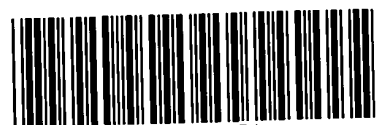


NORWICH PUPPET THEATRE TRUST LIMITED
(A company limited by guarantee)

UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

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NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2017

Trustees

N C Hopkins, Chair
M Pitman
D-L J Pinching
M Catlin
S Hanna – resigned 22 June 2016
N Gray, Honorary Treasurer
L Jennings - resigned 9 March 2017
T Bell
M Chandler - appointed 4 January 2017
P Roffe - appointed 4 January 2017
P Beck - appointed 1 August 2017
L Maclean – appointed 1 August 2017
S Whewall – resigned 26 June 2016

Company registered number

01243558

Charity registered number

271041

Registered office

St James, Whitefriars, Norwich, NR3 1TN

Company secretary

I B Woods

Independent Examiners

Larking Gowen, King Street House, 15 Upper King Street, Norwich, NR3 1RB

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2017

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their annual report together with the financial statements of Norwich Puppet Theatre Limited for the year 1 April 2016 to 31 March 2017. 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), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

The primary objective of the company is to promote, maintain, improve and advance education, particularly by the production of puppet shows, educational plays and the encouragement of the Arts, including the arts of drama, mime, dance, singing and music.

The company currently owns 18 puppet shows in its archive, presents a varied program of shows from a range of leading, visiting puppeteers and is actively, through workshops and tours, maintaining and improving the education of the local community.

In shaping the objectives and planning the activities, the trustees have complied with the duty as stated in Section 17 of the Charities Act 2011 and considered the Charity Commission's guidance on Public Benefit, including the guidance on public benefit and fee charging. The theatre relies on grants and the income from fees to cover its operational costs and gives due consideration in the setting of fees, charges and concessions.

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

The board of directors (The Trustees) has overall responsibility for the company's strategy and performance, and to set operating plans and budgets. They also undertake decisions regarding capital investment, employment and salary levels. All substantive expenditure decisions are ratified by the board of directors.

There has been a further refresh of Trustees on the board of directors since April 2016. 3 directors have asked to stand aside in the year, and 4 have been appointed, with special interests in media and heritage, arts leadership and corporate relations. In the current year, a further local performer has agreed to become a trustee, strengthening our arts leadership and performer perspectives. These have helped form an Artistic Steering group to provide arts policy leadership. We continue to benefit from observer insights into arts management and fundraising, and seek to attract a trustee from the arts and higher education sector perspective.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2017

The day to day running of the theatre has changed since the former Director left the company. From April 2016 the company executive management was directly controlled by an Executive Committee of the Chair of Trustees (on a voluntary basis), the Operations Manager and the Financial Controller. These latter two formed the core team with the Venue Manager, a new Marketing Intern, and the Education and Workshop Coordinator. These were supported by freelance services added to the Education and Outreach team, a Fundraiser and a Tour Management and Sales team. This team has more effective day-to-day responsibility for financial management and operations – as defined in the Financial Procedures of the Company - as well as all matters pertaining to health and safety.

As ever, the operations are made possible by our dedicated team of variously skilled volunteers.

Throughout 2016-17, the Executive Committee has been responsible for proposing to the Board business direction, planning and budgets, and has taken responsibility for all staff, reporting directly through the chair of the Board on staff matters. The Operations Manager has taken the lead in programming, and operational management oversight of marketing, education and outreach. The Financial Controller has directed the financial management and with the Operations Management the financial forecasts and planning for the organisation. Other staff have led in their respective areas with increasing devolution of planning and budgetary responsibilities.

Through this strong team, the committee has been able to assure the Board that the theatre adheres to the objects of the charity.

c. Review of activities

The theatre has demonstrated that it has been able to continue to provide a full range of performances and workshops at and from our base in St James, Whitefriars. In the year April 2016-March 2017 the Company has had over 25,000 people – both at the Theatre and on tour - watching a show or participating in a workshop, and for the first time for many years have taken one of our productions overseas.

