

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

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018



NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 9
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13 - 26
The following pages do not form part of the statutory financial statements:	
Detailed income and expenditure account and summaries	27 - 28

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 2018**

Trustees

N C Hopkins, Chair
M Pitman
D-L J Pinching
M Catlin
N Gray, Honorary Treasurer
T Bell – resigned 1 October 2017
M Chandler
P Roffe
P Beck - appointed 1 August 2017
L Maclean – appointed 1 August 2017

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 LLP, King Street House, 15 Upper King Street, Norwich, NR3 1RB

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

TRUSTEES REPORT

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 owns 18 puppet shows in its current repertoire and archive, presents a varied programme of shows from a range of leading, visiting puppet companies 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 moderate refresh of Trustees on the Board since April 2017. Only 1 director asked to stand down in the year, and 2 have been appointed, with special interests in the performing arts. We continue to benefit from observer insights into arts management and fundraising, and continue to seek to attract a trustee from the higher education sector perspective.

Since April 2016, the day to day running of the Theatre has continued under the direct control of an Executive Committee comprising the Chair of Trustees (on a voluntary basis), the Operations Manager (now with the job title of General Manager) and the Financial Controller. These latter two form the core team with the Venue Manager, the Marketing officer, and two part-time Creative Learning Coordinators. These were supported by freelance services added to the Education and Outreach department, a Fundraiser and a Tour Management and Sales team. This team has 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 safeguarding and health and safety.

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

Throughout 2017-18, 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 General Manager has increasingly involved the Marketing Officer in programming, developing skills, and maintains operational management oversight of all functions. The Financial Controller has directed the financial management and with the General Manager the financial

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

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 Executive Committee has been able to assure the Board that the Theatre adheres to the objectives of the charity.

C. REVIEW OF ACTIVITIES

The charity continues to deliver its full range of public benefit to a steadily growing range of users and stakeholders.

The Theatre had another busy year of activities, at the home venue, in the region, throughout the UK and once again overseas. All told well over 25,000 audience members have either watched a performance at the Theatre, taken part in a workshop or masterclass or engaged with the Theatre at an outdoor event. Each event contributes to the overall running of the Theatre and to broaden the experience of puppetry to a wider community so fulfilling and enhancing our charitable remit.

The core touring activity during the year was carried by *The Pied Piper* and *The Steadfast Tin Soldier* - the latter show also playing for Christmas at the Theatre. Between them they visited 30 venues and made over 40 performances. These two shows were supported by *Thumbelina*, *Princess and the Pea*, and *The Tinderbox* with a further 12 performances across the UK.

As mentioned above we were again on the international stage - this time in Shanghai - at the 2017 Children's Festival with our production of *Three Colours*. The production had been selected as a direct result of its performances in Hong Kong and Macau in 2016 and the delivery and tour was facilitated by this earlier experiences. The show now has a more touring friendly rig which will, we hope, enable us to respond to future festival requests.

As well as our own productions, presenting the work of visiting companies continues to be an important part of our work and we welcomed 12 companies during the year who presented 25 performances at the Theatre. Plans are already afoot with the Norfolk and Norwich Festival to host the world premiere of Improbable Theatre's new piece *The Paperman* in May 2018. Each production brings its own style of puppetry, enables the presentation of relaxed (as well as all ages) performances and again contributes to a broadening of the understanding of what puppet theatre can be.

Such an experience was the weekend visit of the Masuda puppet company from Japan. During the weekend they gave two performances and ran a CPD workshop and so brought a whole cultural experience to the people of Norfolk. We hope to develop this relationship as the world moves towards the 2020 Tokyo Olympics, which is also the 40th anniversary year of Norwich Puppet Theatre.

Our creative learning team was strengthened with the addition of Emma Clarke who brings current teaching experience with both primary and special needs skills. She led our Ragdoll Foundation funded project working with a cluster of schools in the Stalham area of north Norfolk. These children are both rurally and economically isolated from the cultural offer of Norwich and during the project they gained experience of the Theatre, seeing a performance, learning about puppets, making puppets and presenting them as tableau, exhibitions and mini-performances. In addition to the children's learning the project has been assessed by the UEA School of Education and their insights will inform our future working with schools across the County.

