

Company number 01747169
Charity number 287909

PENTABUS ARTS LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
for the year ended 31 March 2013

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REFERENCE and ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES and ADVISERS

Trustees	Kate Organ (Chair) Joseph Alford Phillip Atkinson (stepped down Nov 2012) Ed Collier Sean Holmes (appointed Nov 2012) Deborah Kermode Elanor Thompson Lyndsey Turner Alison Vermees (appointed Nov 2012) Mary Wells
Governing document	The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association
Registered office	The Old School Bromfield Ludlow SY8 2JU
Bankers	Lloyds Bank Broad Street Ludlow SY8 1NQ And CAF Bank 25 Kings Hill Avenue Kings Hill West Malling ME19 4JQ
Independent examiner	Beth Norris FCCA 9 Church Crescent Pembroke Leominster HR6 9HH
Company registered number	01747169
Charity registered number	287909
Company secretary	Rachael Griffin

REPORT FROM THE CHAIR AND TRUSTEES

CHAIR'S REPORT

This year has been one of dynamic change and development within the company. It began with our new Artistic Director, Elizabeth Freestone, establishing new artistic partnerships and patterns of production. New work was developed for and seen at the Hay Festival, Latitude Festival, and the British Museum as part of the Cultural Olympiad and Shakespeare Festival. For Once, by Olivier nominated playwright Tim Price, followed up its successful 2011 arts centre tour to be re-envisioned by Elizabeth as a transformative experience for village hall audiences, touring in Shropshire reaching over 800 audience members, braving some of the worst winter weather for some years.

By the end of this financial year Elizabeth was joined by Rachael Griffin as joint Chief Executive and Executive Director, succeeding John Moreton who retired having given 18 years loyal service to the company. John gave a vivid account of the artistic highlights of his 18 years at his leaving party - a sweep of extraordinary trailblazing work such as large scale shows in castles, underground caves, and even a Maharajah's Palace in Rajasthan involving young people from Shropshire and India. All this has been achieved way in advance of the current increasingly ubiquitous interest in "site specific" and "immersive" theatre. Alongside this, during John's stewardship as Director, our touring shows have reached hundreds of village halls and arts venues, achieving acclaim at national and international levels.

Pentabus has managed several moments of succession from one artistic leadership to another in its nearly four decades of sustained production and touring. Each change brings new opportunities and a chance to review our place in the wider cultural landscape. Elizabeth's artistic vision has ignited inspiration amongst artists in the creative opportunities of responding to the rural circumstances the company inhabits and which is its *raison d'être*. In her first business plan, Elizabeth articulated this with passion.

"We take emerging artists and offer them a unique environment in which to respond creatively to the world around them. We offer mid-career artists the opportunity to step outside their usual working practice and challenge themselves in new and adventurous ways. In short, we offer a safe place for artists to be their most daring. "

The productivity of the first full year of her artistic directorship alongside organisational change has required huge work, clarity of purpose and a few risks. Changing patterns of work has required a new allocation of resources, including reducing our reserves in order to manage change and a bold approach to business planning.

In this year we have managed change by rigorously harnessing our assets and resources in a changing economic context which is not favouring the arts. We are building on this year's hard work in order to be match-fit for the next wave of changes to public expenditure and changing cultural landscapes. We will passionately continue to make the rural experience visible in contemporary culture and provide a rare and vital platform for its voices and its stories.

My thanks are due to: all Pentabus staff and its freelance artists, who bring dedication and immense ingenuity and skill to their work; to board members who shoulder the responsibility of their roles as trustees and directors without remuneration, bringing considerable expertise and good sense to the company's governance; to promoters and co-producers who collaborate with Pentabus to reach our diverse audiences; to the continued support of Arts Council England and the wise advice of its Relationship Managers and Directors; to our other financial supporters – Shropshire Country Council, generous individuals, Trusts and Foundations, business partners and to our audiences.