Our main touring show for 2016-17 was *The Tinderbox*, first created in 2012. This revival had the benefit of only having to recast one of the puppeteer roles and as such was able to be re-rehearsed in a shorter period of time than would have been otherwise possible. Also by using performers who lived locally costs were further controlled so, for example, there were no additional accommodation costs.

The tour saw the show being performed in 19 venues across the country and 15 schools in Norfolk and Suffolk to popular and critical acclaim "*An enchanting tale that's full of magic moments*" - Eastern Daily Press.

In addition to *The Tinderbox* we continued to tour *Thumbelina* and *the Pied Piper* with a further 18 performances at schools and venues between them.

We were very excited to be able to accept the invitation from venues in Hong Kong and Macau for performances of *Three Colours* over the Christmas and New Year periods. This was the first time for some years that we had toured internationally so there were some lessons to be learned from shipping a show half

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2017

way round the world, but all went well and the team was able to adapt to the three performance spaces. The show is without words and explores the three colours of light in a gentle and accessible way for children aged 2 and over and as such is most suitable for audiences where English is not their first language.

Subsequent to these performances we have received another booking for October 2017 for the show to appear in the Shanghai Children's Festival, and the shipping process has been much more straightforward using the knowledge gained. Not only do these tours contribute to the running costs of the Theatre, but they also raise awareness of the Puppet Theatre and Norwich in an international context. We are very proud of this exporting and ambassadorial role for Norwich and Norfolk.

A further mini-Manipulate adult theatre festival was held in January-February in conjunction with Animation Scotland, and this was popular with audiences and financially successful.

Alongside the productions our regular programme of workshops continues in the theatre and in our outreach work. These sessions provide creative opportunities for children from 2 years, through families to adults and over 1600 individuals have attended the 91 events in the Theatre alone.

The core financial support from various funders has enabled us to embark upon a series of significant new projects working with disadvantaged groups in the County. One of these is *Voice of the Child* which has been supported by the Shelroy Trust and the Aviva Community Fund (the latter secured through a combination of popular vote and jury panel) and has seen us working with the client group of Norfolk Children Services in the school holidays. This group of children and guardians – including birth and foster parents – are often excluded from participating in cultural and creative activities in the holidays due to financial constraints and personal confidence. The idea of this project has been to encourage participation in these free sessions firstly at the Children Services office building and, as confidence and understanding has grown, at the Theatre itself. The funding for this project is only for twelve months but because of its success we are actively seeking additional sources of funding to enable it to continue.

The second project will be starting with the new school year and is supported by the Ragdoll Foundation. This will see us working with a cluster of schools in north Norfolk in the Stalham area where the children are geographically isolated from participation in the arts through the poor transport links and also financial and social deprivation. During the next two terms each child will enjoy performances of Norwich Puppet Theatre productions, creative puppet making sessions leading to making their own performances which they will share with their peers and parents.

These and other similar projects have extended our reach, but also were in danger of putting a strain on our small and dedicated staff. As such we are delighted to have strengthened capacity by recruiting an additional part-time Creative Learning Coordinator who is providing valuable educational input as a part-time supply teacher. We have been able to secure additional funds to secure her post through to the end of the financial year and currently have an application in place with the Trusthouse Charitable Foundation to extend this for a further year.