In addition to this 'special project' we continued to work extensively with schools and educational institutions - both at the Theatre and at the centres themselves - with over 30 events taking place. We also reached a

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

broader community by several drop-in workshops at the Norfolk & Norwich Festival garden party, Strumpshaw Tree Fair and intu-Chapelfield shopping centre. These outreach activities are important as they give opportunities for children and families to interact informally with the Theatre and to work together.

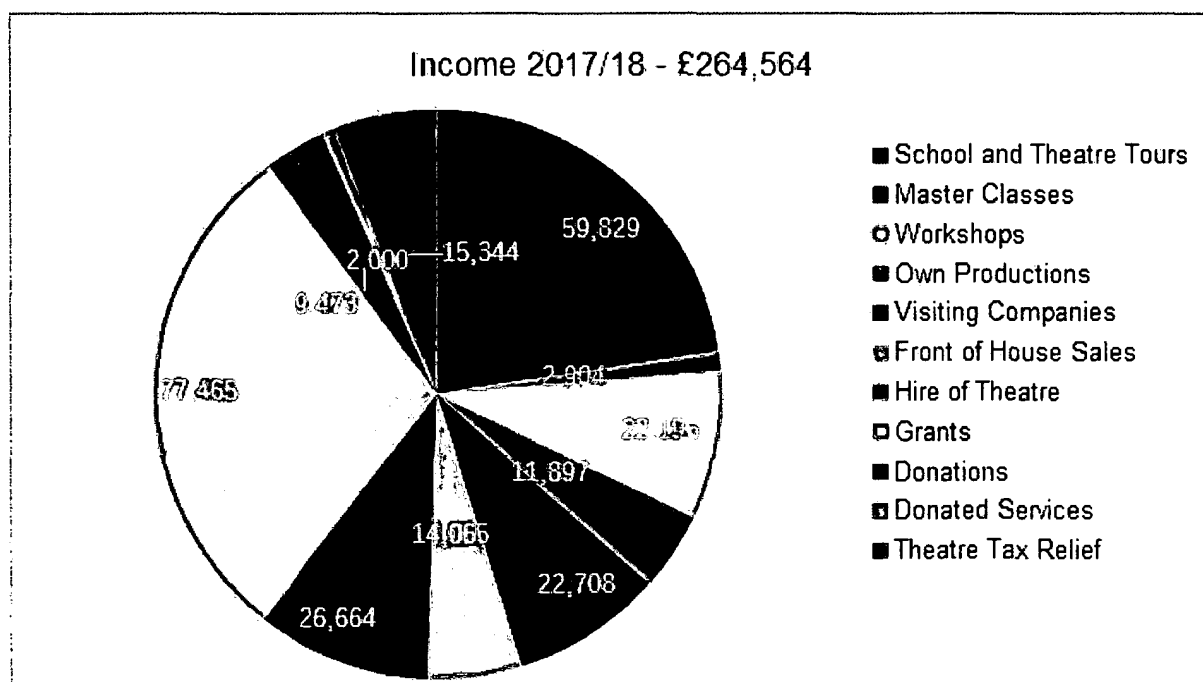
Working together in an inter-age way is a critical part of learning and developing relationships, so we were particularly pleased to be able to continue the Voice of the Child project into this year working with looked after children under the 'care' of Norfolk Children's Services. The 'simple' event of a non-verbal child leaving an afternoon with us chatting to her social worker and peers is a greater reward than hundreds of people watching a show.

All our work is supported by the ongoing and underlying grant aid of Norwich City Council and Norfolk County Council. Without this funding we would be unable to continue our core work, and to develop projects which are in themselves supported by funding.

The contribution of these supporters, our sales income from performance, workshop and hirings make up a complex jigsaw of income that takes Norwich Puppet Theatre onwards and forwards into the future.