TRUSTEES REPORT

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their report together with the financial statements of Pentabus Arts (the company) for the year ended 31st March 2013. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP).

a. CONSTITUTION

The company is constituted under a Memorandum of Association dated 19th day of July 1983.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The Trustees shall be no less than 3 and no more than 20. All members of the Board who have served for 3 years must retire. Having retired, a Trustee can offer themselves for re-election. New Trustees are proposed and elected by a majority vote.

An induction process has been established for new Trustees. Separate meetings are arranged with the Chair and the Executive team. In addition the Trustees are presented with a list of board roles and responsibilities, the company business plan, company handbook and Charity Commission guidelines.

c. ORGANISATIONAL STRUCTURE AND DECISION MAKING

Two Co-Directors, an Administrative Producer, an Administrative Intern and a freelance Bookkeeper manage the everyday operations of the company. The executive team is made up of the two Co-Directors, an Artistic Director and an Executive Director, who report to the Trustees at quarterly meetings. The Executive Director acts as Company Secretary to the Board.

d. RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those relating to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to major risks.

OBJECTS OF THE COMPANY

The objects for which the Company is registered are to promote, maintain, improve, and advance education particularly by the encouragement of the Arts including the arts of drama, ballet, music, singing, literature, sculpture and painting.

COMPANY MISSION STATEMENT

Pentabus is a contemporary theatre company, producing original plays about the rural world for local and national audiences.

Based on a farm in Shropshire, we make a real commitment to the creative health of the countryside, encouraging artists to draw from it and urging communities to participate in it.

ACHIEVEMENTS

1. ARTISTIC

RADICAL RURAL

2012-13 saw new Artistic Director Elizabeth Freestone programme a pioneering array of new work that resulted in 5 new productions. The Radical Rural season was conceived to encompass new politics and old forms, embracing an eclectic and playful approach to defining what rural theatre could be.

THE HAY PLAY by Nell Leyshon - in partnership with The Hay Festival

The first production of the year in May saw award-winning playwright Nell Leyshon become the Hay Festival's first ever Playwright in Residence. Embedded at Hay, Nell was challenged to come up with a dramatic response to all the inspiring and provocative thinking she saw and heard. By the end of the second week, she produced a fantastical tale of creativity, sex and madness. Simon Armitage (the Festival's Poet in Residence) even contributed a special festival haiku for one of the characters in the show. Starring Claudie Blakley, Amanda Hadingue, Aislin McGuckin, Alan Morrissey and Gary Pillai this one off special production - free to the residents of Hay - played to a capacity audience.

'Such perceptions of rural life are key to the work of Pentabus Theatre'
The Telegraph

STAND UP DIGGERS ALL by Phil Porter - a co-production with the Latitude Festival

Stand Up Diggers All was an imaginative response to the Occupy movement, linking the protests at St Paul's with the Digger movement in the 17th century. With guerrilla gardening, a living installation and a mixture of protest and performance, Pentabus staged a meeting of minds across the generations. Including original music composed exclusively for the production, and a crackshot team of 20 actors and musicians, the show was performed at Pentabus and outside in the Faraway Forest at the Latitude Festival in July to over 2200 people in 4 days. To date, more than 200 people have seen the video of the show on Youtube.

'An imaginative melding of historic rural protest with current concerns about inequality of wealth that makes fine use of its outdoor location'
The Stage

BLUE SKY by Clare Bayley - in partnership with Hampstead Theatre and the Sherman, Cymru

Blue Sky was the company's flagship autumn production, opening at Hampstead in London and touring to the Sherman, Cardiff. By award-winning writer Claire Bayley, the play explored the role isolated rural airports play in the government's involvement with extraordinary rendition. A quality hard-hitting new political play about the countryside, staged in traverse with an inventive design by Naomi Dawson, the production played to full houses, reaching over 1500 people.

