank interest receivable	<u>2,212</u>	<u>2,212</u>	<u>1,716</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2006	Total Funds 2005
	£	£	£	£
Ticket sales	16	1,369	1,385	5,262
Merchandise	147	—	147	—
Workshops	<u>15,146</u>	<u>—</u>	<u>15,146</u>	<u>7,764</u>
	<u>15,309</u>	<u>1,369</u>	<u>16,678</u>	<u>13,026</u>

5. OTHER INCOMING RESOURCES

	Unrestricted Funds	Restricted Funds	Total Funds 2006	Total Funds 2005
	£	£	£	£
Other income	<u>3,687</u>	<u>351</u>	<u>4,038</u>	<u>2,896</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2006	Total Funds 2005
	£	£	£	£
Costs of charitable activities	<u>99,277</u>	<u>122,988</u>	<u>222,265</u>	<u>185,478</u>

7. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2006	Total Funds 2005
	£	£	£
Accountancy fees	3,099	3,099	5,348
Audit fees	2,500	2,500	2,500
Legal fees	—	—	403
	<u>5,599</u>	<u>5,599</u>	<u>8,251</u>

8. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging

	2006 £	2005 £
Depreciation	11,495	2,085
Auditors' remuneration audit of the financial statements	<u>2,500</u>	<u>2,500</u>

WEST LOTHIAN YOUTH THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

9. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2006 £	2005 £
Wages, salaries & social security costs	133,239	110,607
	<u>133,239</u>	<u>110,607</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows

	2006 No	2005 No
Number of management staff	<u>7</u>	<u>6</u>

No employee received emoluments of more than £60,000 during the year (2005 Nil)

10. TAXATION

The charitable company is exempt from corporation tax on its charitable activities

11. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Fixtures & Fittings £	Total £
COST				
At 1 April 2005	17,353	21,106	4,168	42,627
Additions	–	39,732	–	39,732
At 31 March 2006	<u>17,353</u>	<u>60,838</u>	<u>4,168</u>	<u>82,359</u>
DEPRECIATION				
At 1 April 2005	–	14,922	4,122	19,044
Charge for the year	–	11,479	15	11,494
At 31 March 2006	<u>–</u>	<u>26,401</u>	<u>4,137</u>	<u>30,538</u>
NET BOOK VALUE				
At 31 March 2006	<u>17,353</u>	<u>34,437</u>	<u>31</u>	<u>51,821</u>
At 31 March 2005	<u>17,353</u>	<u>6,184</u>	<u>46</u>	<u>23,583</u>

There were no capital commitments as at the year end (2005 £nil)

The additions in the year relate to capital expenditure made from capital grants received from Scottish Arts Council and West Lothian Council. The NBV of the restricted assets at 31 March 2006 is £29,799

WEST LOTHIAN YOUTH THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

12. DEBTORS

	2006	2005
	£	£
Trade debtors	20,814	3,860
Prepayments	1,347	1,250
	<u>22,161</u>	<u>5,110</u>

13. CREDITORS: Amounts falling due within one year

	2006	2005
	£	£
Bank loans and overdrafts	21,294	6,204
Accruals	8,763	9,008
	<u>30,057</u>	<u>15,212</u>

14. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2005	Incoming resources	Outgoing resources	Balance at 31 Mar 2006
	£	£	£	£
Restricted Fund	27,092	188,090	(122,988)	92,194

15. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2005	Incoming resources	Outgoing resources	Balance at 31 Mar 2006
	£	£	£	£
Relocation Fund	20,000	10,000	—	30,000
Organisational Development Fund	—	15,000	—	15,000
General Funds	30,401	108,218	(104,876)	33,743
	<u>50,401</u>	<u>133,218</u>	<u>(104,876)</u>	<u>78,743</u>

The trustees have decided to designate an additional £10,000 for relocation costs and designate a fund for organisational development of £15,000

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Net current assets	Total
	£	£	£
Restricted Income Funds:			
Restricted Fund	29,799	62,395	92,194
Unrestricted Income Funds	22,022	56,721	78,743
Total Funds	<u>51,821</u>	<u>119,116</u>	<u>170,937</u>

WEST LOTHIAN YOUTH THEATRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

17. CONTINGENCIES

There were no contingent liabilities at the year end (2005 £nil)

18. RELATED PARTY TRANSACTIONS

Lloyds TSB Foundation supports WLYT by way of project funding, in total £2,500 was received in the year to 31st March 2006. The Lloyds TSB Foundation is a charitable foundation independent of the Lloyds TSB group. Mr Simon Brown who was appointed to the Board on 15th August 2005 is an employee of Lloyds TSB Scotland, part of the Lloyds TSB Group.

