

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2007**  
**FOR**  
**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**

**Company Number : 2866315**

**Registered Charity Number : 1035444**

**Meyer Williams**  
**Queen Alexandra House**  
**2 Bluecoats Avenue**  
**Hertford**  
**Herts**  
**SG14 1PB**

TUESDAY



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**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**

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**FOR THE YEAR ENDED 5 APRIL 2007**

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**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 5 APRIL 2007**

**DIRECTORS/TRUSTEES:** J Merrifield  
R Macaulay  
K Tart  
K Wright  
G Clark  
S Scambler  
S Gildroy (Chair)  
J Beddard  
N Rampley  
J Dann  
A Wafula Strike

**SECRETARY:** J Merrifield

**REGISTERED OFFICE:** Great Stony  
Ongar Arts & Education Centre  
High Street  
Ongar  
Essex  
CM5 0AD

**REGISTERED NUMBER:** 2866315 (England and Wales)

**CHARITY NUMBER:** 1035444

**AUDITORS:** Meyer Williams  
Queen Alexandra House  
2 Bluecoats Avenue  
Hertford  
Herts  
SG14 1PB  
REGISTERED AUDITORS

**BANKERS:** National Westminster Bank plc  
279 High Street  
Epping  
Essex  
CM16 4BT

**SOLICITORS:** Raggett, Tiffen and Harries  
157 High Street  
Chipping Ongar  
Essex  
CM5 9JD

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**

**TRUSTEES' REPORT**

**(For the purposes of section 45 of the Charities Act 1993 and Directors' Report for the purposes of section 234 of the Companies Act 1985)**

The Trustees have pleasure in submitting their Annual Report and Financial Statements for the year ended 5<sup>th</sup> April 2007 which is detailed as follows

**TRUSTEES**

The Trustees, who are also directors of the company, and acted throughout the period, except where indicated, are

J Merrifield  
R Macaulay  
K Tait  
K Wright  
G Clark (to stand down 11<sup>th</sup> December 2007)  
S Scambler  
S Gildroy (Chair)  
A Lomax (from 18<sup>th</sup> July 2006 to 25<sup>th</sup> September 2006)  
R Snooks (from 18<sup>th</sup> July 2006 to 11<sup>th</sup> September 2007)  
J Beddard (from 30<sup>th</sup> October 2006)  
N Rampley (from 30<sup>th</sup> October 2006)  
J Dann (from 27<sup>th</sup> November 2006)  
Anne Wafula Strike (from 2<sup>nd</sup> October 2007)

**CONSTITUTION**

Theatre Resource, company number 2866315, is a company limited by the guarantees of the members to a maximum of £1 each. The company is a registered charity, number 1035444. The company gained charitable status on 22<sup>nd</sup> March 1994.

**SPECIFIC INSTRUCTIONS**

There are no specific instructions relating to the operation of the charity, nor are there any specific investment powers.

**COMPANY OBJECTIVES**

The objective of Theatre Resource as stated in the Memorandum and Articles of Association is to 'advance education for the public benefit through the promotion of the arts, particularly but not exclusively for disabled and disadvantaged people'.

**RECRUITMENT, APPOINTMENT AND ELECTION OF TRUSTEES**

The Board identifies and regularly reviews the skills of existing Board Members and any needs of the Board which are not being met by the current membership.

Recruitment is through

- Targeting individuals known to Theatre Resource
- Advertising for applicants through the media and other sources
- 'The Bank of Professionals'

Recruitment is not limited to within the arts field, but reflects the varied needs of the organisation, its creative and capital development. Whilst specific skills may be sought in the recruitment of new members, enthusiasm and vision may also be considered equally valuable.

The Board has established procedures for recruiting and appointing Board members, including initial identification of potential candidates, informal visits or discussions, formal application and interview, consideration by the full Board and, finally, election by a majority of votes.

**POLICY AND PROCEDURES FOR THE INDUCTION AND TRAINING OF TRUSTEES**

Theatre Resource is committed to full induction and ongoing training of Trustees. A comprehensive induction pack and standing orders are in place and are regularly updated to ensure compliance with company and charity law.

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**TRUSTEES' REPORT - Continued**

**ACHIEVEMENT OF OBJECTIVES**

Theatre Resource focuses on promoting the creativity, culture and heritage of disabled people and socially-excluded groups, for the benefit of all

In our work we

- Generate pathways within the arts
- Stimulate high-quality, diverse and experimental project work
- Provide lifelong learning, training and employment opportunities
- Create platforms for the exploration and representation of the cultures and neglected histories of excluded groups
- Initiate informed debate and influence policy-making
- Foster enabling environments
- Advance inclusiveness, accessibility and equality in the wider arts environment, and in the communities in which we live

Theatre Resource manages a strategic programme of 'First Stage' outreach and centre-based projects, which bring together individuals, schools, community groups, social care providers and arts funding bodies. Longer-term 'Developmental Programmes' offer further opportunities to experience high quality cutting-edge arts practice and a comprehensive range of training and CPD (Continuing Professional Development) opportunities support individuals in gaining employment in the arts, both with Theatre Resource and elsewhere. Employment opportunities include workshop leading/teaching, touring professional arts product (e.g. theatre performances), and supported employment schemes.