D. MANAGEMENT ANALYSIS AND STRATEGIC FORWARD LOOK

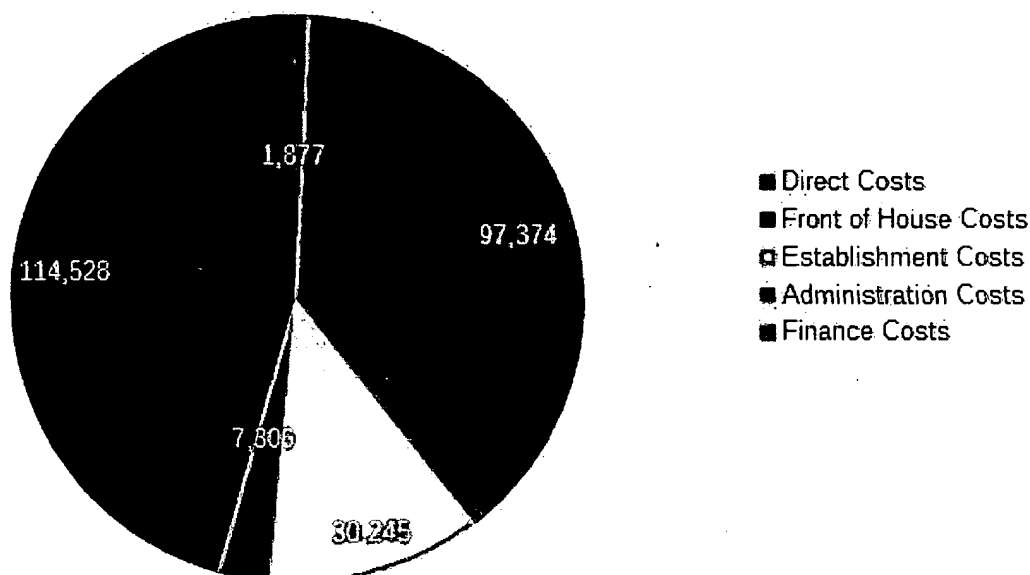
As the accounts 2017-18 show, the Company has continued to confront proactively the challenges of the economic environment with a balance of vigorous planning, management and fundraising, overseen with cautious control in order to manage the charity effectively and sustain and grow its delivery of public benefit to a steadily expanding base of users and stakeholders. We plan in particular further extensions to our repertoire of new work and creative learning services to inspire and delight our present audiences and to reach new and variously disadvantaged groups.



NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

Expenditure 2017/18 - £251,328



The reports show that income from the Company's operations in its charitable activities decreased slightly from £177,951 to £160,282, a change of some 9% when compared to the previous year. As well as successful in-house and tour management and marketing, the Company secured funds for project and core grant funding in addition to other fundraising activities. Fundraising progress has benefited from the advice 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 the Norwich Freemans' Charity (formerly Town Close), Ragdoll Foundation, Martin Laing Foundation, John Jarrold Trust, Austin and Hope Pilkington Trust, Heritage Lottery Fund, Aviva Community Fund, Garfield Weston Foundation, Simon Gibson Fund and many others.

In parallel with these fundraising successes, once again, the business plan of the trustees required positive use of cash reserves at the start of the year of £35,896 as working capital to sustain activities through an early part of the year when a deficit financial outturn was initially forecast. The closing balance of available cash of £32,054 represents a major achievement in audience engagement, marketing and sales, tight financial control and fundraising and provided a strong foundation for the business plan for 2018-19. 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 Trustees actively monitor financial performance on a rigorous monthly basis, and whilst this summary view of company performance shows a measure of organisational efficiency, the Trustees also recognize 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.

The Company continues to explore a range of strategic options and expand the diversified revenues from membership schemes, wedding venue and venue hire income and merchandising. These are a particularly efficient source of revenues, and make up a significant proportion of the Company's internally generated contribution to overhead building, staffing and central costs.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

The Artistic Steering Group has made a valuable contribution to planning our future artistic developments and successfully planned and implemented a call for artistic proposals from partners. This has resulted in three candidates to add to our long-term repertoire of shows, the first of which has been the subject of a successful Arts Council National Lottery Project Grant bid for a new version of the Hansel & Gretel folk tale with partner artists Goody and Storey.

The Trustees continue to take the view that 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 organisations in public and charitable trust funding.

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. The lack of building based puppetry organisations as National Portfolio clients is being championed at a national level.