'Naomi Dawson's deceptively simple design segments the open space, Johanna Town's runway inspired lighting is cleverly used as Adrienne Quartly's sound design expands the horizons of the production into the big bad world being investigated.' *The Public Reviews*

'Beautifully pitched performances' *The Telegraph*

THIS SAME ENGLAND – a co-production with the Royal Shakespeare Company

Part of the World Shakespeare Festival, the London 2012 Festival and the Cultural Olympiad
A co-production with the Royal Shakespeare Company and performed at the British Museum, our devised piece, performed by Lorraine Stanley, told the story of a female soldier preparing for battle.

Performed in front of Henry V's actual shield, helmet, saddle and sword as part of the Staging the World exhibition at the British Museum, this was a very modern response to medieval warfare. Pentabus is

incredibly proud to have been part of the Cultural Olympiad, celebrating the best of the UK arts scene in conjunction with the Olympic year. 350 people saw the show across 2 nights at the British Museum.

'Engrossing.'

Audience member on Facebook

'Should make us all pause for thought.'

Audience member via Twitter

FOR ONCE by Tim Price - touring to village halls around the country

For Once by Oliver Award nominated playwright Tim Price toured to village halls around the region, following a successful Arts Centre tour by Pentabus in the previous financial year. A terrific new play about growing up in the countryside, Jean Chan's design transformed village halls into a family living room. This tour encompassed 5 counties and 17 venues, playing to sell-out crowds. Nearly 1000 people saw the show despite our company being on tour to remote rural locations during one of the most extreme winters on record.

"Wonderful show yesterday, with For Once in Leintwardine. Despite a few technical difficulties during set up, the atmosphere was electric, and the performances powerful. A number of people said afterwards how relevant the subject was to their lives, and how they identified with the characters and their situation. A brilliant, thought-provoking, and touching evening. Thank you Pentabus!"

Mark Ferraro, promoter, Leintwardine Village Hall

2. EDUCATION

For the first time, Pentabus offered an extensive education programme alongside its productions. There were free downloadable education packs alongside each show, with interviews with the creative team, behind the scenes information and sketches and images of the rehearsal process.

The company held free post-show talks with expert panellists at a number of venues, offering audiences an opportunity to further engage with the themes and style of the production. Pentabus also offered workshops for students in both further and higher education, offering them a chance to engage with professional theatre practice. In total 153 students attended workshops.

The company's plans for future educational activity are extensive, with the launch of a Young Writers Group and adult playwriting workshops due to begin in 2013.

3. ARTISTIC DEVELOPMENT

In 2012-13 Pentabus also revamped its writer development opportunities. A new open door script reading policy was announced, in line with the company's rural mission and environmental policy. The company decided to move away from the concept of writer's weeks and move instead to a tailor-made development programme for writers. This resulted in 88 unsolicited scripts being read and responded to, and 98 writers met via workshops, talks and events.

In addition to this, new Open Days began, with artists being invited to see the Pentabus base and meet the team. 45 new actors, writers and designers thus made contact with the company. Work experience placements were offered throughout the year as well as volunteer opportunities.

4. FUNDRAISING

2012-13 was the company's first year of Arts Council NPO funding and the 2nd year of the Pentabus Patrons Scheme. There was limited capacity for fundraising in the year due to staff changes and the retirement of the Executive Director in December 2012. That said, re-subscriptions to the Patrons scheme resulted in £816 income for the company and there were also other donations from a targeted letter writing campaign to individuals totalling £1570. There was also a grant of £300 from the Baron Davenport Trust towards the organisations' work with young writers. The company also began a more strategic approach to hires and sales of current stocks and stores in terms of lighting, set and costumes. Importantly, 2012-13 saw the company lay the foundations for a new fundraising strategy to be taken forward by the new Co-Directorship in 2013-14 which aims to diversify the sources of levels of funding for the company's work over the next 3 years.