The company's work takes place in a variety of venues in Essex and Hertfordshire and at its own fully-accessible premises in Chipping Ongar, Essex where the company works to develop the highest standards in accessible venue management. Theatre Resource also undertakes regional and national projects, or projects of national significance, and works with a number of regional and national partners and consortia.

**ORGANISATIONAL STRUCTURE**

**Personnel**

In 2006-2007 the organisation comprised a membership of 10 individuals committed to supporting the aspirations of the organisation. The Members elected a Board of Directors to run the affairs of the organisation. In 2006-2007 the Directors were as detailed on Page 2.

During the year, the Board of Directors employed the following staff team of professional artists, administrators and support workers -

Director / Chief Executive	- Jeff Banks
Creative Director	- Anna Wallbank
General Manager	- Edwina Simpson
Senior Project Worker /Creative Director	- Miriam Lynn
Project Worker	- Lis Blake (to 29 <sup>th</sup> December 2006)
Project Worker	- Sonia Cakebread
Project Worker	- Lisa Maule (from 14 <sup>th</sup> August 2006)
Community Artist	- Beatrice Owen (from 12 <sup>th</sup> June 2006)
Project Worker	- Rob Lee (to 16 <sup>th</sup> April 2006)
Project Worker	- Andrew McLay (from 16 <sup>th</sup> May to 17 <sup>th</sup> August 2006)

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**TRUSTEES' REPORT – Continued**

Personnel -continued

Assistant Project Worker	- Jessica Foster
Project Worker	- Chris Matthews (from 4 <sup>th</sup> July 2006)
Administrator	- Jenny Brooks (to 5 <sup>th</sup> January 2007)
Administrator (temporary)	- Emily Gapes (from 3 <sup>rd</sup> January to 30 <sup>th</sup> March 2007)
Administrator	- Mandy Welchman
Receptionist/Clerical Assistant	- Caroline Weeden
ICT Co-Ordinator	- Rob Smith (from 18 <sup>th</sup> May 2006)
Marketing Co-Ordinator	- Joanna Steele (to 27 <sup>th</sup> February 2007)
Caretaker/Handyman/Cleaner	- Anthony Barrett
Caretaker/Cleaner	- Helen Biscoe
Handyman	- Jack Welchman

## **GOVERNANCE AND STRATEGIC PLANNING**

A continued Board recruitment programme saw three new Board members join the organisation during the year, and Board and staff worked together to develop Theatre Resource's new strategic plan which was approved by the full Board in September 2007. Work continued on the PQASSO quality assurance scheme, and a 'Task & Finish' group of Board and staff members reviewed health and safety.

The year saw a major priority on activities to develop and maintain region-wide networks and consortia to work together to progress common arts and education aims. In particular, Theatre Resource instigated and led Creative Learning in Partnership (CLiP), a consortium of HE, FE and voluntary sector arts education providers across the region who have successfully tendered for funding from the Learning and Skills Council. Arts Buildings with a Disability Focus (ABDiF) was established to lobby for greater recognition of the important role buildings can play in supporting the involvement of disabled people in arts-based practice. In early development is the Disability Arts Alliance for the East of England, a group of key national companies working in disability and the arts to support the development of activity within the region.

Theatre Resource is one of the lead partners in a new Europe-wide network bringing together performing arts organisations working with disabled people, including partners from Italy, Greece, Portugal, the Czech Republic, Sweden and Serbia. A major strategic partnership is being developed with Anglia Ruskin University (see Future Plans).

## **CAPITAL PROJECT**

2006/07 saw considerable progress made with the company's plans to establish the Centre for Arts Disability and Social Inclusion (CeDASI), expanding its arts centre base to include additional teaching spaces, a performance or conference facility, some fully-accessible overnight-stay accommodation and facilities for training and supported employment. Discussions with East Thames Group, a Registered Social Landlord, have centred on a supported housing element that would be available to disabled and socially-excluded adults undertaking longer-term training at the arts centre. Other partners with an interest in the project include Anglia Ruskin University and the Learning and Skills Council (see Future Plans).

Development funding from Futurebuilders England scheme enabled a skills audit of the Board and senior management team, an assessment of public sector funding opportunities, and training in full cost recovery. Architects APT Partnership were commissioned to completely re-design the earlier scheme and a comprehensive programme of public consultation was undertaken in Autumn/Winter 2006/2007, with a planning application anticipated in spring 2008. The company is shortly to appoint capital appeal fundraising consultants to work to secure the major build funding alongside applications to Futurebuilders, Investing in Communities and other opportunities.

## **SIGNIFICANT CHANGES IN ACTIVITIES**

There have been no significant changes in the company's activities during the year.

