

The Southampton Nuffield Theatre Trust Limited
(A Registered Charity and Company Limited by Guarantee)

Trustees Report and Financial Statements
For the Year Ended 31 March 2007

Charity number 286876
Company number 01711502

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The Southampton Nuffield Theatre Trust Limited
(A Registered Charity and Company Limited by Guarantee)

Trustees Report and Financial Statements
For the year ended 31 March 2007

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The Southampton Nuffield Theatre Trust Limited

Trustees report for the year ended 31 March 2007

The Board Members have pleasure in presenting their annual report and the financial statements for the year ended 31st March 2007

1 Reference and administrative information

Charity name	The Southampton Nuffield Theatre Trust Limited
Charity registration number	286876
Company registration number	01711502
Registered & principal office	The Nuffield Theatre, University Road Southampton SO17 1TR

Board Members / Trustees / Directors

The Board Members constitute directors for the purposes of the Companies Act 1985 and trustees for the purposes of charity law. The Board Members at the date of this report & those who served during the year were

Ex-officio Board Members

Jo Doyle		UoS
Peter Edgar (Cllr)		HCC
Derek Burke (Cllr)	Appointed 28 June 2007	SCC
Edwina Cooke (Cllr)	Appointed 28 June 2007	SCC
Dennis Harryman (Cllr)	Resigned 28 June 2007	SCC
Terry Holden-Brown (Cllr)	Resigned 28 June 2007	SCC

Elected Board Members

Hemi Bhatt	Appointed 29 June 2006
Stephen Boyce - Chair	
Richard Cutler	
Alex Darbyshire	
Fiona Dorman-Jackson	
Christopher Gordon	
Duncan Hanner	
Lynne Lockyer - Vice Chair	
Jenny Palmer	
Pam Robertson - Vice Chair	
Nicholas Vaughan	Resigned 12 October 2006

Executive Directors delegated with day to day management

Kate Anderson	Administrative Director / Company Secretary
Patnck Sandford	Artistic Director

Bankers, solicitors & auditors

Bankers	National Westminster Bank plc, PO Box 309, Chandlers Ford, Southampton, SO53 3UD
Solicitors	Paris Smith and Randall, No 1 London Road, Southampton SO15 2AE
Auditors	Fiander Tovell LLP, 63/64 The Avenue, Southampton SO17 1XS

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

2. Structure, Governance and Management

a Constitution & governing document

The Trust is constituted as a company limited by guarantee and is a registered charity. It is governed by its Memorandum and Articles of Association, which date from 1982.

b The organisational structure of the charity and how decisions are made

The members of the company appoint from their number a Board to manage the affairs of the charity. The Board meets at least four times each year.

The Board currently comprises ten Elected Board Members and four Ex-officio Board Members. All Board Members have the same voting rights.

The Ex-officio Members are appointed by the University of Southampton, Southampton City Council (which has two Ex-officio Board Members) and Hampshire County Council.

The Board also operates two sub-committees, the Marketing, Fundraising & Customer Care committee and the Finance, Funding, Strategy & Personnel committee. The sub-committees meet quarterly and report to the full Board.

An Artistic Director and Administrative Director are appointed by the Board to manage the day-to-day activities of the charity.

c Recruitment and appointment of new Board Members

Under the requirements of the Articles of Association, at the Annual General Meeting one third of the elected Board Members retire annually in rotation. Retiring Board Members are eligible to be re-elected for a period of three years. At the expiry of this first period of three years Board Members are eligible to stand for election for a second period of three years. On expiry of this second period the Board Member will not be eligible for re-election for two years.

The Board Members monitor the skills and experience requirements of their number. When additional Board Members are required the Board identify possible new Members who they may then appoint temporarily until the next Annual General Meeting when they are eligible for formal election to the Board.

The University and the County Council each have the power to appoint one Ex-officio Board Member, and the City Council has the power to appoint two Ex-officio Board Members.

d Induction and training of Board Members

New Board Members receive a detailed induction pack and have an induction meeting with the Artistic and Administrative Directors. Additionally, new and existing Board Members are invited to periodical Awaydays and are regularly briefed at Sub-committee meetings and at some Board meetings about professional theatre practice and other relevant topical issues.

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

e Related parties

The related parties of the charity include all the Board Members together with the University of Southampton, Southampton City Council and Hampshire County Council who nominate the Ex-officio Board Members

University of Southampton

The relationship with the University of Southampton is complex. The Southampton Nuffield Theatre Trust Limited raises approximately £1 million of public subsidy and brings the professional expertise to run the Nuffield Theatre building which is owned by the University and leased to The Southampton Nuffield Theatre Trust Limited at a peppercorn rent.

Details of the transactions with the University are included in note 3 to the financial statements.

Trading subsidiary

The charity has a wholly owned subsidiary company, Southampton Nuffield Theatre Trading Company Limited. Up to 31 March 2006 the subsidiary operated for the purposes of bar and catering trading at the theatre. On that date these activities were transferred to the charity itself and the subsidiary became dormant.

f Risk management

The major risks to which the charity is exposed, and the action being taken to manage these risks, are monitored by Board Members at Board and Sub-committee meetings. Both the risks register and systems to manage risks are also formally reviewed by the Board Members annually.

3. Objectives and activities

a Memorandum objects

The objects of the charity, as set out in the Memorandum of Association, are "the encouragement of the Arts, the promotion and advancement of education and the cultivation and improvement of public education in drama, mime, opera, singing, music, dance, painting and sculpture, cinema, literature and the other arts."

b Artistic policy

Our vision is to produce theatre that is intelligent, emotionally perceptive, light on its feet, contemporary in style, and as enlivening as possible for a wide audience. We will encourage artists and other people to develop so they may express and/or enjoy this vision.

c How we put the artistic policy into practice

Our Programme

Nuffield Productions

The Company produces and presents work for adults and children, on varying scales, in the main house, in the studio and on tour to theatres, schools and other non-theatre spaces.

