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Charity Commission Number: 286876
Company Registration Number: 1711502

THE SOUTHAMPTON NUFFIELD THEATRE
TRUST LIMITED
(limited by guarantee)
ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2005



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COMPANIES HOUSE 13/10/2005

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
(limited by guarantee)

ANNUAL REPORT

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THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
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ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31ST MARCH 2005

Charity Commission Registered No.	286876
Company Registered No.	01711502
Registered and Principal Office	University Road Southampton Hampshire S017 1TR
Solicitors	Paris Smith and Randall 1 London Road Southampton Hampshire S015 2AE
Auditors	Fiander Tovell LLP Chartered Accountants Registered Auditors Stag Gates House 63/64 The Avenue Southampton Hampshire S017 1XS
Bankers	National Westminster Bank plc Woollen Hall Castle Way Southampton Hampshire S014 2DE

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED

(limited by guarantee)

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31ST MARCH 2005

2004 was a special year for The Nuffield, as 40 years ago the Nuffield Theatre was opened by Dame Sybil Thorndike. The Nuffield celebrated its 40th anniversary throughout the year!

It is with great pleasure that we can also report that 2004/05 proved highly successful both in terms of the Company's ongoing development and its artistic achievements. Over the last two years the Nuffield has undertaken a rigorous and holistic programme of development, exploring its artistic vision, strategy, governance and external factors including changes in the way people engage with theatregoing. The Company has been managing a careful process of change and we are delighted to report very positive results. A new vision and strategic plan is in place, the Board has undergone a significant change in structure and membership to better reflect the local community and support the Company, a Front of House refurbishment has commenced, The Nuffield has significantly increased and diversified its programme, audience attendance at the theatre has increased, and the Company has managed to repay almost all of its accumulated deficit.

An outline of some of these developments and other matters that arose during the year follows:

- **Financial position**

Operating surpluses in 2003/04 and 2004/05 together with an Arts Council debt-mitigation grant of £87,000 in 2004/05 have resulted in an extraordinary shift in the Company's financial position from an accumulated deficit of £155,000 in 2002/03 to one of only £19,000 at the beginning of 2005/06.

- **New vision and strategy**

A new vision describing the Company's artistic and educational ethos and sensibilities was written in 2004. This year we completed a three year strategic plan responding to this vision and to changes in audience tastes and behaviour.

- **Board development**

In 2003/04 the Nuffield's Board decided to undertake a self-assessment and approved a plan to reduce its membership to fourteen people and to address issues of skills gaps and diversity on the Board. At the Company's AGM in September 2004, existing elected members resigned as did one of the members appointed by Hampshire County Council and one appointed by The University of Southampton. Following an earlier interview process, two of the previous elected members put themselves forward for re-election as did six prospective new members. All were elected onto the Board. A careful process of induction for new members followed their election. The Company would like to take this opportunity to formally thank the retiring members for their dedicated and wise leadership of the Nuffield.*

**NB A full list of members showing those who retired and those who were appointed during the year can be found on page 11.*

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CHAIRMAN'S REPORT FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

- **Nuffield building and Front of House facilities**

In 2004/05 we successfully completed Phase One of a Front of House refurbishment including significant improvements to the look, comfort and accessibility of the foyer. We also began to plan Phase Two, which is dependent on the Nuffield fundraising £200,000. During the year we commissioned a fundraising strategy, applied for and were awarded a capital grant of £70,000 from Arts Council England's Grants for the Arts programme, employed a full time Development Officer and a Fundraising Consultant (for one year) and set up a fundraising infrastructure.

- **Revenue fundraising**

During the year, the Nuffield's part-time Development Officer left the Company, being replaced by the new full-time Development Officer (see above). Despite the change in staff, The Nuffield achieved excellent results from its revenue fundraising activities. The most significant of these was a deal agreed with A&B and IT providers, Medhurst, to supply £52,000 worth of new computer equipment and maintenance in return for £14,000 worth of business training, £26,000 worth of sponsorship and £12,000 cash.