## **FINANCIAL ACTIVITIES**

All income received by the organisation was committed to achieving its charitable objectives.

In 2006/07, results were similar to the previous financial year, due to a sustained level of programming activity.

In the year, a total of £76,961 was granted by revenue funders (Arts Council England, East, Essex County Council Arts Development, and Epping Forest District Council) towards the core work of the organisation in Essex, Hertfordshire and the eastern region.

**THEATRE RESOURCE LIMITED**  
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**TRUSTEES' REPORT - Continued**

**FINANCIAL ACTIVITIES - continued**

Theatre Resource's own fundraising and income generation activities in respect of its artistic programme in arts in health, arts in social care and disability-related arts raised an additional £401,684 during the year. Major project funding partners were Connexions, European Social Fund (with EEDA, Hertfordshire LSC, Essex and Hertfordshire Community Foundations), Heritage Lottery Fund, Jack Petchey Foundation, Children's Fund Essex and Arts Council England, East (Creative Partnerships programme)

The total raised from hiring facilities at Theatre Resource's arts and education centre in Chipping Ongar was £27,221. The income and expenditure accounts also shows an amount of £21,550 which is the notional 'in kind' rent contribution from the Great Stony School Trust

Salary and wage expenses, including social security costs, for both project and core/building staff, accounted for £258,856 of all expenditure. The direct *external* costs of undertaking the company's project work, i.e. external artists' fees, venue hire, transport and access/facilitation, amounted to £150,263

Building operation, excluding salaries, cost £24,467. Included within the accounts is provision for a full commercial rent of £22,000 (which is offset by an 'in kind' contribution from the landlords, the Great Stony School Trust, counted as building income)

**DESIGNATED FUNDS**

**Capital Repairs and Renewals Fund**

Theatre Resource holds a COIF (Charities Official Investment Fund) Charities Fixed Interest Fund with CCLA Investment Management Ltd, the purpose of which is to cover ongoing capital repairs and renewals of Theatre Resource's premises. It is anticipated that up to 40% of this fund be drawn upon every five years for periodic cyclical repairs / maintenance as necessary (above and beyond annual maintenance) with a higher proportion of up to 70% being drawn upon at 15 yearly intervals for major works during the term of the lease. After six years the fund balance is £31,506. Although no withdrawals were made from this fund in 2006/07 as planned up to 40% of this fund will be released for building maintenance in 2007/08

**RESTRICTED FUNDS**

During the year 2005/06, funds were received from Essex County Council Social Care as a contribution towards the costs of refurbishing the balcony to create an Arts Drop-in for mental health system users. As at 5 April 2007 £7,386 of the fund was still held relating mainly to the cost of equipment acquired in fitting out the area. The capital element of the grant received is being released to the unrestricted general funds over a four year period in line with the depreciation policy of the assets which were capitalized. Other restricted funds include the remaining balances of a Regional Arts Lottery Programme fund (£3,349) and of the Futurebuilders England grant awarded during the year (£3,493)

**UNRESTRICTED RESERVES**

Unrestricted funds are needed for the following purposes

- (a) to provide funds, which can be designated to specific projects to enable these projects to be undertaken at short notice
- (b) to cover administration, fund-raising, staff and support costs without which the charity could not function
- (c) to enable the charity to benefit from fundraising opportunities where a proportion of 'partnership funding' is required which cannot be raised from elsewhere

The directors/trustees consider it prudent that unrestricted reserves should be sufficient

- (d) to avoid the necessity of releasing fixed assets held for the charity's use
- (e) to cover four months' administration, fundraising, staff and support costs

Unrestricted reserves currently stand at £175,989 and are therefore above that range by £65,355

The reserves policy and the level of reserves is monitored and reviewed by the directors / trustees regularly and may be called upon as and when necessary for the uses identified above (a, b or c) or to meet other unforeseen circumstances

**THEATRE RESOURCE LIMITED**  
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**TRUSTEES' REPORT - Continued**

**PROJECT WORK**

2006/07 was a fruitful year for Theatre Resource, with a series of new work programmes and a continued development and refinement of ongoing projects. An outline of some aspects of the project portfolio is given below.

A major new strand of project work began with the Disability History Project, funded by the Heritage Lottery Fund and with support from Colchester Museums. Theatre Resource worked alongside Epping Forest District Museum to explore the history and experiences of those who worked, lived and were associated with Great Stony, the former residential special school which is now the company's arts centre base in Chipping Ongar, Essex. An oral history project, arts workshops with people with disabilities, and artistic commissions interpreting the testimonies given formed the basis of an exhibition – Tales from the Boarders – which is currently touring the eastern region.

Following investment from Essex Mental Health Joint Commissioning and UKOnline, the balcony at Great Stony was refurbished and opened in autumn 2006 as ArtSpace, a drop-in project for mental health system users. Assisted by Theatre Resource artists and volunteer Co-Ordinator Paul Oddi, users participated in visual art, creative writing, or pottery, made use of PCs and an iMAC equipped with art and design software such as Photoshop, or were able simply to relax with a coffee. ArtSpace is open regularly twice a week and is free to participants.