- **Play Choice**
The repertoire is wide including new writing and classics from Britain and abroad with themes that are universal and relevant to contemporary audiences. Quality of writing, richness of content and theatricality are paramount.
- **Production Style**
Clarity and accessibility are all important, in acting, direction and design. The emphasis on emotional complexity and intelligence mean that design tends to be striking and simple rather than lavish.

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

Participation

We are interested in activities that develop participants' emotional literacy, self-confidence, social deftness, and creativity as much as their specific theatrical skills

Development activity

The Nuffield Writers' Group, which has been in existence for over ten years, spearheads a wide range of research and development work, which also includes traineeships in all departments, platform performances, play readings and activity with a Southampton Artists Network

Visiting company productions for adults and children

We seek to choose companies from Britain and abroad who while serving our vision may complement it with significantly different production styles

Audiences/participants

The Nuffield creates theatre in Southampton, for people living in the city and the southern region. We recognise that a wide range of people enjoy and are stimulated by our work and we actively seek to attract people from all sectors of our community. On occasion, elements of our programme are created with certain sectors in mind, for example for children and young people. We respond to the shifts in the cultural diversity of our region. We are committed to ensuring that all barriers to attendance or full enjoyment of our activities are minimised.

Our Marketing

The Company's marketing is one of the principal ways in which its vision is publicised. Publicity materials are a visual reflection of the vision. We aim to create images, design and copy that are contemporary, fresh, clear, and sophisticated and above all honest. We market our shows to a wide audience, and engage with members of the community who may be under represented in the current audience base.

Our Front of House facilities

We also recognise that the theatre's front of house areas and facilities need to reflect its vision. In developing the physical aspects of the building, and through our catering, and customer service, we aim to create an atmosphere that is modern, welcoming, bright, and enlivening. A stimulating environment and multi use of the front of house areas assist the Company in delivering its vision to as wide an audience as possible.

d Activities

The regular charitable activities of the charity include

- Production and presentation of live theatre
 - Main house productions
 - Studio productions
 - Visiting company productions
 - Alternative nights
 - Tours performing at schools, theatres and arts centres
 - Saturday morning children's theatre
 - Youth theatres & drama clubs
 - Adult theatre skills workshops
 - Community and educational arts projects
 - Use of the theatre by local amateur & community groups
- Bar and catering services to audiences
- Research & development activity

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

4 Achievements and Performance

a Charitable activities

Our key achievements this year include the following

- Production and presentation of live theatre

Main house Nuffield productions

- o Don Quixote
- o Salome
- o The Happy Prince and Other Stories
- o Arabel and the Escaped Black Mamba
- o Cinderella
- o Frankie and Johnny
- o Fable
- o The Cage
- o The Grizzled Skipper

Studio Nuffield productions

- o Novecento (Mike Maran Productions in association with Lighthouse, Poole and The Nuffield, Southampton)
- o Dat Bahamian Ting
- o Orpheus
- o Oleanna
- o Brecht Story Plays
- o Picasso and Me (Mike Maran Productions in association with The Nuffield, Southampton)

Visiting companies, platform performances & alternative nights

- o Companies or artists that presented performances Out of Joint, Cardboard Citizens, Northern Broadsides, Blind Summit, Teatro Delusio from Germany (presented by Aurora Nova), Noise Ensemble, Ludus Dance (presented in association with Hampshire Dance), Dialogue Productions, Artemis Theatre Company, Michael Portillo, Dara O'Brian, Ben Elton, George Alagiah, Ed Byrne, Lord Douglas Hurd, Marcus Brigstock, Mark Thomas, and Rifco Arts, Bollywood Nite, Alpina Sengupta Dance Company, and Saathiya and Friends (all presented in association with Art Asia) Plus 2 full seasons of Saturday morning children's theatre (up to 40 performances)
- o Platforms Writers in Southampton and Muslim in Southampton

Nuffield work on tour

- o Autumn tour to schools, theatres and arts centres Orpheus and Arabel and the Escaped Black Mamba
- o Spring tour to schools theatres and arts centres Brecht Short Stories and Fable
- o Tours in association with Mike Maran Autumn – Novecento (also in association with Lighthouse, Poole), Spring – Picasso and Me
- o Theatre/arts centre tour, spring Oleanna
- o Southampton Seekers after Joy, Passion and Beauty – performed in Southampton Live festival

Use of the theatre by local amateur & community groups

- o Facilities & services provided for 50 performances by 12 different groups

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

Educational activities, research & development and youth theatre

- o Winters Group – on going high profile successes and production of 2 main stage shows from Winters Group graduates
- o Education & audience development projects including Seasons of India – the Nuffield's first Asian arts participation project and Brilliant Sound and Light – a science project with Bitterne Park School and Creative Partnerships
- o Script Executive services run by John Burgess
- o Regional home for National Shell Connections – The National Theatre's celebration of youth theatre
- o Three age specific youth theatres and Saturday drama club group
- o Hampshire Youth Theatre 2006 at Thornden Hall – The Odyssey
- o A new teachers focus group

b Fundraising activities

The capital fundraising was achieved by year-end and we are currently negotiating with the University when phase 2 of the foyer development will take place

Ongoing revenue fundraising activities have continued satisfactorily this year

c Other matters

Southampton New Arts Complex and the new Performing Arts Organisation

Early in 2007 the Nuffield completed a bid to Southampton City Council to run a new performing arts organisation which will programme and manage the performing arts in Southampton's New Arts Complex (SNAC) when it opens in 2012. The Nuffield won the tender and shortly afterwards the arrangements with Southampton City Council were changed so that the Nuffield will become a fourth 'arts partner' in Southampton New Arts Partnership, jointly managing and serving SNAC, rather than simply being awarded a time limited tender. This is a very significant expansion for the Nuffield. The company is currently developing its strategic plans and organisational structures to respond to this change.