- **Catering and bar sales**

Very sadly, Maureen Gardner, the Nuffield's Catering Manager, died during the summer after a long fight against cancer. Maureen joined the Company in the early 1980's. Always working in the restaurant, Maureen had been a loyal and passionate supporter of the Company and a very well known and liked member of our Front of House team. Following her death, the Front of House Manager, Rebecca Goodman took over the management of the restaurant, employing a part-time Catering Manager to take charge of the day to day aspects of the lunchtime and evening operations. The new catering service, started under Maureen last year, proved very popular. However, disappointingly, bar sales were lower than anticipated and the gross profit on the bar dropped considerably this year. A new till and stock control systems have been brought into operation to counter this trend.

- **Staffing**

A number of staff changes took place during the year. Two senior managers left the Company: Peter Lea, the Financial Manager retired, and Nicky Wingfield, the Production Manager left after fifteen years with the Nuffield to pursue a freelance career. Whilst this was, of course, a challenge and a sadness to the Company, it also provided an opportunity to revisit these two significant roles and their departmental structures. The Nuffield restructured the accounts department employing Julia Jaggard to work as Accounts Manager reporting to the Company's existing part-time Accountant, John Auger. The Company also employed a temporary Production Manager (Graeme Whiteside) allowing time for an exploration of the best structure for this department. It has since been decided to retain the current structure in the production department with only minor alterations, and Graeme has accepted the permanent position of Production Manager. Another significant staffing change was the employment of Deborah Edgington as Development Officer. As stated earlier, the Phase Two capital fundraising campaign has allowed the Nuffield to employ a full time Development Officer and set up a fundraising department thereby increasing our skills base and investing in the future. Other staff changes included a decision to contract out the press function after the departure of the marketing assistant, and the departure and subsequent recruitment of a new Box Office Manager. These changes, whilst taking time and energy to implement, have resulted in a very solid staffing structure and mature, experienced, and professionally qualified staff in post.

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CHAIRMAN'S REPORT FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

- **Staffing** (continued)

One final matter concerning staffing; in 2004/05 the Nuffield was able to support two funded traineeships. Robin Belfield's Trainee Directorship funded by Channel Four was extended by six months allowing him to direct a main house show and to devise a piece for the studio. In addition, Administrative Director, Kate Anderson mentored Simon Ganya, a placement on ITC's regional Fast Track scheme for 15 weeks.

- **Funding**

Hampshire County Council

Changes in the structure of the Arts Office at Hampshire County Council resulting in Michael Fuller's post as Senior Arts Officer being made redundant was a cause of some concern to the Company, particularly as it coincides with cuts to Hampshire's budget which may impact on the County's grants. The Company has met Nicola Horsey the County's Head of Arts and Tourism to discuss its concerns about long term funding issues, and is awaiting a meeting with the new Head of Arts, Janet Mein, when she takes up her post in summer 2005. The Board would like to take this opportunity to thank Michael for his support of the Nuffield and its Board for many years, both in the role of Senior Arts Officer at Hampshire County Council and previously as Arts Development Officer of Southampton City Council.

Southampton City Council

The City is awaiting the outcome of the Arts Council's decision about whether to award it the £5 million lottery grant earmarked for the development of a new arts complex in the city centre. We were pleased that Artistic Director, Patrick Sandford was invited to be on the City's Performing Arts Organisation Steering Group.

Arts Council England

We were very grateful indeed to Arts Council England South East who awarded the Company £87,000 in debt mitigation money at the beginning of the financial year. This money was provided in recognition of the Company's success in taking control of its long and short term financial position, whilst maintaining its artistic quality, and to allow the Nuffield to continue with its development programme, which would have been threatened by a significant long term debt. In addition, Arts Council England South East awarded the Company £70,000 towards its capital appeal for Phase Two of the Front of House refurbishment. During the year Roger McCann (ACE Theatre Officer) took over the role of liaison with The Nuffield from Judith Hibberd. The Company was very grateful to Judith for her support in the last year. Roger had been the Company's Officer in 2003, and we are pleased be working with him again.

The University of Southampton

The Nuffield enjoyed a very fruitful relationship with the University this year, with a particular focus on the Front of House development. The Company would like to take this opportunity to extend its particular thanks to John Lauwerys, Yannis Roussos and Verity Bird for their hard work on the satisfactory completion of Phase One of the refurbishment and their support of the Nuffield as it embarks on developing and fundraising for Phase Two.