As we look ahead beyond 2017-18 to the year ending March 2019, we 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, PuppetPlace and Upfront Gallery and Puppet Theatre. We actively engage in the PuppeteersUK dialogue with the Arts Council on future challenges and support for the UK professional puppetry community.

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. The current thrust of this is developing our capacity as a *producing and production management hub with an extending role in specialist creative learning services*. We are also exploring a rolling development and maintenance programme for our public facing theatre accommodation and critical in-house and touring equipment.

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 they fall due is assessed and confirmed. Major risks receive constant time and attention from the Executive Committee and reports to the Board, these include:

- a. loss of artistic reputation by failing to create new work (this risk is mitigated by work on new projects and strategies under the guidance of the Artistic Steering Group, fundraising);
- b. loss of key personnel (mitigation – contingency plans of adjusting team responsibilities and backfilling their more routine tasks with new recruitment, fundraising);
- c. failure of critical theatre equipment or public facing facilities (mitigation - careful monitoring, contingency sourcing and fundraising)

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.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

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.

Restricted funds stood at £9,900 at 31 March 2018 (2017: £nil).

The level of unrestricted reserves held at the year end was £11,198 (2017: £7,862) of which £3,201 were held as fixed assets.

The situation with regard to available 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.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

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.

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 5 December 2018 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 2018**

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 2018 which are set out on pages 11 to 26.

Responsibilities and basis of report

As the charity trustees of the company (and also 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 your company's accounts as 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.

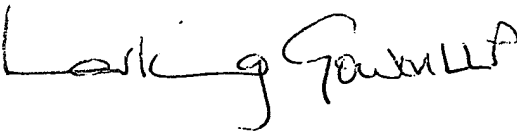
Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants England and Wales, which is one of the listed bodies.

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

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).

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: 18 December 2018

J Grimmer FCA DChA

Larking Gowen LLP
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 2018

	Note	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:					
Grants and donations	3	38,295	50,643	88,938	103,419
Charitable activities	2	-	175,626	175,626	177,951
Total income		28,395	226,269	264,564	281,370
Expenditure on:					
Charitable activities	4	28,295	222,933	251,328	277,996
Total expenditure		28,395	222,933	251,328	277,996
Net income / (expenditure) before transfers		9,900	3,336	13,236	3,374
Transfers between Funds	14	-	-	-	-
Net movement in funds		9,900	3,336	13,236	3,374
Reconciliation of funds:					
Total funds brought forward		-	7,862	7,862	4,488
Total funds carried forward		9,900	11,198	21,098	7,862

The notes on pages 11 to 26 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 2018**

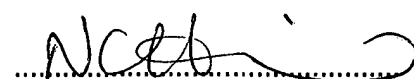
	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	8		3,201		6,404
Current assets					
Stocks	9	2,499		2,037	
Debtors	10	23,782		15,484	
Cash at bank and in hand		<u>32,054</u>		<u>35,896</u>	
		58,335		54,863	
Creditors: amounts falling due within one year	11	<u>(27,811)</u>		<u>(35,900)</u>	
Net current assets			<u>30,524</u>		<u>17,517</u>
Total assets less current liabilities			33,725		23,921
Creditors: amounts falling due after more than one year	12		<u>(12,627)</u>		<u>(16,059)</u>
Net assets			<u>21,098</u>		<u>7,862</u>
Charity Funds					
Unrestricted funds	14		11,198		-
Restricted funds	14		<u>9,900</u>		<u>7,862</u>
Total funds			<u>21,098</u>		<u>7,862</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 5 December 2018 and signed on their behalf, by:



N Hopkins
Trustee, Chair



N Gray
Trustee, Honorary Treasurer

The notes on pages 11 to 26 form part of these financial statements.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

1.3 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 2018-19 year.

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

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.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

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 2018 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.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

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

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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.