Hampshire County Council funding

In 2005/06 Hampshire County Council cut its grant to the Nuffield by £6,000. In 2006/07 the Nuffield faced a potential further cut, as the County needed to reduce its arts budget by 4.2%. However, having put forward proposals to respond to Hampshire's priorities for the arts, the Nuffield was pleased that funding from the Council was maintained and that Hampshire has consolidated its grant into one sum of £40,000 and indicated potential funding for the next two years.

Tchaikovsky and the Queen of Spades

The Company won an award from Arts Council England's Grant for the Arts scheme for £32,000 to produce an Anglo-Russian production of Tchaikovsky and The Queen of Spades (a new play by John Clifford) in 2007/08. This production will be the culmination of work on this project over the last five years including previous trips by both Patrick Sandford and Kate Anderson to Moscow to investigate and set up the collaboration, and script work with John Clifford.

Management

There have been a number of significant developments for the Nuffield this year. The Board has undertaken an awayday. Nick Vaughan resigned from the Board and a new member, Hemi Bhatt, joined the Board. The Company has altered the structure of its Production department taking on two new multi-skilled technicians, and the Company has created the new role of Producer of Community and Education Projects. This post is a particularly important development for the Nuffield and has led to a number of new projects including a second project with Bitterne Park School and Creative Partnership, and the creation of a teachers' focus group.

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

5. Financial review

a Financial position

This year we achieved a net surplus of £14,950 in our unrestricted undesignated reserves

This is the fourth consecutive year of operational surpluses, which together with the Arts Council England debt-mitigation grant of £87,000 in 2004/05, has brought the Nuffield's financial position from an accumulated deficit of £155,000 in 2002/03 to an accumulated surplus of £17,850 at 31 March 2007

Technically the Nuffield does not have any free reserves. Our reserves policy is detailed below

b Reserves policy

The trustees believe that the charity should hold financial reserves because it is dependent on income which is inevitably subject to fluctuation

- 1 reserves are needed to protect the Company, its artistic policy and strategy against temporary variations in Box Office income
- 2 the company is also dependent upon grant funding from year to year, which may be subject to changes in the policies or financial position of funding bodies

The board members believe that the minimum level of the reserves held against Box Office fluctuation in one year should be £50,000. Thereafter, the Company should build a reserve equivalent of six months net operating costs calculated and reviewed annually. Board members believe that these reserves should be built up to the desired level in stages consistent with the charity's overall financial position and its need to maintain and develop its charitable activities

Our initial target is to achieve an accumulated surplus of £50,000 (currently £17,850)

c Principal funding sources

Major grants from Arts Council England, the University of Southampton, Southampton City Council and Hampshire County Council fund the main part of our core work. Front of house trading activities, sponsorship and other public, trust and private fundraising income make up the balance of our funding

Specific ongoing projects and new initiatives are funded by specific additional grants or donations

d Investment policy

Any bank balances not required for current financial commitments are transferred to a high interest deposit account which is regularly reviewed to maximise the interest earned

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

6. Plans for future periods

A new vision describing the Company's artistic and educational ethos and sensibilities was written in 2004. In 2006 we updated our three-year strategic plan to respond to changes in audience tastes and behaviour. However, since being awarded the opportunity to run the new performing arts organisation in SNAC, the company is now in the process of reviewing its strategic plans and operational structure. A new plan will be developed in 2007/08 to respond to this significant change in the Nuffield's circumstances and direction.

The key points of the 2006 plan which still remain current are

Aim 1 The delivery and exploitation of our work

Over the last five years we have experimented with the length of runs, the mix of small and mid-scale work, co-production relationships, touring patterns, different age ranges for our participation work and touring schools shows, and presenting theatre in different spaces. We recognise that the manner in which we deliver our work has a profound effect on its ability to attract audiences. Similarly, our shows could be exploited to considerable effect.

Our key objectives for aim 1 for the next three years are to

- Maximise the percentage of the audience capacity at main house shows
- Continue to develop our programme to provide an increase in the number and diversity of productions to enhance the offer for audiences
- Identify a new programme of activities for the late spring and early summer
- Increase our investment in developing future creative projects and artistic partnerships
- Develop practical ways to regularly exploit our work
- Work with Creative Partnerships to develop special projects with key schools
- Respond to the creative impetus to present work in non-theatre settings such as site-specific or promenade performances
- Continue to develop the 'Platform performance' programme of activities
- Develop a symbiotic relationship with the University of Southampton and closer links with other training establishments such as the Southampton Institute, The University of Winchester, Nottingham Trent Polytechnic, Bristol Old Vic, and other drama schools

Aim 2 Building and developing our audience

Through a range of different approaches we wish to increase the number of people attending Nuffield productions and work presented at the theatre and to continue to increase the diversity of our audience.

Our key objectives for aim 2 for the next three years are to

- Instigate a sustainable ongoing programme of audience research and feedback
- Build on our success at relationship marketing with different groups in our community
- Respond to the audience desire for different strands of the programme delivered at different scales and in interesting ways and venues
- Continue the Front of House refurbishment to provide a better experience for audiences and participants and to reflect the quality of the theatrical experience
- Continue our Asian audience development programme
- Adopt an in-house audience development system
- Develop the atmosphere of the theatre as a hub of theatrical activity and a vibrant and enjoyable social centre for different groups of people

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

Aim 3 Increasing our profile

The Nuffield has sometimes been too quiet about its successes. We wish to build our local, regional, national and international profile to assist in developing audiences, attracting high quality creative teams and artistic collaborators, exploiting our work, and increasing our resources.