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CHAIRMAN'S REPORT FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

• **Artistic developments**

As recently as two years ago, the Nuffield's programme of work was significantly different than it is today. Development of the programme is at the heart of the organisational developments that the Company has been undertaking, and we are delighted with the results. Where we used to focus heavily on two strands of artistic work: production of mid-scale plays for the main stage and of small-scale productions for young children which toured to schools and arts centres, we now also run a studio theatre at the Nuffield, and we tour work for both children and adults to mid and well as small-scale venues. We also present a vibrant programme of visiting company work, hosting some of the best companies from this country and abroad. As a result of these changes audiences have a much wider choice of work and the Company is able to manage its artistic imperatives and its budget in a more flexible way. Importantly this strategy seems to be having a very positive result: audience numbers at the theatre are increasing and the Company is managing to keep within its budgetary constraints. We are also delighted to report that we produced 11 new professional shows last year and 3 new youth theatre productions.

Artistic Work during the year included:

Nuffield Productions:

Main House shows

Mary Stuart by Friedrich Schiller, translated Jeremy Sams

This excellent production attracted significant national attention and a very positive response from audiences, especially for the leading performances and the simplicity of the curved mirrored design. The Nuffield hosted a private gala performance of *Mary Stuart* and a reception for The University of Southampton to mark its 40th Anniversary.

'Full marks to director Patrick Sandford for taking on this rarely performed but hugely absorbing classic'
The Guardian. Four Stars. Pick of the Week.

Frankenstein by Mary Shelley, adapted by Patrick Sandford

Another rarely performed work, *Frankenstein* was adapted to great effect by Nuffield Artistic Director, Patrick Sandford. Nick Hern Books have requested the adaptation for publication. The Nuffield's *Frankenstein* remained faithful to Mary Shelley's original intentions, using her own words and highlighting aspects of the moral, ethical and philosophical debate underlying her work.

'Sensational effects are conjured into being by Robin Don's design eerily lit by David W Kidd.' The Times.
Four Stars.

The Entertainer by John Osborne

This was the first main stage production by Channel 4 Trainee Director Robin Belfield, with actors Granville Saxton, John Woodvine and Lynn Farleigh. The production had flair and an indication of real promise.

'The Nuffield production is a triumph from start to finish, largely due to the glorious acting'. The Stage.

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CHAIRMAN'S REPORT FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

Main House shows (continued)

Snow Queen by Hans Christian Andersen, adapted by Patrick Sandford

This beautiful and delightful show proved extremely popular and continued the Nuffield Christmas show tradition of lunatic humour combined with excellent storytelling.

'Patrick Sandford's adaptation of Hans Christian Andersen's classic fairy tale was as flawless as a snowflake. From beautiful icy set with its revolving stage to the enchanting musical score, The Snow Queen will melt the hardest of hearts.' The Southern Daily Echo.

The Weir by Conor McPherson.

The Weir was the first main stage production at The Nuffield by Russ Tunney, the Company's new Associate Director; it also marked a departure in our touring pattern being the first show made to tour for both small-scale and mid-scale. Through playing at the mid-scale we managed to attract a cast of a pleasingly high calibre for the smaller-scale work. The show proved popular with audiences and critics.

'The play's tragic heart is revealed as Denise McCormack sensitively recounts Valerie's own sad story – and you can hear a pin drop as the audience holds its breath' The Hampshire Chronicle

Studio Shows

Anthem for Doomed Youth by Helen Newall

A new play by Helen Newall commissioned by The Nuffield and directed by Russ Tunney, *Anthem for Doomed Youth* blended stories, poetry and songs from the First World War and played in schools and arts centre on tour and in The Nuffield's studio where the production sold out.

Quotes from schools who booked the production:

'... a beautifully written and directed piece of work.' 'The performance excellent and the actors very generous in giving their time at the post show discussion. Teachers pack really helpful. The ideas are great and we have structured our GCSE Assessment around it. Do something else - soon! We'll book it!' 'very powerful and a well crafted piece of theatre'

Candlelit Ghost Stories compiled and directed by Russ Tunney

This thoroughly enjoyable show with material ranging from Edgar Allen Poe to 21st century phantoms, was imaginatively presented in the studio, well performed and directed, and was hugely popular with audiences.