In addition to these outreach projects our future plans will see the touring of *The Steadfast Tin Soldier* through to December when the show will then be performed at the Theatre for Christmas, and as already mentioned *Three Colours* will be doing a short tour to Shanghai in October.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2017

We continue to have a good working relationship with our local authorities – Norfolk County Council and Norwich City Council – who despite continued challenging economic times have been able to support us at the same financial level in 2017-18 as they did in the previous financial year.

d. Management Analysis and Strategic Forward Look

As the accounts 2016-17 show, the Company has enjoyed considerable success in confronting the challenges of the economic environment with a balance of vigorous planning, management and fundraising, overseen with cautious control. As well as successful in-house and tour management and marketing, the Company secured both project and core grant funding, as well as other fundraising activities. Fundraising progress has been enhanced with the help of an experienced freelance fundraiser, and there has been a very active campaign of core and project applications which will help to move the Theatre forward through the financial challenges and constraints that typically face all small arts charities. We are therefore particularly grateful for the substantial support of Town Close Estates Charity, Ragdoll Foundation, Paul Bassham Trust, Martin Laing Foundation, Geoffrey Watling Trust, Aviva Community Fund and many others, including, more recently, Garfield Weston Foundation.

The financial performance of our charitable activities is a significant achievement in this challenging year. Revenues generated in this way are up from £168k to £178k with fewer staff. Establishment and administrative costs have been robustly held in steady state, and direct costs significantly reduced. Our fundraising successes have secured £103k despite the non-continuation of £50k per annum from Monument Trust in the 2016 Fundraising total of £102k. The theatre owes a huge debt of gratitude to its supporters in this period. a significant achievement in audience engagement, marketing and sales, tight financial control and fundraising which provided a strong foundation for the business plan for 2017-18. It has enabled us to maintain the theatre's profile and productivity in delivering educational and artistic benefits from its work to community beneficiaries.

The accounts recognise the help to cash flow provided in the form of a loan from N Hopkins (Chair of Trustees) and his wife Mrs K Jewell, which originally acted as a guarantee for costs of the Far East tour to Hong Kong and Macau, and they have kindly agreed to defer repayment until our financial strength develops further.

In addition, the theatre has complied with Auto-enrollment Pensions legislation from its staging date in February 2017 and has absorbed the additional contributions to participating staff.

The Trustees actively monitor financial performance on a rigorous monthly basis, and whilst this summary view of company performance shows a measure of organizational efficiency, the Trustees also recognise that the Company trading at current levels does not generate sufficient income to cover core costs of a building based operation. The Company is therefore dependent upon strategic injections of core funding in the form of grants from public bodies and charitable trusts and foundations, supplemented by support from others.

A successful event enabled by the kind invitation to use the Bishop's Garden in the summer of this financial year generated some £3,789.

NORWICH PUPPET THEATRE TRUST LIMITED

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2017

The Company has responded to the ongoing need to explore a range of strategic options and to expand the diversified revenues from hires; membership schemes, wedding venue and venue hire income and merchandising, as well as fundraising events. These are a particularly efficient source of revenues, with a significant proportion of the Company's internally generated contribution to overhead building, staffing and central costs.

The Company has recently developed important sub-committees to address its needs for appropriately qualified artistic oversight and also in stakeholder appeals, venue and income diversification and corporate relations. These are, respectively, the Artistic Steering Group and Fundraising Sub-Group. They are making a valuable contribution to planning our future Artistic developments and increasing the reach and effectiveness of new initiatives for commercial sponsorship, fund-raising and even greater use of our venue for revenue generation.

The Trustees continue to take the view our financial outlook remains challenging but that this arises less from any weakness in the Theatre's value to the art form and its community, and more from the general downward pressures experienced by many arts organizations in public and charitable trust funding, including the key funding stream from The Monument Trust coming to an end.

The Company does not receive regular Arts Council funding through the National Portfolio and has not done so since 2008. NPT has twice applied for NPO in the past without success and did not feel in a strong position to put a bid forward to the most recent round given the competition in the region and the delicacy of our position/business case. Our judgement is that our resources are better spent ensuring that we are in a position to be encouraged to bid in four years' time.

As we look ahead beyond 2016-17 to the year ending March 2018, we are very pleased to forecast a break even situation or better. We continue to make the case for support for NPT as part of the puppetry infrastructure in the UK with its purpose-made facilities for the performance and development of puppetry and have developed our relationships and partnership working with other building based Puppet Theatre companies such as Little Angel Theatre and Upfront Gallery and Puppet Theatre. Our Chair recently supported the letter by Penny Francis for a Puppet Centre Trust to the Arts Council England Chair, Sir Nicholas Serota. We await the outcome of their meeting with interest.