Our key objectives for aim 3 for the next three years are to

- Build our local and regional profile with audiences groups, with educational establishments (in particular secondary schools and teachers), with stakeholders including Southampton City and Hampshire County Councillors and Officers, and with the business community
- Build our profile within the University of Southampton
- Build our national profile within the theatre community including actors, casting directors and creative teams
- Develop our national and international standing with other theatre producers, potential collaborators and touring companies, tour bookers, potential touring venues and international festivals
- Develop a deeper relationship with the Arts Council to open up further opportunities to exploit the company's work

Aim 4 Increasing our resources

The Nuffield needs to raise additional income in order to meet its expenditure and particularly in order to achieve the developments of this plan. We are planning to do more artistic work, to exploit our shows, to increase our investment in developing future artistic projects and collaborations, to undertake new marketing initiatives, to invest time in relationship marketing and to build our profile in a range of different contexts. As well as additional income, we need to review our human resources and equipment.

Our key objectives for aim 4 for the next three years are to

- Revisit our staffing structure and training needs to support our increased artistic work, future artistic developments, exploitation of our shows, and fundraising requirements
- Develop the advocacy and fundraising skills of our Board
- Raise additional income, in particular through Trusts and Foundations and private fundraising
- Ensure that our office and technical equipment is satisfactory for the theatre's needs

The Southampton Nuffield Theatre Trust Limited

Trustees report (continued)

Statement of Trustees' Responsibilities in relation to the Financial Statements

Law applicable to incorporated charities in England and Wales requires the board members, who are also directors of the company, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the group at the end of the year and of its financial activities during the year then ended. In preparing those financial statements, the board members are required to

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

The board members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

In accordance with company law, as the company's directors we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- as the directors of the company we have taken all the steps that we ought to have taken to establish that the charity's auditors are aware of that information


Auditors

Fiander Tovell LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Board and signed on its behalf by

K Anderson (Company Secretary)



Date

4/10/07.

The Southampton Nuffield Theatre Trust Limited

Independent auditors report to the trustees for the year ended 31 March 2007

We have audited the financial statements of The Southampton Nuffield Theatre Trust Limited for the year ended 31st March 2007 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members as a body, in accordance with the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities, the trustees, who are also the directors for the purposes of the company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We report to you our opinion as to whether the financial statement gives a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

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

Basis of Opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to small entities, of the charitable company's and group's state of affairs as at 31st March 2007 and of the group's incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985. The information given in the Trustees' Report is consistent with the financial statements.

Fiander Tovell LLP

Fiander Tovell LLP (Chartered Accountants and Registered Auditors)

Date *4th October 2007*

The Southampton Nuffield Theatre Trust Limited
Consolidated statement of financial activities (including income & expenditure account)
for the year ending 31st March 2007

		<u>Unrestricted</u>		<u>Restricted</u>	<u>Total funds</u>	<u>Total funds</u>
	Note	Undesignated £	Designated £	£	2007 £	2006 £
Incoming resources						
<i>Incoming resources from charitable activities</i>						
Operation of producing theatre	5	1,613,998	-	50,970	1,664,968	1,671,490
<i>Incoming resources from generated funds</i>						
Voluntary income	9	19,807	-	41,360	61,167	41,180
Activities for generating funds	10	28,951	-	-	28,951	23,244
Investment income	11	9,868	-	-	9,868	7,241
		58,626	-	41,360	99,986	71,665
Total incoming resources		1,672,624	-	92,330	1,764,954	1,743,155
Resources expended						
<i>Charitable activities</i>						
Operation of producing theatre	12	1,647,228	-	43,220	1,690,447	1,691,065
<i>Costs of generating funds</i>						
Costs of generating voluntary income	13	12,872	-	21,445	34,317	26,377
Fundraising trading cost of goods sold	13	32,435	-	-	32,435	32,274
		45,307	-	21,445	66,752	58,651
Governance costs	13	40,241	-	-	40,241	35,534
Total resources expended		1,732,776	-	64,665	1,797,441	1,785,250
Net outgoing resources before transfers		(60,151)	-	27,665	(32,486)	(42,095)
Gross transfers between funds	22	75,102	(5,275)	(69,827)	-	-
Net income (expenditure) for the year		14,951	(5,275)	(42,162)	(32,486)	(42,095)
<i>Reconciliation of funds</i>						
Total funds brought forward		2,900	28,250	744,592	775,742	817,837
Total funds carried forward		17,850	22,975	702,430	743,256	775,742

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

The Southampton Nuffield Theatre Trust Limited
Consolidated balance sheet as at 31st March 2007

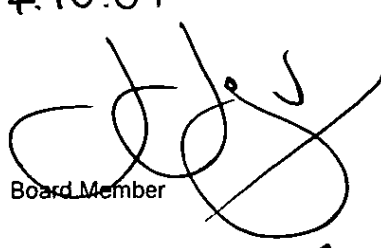
	Note	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Fixed assets					
Tangible assets	17	744,196	832,016	744,196	832,016
Investments	18	-	-	2	2
		<u>744,196</u>	<u>832,016</u>	<u>744,198</u>	<u>832,018</u>
Current assets					
Stock	19	3,313	3,604	3,313	3,604
Debtors	20	129,984	91,275	129,984	91,275
Cash at bank and in hand		180,038	219,844	180,038	219,844
		<u>313,335</u>	<u>314,723</u>	<u>313,335</u>	<u>314,723</u>
Liabilities					
Creditors amounts falling due within one year	21	314,276	370,997	314,278	370,999
Net current assets / (liabilities)		<u>(941)</u>	<u>(56,274)</u>	<u>(943)</u>	<u>(56,276)</u>
Net assets		<u>743,255</u>	<u>775,742</u>	<u>743,255</u>	<u>775,742</u>
The funds of the charity					
Restricted income funds	22	702,430	744,592	702,430	744,592
Unrestricted income funds					
Designated		22,975	28,250	22,975	28,250
General		17,850	2,900	17,850	2,900
Total unrestricted income funds	23	40,825	31,150	40,825	31,150
Total charity funds		<u>743,256</u>	<u>775,742</u>	<u>743,256</u>	<u>775,742</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities, and the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the Board on 4.10.07 and were signed on its behalf by


Board Member **Stephen Boyce**

4 October 2007


Board Member **Lynne Lockyer**
4.10.07

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards including the Financial Reporting Standard for Smaller Entities (effective January 2005), and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are set out below.