Skinny Dipping devised and directed by Robin Belfield, after Christopher Marlowe

A site specific and imaginative production from Channel 4 Trainee Director Robin Belfield, *Skinny Dipping* used Marlowe's poem HERO AND LEANDER and was a collaboration between 2 professional leading actors and a student chorus. Commencing in the studio with a carnival style introduction, the later part of the performance took place in the University's swimming pool, with the actors 'swimming the Hellespont' in the darkened water. By great good fortune one of the actors was an ex-Olympic synchronised swimmer!

NB. *Kiss of the Spiderwoman* also enjoyed a successful revival for a week in the studio at the beginning of the financial year.

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CHAIRMAN'S REPORT FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

Children's shows

Arabel's Raven by Joan Aitken adapted and directed by Russ Tunney

Arabel's Raven was a delightful and popular show for children which toured to schools and small theatres and played in The Nuffield studio.

Quotes from schools who booked the production:

'Another outstanding production' '...spellbinding for the kids - even the 4 year olds' 'The Nuffield production was of a very high standard... it was a performance which would have gone down well with grown-ups unaccompanied by any youngsters' The Basingstoke Gazette

Grimm's Tales adapted by Helen Newall

Another joyous production for children, directed by Russ Tunney, which toured to schools and small theatres and played in The Nuffield studio.

Quotes from schools who booked the production.

'...yet another fantastic performance brought to our school. We have come to expect great things from The Nuffield Theatre - and we certainly weren't disappointed...!!

'This was an excellent production...The fast moving change of short stories enabled all children to be engaged' 'A wonderful experience...' 'It was all absolutely fabulous.'

Co-production

Ballroom written and directed by John Retallack.

Ballroom was a co-production with the De La Warr Pavilion and Linda Lewis Productions. This was a steep learning curve for both our co-producers who relied heavily on the budgeting, technical and touring skills of The Nuffield. *Ballroom* was a very warm human portrait of four retired people exploring love and longing in later life. Performed in a series of theatres and municipal ballrooms across the country, finishing at the Riverside Studios, London. This was very well received both critically and by audiences and we are exploring the possibility of a re-tour.

'John Retallack's delightful play-with-dancing, currently touring the country' Four Stars The Times. The Guardian Pick of the Week. Four Stars The Mail on Sunday.

Visiting Companies and Alternative Nights

Pleasingly audiences for this area of our work are increasing. The Company presented a significant programme of shows from visiting companies focusing on mid- and small-scale companies whose work complements that of the Nuffield, as follows:

- Mid-scale companies included: **Theatrebabel** with *A Doll's House*, **Shared Experience** with *Gone to Earth*, **Nitro** with *Slam Dunk*, **Paines Plough** with *The Straits*, and **Oxford Stage Company** with *Easter*.
- Smaller-scale and physical companies included: **Peepolykus** with *Let the Donkey Go*, **Company FZ** with *Throat*, **Told by an Idiot** with *I'm a Fool to Want You*, *The Colour of Poppies* and *Wallflowering* (originally a Theatre by the Lake production restaged by a regular Nuffield actor with support from the Nuffield in his first venture into production)
- South Asian work that we presented included: **RIFCO** with *The Deranged Marriage*, **Tamasha** with *Strictly Dandia*. Both were attended by near capacity audiences.
- Alternative nights included: **Germain Greer**, **Janet Street Porter**, **Alexi Sayle**, **Mo Mowlam**, **Jeremy Hardy** and **Martin Bell**.
- The regular Saturday children's theatre programme continued to be highly popular with family audiences.

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CHAIRMAN'S REPORT FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

Platforms, Projects and Participation

Platform performances. This new strand of the Nuffield programme was devised for the studio, and included *Southampton 50 years on* (a local debate), and a *Rough Cuts* night (which was held at Portsmouth New Theatre Royal following a bomb scare at The Nuffield), youth theatre activities and a platform for the Writers Group.