5. STAFF

Elizabeth Freestone joined the company in January 2012 as the new Artistic Director, following Orla O'Loughlin's move to become Artistic Director of the Traverse Theatre. Elizabeth led her first year's tenure with an outstanding artistic programme. The Executive Director John Moreton retired from Pentabus in December 2012, after 18 years long service to the company. Therein followed a recruitment process for a new Executive Director, which resulted in the appointment of Rachael Griffin, who took up the post in March 2012. In addition, the 2012-13 period saw the company put in place a full time Administrative Intern, initially on a 6 month contract, which began in July 2012. This contract was extended for another 6 months from Jan 2013 onwards. This post has been held by Sarah Hughes for both contractual periods. There were no other staff changes during the year.

6. FUTURE PLANS

Pentabus is moving towards the next three years with a great sense of momentum. The company enters 2013 with a new co-Directorship and ambitious artistic plans underpinned by robust strategic thinking. Pentabus is approaching its 40th anniversary in 2014-15. This provides a platform for exciting artistic ideas, a chance to build the company profile and an opportunity to grow support for the Pentabus of tomorrow. The business plan for 2013-16 is focused on four key business goals to ensure Pentabus is successful in delivering its mission.

Goal 1: Develop and produce the best rural theatre

Pentabus has an exciting and dynamic artistic programme planned. This includes seed funding ideas, commissioning the best writers and touring productions locally and nationally. The company will launch the Pentabus Studio, its new approach to how we develop ideas and artists and also provide opportunities for all types of communities to engage with its work.

Goal 2: Reach more audiences and deepen engagement

The artistic programme is devised to directly benefit rurally based audiences both in Shropshire and in a wider national context. The company will reach wider and more diverse audiences, enabling them to be more involved in and closer to its productions, including implementing new strategies for collecting audience data, and developing a more personalised conversation with our supporters.

Goal 3: Secure financial sustainability and diversify income

Pentabus will strengthen its financial resilience through diversifying income streams and strategic planning of fundraising activities. This will include a targeted approach to trusts and foundations, individual donors, business support and income from hires and sales. Pentabus remains committed to offering audiences the best quality theatre for the best value for money.

Goal 4: Ensure robust and efficient use of all resources

In order to successfully deliver its key goals the company needs to ensure strong organisational management, systems and processes are in place supported by a well functioning board of trustees.

Therefore it will undertake a 360-degree audit of our staffing, resources, partnerships, processes and assets. This will enable Pentabus to further our engagement with local audiences and national artists, brokering fulfilling relationships for and between both.

Planned Artistic Projects for the period include **In This Place**, a site specific audio theatre experience on the Stiperstones Hills examining women's role in shaping the landscape (Sep 2013), **The Husbands** by Sharmila Chauhan, a co-production with Kali Theatre which will tour Arts Centres in spring 2014. In addition, 2013-14 will see us launch our **Young Writers Group** for 16-25 year olds to discover the playwrights of tomorrow, culminating in a Young Writers Festival in 2014-15. Pentabus celebrates its 40th birthday in 2014-15 and will be a flagship year for the company both artistically and in terms of celebratory events. Pentabus will also continue to invest in artistic development of new writers, via development bursaries and advance commissioning new writing over the next 3 years.

7. RESERVES POLICY AND RISK MANAGEMENT

The Trustees review the company's reserves policy on a regular basis. In doing so they seek to make a realistic assessment of the company's requirements in the light of planned future activities and expenditure, likely levels of income and major operational risks.

Unrestricted reserves (i.e. those not represented by fixed assets), totalled £22,486 at the period end, in addition, £5,000 had been placed in a contingency reserve account. The Pentabus board aims to increase the unrestricted reserves to enable the company to maintain a cashflow during times when expenditure has to precede income and to provide a sum equal to the overhead cost of running the company for 3 months and to meet its debts including staff redundancy payments.

There is also a strong commitment from the Pentabus Board to continue to develop the programme and reach of events created by Pentabus and any surpluses generated are intended to sustain such developments.