As the company is a charity, the wording of the statutory formats required by the Companies Act 1985 have been appropriately amended in order to give a true and fair view.

The financial statements have also been prepared on a going concern basis, which assumes that the group will continue to operate. The validity of this assumption is dependent upon the continued support of the funding bodies of the group. If the group were unable to continue to trade, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise, and to reclassify fixed assets to current assets. There is no indication that the support of the funding bodies will not continue for the foreseeable future.

b) Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 230 of the Companies Act 1985 and paragraph 397 of the SORP.

c) Funds structure

Funds held by the charity are either

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

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

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes below.

d) Incoming resources

Income from charitable activities which includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is deferred when

- Admission fees or performance related grants are received in advance of the performances or event to which they relate

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when

- The donor specifies that the grant or donation must only be used in future accounting periods, or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

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

e) Unrestricted / Core grants

The regular annual grant funding received from Arts Council England, University of Southampton, Southampton City Council & Hampshire County Council is considered to be the core funding for the charity, and therefore treated as unrestricted income. Any additional grants received from these bodies are usually for specific projects or activities and therefore will usually be restricted income. Investment income is recognised on a receivable basis.

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

1 Accounting policies (continued)

f) Donated services and facilities

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity

g) Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds
- Charitable activities include expenditure associated with the production and presentation of theatrical productions and educational programmes, at the theatre and other venues, and include both the direct costs and support costs relating to these activities
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, as detailed in notes 12 & 13

h) Operating leases

Where the group enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to resources expended and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to resources expended on a straight line basis over the life of the lease.

i) Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

<u>Asset category</u>	<u>Useful life</u>
Motor vehicles	4 - 8 years
Office & catering equipment	3 - 12 years
Theatre equipment	3 - 20 years
Leasehold improvements	9 - 20 years

j) Stock

Stock is included at the lower of cost or net realisable value.

k) Pensions

The charity makes a stakeholder pension scheme available to all staff. In addition, under agreements with Equity and BECTU, the charity makes contributions to the pension schemes of staff who participate in the group personal pension schemes operated by these unions. Pension contributions are charged to the Accounts in the period in which they fall due.

Two employees are also members of a defined benefit pension scheme underwritten by the University of Southampton. The assets of the scheme are held and managed separately from those of the charity. Under the exemption permitted by the Charities SORP Update Bulletin 1, published by the Charity Commission in January 2003, the charity is not able to identify readily or cost effectively, on a reasonable and consistent basis each year its share of the overall surplus or deficit for the year and its share of the underlying assets and liabilities of the scheme and hence does not disclose this information in full but accounts for its contributions as if it were a defined contribution scheme. Pension costs charged to the Statement of Financial Activities represent the contributions due by the charity for the year, based on independent actuarial recommendation.

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

2 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £100.

3 Related party transactions

a) Executive directors

From time to time the charity makes small loans available to core members of staff. At the balance sheet date a loan balance of £ nil (2006 £nil) was due from P Sandford, the artistic director, and £100 (2006 £nil) from K Anderson, the administrative director. The maximum amounts outstanding during the year were £265 and £1,000 respectively. These loans are interest free and repayable on demand.

b) Board members

During the year the charity incurred legal fees of £nil (2006 £1,440) with its solicitors, Paris, Smith and Randall, of which N Vaughan, a board member of the charity until 12 October 2006, is a partner.

No other board member received any emolument or payment for professional or other services during the year or was paid or reimbursed expenses.

c) University of Southampton

A summary of the main financial transactions with the University is set out below.

	2007 £	2006 £
Incoming resources		
Core grant	144,700	141,200
Resources expended - Core costs		
Premises & equipment		
Sinking fund	18,088	18,088
Utilities & cleaning	55,666	48,329
Insurance	5,228	4,250
	<u>78,983</u>	<u>70,667</u>

No charge is made for the use of the main theatre building which is provided at a peppercorn rent. This donation in kind is excluded from the financial statements as due to the unique nature of the building and relationship between the Theatre and the University it is not possible to quantify its value.

More information about the relationship with the University is given in the trustees report.

4 Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary.

A summary of the financial activities undertaken by the charity is set out below.