Beyond the immediate plans for core and project fundraising, the company continues to update and implement its roadmap plan in pursuit of a more sustainable business model.

This constitutes a change programme which aims to:

- Sustain and extend the varied, stimulating and attractive programming of puppetry in our region
- Deliver a frequent and predictable programme of performance and education to build further audience visits in our theatre and on tour
- Develop a more effective commercial approach to our programming, fundraising and our venue with more effective management of operating margins in our work, such that delivering our work generates > 15% surplus of income over expenditure, independent of project grant investments (currently less than 7%)

NORWICH PUPPET THEATRE TRUST LIMITED

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2017

- Build further a very effective supporting stream of commercial activities including hosting other organisations' events, venue hires, weddings and civil ceremonies, commercial sponsorships and good take-up of our relaunched Puppet Friends and Donors scheme, in order to generate an overall surplus of 70% revenues over costs
- New partnerships and revenue generating activities, such as delivering puppetry modules for Norwich University of the Arts degree courses, creative workshops for business training companies, puppet making projects for other producers, set and event designers and many more
- Stronger project management and fund-raising capability to allow our core team to focus on the core activities of running a building based specialist theatre
- By means of the above, especially the repeatedly refreshed content, attract a steady stream of emerging and new performers and companies who want to work with us and generate continuously increasing interest and commitment in our volunteer workforce
- Rebuild our reserves to the level of 4-6 months core operating costs

This initiative is currently the subject of an organizational development application to the Arts Council following encouraging discussions with them.

The Trustees in the meantime continue to actively monitor risks to the Company and the flow of key transactions as part of the proactive and hands on management through the Executive Committee which meets fortnightly, reporting to monthly Board meetings, at which continued trading and the ability to meet liabilities as the fall due is assessed and confirmed.

Other statements required

Going Concern

After making appropriate enquiries, the trustees have a continuing and reasonable expectation through proactive cash flow management by the Executive Committee (on a bi-weekly basis) and the Board (on a monthly basis) that the company continues to be able to meet its liabilities as they fall due for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reserves policy

The purpose of our reserves is to smooth the effective delivery of benefits to our users over the financial cycle. At times we may need to draw on these to invest in new product and service development, or in organisational development to establish more sustainable business operations.

The reserves of the Charity represent both unrestricted funds arising from past operating results, which includes designated funds set aside by the Directors for future projects, and restricted funds where income has been received for a specific purpose and is used accordingly.

The trustees adhere to a policy of maintaining reserves to meet its present and ongoing liabilities.

The level of unrestricted reserves held at the year end was £7,862 (2016: £4,488) of which £6,404 were held as fixed assets.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2017

The improvement in available reserves to £7,862 at the end of the year, over the previous year, is satisfying but the trustees continue to hold to the aim of increasing reserves to 4-6 months of core operating costs over the next 3-5 years.

Structure, governance and management

a. Constitution

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 05/11/1979 .

The Charity is constituted under a Memorandum of Association dated 05/11/1979 and is a registered charity number 271041.

The principal object of the Charity remains the production and presentation of puppet theatre shows.

b. Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Organisational structure and decision making

The chair of the trustees is responsible for the induction of new trustees which involves awareness of the trustee's responsibilities, the charity's governing document, administrative procedures, together with the history and philosophical approach of the charity. A new trustee receives copies of the previous year's financial statements, annual report and a copy of the Charity Commissions leaflets providing guidance for trustees, as well as other useful company reference materials shared in an online Induction Pack folder.

d. Risk management

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

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017**

Trustees' responsibilities statement

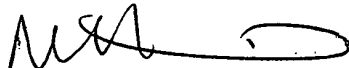
The Trustees (who are also directors of Norwich Puppet Theatre Trust Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 20th Dec 2017 and signed on their behalf by:


.....
N Hopkins
Trustee, Chair


.....
N Gray
Trustee, Honorary Treasurer

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2017

Independent examiner's report to the Trustees of Norwich Puppet Theatre Trust Limited

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2017.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017**

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:  Dated: 21 December 2017

J Grimmer FCA DChA

Larking Gowen

Chartered Accountants

King Street House
15 Upper King Street
Norwich
NR3 1RB

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:					
Grants and donations	3	30,343	73,076	103,419	102,047
Charitable activities	2	-	177,951	177,951	167,611
Total income		30,343	251,027	281,370	269,658
Expenditure on:					
Charitable activities	4	30,343	247,653	277,996	295,442
Total expenditure		30,343	247,653	277,996	295,442
Net income / (expenditure) before transfers		-	3,374	3,374	(25,784)
Transfers between Funds	14	-	-	-	-
Net movement in funds		-	3,374	3,374	(25,784)
Reconciliation of funds:					
Total funds brought forward		-	4,488	4,488	30,272
Total funds carried forward		-	7,862	7,862	4,488

The notes on pages 14 to 27 form part of these financial statements.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 01243558

**BALANCE SHEET
AS AT 31 MARCH 2017**

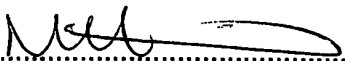
	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	8		6,404		12,033
Current assets					
Stocks	9	2,037		1,713	
Debtors	10	15,484		16,567	
Cash at bank and in hand		<u>35,896</u>		<u>18,397</u>	
		54,863		36,677	
Creditors: amounts falling due within one year	11	<u>(35,900)</u>		<u>(35,054)</u>	
Net current assets			<u>17,517</u>		<u>1,623</u>
Total assets less current liabilities			<u>23,921</u>		<u>13,656</u>
Creditors: amounts falling due after more than one year	12		<u>(16,059)</u>		<u>(9,168)</u>
Net assets			<u>7,862</u>		<u>4,488</u>
Charity Funds					
Unrestricted funds	14		<u>7,862</u>		<u>4,488</u>
Total funds			<u>7,862</u>		<u>4,488</u>

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 20 Dec 17 and signed on their behalf, by:


.....
N Hopkins
Trustee, Chair


.....
N Gray
Trustee, Honorary Treasurer

The notes on pages 14 to 27 form part of these financial statements.

NORWICH PUPPET THEATRE TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Norwich Puppet Theatre Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.4 Going concern

The nature of the company's business is such that the Charity relies heavily upon funding from grants and donations and there can be considerable unpredictable variations in the timing of all cash flows. Proactive and vigorous fundraising activity continues to form a major aspect of core activities. The directors have prepared detailed funding plans and projected cash flow information and are diligently monitoring the situation over the course of the current year by meeting and reporting on a monthly basis.

On the basis of this cash flow information and the actual trading results in the current year, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that may result from the directors being unable to secure core funding for the 2017-18 year.

Further detail over the charity's plans are explained in the Trustees' Report.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.6 Charitable trading income

Income from theatre admission fees, workshops and tours is included in incoming resources in the period in which the relevant show takes place.

1.7 Donations and Local Authority grants

Donations and Local Authority grants are recognised within the statement of financial activities when they are received. Grants which contribute towards specific expenditure are included within the reserves of the charity.

1.8 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

NORWICH PUPPET THEATRE TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. Accounting policies (continued)

1.9 Theatre productions

- i. The cost of own theatre productions is written off as and when incurred.
- ii. Productions purchased are written off over the period of expected use for performances. At 31 March 2017 there was no residue of cost.

1.10 Building costs

The theatre operates from a former church, St James, Whitefriars in Norwich which is leased from Norwich Historic Churches Trust Limited. The cost of refurbishment, structural improvements and new buildings, net of related grants, is written off as incurred.