Having considered the Charity Commission's published guidance in respect of reserves the board feels it is prudent to begin to build a level of reserves to establish a buffer against any decrease in income and to support investment in Pentabus and its work.

To maintain Pentabus's viability in a changing context, reserves will be built to equip the company in the event of necessary IT upgrades, to provide for the under-writing of projects which have unknown future exploitation and for the professional development or re-allocation of human resources for the execution of specific projects requiring skills not currently within the core workforce. The board is mindful of its obligations to balance the need for financial stability with its charitable objectives.

8. BOARD APPOINTMENTS

Changes to the Board of Trustees took place at the November 2012 AGM. Philip Atkinson stepped down as a board member at this time. Kate Organ offered to re-stand as Chair for a further year and this offer was approved unanimously. Ed Collier, Jo Alford and Lyndsey Turner stood down as Directors, complying with the rotational membership system. All 3 were nominated for re-election and appointed. Sean Holmes and Alison Vermees were appointed as new board members at this meeting.

A Trustee recruitment process was approved at the January 2013 board meeting in order to boost board membership and recruit to skills gaps on the current board. Therefore the new Executive Director put in place a Trustee Recruitment pack and advert which went to all relevant advertising channels during March 2013. New board members will be invited to attend future board meetings during 2013-14 with a view to being formally appointed at the next AGM.

A Trustee away day did not take place in 2012-13 but one is planned for 2013-14. Pentabus commits to arranging annual away days where possible to allow Trustees to meet for a longer period of time to update their knowledge of the Company's work and to receive training in appropriate areas.

9. TRUSTEES' RESPONSIBILITIES

The trustees are required by company law to prepare financial statements for each financial year that give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
- d) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.
- e) ensure the charity is complying with the Charity Commission SORP framework

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.


10. PUBLIC BENEFIT

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.

11. SMALL COMPANY RULES

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime in part 15 of the Companies Act 2006, and with the additional information required by the aforementioned SORP.

This report was approved by the Trustees on 20 Nov 2013 and signed on its behalf by

Company Secretary..........Rachael Griffin
Date:

20 Nov 2013

PENTABUS ARTS LIMITED

I report on the accounts of the company for the year ended 31st March 2013 set out on pages 11 to 16.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2012 (the 2012 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Chartered Association of Certified Accountants.

Having satisfied myself that the Charity is not subject to audit under Company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2012 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2012 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes a consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether all accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statements of Recommended Practice: Accounting and reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Beth Norris

Beth Norris F.C.C.A

Fellow of the Chartered Association of Certified Accountants

9 Church Crescent, Pembridge, Leominster, HR6 9HH

Dated: 2013 27. 11. 2013

**Statement of Financial Activities (Including the Income and Expenditure Account) for the
year ending 31st March 2013**

	Note	Unrestricted Funds	Restricted Funds	2013 Total	2012 Total
Incoming resources from generated funds:	1				
Voluntary income:					
Grants from Govt. & Public Bodies		189,752	30,000	219,752	192,252
Other donations		2,386	300	2,686	5,882
Investment income		93	-	93	80
Incoming resources from charitable activities					
performance & other fees		33,743	-	33,743	35,159
other income		480	-	480	120
Total Incoming Resources		226,454	30,300	256,754	233,493
Resources Expended	1				
Costs of generating funds:					
fund raising costs of grants and donations		4,541	-	4,541	6,122
Charitable activities		227,966	29,855	257,821	219,720
Governance costs		5,975	-	5,975	9,371
Total resources expended	2	238,482	29,855	268,337	235,213
Net movement of funds in year	3	(12,028)	445	(11,583)	(1,720)
Transfer to a contingency reserve		5,000	(5,000)	-	-
Total funds brought forward		45,530	11,578	57,108	58,828
Total funds carried forward	8 & 9	38,502	7,023	45,525	57,108