Hampshire Youth Theatre. We introduced fees for Hampshire Youth Theatre for the first time to bring it in line with other youth theatres around the country. Two shows were produced: *1001 Nights* by the senior team (16-25 year olds) and *The Great Gromboolian Plain* by the junior team (12-15 year olds).

Nuffield Youth Theatre. We were delighted to reintroduce Nuffield Youth theatre. Two groups meet regularly on a Monday evening. This new youth theatre is very popular and makes a net financial contribution to the company.

Saturday Drama Groups. These three groups held on a Saturday morning for 5-6 year olds, 7-9 year olds, and 10-12 year olds quickly sold out having proved very popular since they were introduced last year.

Adult Workshops. Theatre skills workshops for adults continued to be popular.

Responding to requests from schools. Outreach work in schools including workshops, talks, and INSET accompanied the small-scale touring shows.

The Writers Group. The second year of two-year course run by the Script Executive, John Burgess, was very successful. Work undertaken included the development of a 10 minute play, a 40 minute radio play, and as their graduation exercise a full length stage play.

Activities around main house shows. The Company continued to run this range of successful participatory activities including *Meet the Cast* sessions, *Play Days*, and *Party Nights* as well as community chorus opportunities in *Ballroom*, *Mary Stuart*, *Frankenstein*, *Snow Queen*, and *Skinny Dipping*.

Half-term project. These week-long educational projects for 14-18 year olds continued this year. Both projects responded to Nuffield shows: the autumn project to *Anthem for Doomed Youth*, and the spring project to *The Weir*.

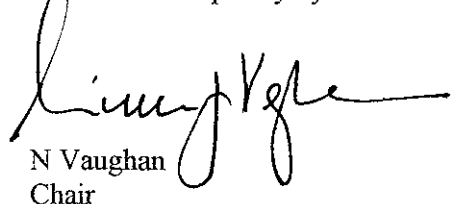
Home for local amateur/community companies

The Nuffield continued its long-standing relationship with local amateur and community groups, hosting and supporting 7 weeks of work from local companies.

• **Performance indicators**

See page 9.

The success of the Nuffield is in no small way due to the hard work and excellence provided by the performers and staff led superbly by Patrick Sandford, Artistic Director and Kate Anderson, Administrative Director.



N Vaughan
Chair

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED (limited by guarantee)

PERFORMANCE INDICATORS FOR THE YEAR ENDED 31ST MARCH 2005

Activity	No of productions	Percentage increase/ (decrease) from last year	No of shows	Percentage increase/ (decrease) from last year	Attendance	Percentage increase/ (decrease) from last year	Average attendance per show	Percentage increase/ (decrease) from last year
Nuffield Theatre Company productions								
Main House	6	50%	140	(2%)	31,671	4%	226	6%
<i>On Tour</i>	1	same	43	258%	7,851	70%	183	(52%)
Studio	4	100%	18	80%	1,237	83%	69	3%
<i>On Tour</i>	0	(100%)	0	(100%)	0	-	0	-
Children's/Young Peoples	4*	same	23*	(8%)	3,172*	(20%)	138	(13%)
<i>On Tour</i>	4	same	113	(51%)	14,760	(66%)	131	(29%)
Visiting Companies								
Main House	10	43%	44	63%	8,099	25%	184	(23%)
Studio	2	100%	6	100%	481	84%	80	(8%)
Alternative Nights	6	(33%)	6	(33%)	1,488	(45%)	248	(17%)
Children's	20	same	40	Same	3,154	(13%)	79	(13%)
Other								
Platforms	2	(60%)	2	(60%)	177	(58%)	88	5%
Youth Theatre	3	same	10	25%	1,656	3%	166	(18%)
Total	55	same	426	(18%)	71,049	(27%)	-	

*Two of the shows made for **Children/Young people** also played to adult audiences at The Nuffield. One (*The Weir*) is also included in the **Main House** figures and the other (*Anthem for Doomed Youth*) is also included in the **Studio** figures. The **Total** figures are reduced to take account of this so that figures are not counted twice.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2005

The board members have pleasure in presenting their annual report and the financial statements for the year ended 31st March 2005. The administrative and legal information on page 1 forms part of this report. The financial statements comply with current statutory requirements and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2000).