1.11 Irrecoverable VAT

The charity has irrecoverable VAT arising due to partial exemption, which is included within resources expended.

1.12 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% straight line basis
Theatre equipment	-	20% straight line basis
Office equipment	-	20% straight line basis
Computer equipment	-	20% straight line basis

1.13 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.14 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities incorporating income and expenditure account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.15 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.16 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.17 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.18 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.19 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.20 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Charitable activities

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Trading income	-	177,769	177,769	167,235
Investment income	-	182	182	376
	<u>-</u>	<u>177,951</u>	<u>177,951</u>	<u>167,611</u>
<i>Total 2016</i>	<u>-</u>	<u>167,611</u>	<u>167,611</u>	

3. Grants and donations

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Monument Trust	-	-	-	50,000
Norwich City Council	-	10,000	10,000	10,000
Puppet Auction	-	-	-	8,103
Arts Council	15,000	-	15,000	1,450
Foyle Foundation	-	-	-	19,000
Norfolk County Council	-	4,170	4,170	4,355
Other Grants	10,851	5,000	15,851	487
Donations	-	15,117	15,117	1,152
Donated services	-	2,000	2,000	2,000
Town Close Charity	-	22,000	22,000	5,500
Creative Arts East	4,492	-	4,492	-
Bishop's Garden	-	3,789	3,789	-
Garfield Weston	-	5,000	5,000	-
Geoffrey Watling	-	5,000	5,000	-
John Jarrold Trust	-	1,000	1,000	-
Total	<u>30,343</u>	<u>73,076</u>	<u>103,419</u>	<u>102,047</u>
<i>Total 2016</i>	<u>22,200</u>	<u>79,847</u>	<u>102,047</u>	

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

4. Charitable activities

	Trading expenses £	Total 2017 £	Total 2016 (as restated) £
Direct costs	50,851	50,851	34,288
Establishment costs	30,168	30,168	35,443
Administration and finance costs	90,843	90,843	89,056
Production and cost of sales	106,134	106,134	136,655
	<u>277,996</u>	<u>277,996</u>	<u>295,442</u>
At 31 March 2016	<u>295,442</u>	<u>295,442</u>	

Included within direct costs are governance costs relating to independent examiner's fees of £3,995 (2016 - £3,995).

5. Net income/(expenditure)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	2,426	2,450
- held under finance leases	3,203	3,203
Independent examiner's fee	<u>3,995</u>	<u>3,995</u>

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

6. Donated services

During the year the charity engaged a number of local businesses who provided their services at reduced rates.

These amounts therefore represent donated services and are recognised within incoming resources as a donation and the equivalent charge included within resources expended totalling £2,000 (2016 - £2,000).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

7. Staff costs

The average number of persons employed by the Charity during the year was as follows:

2017	2016
No	No
<u>6</u>	<u>7</u>

Most staff are part-time, which gives an FTE of 3.8.

No employee received remuneration amounting to more than £60,000 in either year.

Staff costs in the year were as follows:

	Total 2017 £	Total 2016 £
Wages and salaries	76,008	94,811
Social security costs	1,445	4,139
Pension contributions	42	-
Total	<u>77,495</u>	<u>98,950</u>

The key management personnel of the Charity are deemed to be the trustees. As a result, the remuneration to key management in the year was £NIL (2016 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 April 2016	30,852	53,441	3,678	8,865	96,836
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2017	<u>30,852</u>	<u>53,441</u>	<u>3,678</u>	<u>8,865</u>	<u>96,836</u>
Depreciation					
At 1 April 2016	21,245	51,658	3,559	8,341	84,803
Charge for the year	3,203	1,783	119	524	5,629
On disposals	-	-	-	-	-
At 31 March 2017	<u>24,448</u>	<u>53,441</u>	<u>3,678</u>	<u>8,865</u>	<u>90,432</u>
Net book value					
At 31 March 2017	<u>6,404</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,404</u>
At 31 March 2016	<u>9,607</u>	<u>1,783</u>	<u>119</u>	<u>524</u>	<u>12,033</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Motor vehicles	<u>6,404</u>	<u>9,607</u>