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

Balance Sheet as at 31st March 2013

	Notes	2013	2012
Fixed Assets			
Tangible Fixed Assets	1 & 4	17,739	24,476
Current Assets			
Stocks	1	-	500
Debtors	5	14,377	13,339
Bank		21,545	38,865
		-----	-----
		35,922	52,704
Creditors			
Amounts falling due within one year	6	8,136	20,072
		-----	-----
Net Current Assets		27,786	32,632
		-----	-----
Net Assets		45,525	57,108
		=====	=====
Funds			
Unrestricted	9	33,502	45,530
Contingency reserve	9	5,000	5,000
Restricted	8 & 9	7,023	11,578
		-----	-----
		45,525	57,108
		=====	=====

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime in Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (Effective 2008); were approved by the board on 20.11.13 and signed on its behalf.

For the financial year ended 31st March 2013 the company was entitled to exemption from audit under s477 Companies Act 2006 and no members have deposited a notice under s476 requiring an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with s386 of the Act and for preparing accounts which give a true and fair view of the state of the company as at the end of the financial year and of its surplus or deficit for the 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 accounts, so far as applicable to the company.

Trustee



SEAN HOLMES

Trustee



ALISON VERMEË

Notes to the Accounts for the year ended 31st March 2013

1. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention, with the Companies Act 2006 and applicable accounting standards, and on the basis that the company will continue operating for the foreseeable future. In order to continue operating the company is dependent upon continued receipts of grants from Government and other public bodies, and other grants and donations. The format of the accounts follows that laid down in the Statement of Recommended Practice (SORP) for Charities, issued in 2005 and updated in 2008 and the Financial Reporting Standard for Smaller Entities (FRSSE, effective 2008). The principal accounting policies which the directors have adopted are set out below.

Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when: The donor specifies that the grant or donation must only be used in future accounting periods;

or

The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivable basis.

Fund accounting

Restricted funds are those where the donor has imposed restrictions on the use of the funds.

Unrestricted funds are available to be spent at the discretion of the Trustees in furtherance of the company's charitable objectives.

Resources expended

Expenditure is recognised when a liability is incurred. Costs of generating funds are those costs incurred in attracting voluntary income. Charitable activities include expenditure associated with stage productions and workshops and include both direct and indirect costs relating to those activities. Governance costs include those incurred in the governance of the charity and its assets and are primarily concerned with constitutional and statutory requirements.

All costs are allocated between the expenditure categories above on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on a time or usage basis.

Fixed assets and Depreciation

Fixed assets costing over £1,000 are capitalised. Depreciation is provided at rates calculated to write off the cost of fixed assets over their anticipated useful lives as follows:

Motor vehicles	25% reducing balance basis
Equipment	15% reducing balance basis

Stocks

Stocks are stated at the lower of cost and net realisable value.

Notes to the Accounts for the year ended 31st March 2013

2. Analysis of Total Resources Expended.

	Direct Charitable	Costs of Generating Funds	Governance Costs	Total 2013	Total 2012
Personnel, travel & Accommodation	96,799	4,174	1,391	102,364	92,200
Production and Marketing	133,046	-	-	133,046	115,402
Administration, Property & Legal	18,900	367	1,700	20,967	18,917
Depreciation and Other expenses	9,076	-	2,884	11,960	8,694
	-----	-----	-----	-----	-----
	257,821	4,541	5,975	268,337	235,213
	=====	=====	=====	=====	=====

Staff costs were:

	2013	2012
Wages and Salaries	119,589	93,612
Social Security costs	10,833	8,614
	-----	-----
	130,422	102,226
	=====	=====

The average number of employees during the year, based on full time equivalent, was as follows:

4.57 3.50

The number of employees whose emoluments exceeded £60,000 was nil.

A fee of £500 was paid to one trustee for her work on succession planning, including expenses (2012: nil). Travelling expenses of £197 were paid to trustees (2012: £600).