Trust Status

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

Principal Activity

The principal activity of the Trust consists of the management and promotion of the Nuffield Theatre, its resident company and related services. The Southampton Nuffield Theatre Trust was established with the primary objectives of encouraging the Arts, the promotion and advancement of education and the cultivation and improvement of public education in the Arts.

Organisational Structure

A Board of 14 board members administers the charity. The Board meets at least four times each year.

This Board comprises one appointed member from the University of Southampton (UoS), two appointed members from Southampton City Council (SCC) and one appointed member from Hampshire County Council (HCC), together with independent members elected by the Board and described as elected members.

The Board operates through 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.

The charity has a wholly owned subsidiary company, operated for the purposes of bar and catering trading, Southampton Nuffield Theatre Trading Company Limited.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2005
(continued)

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 who served during the year were:

Appointed Members

Ms J Doyle		UoS
Dr S Keenan	Resigned 30 September 2004	UoS
Cllr D Harryman		SCC
Cllr T Holden-Brown		SCC
Cllr S Allbright	Resigned 6 May 2005	HCC
Cllr C R H Davidovitz	Resigned 30 September 2004	HCC
Vacancy – HCC appointed member		HCC

Elected Members

Rear Admiral R G Baylis	Resigned 30 September 2004
Mr S Boyce	Resigned & reappointed 30 September 2004
Mr A Black	Resigned 30 September 2004
Mr R Cutler	Appointed 30 September 2004
Miss A Darbyshire	Appointed 30 September 2004
Miss F Dorman-Jackson	Appointed 30 September 2004
Mr C Gordon	Resigned & reappointed 30 September 2004
Mr D Hanner	Appointed 30 September 2004
Mr K Hooper	Resigned 30 September 2004
Ms L Lockyer	Appointed 30 September 2004
Ms J Palmer	Appointed 30 September 2004
Ms A Pye	Resigned 30 September 2004
Mrs J Rattle	Resigned 30 September 2004
Ms P Robertson	
Mrs T A Short	Resigned 30 September 2004
Mr N Vaughan (Chair)	

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2005
(continued)

Review of Activities

Please see the Chairman's report for a full review of the Company's activities in 2004/05.

Reserves Policy

Unrestricted

The board members believe that the charity should hold financial reserves because:

1. it is dependent for income upon grant funding from year to year, which is inevitably subject to fluctuation, and
2. it requires protection against and the ability to continue operating despite loss making shows.

The board members believe that the minimum level of the reserves should be the equivalent of six months net operating costs calculated and reviewed annually and believe that the 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.

The accumulated deficit on undesignated unrestricted funds at 31st March 2005 amounts to £19,100 (2004: £115,000). The Board is working to clear the deficit as soon as possible.

Restricted

Restricted reserves will be held as required.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2005
(continued)

Risk Management

The major risks to which the charity is exposed are reviewed by the board members and systems established to mitigate those risks.

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.

Auditors

A resolution will be proposed at the Annual General Meeting that Fiander Tovell LLP be re-appointed as auditors to the charity for the ensuing year.

This report was approved by the Board and signed on its behalf by:



K. Anderson
Company Secretary



Date

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
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REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE
SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED (limited by guarantee)

We have audited the financial statements of The Southampton Nuffield Theatre Trust Limited for the year ended 31st March 2005 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 charity's trustees as a body, in accordance with the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

We have been appointed as auditors under Section 43 of the Charities Act 1993 and report in accordance with regulations made under Section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards. We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. 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.

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 United Kingdom Auditing Standards 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.

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
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REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE
SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED (limited by guarantee) (continued)

Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the appropriateness of the going concern basis of their preparation, the validity of which depends upon sufficient funding being received to meet the financial commitments arising from the continuation of the group's activities. In view of the significance of this uncertainty, we consider that it should be drawn to your attention. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's and group's state of affairs as at 31st March 2005 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.