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Charitable activities

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Trading income	-	160,262	160,262	177,769
Theatre Tax Relief	-	15,344	15,344	-
Investment income	-	20	20	182
	<u>-</u>	<u>175,626</u>	<u>175,626</u>	<u>177,951</u>
<i>Total 2017</i>	<u>-</u>	<u>177,951</u>	<u>177,951</u>	

3. Grants and donations

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Ragdoll Trust	15,000	-	15,000	-
Norwich City Council	-	10,000	10,000	10,000
Martin Laing	-	5,000	5,000	-
Arts Council	-	-	-	15,000
Pilkington Trust	1,000	-	1,000	-
Norfolk County Council	-	4,170	4,170	4,170
Other Grants	6,395	-	6,395	15,851
Donations	-	9,473	9,473	15,117
Donated services	-	2,000	2,000	2,000
Town Close Charity	-	-	-	22,000
Creative Arts East	-	-	-	4,492
Bishop's Garden	-	-	-	3,789
Garfield Weston	-	20,000	20,000	5,000
Geoffrey Watling	-	-	-	5,000
Simon Gibson	5,000	-	5,000	-
John Jarrold Trust	1,000	-	1,000	1,000
Heritage Lottery Fund	9,900	-	9,900	-
Total	<u>38,295</u>	<u>50,643</u>	<u>88,938</u>	<u>103,419</u>
<i>Total 2017</i>	<u>30,343</u>	<u>73,076</u>	<u>103,419</u>	

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. Charitable activities

	Trading expenses £	Total 2018 £	<i>Total 2017 £</i>
Direct costs	34,931	34,931	50,851
Establishment costs	30,828	35,134	30,168
Administration and finance costs	98,667	98,667	90,843
Production and cost of sales	86,902	86,902	106,134
	<u>251,328</u>	<u>251,328</u>	<u>277,996</u>
<i>At 31 March 2017</i>	<u>277,996</u>	<u>277,996</u>	<u>277,996</u>

Included within direct costs are governance costs relating to independent examiner's fees of £2,245 (2017 - £3,995).

5. Net income

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	0	2,426
- held under finance leases	3,203	3,203
Independent examiner's fee	<u>2,245</u>	<u>3,995</u>

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2017 - £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 (2017 - £2,000).

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

7. Staff costs

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

2018	2017
No	No
<u>7</u>	<u>6</u>

Most staff are part-time, which gives an FTE of 3.9.

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

Staff costs in the year were as follows:

	Total 2018 £	Total 2017 £
Wages and salaries	84,120	76,008
Social security costs	1,532	1,445
Pension contributions	663	42
Total	<u>86,315</u>	<u>77,495</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 (2017 - £NIL).

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

8. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 April 2017	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 2017	24,448	53,441	3,678	8,865	90,432
Charge for the year	3,203	-	-	-	3,203
On disposals	-	-	-	-	-
At 31 March 2017	<u>27,651</u>	<u>53,441</u>	<u>3,678</u>	<u>8,865</u>	<u>93,365</u>
Net book value					
At 31 March 2018	<u>3,201</u>	-	-	-	<u>3,201</u>
At 31 March 2017	<u>6,404</u>	-	-	-	<u>6,404</u>

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

	2018 £	2017 £
Motor vehicles	<u>3,201</u>	<u>6,404</u>

9. Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>2,499</u>	<u>2,037</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

10. Debtors

	2018	2017
	£	£
Trade debtors	19,602	10,782
Prepayments and accrued income	<u>4,180</u>	<u>4,702</u>
	<u>23,782</u>	<u>15,484</u>

11. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Net obligations under finance leases and hire purchase contracts	3,432	3,109
Trade creditors	10,472	7,773
Other taxation and social security	1,996	3,604
Other creditors	-	2,572
Accruals and deferred income	11,911	18,842
	<u>27,811</u>	<u>35,900</u>

Included within accruals and deferred income is £10,055 of deferred income (2017: £17,672).