The Scottish Book Trust approved £500 of funding through its project Live Literature Scotland. Mrs Jeanette Harris, a Board member is an employee of the Scottish Book Trust.

The WLYT gains additional income from its Friends Scheme.

Weslo Housing Management gave £1,000. Mike Bruce, vice chair of WLYT, is Chief Executive at Weslo Housing Management.

RIAS Consultancy gave £500. Brian Moore at RIAS is father of WLYT Board member Richard Moore.

Harris and Johnston Architects gave £100. Fraser Harris is husband of Board member Jeanette Harris.

Other related parties

Cerin Richardson, wife of Theatrical Director Michael Richardson, was paid £3,120 during the year. £2,685 of this relates to producer fees and the rest relates to project costs. Cerin is employed as a freelance producer.

The Royal Bank of Scotland Group operates a Give As You Earn scheme, whereby pre tax personal donations from employees to charities are matched by the Group in a ratio of 2:1. Chris Adams, a board member of WLYT, is an employee of The Royal Bank of Scotland Group, and donated £100 through this scheme in the year, inclusive of the Bank's contribution.

WEST LOTHIAN YOUTH THEATRE LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2006

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 12 to 13**

WEST LOTHIAN YOUTH THEATRE LIMITED
DETAILED STATEMENT OF FINANCIAL ACTIVITY
YEAR ENDED 31 MARCH 2006

	2006 £	2005 £
INCOMING RESOURCES		
VOLUNTARY INCOME		
Donations	1,822	6,474
Friends scheme	1,350	–
WLC project grants	19,276	20,951
SAC Audience Development 06/07	27,673	–
Autumn Festival	500	–
Reid Kerr	800	5,600
Sky	5,000	5,350
SAC "second unit"	38,255	34,072
Scottish Executive	16,000	14,068
Lloyds TSB Foundation	2,000	20,000
Other grant income	9,257	3,175
WLC New Deal	–	160
WLC Core funding	89,933	87,062
Templar	12,450	–
Life's a pizza	700	13,000
Tempest	641	5,991
Rank foundation	27,390	–
International Youth Theatre Festival	1,495	–
British Council	8,450	–
Scottish Arts Council	35,388	–
	<u>298,380</u>	<u>215,903</u>
INVESTMENT INCOME		
Bank interest receivable	2,212	1,716
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES		
Ticket sales	1,385	5,262
Merchandise	147	–
Workshops	15,146	7,764
	<u>16,678</u>	<u>13,026</u>
OTHER INCOMING RESOURCES		
Other income	4,038	2,896
TOTAL INCOMING RESOURCES	<u>321,308</u>	<u>233,541</u>

WEST LOTHIAN YOUTH THEATRE LIMITED
DETAILED STATEMENT OF FINANCIAL ACTIVITY
YEAR ENDED 31 MARCH 2006

	2006 £	2005 £
RESOURCES EXPENDED		
CHARITABLE ACTIVITIES		
Cost of sales – Direct project costs	49,876	50,705
Wages, salaries & social security costs	133,239	110,607
Establishment Rent	2,176	2,480
Establishment Rates & water	2,799	2,429
Establishment Light & heat	2,122	1,771
Establishment Repairs & maintenance	7,386	2,410
Office expenses Telephone	4,582	3,656
Office expenses – Other office costs	7,140	6,585
Depreciation	11,495	2,085
Sundry expenses	–	834
Advertising	1,450	1,916
	<u>222,265</u>	<u>185,478</u>
GOVERNANCE COSTS		
Accountancy fees	3,099	5,348
Audit fees	2,500	2,500
Legal fees	–	403
	<u>5,599</u>	<u>8,251</u>
TOTAL RESOURCES EXPENDED	<u>227,864</u>	<u>193,729</u>
NET INCOMING RESOURCES FOR THE YEAR	<u>93,444</u>	<u>39,812</u>

WEST LOTHIAN YOUTH THEATRE LIMITED
DETAILED STATEMENT OF FINANCIAL ACTIVITY
YEAR ENDED 31 MARCH 2006

	2006 £	2005 £
CHARITABLE ACTIVITIES		
Costs of charitable activities		
<i>Activities undertaken directly</i>		
Cost of sales – Direct project costs	49,876	50,705
Wages, salaries & social security costs	133,239	110,607
Establishment Rent	2,176	2,480
Establishment Rates & water	2,799	2,429
Establishment Light & heat	2,122	1,771
Establishment Repairs & maintenance	7,386	2,410
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Advertising	1,450	1,916
	<u>222,265</u>	<u>185,478</u>