Fiander Tovell

Stag Gates House
63/64 The Avenue
SOUTHAMPTON

FIANDER TOVELL LLP
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

Date ...23/4/05

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
(limited by guarantee)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2005

		Restricted Funds	Unrestricted Funds	Total Funds 2005	Total Funds 2004
	Notes		Designated Undesignated		
		£	£	£	£
<u>Incoming resources</u>					
Operating activities:					
Production income	2	-	- 504,524	504,524	595,625
Commercial trading	3	-	- 101,755	101,755	112,305
Grants	4	83,288	- 1,014,068	1,097,356	976,176
Donations and sponsorship	5	225	- 29,766	29,991	25,785
Other income		-	- 543	543	1,245
Total incoming resources		83,513	- 1,650,656	1,734,169	1,711,136
<u>Less: cost of generating funds</u>					
Commercial trading	6	-	- 101,697	101,697	98,011
Fundraising expenses	6	14,714	- 16,459	31,173	19,232
Net incoming resources available for charitable application		68,799	- 1,532,500	1,601,299	1,593,893
<u>Charitable expenditure</u>					
Production and related support costs	6	62,049	- 1,135,040	1,197,089	1,207,198
Premises costs	6	10,000	- 174,578	184,578	190,018
Management and administration	6	-	- 208,378	208,378	211,073
Total charitable expenditure		72,049	- 1,517,996	1,590,045	1,608,289
Total resources expended	6	86,763	- 1,636,152	1,722,915	1,725,532
Net incoming/(outgoing) resources before transfers		(3,250)	- 14,504	11,254	(14,396)
Transfers between funds	17-18	(79,824)	(1,500) 81,324	-	-
Net movement in funds for the year		(83,074)	(1,500) 95,828	11,254	(14,396)
Total funds brought forward		911,011	10,500 (114,928)	806,583	820,979
Total funds carried forward	17-19	827,937	9,000 (19,100)	817,837	806,583

As described in Note 18 to the Accounts, certain Designated Funds have been set up.

It is considered important to users of the Accounts to be able to distinguish clearly the balances of these Funds from general Undesignated Funds. Additional disclosure, as permitted SORP 2000, has therefore been given.

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
(limited by guarantee)
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2005

	<u>Notes</u>	2005 £	2004 £
OPERATING INCOME		606,735	709,174
GRANTS AND DONATIONS RECEIVABLE		<u>1,127,347</u>	<u>1,001,961</u>
<u>TOTAL INCOME</u>		1,734,082	1,711,135
OPERATING EXPENSES		<u>1,722,827</u>	<u>1,724,198</u>
<u>NET OPERATING SURPLUS / (DEFICIT)</u>	8	11,255	(13,063)
Other Interest Receivable and Similar Income	9	87	1
Interest Payable and Similar Charges	10	<u>(88)</u>	<u>(1,334)</u>
<u>RETAINED SURPLUS / (DEFICIT) FOR THE FINANCIAL YEAR</u>		<u><u>11,254</u></u>	<u><u>(14,396)</u></u>

There are no recognised gains and losses other than those passing through the income and expenditure account. The results for the years reported above relate to continuing activities.

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED

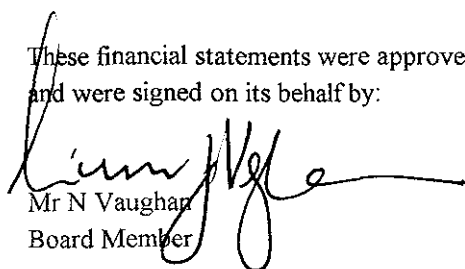
(limited by guarantee)