Support from the Children's Fund made possible the Discover project, a two-year programme of arts opportunities for young people in Essex, particularly those 'at risk' or who have experience of social services and/or disabilities. The programme included taster arts workshops and a residential art weekend. Theatre Resource also again ran its well-established and highly-successful residential Wicken Performing Arts Courses in August and December 2006.

Theatre Resource continued to work with Anglia Ruskin University and Screen East to run the Creative Industries Business Improvement Partnership (CIBIP), funded through EEDA and the European Social Fund. The programme supported individual artists and small creative businesses with training needs analysis, small training bursaries, mentoring and a range of networking and training events. Links were made with the FE and HE sectors, and the project partners were successful in obtaining some continuation funding to enable the project to extend into early 2008.

The company was heavily involved in Arts Council England's Creative Partnerships programme, as part of which it continued its work to develop a school story with students with disabilities at Pioneer School in Basildon. New partnerships began with Beacon Hill School in Thurrock, where artists, pupils and staff worked together to explore the story of The Odyssey by Homer, and at Treetops School in Grays, where pupils with disabilities used a variety of artforms to explore communication and identity.

There were further formal training opportunities in the year for both adults and young people. Members of The Business, Theatre Resource's arts training project for adults with learning disabilities, were involved in the 'What Matters Is' performance project commissioned by the Essex Parent Partnership Service and the Essex Forum for Support Groups, and were also employed as assistants on other projects for Theatre Resource. The second part of an accredited Workshop Leader Training project for young people took place in September 2006, and the ever-popular Boost programme included one-day training sessions on disability equality, multimedia and digital arts, artwork with children and young people, working with unaccompanied minors and young asylum seekers, and child/vulnerable adult protection.

Drama and graffiti workshops were again the chosen artforms for the second year of Getting StARTed, a major programme aimed at people with physical and/or sensory disabilities, mental health service users, young parents, young homeless people and looked after young people living in Hertfordshire. The project was funded by the European Social Fund and Hertfordshire Learning and Skills Council and included both taster events and weekend residencies.

Theatre Resource ran three weekly Youth Theatre sessions at Great Stony for young people aged 6 to 18. In addition, Here and Now, the company's innovative project for unaccompanied minors from Afghanistan, Iran, Iraq, Kurdistan and China living in Hertfordshire and Essex, continued with further workshops and will result in a DVD of music, storytelling and animation.

As part of the Being Here project, the company worked with students at the Priory Pupil Referral Unit in Southend to develop confidence, self-esteem and presentation skills through drama and animation. Project partners Momentum Arts, Arts Council East and Southend Borough Council worked on this three-year arts-led regeneration programme in Southend-on-Sea, Essex, which aimed to enable young people (11-25 year-olds) to engage with local issues and develop life and community leadership skills through high-quality arts practice.



**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**TRUSTEES' REPORT – Continued**

**PROJECT PARTNERS 2006/2007**

Action in Mental Health, Loughton  
Aldwyck Housing Charity  
Anglia Ruskin University  
Arts Council England, East  
Basildon & Southend Positive Futures  
Basildon Mind  
Braintree Foyer  
Brentwood Foyer  
Brentwood Mind  
City College Norwich  
Colchester Arts Centre  
Colchester Institute  
Colchester Museums  
Connexions EST  
Creative Arts East  
Creative Partnerships Thames Gateway and Tendring  
East 15 Acting School (University of Essex)  
Epping Forest District Council - Epping Forest Arts and Epping Forest District Museum  
Epping Forest PCT  
Escape Artists  
Essex Coalition of Disabled People  
Essex Community Foundation  
Essex County Council Arts Development  
Essex County Council Social Care Services - Children and Family Services, Community Care Services, Learning Disability Services, Leaving and Aftercare Teams, Traveller Education Services  
Essexdance  
Essex Forum for Support Groups  
Essex Mental Health Joint Commissioning Team  
Essex Parent Partnership Service  
Essex RAD  
Essex Youth Service  
The Garage, Norwich  
Hertfordshire County Council - Children Schools and Families service, Adult Care Services and Libraries and Information Services  
Hertfordshire Learning & Skills Council  
Holton Lee  
Ilford Pupil Referral Unit  
Inspire  
Kettle's Yard, Cambridge  
Kings Lynn Arts Centre  
Luton Hat Factory  
Momentum Arts  
National Deaf Children's Society  
Norfolk County Council  
Ongar Town Council  
Orpheus Centre  
Rainer Foundation  
Richard Attenborough Centre  
Rise at Rethink Southend  
SAVS Southend  
Screen East  
Signals Media Arts  
SNAP Theatre / Theatre Is  
Southend on Sea Borough Council  
Southend Pupil Referral Unit  
Southend Youth Offending Team