	2007 £	2006 £
Gross incoming resources	1,764,954	1,616,280
Total expenditure on charitable activities	(1,690,447)	(1,574,835)
Costs of generating funds	(66,752)	(58,651)
Governance costs	(40,241)	(35,534)
Amount gift aided from subsidiary	7	10,645
	<u>(32,486)</u>	<u>(42,095)</u>
Net incoming resources	775,742	817,837
Total funds brought forward		
	<u>743,256</u>	<u>775,742</u>
Total funds carried forward		
	<u>743,256</u>	<u>775,742</u>
Represented by		
Restricted income funds	702,430	744,592
Unrestricted income funds	40,825	31,150
	<u>743,256</u>	<u>775,742</u>

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

5 Income from operation of producing theatre

		Unrestricted	Restricted	Total 2007	Total 2006
		£	£	£	£
Tickets, programmes & touring	6	463,912	-	463,912	486,908
Other project income		7,878	-	7,878	4,785
Artistic hires		40,820	-	40,820	36,106
Audience trading	7	123,920	-	123,920	116,054
Grants	8	977,468	50,970	1,028,438	1,027,637
		1,613,998	50,970	1,664,968	1,671,490

6 Tickets, programmes & touring

	Unrestricted	Restricted	Total 2007	Total 2006
	£	£	£	£
Nuffield productions				
Main house	238,250	-	238,250	252,175
Studio	11,358	-	11,358	6,296
Touring	66,345	-	66,345	54,544
	315,953	-	315,953	313,015
Other				
Adult visiting companies	56,722	-	56,722	91,107
Alternative nights	31,751	-	31,751	33,301
Kids' Saturday theatre	10,519	-	10,519	9,986
Youth theatres, Drama clubs & Workshops	48,968	-	48,968	39,499
	463,912	-	463,912	486,908

7 Audience & general public trading / Subsidiary undertaking

a) Audience & general public trading

The charity provides a range of food and drink to audiences. This is part of the core operation of the theatre and the income is therefore included as incoming resources from charitable activities.

The charity also sells food and drink to the general public at other times. This income is included as incoming resources from generated funds.

	Unrestricted	Restricted	Total 2007	Total 2006
	£	£	£	£
Audience trading				
Bar	66,738	-	66,738	64,943
Ices and confectionery	34,813	-	34,813	33,625
Audience food	16,374	-	16,374	11,864
Merchandise	5,994	-	5,994	5,472
Other income	-	-	-	150
	123,920	-	123,920	116,054
General public trading				
General public food	10,828	-	10,828	10,093
	10,828	-	10,828	10,093

The Southampton Nuffield Theatre Trust Limited

Notes forming part of the financial statements for the year ending 31st March 2007

7 Audience & general public trading / Subsidiary undertaking (continued)

b) Subsidiary undertaking

Up to 31 March 2006 all the above activities were carried out by the charity's wholly owned trading subsidiary, Southampton Nuffield Theatre Trading Company Limited

On 31 March 2006 the business and assets of the subsidiary were transferred to the charity which from that date has continued to carry on the trade directly

A summary of the trading results of Southampton Nuffield Theatre Trading Company Limited, which is incorporated in the United Kingdom, is as follows

	2007 £	2006 £
Turnover	-	126,875
Cost of sales & administration costs	-	(116,229)
Net profit	-	10,645
Amount gift aided to the charity	-	(10,645)
Retained in subsidiary	-	-
The assets and liabilities of the subsidiary were		
Current assets	2	2
Current liabilities	-	-
Total net assets	2	2
Aggregate share capital and reserves	2	2

8 Grants

	Unrestricted £	Restricted £	Total 2007 £	Total 2006 £
Revenue grants				
<i>Unrestricted / Core grants</i>				
Arts Council England	560,161	-	560,161	545,169
Southampton City Council	237,607	-	237,607	231,811
University of Southampton	144,700	-	144,700	141,200
Hampshire County Council	35,000	-	35,000	35,205
<i>Restricted Grants</i>				
Arts Council England – Creative Partnerships	-	9,020	9,020	41,102
Arts Council England – Golden Mask	-	10,000	10,000	-
Hampshire County Council – Youth theatre	-	14,200	14,200	13,900
– Property grant	-	5,000	5,000	10,000
Portsmouth City Council	-	5,000	5,000	5,000
Heritage Lottery Fund	-	7,750	7,750	-
Other (2006)	-	-	-	4,250
	977,468	50,970	1,028,438	1,027,637

9 Voluntary income

	Unrestricted £	Restricted £	Total 2007 £	Total 2006 £
Donations				
General	17,807	-	17,807	11,423
Capital appeal	-	41,360	41,360	12,007
Services & assets	2,000	-	2,000	17,750
	19,807	41,360	61,167	41,180

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

10 Income from activities for generating funds

	Unrestricted	Restricted	Total 2007	Total 2006
	£	£	£	£
Sponsorship				
Revenue	13,166	-	13,166	9,167
Capital appeal	-	-	-	2,000
	<u>13,166</u>	<u>-</u>	<u>13,166</u>	<u>11,167</u>
Friends of Nuffield Theatre	1,455	-	1,455	1,796
General public trading	10,828	-	10,828	10,093
Other	3,502	-	3,502	188
	<u>28,951</u>	<u>-</u>	<u>28,951</u>	<u>23,244</u>

11 Investment Income

All of the group's investment income arises from an interest bearing deposit account

12 Charitable Activities

The charity undertakes direct charitable activities only and does not make grant payments

	Theatre productions		Primary	Other	Total
	Nuffield	Other	trading	activities	
	productions	productions	trading	activities	
	£	£	£	£	£
Direct production costs					
Nuffield productions	548,292	-	-	-	548,292
Other	-	-	-	12,339	12,339
	<u>548,292</u>	<u>-</u>	<u>-</u>	<u>12,339</u>	<u>560,631</u>
Visiting companies & youth theatre	-	140,557	-	-	140,557
Research & development	-	-	-	14,298	14,298
Marketing	90,266	57,442	-	16,413	164,121
FOH trading					
- directly allocated	-	-	81,905	-	81,905
- apportioned	-	-	15,768	-	15,768
Production and front of house					
- directly allocated	38,219	9,317	-	6,866	54,403
- apportioned	145,453	19,394	19,394	9,697	193,938
Touring & projects department	41,948	34,321	-	-	76,269
	<u>864,178</u>	<u>261,032</u>	<u>117,067</u>	<u>59,613</u>	<u>1,301,891</u>
Support costs (note 13)	194,278	135,995	38,856	19,427	388,556
	<u>1,058,456</u>	<u>397,027</u>	<u>155,923</u>	<u>79,040</u>	<u>1,690,447</u>