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

	2018	2017
	£	£
N Hopkins & K Jewell loan	10,000	10,000
Net obligations under finance leases and hire purchase contracts	<u>2,627</u>	<u>6,059</u>
	<u>12,627</u>	<u>16,059</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:

	2018	2017
	£	£
Between one and five years	<u>2,627</u>	<u>6,059</u>

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

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

13. Financial instruments

	2018 £	2017 £
Financial assets measured at amortised cost	<u>19,602</u>	<u>10,782</u>
Financial liabilities measured at amortised cost	<u>28,387</u>	<u>30,683</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 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
Unrestricted funds					
General Funds - all funds	<u>7,862</u>	<u>226,269</u>	<u>222,933</u>	<u>-</u>	<u>11,198</u>
Restricted funds					
Ragdoll Trust	-	15,000	(15,000)	-	-
Arts Society (Wensum Branch)	-	1,060	(1,060)	-	-
John Jarrold	-	1,000	(1,000)	-	-
John Lewis	-	485	(485)	-	-
Pilkington Trust	-	1,000	(1,000)	-	-
Shelroy Trust	-	4,850	(4,850)	-	-
Simon Gibson	-	5,000	(5,000)	-	-
Heritage Lottery Fund	-	9,900	-	-	9,900
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>38,295</u>	<u>(28,395)</u>	<u>-</u>	<u>9,900</u>
Total of funds	<u>7,862</u>	<u>264,564</u>	<u>(251,328)</u>	<u>-</u>	<u>21,098</u>

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Garfield Weston - £20,000 – unrestricted contribution to core costs over two years 2017/2019.
John Jarrold Trust - £1,000 - assistance with our work with arts in the community.
Other Grants: As well as the <i>Voice of the Child</i> funding referred to below, this category includes a total of £1,060 received from The Arts Society (Wensum Branch) for work with Wensum Junior School in this year and £485 received from John Lewis as a contribution to new lighting.
Pilkington Trust - £1,000 - assistance with the <i>Ragdoll</i> Project
Ragdoll Trust - £15,000 - Funding for the <i>Ragdoll</i> project.
Shelroy Trust - The <i>Voice of the Child</i> project was completed in the 2017/18 year, and funding of £4,850 received within the year (2017/18) was held in deferred income for that year. This is included within 'Other Grants'
Simon Gibson - £5,000 - support for education work and initial contribution to Creative Learning Coordinator's salary.
Martin Laing: £5,000 unrestricted funding to support our artistic work.
Heritage Lottery Fund - £9,900 grant towards engaging children in learning about the history of the Norwich Puppet Theatre.

Statement of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
Unrestricted funds					
General funds	<u>4,488</u>	<u>251,027</u>	<u>(247,653)</u>	-	<u>7,862</u>
	<u>4,488</u>	<u>251,027</u>	<u>(247,653)</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>1,015</u>	<u>(1,015)</u>		
		<u>30,343</u>	<u>(30,343)</u>		
Total of funds	<u>4,488</u>	<u>281,370</u>	<u>(277,996)</u>	-	<u>7,862</u>

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Summary of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
General funds	7,862	226,269	(222,933)	-	11,198
Restricted funds	-	38,295	(28,395)	-	9,900
	<u>7,862</u>	<u>264,564</u>	<u>(251,328)</u>	<u>-</u>	<u>1,801</u>

Summary of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
General funds	4,488	251,027	(247,653)		7,862
Restricted funds	-	30,343	(30,343)		-
	<u>4,488</u>	<u>281,370</u>	<u>(277,996)</u>	<u>-</u>	<u>7,862</u>

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	3,201	3,301
Current assets	9,900	48,435	58,335
Creditors due within one year	-	(27,811)	(47,127)
Creditors due in more than one year	-	(12,627)	(12,708)
	<u>9,900</u>	<u>11,198</u>	<u>1,801</u>

NORWICH PUPPET THEATRE TRUST LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Analysis of net assets between funds - prior year

	<i>Restricted funds 2017 £</i>	<i>Unrestricted funds 2017 £</i>	<i>Total funds 2017 £</i>
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>

16. Operating lease commitments

At 31 March 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	10,000	10,000
Between 1 and 5 years	7,500	17,500
After more than 5 years	-	-
Total	<u>17,500</u>	<u>27,500</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.

N Hopkins, a trustee of Norwich Puppet Theatre Limited, and K Jewell, his wife, provided an interest free loan of £10k in 2016. This is included in creditors at the year end.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

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:

	2018	2017
	£	£
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
	<hr/> 18,550	<hr/> 18,550

A professional valuation of theatre productions was undertaken during year ended 31 March 1998 and reviewed and updated to 31 March 2018 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.