**THEATRE RESOURCE LIMITED**  
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**TRUSTEES' REPORT – Continued**

**PROJECT PARTNERS 2006/2007 -continued**

Suffolk Artlink  
Teenam  
Thurrock MIND  
UKOnline / UFI  
Voluntary Sector Training  
Welwyn & Hatfield PCT  
Youth Plus, Ongar

**OTHER ACTIVITIES AT THEATRE RESOURCE'S ARTS CENTRE BASE**

The arts centre again welcomed an inspiring mix of classes, sessions and meetings being run by local arts and education providers and other organisations. Art, pottery, crafts and meditation were popular regular activities, and 2006/07 saw the introduction of new music activities for toddlers, while Premiere Dance now operates regularly on a Saturday morning. A new yoga class has also been well supported, and training sessions have been run by organisations including Voluntary Sector Training, Essex County Council and local company Noble and Taylor. The centre also provides a venue for regular meetings of local community groups including the Ongar Wildlife Society and Ongar Flower Club.

Two performances were again promoted jointly with Ongar Town Council through the Essex on Tour scheme, hosted and supported by Essex County Council and with additional support from Epping Forest District Council. Pickled Image performed their 'Chatterbox' show for children and families in the autumn, and were followed by Mike Piggott's Hot Club Trio in 'Grappelli – A Celebration' in January 2008, which brought in jazz enthusiasts from far and wide. Great Stony was also pleased to support research and development work on a dance piece by Robert Clark and Vidal Bini, and also hosted a brass band concert presented by Ongar Rotary Club.

Regular drop-in sessions were again run on Thursdays and Saturdays in the ICT Workshop, a UK Online Centre, where visitors can be supported to learn basic computer skills, including internet access, or gain an insight into digital arts techniques.

Three editions of 'What's On', an arts and education events listing for venues in Ongar, were again produced on behalf of the Great Stony School Trust with the assistance of funding from Ongar Town Council.

**FUTURE PLANS**

The company's capital project continues to be a major focus in the thrust to develop new learning pathways for emerging artists at all levels. A strategic partnership with Anglia Ruskin University, building on successful joint work on the CIBIP programme and other initiatives, is expected to make strong progress in the next 18 months. Through this partnership, it is hoped Theatre Resource/ CeDASI will deliver a series of new degree-level courses, including both 'onsite' courses (delivered in conjunction with Anglia Ruskin's Chelmsford campus) and 'offsite' or distance learning courses (each of which will include one or more short residential plenary courses). The focus of these courses will be on advancing disability, arts and social inclusion nationally and internationally, within a recognised centre of excellence.

Theatre Resource will continue to engage with senior officers from the Learning and Skills Council to explore commissioning opportunities at Level 2/3 for educational courses and programmes with disabled people and other socially-excluded communities, in particular relating to long-term commissioning post completion of the capital development. There is significant interest in commissioning educational activities for longer term residents and LSC is supporting research and development work with a view to establishing the centre as either a national centre for disabled people entering employment in the arts or creative industries or ancillary service areas, or as a regional / sub-regional resource.

**SOCIAL AUDIT**

Theatre Resource is actively exploring the inclusion of an element of 'social audit' in future annual reports. Social auditing is "the process whereby an organisation can account for its social performance, report on and improve that performance. It assesses the social impact and ethical behaviour of an organization in relation to its aims and those of its stakeholders" (New Economics Foundation). The key to this is that the 'audit' is undertaken by an independent assessor who signs off an annual report which is included in the main annual accounts. Information on our performance in respect of all the key outcomes will be recorded in our annual accounts through this 'social audit' process.

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**TRUSTEES' REPORT – Continued**

**TRUSTEES' RESPONSIBILITIES**

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 company and of its financial activities for that year. 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
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue to operate

The Trustees are responsible for ensuring proper accounting records are kept which disclose with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**RISK MANAGEMENT**

The Trustees have considered and continue to consider the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate those risks.

**STATEMENT AS TO DISCLOSURE OF INFORMATION**

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a Trustee and Director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Meyer Williams be reappointed as auditors to the company will be put to the Annual General Meeting.

**SIGNED ON BEHALF OF THE TRUSTEES**



Dated

11/12/07

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**  
**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**

We have audited the financial statements of Theatre Resource for the year ended 5 April 2007 on pages 11 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, 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 charity'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 charity and the charity'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 described in the Statement of Trustees' Responsibilities the charity's trustees (who are also the directors of Theatre Resource for the purpose of company law) are responsible for the preparation of the financial statements in accordance with applicable law, United Kingdom Accounting Standards and the Charities Statement of Recommended Practice (United Kingdom Generally Accepted Accounting Practice).

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. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the 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 trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. 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**

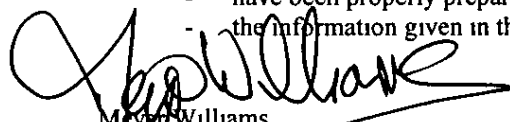
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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.