9. Stocks

	2017 £	2016 £
Finished goods and goods for resale	<u>2,037</u>	<u>1,713</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

10. Debtors

	2017	2016
	£	£
Trade debtors	10,782	11,158
Prepayments and accrued income	<u>4,702</u>	<u>5,409</u>
	<u>15,484</u>	<u>16,567</u>

11. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Net obligations under finance leases and hire purchase contracts	3,109	2,785
Trade creditors	7,773	6,273
Other taxation and social security	3,604	5,160
Other creditors	2,572	11,053
Accruals and deferred income	18,842	9,783
	<u>35,900</u>	<u>35,054</u>

Included within accruals and deferred income is £17,672 of deferred income (2016: £7,701).

12. Creditors: Amounts falling due after more than one year

	2017	2016
	£	£
N Hopkins & K Jewell loan	10,000	-
Net obligations under finance leases and hire purchase contracts	<u>6,059</u>	<u>9,168</u>
	<u>16,059</u>	<u>9,168</u>

The loan received from N Hopkins and K Jewell is an interest free loan which is unsecured. N Hopkins and K Jewell have agreed to defer repayment until the Charity's financial strength develops further. As such the loan is reflected as due in more than one year.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2017	2016
	£	£
Between one and five years	<u>6,059</u>	<u>9,168</u>

The net obligations under finance leases are secured against the assets in which they relate.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

13. Financial instruments

	2017 £	2016 £
Financial assets measured at amortised cost	<u>10,782</u>	<u>11,158</u>
Financial liabilities measured at amortised cost	<u>30,683</u>	<u>31,361</u>

Financial assets measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise obligations under finance leases, trade creditors, accruals and other creditors.

14. Statement of funds**Statement of funds - current year**

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
Unrestricted funds					
General Funds - all funds	<u>4,488</u>	<u>251,027</u>	<u>(247,653)</u>	<u>-</u>	<u>7,862</u>
Restricted funds					
Arts Council England	-	15,000	(15,000)	-	-
Creative Arts East	-	4,492	(4,492)	-	-
Larking Gowen	-	500	(500)	-	-
DFAS	-	960	(960)	-	-
NNF	-	1,500	(1,500)	-	-
Shelroy Trust	-	2,126	(2,126)	-	-
Norfolk Community Fund	-	4,750	(4,750)	-	-
Sales Landscape	<u>-</u>	<u>1,015</u>	<u>(1,015)</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>30,343</u>	<u>(30,343)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>4,488</u>	<u>281,370</u>	<u>(277,996)</u>	<u>-</u>	<u>7,862</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Arts Council - £15,000 - Arts Council funding enabled an apprenticeship scheme in which two artists developed, produced and performed two separate shows : together these made up the <i>Landscape</i> project
Creative Arts East - £4,492 - enabled an internship which subsequently led to the employment of a paid part-time marketing officer.
Larking Gowen - £500 - further assistance for the <i>Landscape</i> project
Decorative and Fine Arts Society - £960 - funded work with Wensum Junior School
Norfolk and Norwich Festival - £1,500 - further assistance for the <i>Landscape</i> project
Shelroy Trust - £2,120 - initial funding for the <i>Voice of the Child</i> project. This project is actually in progress in the 2017/18 year, and further funding received within this year (2016/17) is held in deferred income in these accounts. The Shelroy money was for the first stages and was entirely spent within 2016/17
Norfolk Community Fund - £4,750 - funding a Norwich Heritage project: <i>To Celebrate Thirty Five Years of Local Puppetry Heritage</i>
<i>Landscape</i> income - £1,015 - various small earnings dedicated to the <i>Landscape</i> project