The charity apportions shared costs between activities on a basis consistent with the use of resources, as shown in the table below -

	Theatre productions		Primary	Other	Total
	Nuffield	Other	trading	activities	
	productions	productions	trading	activities	
	£	£	£	£	£
	%	%	%	%	%
Marketing	55	35	-	10	100
FOH trading (primary element)	-	-	65	-	65
Production and front of house	75	10	10	5	100
Touring & projects department	55	45	-	-	100
Support costs	50	35	10	5	100

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

13 Resources expended including support costs

	Charitable activities (Note 10) £	Voluntary income £	Generating funds £	Govern- ance £	Total £
Costs directly allocated to activities					
Charitable activities	1,301,891	-	-	-	1,301,891
Secondary trading	-	-	-	-	-
- directly allocated	-	-	4,361	-	4,361
- apportioned	-	-	8,490	-	8,490
Fundraising costs	-	-	-	-	-
- directly allocated	-	22,490	69	-	22,559
- apportioned	-	6,448	6,448	-	12,896
Audit	-	-	-	6,700	6,700
Organisational development	-	-	-	2,932	2,932
	<u>1,301,891</u>	<u>28,937</u>	<u>19,368</u>	<u>9,632</u>	<u>1,359,828</u>
Support costs allocated to activities					
<i>Core costs</i>					
Premises & equipment					
Sinking fund	18,088	-	-	-	18,088
Utilities and cleaning	50,100	-	2,783	2,783	55,666
Other	20,867	-	1,159	1,159	23,185
IT	11,431	-	635	635	12,701
Depreciation	101,797	-	-	-	101,797
<i>Admin costs</i>					
Box office	44,596	-	-	2,347	46,944
Management and accounts	68,705	4,908	4,908	19,629	98,150
Other staff costs	19,839	-	1,102	1,103	22,044
Phones, postage and stationery	21,233	472	708	1,179	23,592
Other	31,900	-	1,772	1,772	35,444
	<u>388,556</u>	<u>5,380</u>	<u>13,067</u>	<u>30,609</u>	<u>437,611</u>
Total resources expended	<u>1,690,447</u>	<u>34,317</u>	<u>32,435</u>	<u>40,241</u>	<u>1,797,440</u>

The charity allocates costs directly to activities wherever possible. Certain shared costs including support costs are apportioned on a basis consistent with the use of resources as shown in the table below

	Charitable activities %	Voluntary income %	Generating funds %	Govern- ance %	Total %
Shared direct costs					
FOH trading (secondary element)	-	-	35	-	35
Fundraising costs	-	50	50	-	100
Support costs					
<i>Core costs</i>					
Premises & equipment					
Sinking fund	100	-	-	-	100
Utilities and cleaning	90	-	5	5	100
Other	90	-	5	5	100
IT	90	-	5	5	100
Depreciation	100	-	-	-	100
<i>Admin costs</i>					
Box office	95	-	-	5	100
Management and accounts	70	5	5	20	100
Other staff costs	90	-	5	5	100
Phones, postage and stationery	90	2	3	5	100
Other	90	-	5	5	100

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

14 Analysis of staff costs

	2007 £	2006 £
Salaries and wages	804,288	740,460
National insurance costs	73,956	63,160
Pension costs	4,640	4,444
	882,884	808,064

No employees had emoluments in excess of £60,000 (2006 nil)

15 Staff numbers

The average number of full-time equivalent employees (including casual and part time staff) during the year was as follows

	2007	2006
Production	33	34
Administration	18	18
	51	52

16 Net income (expenditure) for the year

	2007 £	2006 £
Net income (expenditure) for the year is stated after charging (crediting)		
Depreciation	101,797	109,221
Auditors' remuneration - audit (including subsidiary)	6,700	6,220
- other services	-	-

17 Tangible fixed assets - group and charity

	Theatre equipment £	Office & catering equipment £	Leasehold improve- ments £	Motor vehicles £	Total £
Cost					
As at 1st April 2006	151,695	185,985	1,649,691	37,850	2,025,221
Additions	9,606	4,369	-	-	13,975
As at 31 March 2007	161,301	190,354	1,649,691	37,850	2,039,196
Depreciation					
As at 1st April 2006	131,315	154,536	869,504	37,850	1,193,205
Charge for the year	7,516	13,196	81,083	-	101,795
As at 31 March 2007	138,831	167,732	950,587	37,850	1,295,000
Net book value					
As at 1st April 2006	20,380	31,449	780,187	-	832,016
As at 31 March 2007	22,470	22,622	699,104	-	744,196

As set out in notes 22 and 23, the holding of certain Tangible Fixed Assets is linked to specific funds of the charity. During the year the following amounts have been transferred into general funds in respect of the depreciation of these assets

	Theatre equipment £	Office & catering equipment £	Leasehold improve- ments £	Motor vehicles £	Total £
Restricted - Refurbishment fund	-	-	69,827	-	69,827
Designated - Sponsored assets fund	-	5,275	-	-	5,275
	-	5,275	69,827	-	75,102

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

18 Investments - trading subsidiary

	Company 2007 £	Company 2006 £
Shares in group undertaking	2	2
	Class of shares	Group interest
Name		Registered
		England and Wales
Southampton Nuffield Theatre Trading Company Ltd	Ordinary £1	100%

Up to 31st March 2006 the principal activity of the Southampton Nuffield Theatre Trading Company Ltd was the provision of bar and catering services at the Nuffield Theatre, Southampton

From 1st April 2006 these services were provided by the charity itself and the Southampton Nuffield Theatre Trading Company Ltd was dormant