**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 charity's affairs as at 5th April 2007 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
- the information given in the Trustees' Report is consistent with the financial statements

  
Myra Williams  
Queen Alexandra House  
2 Bluecoats Avenue  
Hertford  
Herts  
SG14 1PB  
REGISTERED AUDITORS

Dated

17th December 2007

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 5 APRIL 2007**

	<u>Note</u>	<u>Unrestricted General Funds</u> £	<u>Designated Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 2007</u> £	<u>Total Funds 2006</u> £
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from charitable activities:</b>						
Project income	2	-	-	401,684	401,684	433,574
Revenue funding	3	76,961	-	-	76,961	74,991
Income from grants	4	-	-	15,000	15,000	42,200
Building income		47,761	-	1,010	48,771	51,435
<b>Incoming resources from generated funds:</b>						
Investment income		3,912	-	-	3,912	2,084
Other incoming resources		5,312	-	-	5,312	1,892
<b>Total Incoming Resources</b>		<u>133,946</u>	<u>-</u>	<u>417,694</u>	<u>551,640</u>	<u>606,176</u>
<b>RESOURCES EXPENDED</b>						
Charitable activities		103,087	-	397,968	501,055	514,799
Governance costs		7,326	-	24,780	32,106	18,638
<b>Total Resources Expended</b>	5	<u>110,413</u>	<u>-</u>	<u>422,748</u>	<u>533,161</u>	<u>533,437</u>
<b>Net incoming/(outgoing) resources for the year before transfers</b>		23,533	-	(5,054)	18,479	72,739
Transfers between funds		10,062	4,212	(14,274)	-	-
<b>Net incoming/(outgoing) resources Before recognised gains and losses</b>		<u>33,595</u>	<u>4,212</u>	<u>(19,328)</u>	<u>18,479</u>	<u>72,739</u>
<b>Other recognised gains and losses</b>						
Unrealised gain on investment		-	68	-	68	1,503
<b>Net Movement in Funds</b>		<u>33,595</u>	<u>4,280</u>	<u>(19,328)</u>	<u>18,547</u>	<u>74,242</u>
Total funds brought forward as at 6 April 2006		110,888	27,226	33,556	171,670	97,428
<b>Total funds carried Forward as at 5 April 2007</b>		<u>144,483</u>	<u>31,506</u>	<u>14,228</u>	<u>£190,217</u>	<u>£171,670</u>

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

The notes on pages 14 to 19 form part of these financial statements

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 5 APRIL 2007**

		<u>5.4.07</u>	<u>5 4 06</u>
	Notes	£	£
<b>TURNOVER</b>		<b>547,728</b>	604,092
Direct costs		<u>501,055</u>	<u>514,799</u>
		46,673	89,293
Administrative expenses		<u>32,106</u>	<u>18,638</u>
<b>NET INCOMING RESOURCES</b>	8	<b>14,567</b>	70,655
Interest receivable and similar income	9	<u>3,912</u>	<u>2,084</u>
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>18,479</b>	72,739
Tax on surplus on ordinary activities	10	<u>-</u>	<u>-</u>
<b>SURPLUS FOR THE FINANCIAL YEAR</b>		<u><b>£ 18,479</b></u>	<u><b>£72,739</b></u>

**INCOME AND EXPENDITURE**

Total income (including investment income) comprises £133,946 for unrestricted funds and £417,694 for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities and Notes 2, 3 and 4.

A detailed analysis of the expenditure is provided in the Statement of Financial Activities and Notes 5 and 6.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 11, which together with the notes to the accounts on pages 14 to 19, provides full information on the movements during the year on all funds.


None of the company's activities were acquired or discontinued during the current and previous year.

The notes on pages 14 to 19 form part of these financial statements

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**BALANCE SHEET AS AT**  
**5 APRIL 2007**

		5.4.07		5 4 06	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	11		16,405		36,594
<b>CURRENT ASSETS:</b>					
Debtors	12	66,129		121,254	
Investments	13	31,506		27,226	
Cash at bank		<u>131,143</u>		<u>147,456</u>	
			228,778	295,936	
<b>CREDITORS: Amounts falling due within one year</b>	14		<u>54,966</u>	<u>160,860</u>	
<b>NET CURRENT ASSETS:</b>			<u>173,812</u>		<u>135,076</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£ 190,217</u>		<u>£171,670</u>
<b>RESERVES:</b>					
Restricted funds	19		14,228		33,556
Designated funds - Capital repairs and renewals fund	18		31,506		27,226
General fund - unrestricted			<u>144,483</u>		<u>110,888</u>
<b>TOTAL CHARITY FUNDS</b>	20		<u>£ 190,217</u>		<u>£171,670</u>

ON BEHALF OF THE TRUSTEES:



Approved by the Trustees on

11/12/07

The notes on pages 14 to 19 form part of these financial statements

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2007**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements are prepared under the historical cost convention and are in accordance with the Companies Act 1985 and the Statement of Recommended Practice Accounting and Reporting by charities issued in March 2005

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

**Tangible fixed assets**

Individual fixed assets costing £250 or more are capitalised at cost

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

Fixtures and fittings                      - 25% on cost

**Limited by Guarantee**

The company is limited without share capital. In the event of the company being wound up, each member is liable to contribute to the payment of debts and liabilities of the company as may be required, not exceeding £1

**Investments**

Investments are stated at market value. Unrecognised gains and losses on the investment asset are recognised in the Statement of Financial Activities

**Fund accounting**

Funds held by the charity are either

*Unrestricted general funds*- these are funds, which can be used in accordance with the charitable objects at the discretion of the trustees

*Designated funds*- these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects

*Restricted funds*- these are funds that 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 a particular restricted purpose

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

**Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred, and irrecoverable VAT is included with the items of expense to which it relates

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity



**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2007**

1 **ACCOUNTING POLICIES continued...**

**Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations, grants and funds received for specific projects and subject to specific wishes of the donors are credited to the relevant restricted fund. When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods. The capital element of grants received towards the cost of acquiring fixed assets are released to the unrestricted reserves over a four year period in line with the depreciation policy of the fixed assets capitalised. Other income received for the general purpose of the company is credited to the general fund.
- Investment income is included when receivable.

2 **SOURCES OF MATERIAL PROJECT INCOME**

	Unrestricted Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
Project grants	-	354,124	354,124	374,314
Fees from organisations	-	35,486	35,486	54,587
Fees from participants	-	12,074	12,074	4,673
	-	401,684	401,684	433,574

3 **SOURCES OF MATERIAL REVENUE FUNDING**

	Unrestricted Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
ECC Arts Development	18,222	-	18,222	17,812
Arts Council England, East	54,539	-	54,539	53,079
Epping Forest D C	4,200	-	4,200	4,100
	76,961	-	76,961	74,991

4 **SOURCES OF MATERIAL GRANTS**

	Unrestricted Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
Futurebuilders - Capital funding	-	15,000	15,000	-
Essex CC - Capital funding	-	-	-	40,000
Herts LSC - Grant	-	-	-	2,200
	-	15,000	15,000	42,200

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2007**

**5 TOTAL RESOURCES EXPENDED**

	Charitable activities 2007 £	Governance costs 2007 £	Charitable activities 2006 £	Governance costs 2006 £
<b>Costs directly allocated to activities</b>				
Project expenses	150,263	-	193,084	-
Depreciation	20,506	-	18,014	-
Consultancy fees	1,504	12,447	1,504	-
Core marketing	5,310	-	7,543	-
Auditors remuneration	-	4,171	-	4,259
Legal and professional fees	283	558	441	-
Recruitment costs	5,033	-	475	-
Insurance	1,182	-	-	-
<b>Support costs allocated to activities</b>				
Salaries and NHI	245,583	13,273	211,103	12,717
Premises costs	60,524	-	70,696	-
Office services and supplies	6,861	-	6,234	-
Other costs	4,006	1,657	5,705	1,662
	<u>501,055</u>	<u>32,106</u>	<u>514,799</u>	<u>18,638</u>

Premises costs incorporate a notional charge of £21,550 in respect of rent. This has been brought in to reflect the difference between the true commercial rent due for the premises, as advised by Mass & Co – Chartered Surveyors, the sum of £22,000, and the amount physically paid - £450pa to The Great Stony School Trust as stated in a 99 year lease dated 11 August 1999. The additional charge has been reflected as a donation within Building income.

**6 TURNOVER**

The turnover and surplus before taxation are attributable to the one principal activity of the company

**7 STAFF COSTS**

	5.4.07	5 4 06
The cost of employing staff was	£	£
Wages and salaries	238,067	221,292
Social security costs	20,789	18,417
	<u>258,856</u>	<u>239,709</u>

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

	5.4.07	5 4 06
Administration and project workers	23	20

No employee's emoluments exceeded £60,000 during the year

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2007**

**8 NET INCOMING RESOURCES**

The net incoming resources is stated after charging

	5.4.07	5 4 06
	£	£
Depreciation - owned assets	20,506	18,014
Auditors' remuneration - audit services	4,171	4,259
- non audit services	<u>165</u>	<u>411</u>

**9 INTEREST RECEIVABLE AND SIMILAR INCOME**

Deposit account interest

	5.4.07	5 4 06
	£	£
	<u>3,912</u>	<u>2,084</u>

**10 TAXATION**

The company's activities fall under the exemption given by the Inland Revenue to charities, consequently no liability to UK Corporation tax has arisen on the ordinary activities of the company, neither for the year ended 5 April 2007 nor for the year ended 5 April 2006