Statement of funds - prior year

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2016 £
Unrestricted funds					
General funds	<u>30,272</u>	<u>247,458</u>	<u>(292,242)</u>	<u>19,000</u>	<u>4,488</u>
	<u>30,272</u>	<u>247,458</u>	<u>(292,242)</u>	<u>19,000</u>	<u>4,488</u>
Restricted funds					
Foyle Foundation	-	19,000	-	(19,000)	-
Arts Council	-	1,450	(1,450)	-	-
Other Grants	-	1,750	(1,750)	-	-
	<u>-</u>	<u>22,200</u>	<u>(3,200)</u>	<u>(19,000)</u>	<u>-</u>
Total of funds	<u>30,272</u>	<u>269,658</u>	<u>(295,442)</u>	<u>-</u>	<u>4,488</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Summary of funds - current year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
General funds	4,488	251,027	(247,653)	-	7,276
Restricted funds	-	30,343	(30,343)	-	-
	<u>4,488</u>	<u>281,370</u>	<u>(277,996)</u>	<u>-</u>	<u>7,276</u>

Summary of funds - prior year

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2016 £
General funds	30,272	247,458	(292,242)	(19,000)	4,488
Restricted funds	-	22,200	(3,200)	(19,000)	-
	<u>30,272</u>	<u>269,658</u>	<u>(295,442)</u>	<u>-</u>	<u>4,488</u>

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	6,404	6,404
Current assets	-	53,417	53,417
Creditors due within one year	-	(35,900)	(35,900)
Creditors due in more than one year	-	(16,059)	(16,059)
	<u>-</u>	<u>7,862</u>	<u>7,862</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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Analysis of net assets between funds - prior year

	<i>Restricted funds 2016 £</i>	<i>Unrestricted funds 2016 £</i>	<i>Total funds 2016 £</i>
Tangible fixed assets	-	12,033	12,033
Current assets	-	36,677	36,677
Creditors due within one year	-	(35,054)	(35,054)
Creditors due in more than one year	-	(9,168)	(9,168)
	<u>-</u>	<u>4,488</u>	<u>4,488</u>

16. Operating lease commitments

At 31 March 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	10,000	7,885
Between 1 and 5 years	17,500	-
After more than 5 years	-	-
Total	<u>27,500</u>	<u>7,885</u>

17. Related party transactions

A number of trustees have been engaged to perform shows and workshops. The provision of these services are permitted within the Memorandum and Articles of Association, subject to the conditions set out in the Charities Act 2011.

As discussed in the Trustees' report, N Hopkins, a trustee of Norwich Puppet Theatre Limited, and K Jewell, his wife, provided an interest free loan of £10k during the year. This is included in creditors at the year end.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

18. Theatre Productions

The value of the theatre's own productions are not included as assets of the company. It is considered that if the puppets for the productions were sold on the open market they would realise amounts in the region of:

	2017 £	2016 £
Just So	50	50
Paper Tiger	50	50
Tinderbox	100	100
Dragons Head	400	400
Pied Piper (updated 2012)	1,000	1,000
Puppet Parade	100	100
Ricky with the Tuft	25	25
Travelling Storyteller	25	25
Sleeping Beauty	150	150
Snow Queen (1987 production)	250	250
The Bet	500	500
George's Marvelous Medicine	150	150
Hansel & Gretel (1991 production)	150	150
Thumbelina	1,000	1,000
James & the Giant Peach	100	100
Hansel and Gretel (2002 production)	350	350
Selfish Giant	150	150
Red Riding Hood (2011 production)	4,000	4,000
The Tinderbox (2012)	5,000	5,000
Three Colours	5,000	5,000
	<u>18,550</u>	<u>18,550</u>

A professional valuation of theatre productions was undertaken during year ended 31 March 1998 and reviewed and updated to 31 March 2017 by the General Manager. As a result the directors believe that the amounts above represent a realistic value of the puppets themselves, if they were to be sold without any direction or rehearsal with the purchaser.