19 Stock

	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Front of house	3,313	3,604	3,313	3,604

20 Debtors

	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Trade debtors	17,064	10,987	17,064	10,987
Other debtors	57,228	8,890	57,228	8,890
Prepayments and accrued income	55,692	71,398	55,692	71,398
	129,984	91,275	129,984	91,275

All amounts are due within one year from the balance sheet date

21 Creditors: amounts falling due within one year

	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Trade creditors	27,187	81,354	27,187	81,354
Tax and social security costs	21,073	18,253	21,073	18,253
Other creditors	4,259	12,856	4,259	12,856
Accruals	194,384	136,979	194,384	136,979
Deferred income	67,373	121,555	67,373	121,555
Amount due to subsidiary undertaking	-	-	2	2
	314,276	370,997	314,278	370,999

Deferred income comprises

	2007 £	2006 £
Advance ticket sales	35,538	41,459
Grants for future productions or periods	31,835	63,930
Other	-	16,166
	67,373	121,555

All brought forward amounts were released to incoming resources during the year

The Southampton Nuffield Theatre Trust Limited

Notes forming part of the financial statements for the year ending 31st March 2007

22 Restricted income funds

	Fund at 1st April 2006 £	Incoming resources £	Resources expended £	Transfers £	Fund at 31st March 2007 £
Refurbishment fund	728,559	-	-	(69,827)	658,732
Capital project	5,191	41,360	21,445	-	25,106
Audience development	10,842	-	-	-	10,842
Creative partnerships	-	9,020	9,020	-	-
Golden Mask in Moscow	-	10,000	10,000	-	-
Youth theatre	-	14,200	14,200	-	-
Property grant	-	5,000	5,000	-	-
Education	-	5,000	5,000	-	-
Heritage Lottery Fund	-	7,750	-	-	7,750
	744,592	92,330	64,665	(69,827)	702,430

The refurbishment fund represents the external funding received specifically towards the theatre's capital refurbishment project undertaken from 1996 to 1999. Each year an amount is transferred to general fund reserves in respect of the depreciation charge for the year (in proportion to the total cost).

The capital project represents grants and donations towards the "Nuffield Appeal", a fundraising project to raise money towards the cost of a major refurbishment of the foyer. Expenses incurred are deducted from the fund.

The audience development fund is a specific grant from Arts Council England to fund work in developing the audience from the South Asian community.

The creative partnerships fund was a specific grant from Arts Council England to fund an artistic and education project completed in spring 2007.

The golden mask in Moscow fund was a specific grant from Arts Council England for a visit to the Russian case programme in the Golden Mask Festival in Moscow.

The youth theatre fund is a specific grant from Hampshire County Council towards the theatre's youth programme.

The property grant is a specific grant from Hampshire County Council towards the theatre's running costs in connection with a property used to build and store theatrical sets.

The education fund represents money received from Portsmouth City Council towards the theatre's educational work.

The heritage lottery fund was a specific grant to fund the project *Fly Away Pavel, Fly Away Piotr* which involved participants from Southampton's Polish community.

The Southampton Nuffield Theatre Trust Limited
Notes forming part of the financial statements for the year ending 31st March 2007

23 Unrestricted income funds

	<u>Designated funds</u>		<u>General fund</u>	<u>Total</u>
	<u>Sponsored assets</u>	<u>Future assets</u>		
	£	£	£	£
Fund at 1 April 2006	21,250	7,000	2,900	31,150
<u>Movements in designated funds</u>				
Sponsored assets fund - annual depreciation	(5,275)	-	-	(5,275)
<u>Movements in general fund</u>				
Restricted depreciation transfer 23	-	-	69,827	69,827
Sponsored assets fund - annual depreciation	-	-	5,275	5,275
Surplus for the year	-	-	(60,151)	(60,151)
Fund at 31 March 2007	15,975	7,000	17,850	40,825

Sponsored assets fund - designated

The sponsored assets fund was set up to pay for future depreciation on fixed assets that are acquired either as donated assets or as part of a sponsorship arrangement

In the year that a new sponsored asset is acquired an amount equal to the full asset value is transferred from general funds into the sponsored assets fund. Over the useful economic life of the asset the fund is then used to "pay for" the depreciation on the asset, and an annual depreciation transfer is made from the fund back into general funds

Future assets fund - designated

The Future assets fund was created to set aside funds for significant future capital expenditure (for example a replacement touring van, computer equipment, etc)

24 Analysis of group net assets between funds

		<u>Fixed assets</u>	<u>Net current assets/ (liabilities)</u>	<u>Total</u>
		£	£	£
<u>Restricted income funds</u>	22			
Refurbishment fund		658,732	-	658,732
Capital project		-	25,106	25,106
Audience development		-	10,842	10,842
Hentage Lottery Fund		-	7,750	7,750
		<u>658,732</u>	<u>43,698</u>	<u>702,430</u>
<u>Unrestricted income funds</u>	23			
Designated funds		15,975	7,000	22,975
General fund		69,489	(51,639)	17,850
		<u>85,464</u>	<u>(44,639)</u>	<u>40,825</u>
		<u>744,196</u>	<u>(941)</u>	<u>743,255</u>

25 Future commitments

Under the terms of an agreement with the University of Southampton there is a commitment to pay £18,088 per annum towards the repair and maintenance costs of the building occupied by the group to the year 2009, and thereafter an amount to be determined at that time by review under the terms of the agreement until 2017. This fund is to be held by the University towards the cost of future building maintenance repairs.

Under the terms of a lease that expires in September 2011 there is a commitment to pay rent for another building occupied by the group. The annual rent, which is currently £21,250, is determined by 3-yearly rent reviews the most recent of which was carried out on 24th June 2005.