3. Net Movement of Funds in Year

These are stated after charging:

	2013	2012
Depreciation	3,921	2,533
and after crediting:		
Bank interest	93	80

Notes to the Accounts for the year ended 31st March 2013

4. Fixed Assets

	Motor Vehicles	Technical Equipment	Building Improvements	Total
Cost 1 April 2012	14,144	47,657	41,979	103,780
Disposals	-	(34,719)	-	(34,719)
	-----	-----	-----	-----
At 31 March 2013	14,144	12,938	41,979	69,061
	-----	-----	-----	-----
Depreciation 1 April 2012	707	37,215	41,382	79,304
Disposal	-	(31,903)	-	(31,903)
Charge for the year	2,688	1,143	90	3,921
	-----	-----	-----	-----
At 31 March 2013	3,395	6,455	41,472	51,322
	-----	-----	-----	-----
Net Book Value at: 31 March 2013	10,749	6,483	507	17,739
At 31 March 2012	13,437	10,442	597	24,476
	=====	=====	====	=====

5. Debtors

	2013	2012
Trade Debtors	6,932	4,186
Other Debtors	5,902	4,946
Prepayments	1,543	4,207
	-----	-----
	14,377	13,339
	=====	=====

6. Creditors: Amounts falling due within one year

	2013	2012
Trade Creditors	1,546	5,396
Taxation and Social Security	3,281	5,196
Accruals	3,309	9,480
	-----	-----
	8,136	20,072
	=====	=====

Included in accruals is the Independent Examiner's fee of £2,060, of which £750 is for accountancy work.

7. Share Capital

The company is limited by guarantee and therefore does not have any share capital.

Notes to the Accounts for the year ended 31st March 2013

8. Restricted Funds

	Balance 1.4.12	Incoming Resources	Outgoing Resources	Balance 31.3.13
Foundation for Sports & Arts Fund	557	-	557	-
Arts Lottery Fund 1	944	-	944	-
Arts Lottery Fund 2	2,519	-	1,842	677
Van Replacement Fund	7,558	-	1,512	6,046
Arts Council	-	30,000	30,000	-
Baron Davenport's Charity	-	300	-	300
	-----	-----	-----	-----
	11,578	30,300	34,855	7,023
	=====	=====	=====	=====

The Foundation for Sports and the Arts Fund was established in 1995 when the charity was given an equipment grant by the Foundation.

The Arts Lottery Funds provided grants for the purchase of vehicles and equipment.

The Van Replacement Fund originally received the following grants and donations:

Rowlands Trust	2,000
Shropshire Council	900
Haystack Trust	500
Millichope Foundation	250
Private donations	4,306
and after depreciation the value of the fund is £6,046.	

9. Analysis of Net Assets between Funds

	Tangible Fixed Assets	Net Current Assets	Total 2013
Restricted funds:			
Arts Lottery fund 2	677	-	677
Van replacement fund	6,046	-	6,046
Baron Davenport's Charity	-	300	300
	-----	-----	-----
	6,723	300	7,023
Unrestricted Funds	11,016	22,486	33,502
Contingency Reserve	-	5,000	5,000
	-----	-----	-----
	17,739	27,786	45,525
	=====	=====	=====

The following page does not form part of the statutory accounts

Income and Expenditure Account for the year ending 31st March 2013

Income		
Grants		220,052
Donations		2,386
Production income		31,908
Other fee income		1,835
Interest Received		93
Sale of assets		480

		256,754
Production costs		
Employees' salaries	51,789	
Actors' salaries	45,252	
Other production costs	80,915	
Marketing expenses	6,879	

		184,835
Other costs		
Employees' salaries	33,391	
Employees' other costs	17,184	
Premises costs	6,031	
Insurance	1,326	
Maintenance costs	1,841	
Vehicle expenses	832	
Office running costs	7,596	
Depreciation and loss on disposal	6,737	
Legal and professional fees	7,616	
Board expenses	824	
Bank charges	124	

		83,502

Net deficit for the year		(11,583)
		=====