**11 TANGIBLE FIXED ASSETS**

**Fixtures, fittings  
and equipment**

£

**COST:**

At 6 April 2006  
Additions

143,069  
317

At 5 April 2007

143,386

**DEPRECIATION:**

At 6 April 2006  
Charge for year

106,475  
20,506

At 5 April 2007

126,981

**NET BOOK VALUE:**

At 5 April 2007

£16,405

At 5 April 2006

£36,594

All the above assets are used for charitable purposes

**12 DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

Trade debtors  
Prepayments and accrued income

	5.4.07	5 4 06
	£	£
	66,129	106,019
	<u>-</u>	<u>15,235</u>
	<u>£ 66,129</u>	<u>£121,254</u>

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2007**

**13 CURRENT ASSET INVESTMENTS**

	<b>5.4.07</b>	<b>5 4 06</b>
	<b>£</b>	<b>£</b>
COIF fixed interest fund		
At 6 <sup>th</sup> April 2006	27,226	21,712
Additions	4,212	4,011
Net unrealised gain	<u>68</u>	<u>1,503</u>
At 5 <sup>th</sup> April 2007	<u><b>£31,506</b></u>	<u><b>£27,226</b></u>

Current asset investments are stated at market value

**14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>5.4.07</b>	<b>5 4 06</b>
	<b>£</b>	<b>£</b>
Trade creditors	14,674	82,304
Social security and other taxes	5,959	4,814
Deferred income	26,786	69,234
Accruals	<u>7,547</u>	<u>4,508</u>
	<u><b>£ 54,966</b></u>	<u><b>£160,860</b></u>

**15 DEFERRED INCOME**

	<b>5 4 07</b>	<b>5 4 06</b>
	<b>£</b>	<b>£</b>
At 6 <sup>th</sup> April 2006	69,234	66,218
Amount released to incoming resources	(69,234)	(66,218)
Amount deferred in the year	<u>26,786</u>	<u>69,234</u>
At 5 <sup>th</sup> April 2007	<u><b>£ 26,786</b></u>	<u><b>£69,234</b></u>

Deferred income comprises of grants received in advance which the donor has specified must be used in future accounting periods

**16 RELATED PARTY DISCLOSURES**

No trustee received any remuneration from the company in the current or previous year. In the year three (2006 five) trustees received reimbursement of expenditure incurred in respect of the charities activities amounting to £565 (2006 £1,435)

The Great Stony School Trust as mentioned in Note 6 is a registered charity and two of its trustees are also on the board of trustees in this company

**17 RECONCILIATION OF MOVEMENTS IN FUNDS**

	<b>5.4 07</b>	<b>5 4 06</b>
	<b>£</b>	<b>£</b>
Surplus for the financial year	18,479	72,739
Unrealised gains on investments	<u>68</u>	<u>1,503</u>
<b>NET ADDITION TO FUNDS</b>	<b>18,547</b>	<b>74,242</b>
Opening funds	<u>171,670</u>	<u>97,428</u>
<b>CLOSING FUNDS</b>	<u><b>£ 190,217</b></u>	<u><b>£171,670</b></u>

**THEATRE RESOURCE LIMITED**  
**(Limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2007**

**18 UNRESTRICTED DESIGNATED FUNDS**

	Balance at 6 4 06 £	New designations £	Utilised/ Released £	Balance at 5.4.07 £
Capital repairs and renewal fund	<u>27,226</u>	<u>4,280</u>	<u>-</u>	<u>31,506</u>

The Capital repairs and renewal fund was created to provide for future anticipated major building costs

**19 RESTRICTED FUNDS**

	Balance at 6 4 06 £	Movement in funds		Transfers	Balance at 5 4 07 £
		Incoming Resources £	Resources Expended £		
Project work	-	401,684	(401,684)	-	-
Building grants	-	1,010	(1,010)	-	-
Capital Refurbishment fund	15,237	-	(7,851)	-	7,386
Regional Arts lottery Programme	17,623	-	-	(14,274)	3,349
Herts LSC – Consultation fees	696	-	(696)	-	-
Futurebuilders- Consultancy fees	-	15,000	(11,507)	-	3,493
	<u>33,556</u>	<u>417,694</u>	<u>(422,748)</u>	<u>(14,274)</u>	<u>14,228</u>

During the year £15,000 was received from Futurebuilders England as a contribution towards the costs of ensuring that the charity has the governance and management skills to support the planned expansion

The Capital element of grants received is being released to the unrestricted general funds over a four year period in line with the depreciation policy of the assets which were capitalised and is included within the transfer between funds

**20 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible Fixed Assets £	Current Asset Investments £	Net Current Assets £	Cash at Bank £	Total £
Restricted funds	1,675	-	-	16,110	17,785
Designated funds	-	31,506	-	-	31,506
General funds	14,730	-	11,163	115,033	140,926
	<u>16,405</u>	<u>31,506</u>	<u>11,163</u>	<u>131,143</u>	<u>190,217</u>

**21 ULTIMATE CONTROLLING PARTY**

The company had no ultimate controlling party during the current or previous year