BALANCE SHEET AS AT 31ST MARCH 2005

		2005		2004	
	<u>Notes</u>	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	11	906,100	906,100	999,509	999,509
Investments	12	-	2	-	2
		<u>906,100</u>	<u>906,102</u>	<u>999,509</u>	<u>999,511</u>
<u>CURRENT ASSETS</u>					
Stocks	13	2,952	-	4,276	-
Debtors	14	114,363	142,065	157,886	164,166
Cash at Bank and in Hand		100,053	75,301	5,045	5,045
		<u>217,368</u>	<u>217,366</u>	<u>167,207</u>	<u>169,211</u>
<u>CREDITORS: amounts falling due within one year</u>	15	<u>(305,631)</u>	<u>(305,631)</u>	<u>(360,133)</u>	<u>(362,139)</u>
<u>NET CURRENT (LIABILITIES)</u>		<u>(88,263)</u>	<u>(88,265)</u>	<u>(192,926)</u>	<u>(192,928)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>					
		817,837	817,837	806,583	806,583
<u>CREDITORS: amounts falling due after more than one year</u>	16	-	-	-	-
<u>NET ASSETS</u>		<u><u>817,837</u></u>	<u><u>817,837</u></u>	<u><u>806,583</u></u>	<u><u>806,583</u></u>
<u>RESERVES</u>					
Unrestricted Funds - undesignated	18	(19,100)	(19,100)	(114,928)	(114,928)
- designated	18	9,000	9,000	10,500	10,500
- total	18	<u>(10,100)</u>	<u>(10,100)</u>	<u>(104,428)</u>	<u>(104,428)</u>
Restricted Funds - total	17	827,937	827,937	911,011	911,011
	19	<u>817,837</u>	<u>817,837</u>	<u>806,583</u>	<u>806,583</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:
and were signed on its behalf by:


Mr N Vaughan
Board Member

20/9/05

Mrs P Robertson
Board Member

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED

(limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2005

The Southampton Nuffield Theatre Trust Limited is a company limited by guarantee and is registered with the Charity Commission No: 286876. Each member of the company has guaranteed the liabilities of the company to the extent of £100 each.

1. Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2000) published in October 2000, and the Companies Act 1985. 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.

Basis of Consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertaking. In the company's financial statements, the investment in subsidiary is stated at cost.

Under Section 230(4) of the Companies Act 1985 the company is exempt from the requirement to present its own income and expenditure account.

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
(limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

1. Principal Accounting Policies (continued)

Fund Accounting

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 to the financial statements.

Incoming Resources

Production income represents the value of ticket and programme sales, lettings, royalties and similar related income, excluding value added tax, in the period in which the activity takes place. Commercial trading income is included in the period in which the group is entitled to receipt.

Grants and Donations

Income from grants and donations are included when receivable except when

- i) grants and donations are specified by the donor as for use in future accounting periods, or
- ii) conditions have not been fulfilled to entitle the charity to use the income.

In such cases the income is treated as deferred income.

Expenditure

Resources expended are included on an accruals basis, inclusive of any VAT which cannot be recovered. Production costs are stated net of co-production income which contributes towards these costs.

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED

(limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

1. Principal Accounting Policies (continued)

Premises costs

Premises costs exclude the value of the use of the main theatre building which are provided by the University of Southampton at a peppercorn rent. This donation in kind is excluded from the financial statements as due to the unique circumstances it is not possible to quantify its value.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of tangible fixed assets by equal instalments over their estimated useful lives as follows:

Motor Vehicles	- between 4 and 8 years
Office Equipment	- between 3 and 12 years
Theatre Equipment	- between 3 and 20 years
Leasehold improvements	- between 9 and 20 years

Assets costing more than £1,000 are capitalised.

Stocks

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

Pension Costs

The charity participates in a defined benefit scheme which is underwritten by University of Southampton. Pension contributions are charged in the period in which they fall due (see also note 7).

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 the income and expenditure account 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 the profit and loss account on a straight line basis over the life of the lease.

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED**(limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2005 (continued)****2. PRODUCTION INCOME**

	Restricted	Unrestricted	Total	Total
			2005	2004
	£	£	£	£
Tickets and Tours:				
Nuffield Company				
Main House	-	224,078	224,078	230,846
Studio	-	8,752	8,752	4,407
Touring	-	-	-	29,800
Visiting Companies				
Incoming Tours	-	74,894	74,894	58,075
Alternative Nights	-	18,578	18,578	33,226
Touring and Projects (Education)				
Kids' Shows, Youth Theatres, Clubs & Workshops	-	41,148	41,148	54,828
Touring Fees	-	51,852	51,852	90,860
Other	-	4,191	4,191	8,508
	-	423,493	423,493	510,550
Programme Sales	-	6,262	6,262	6,791
Theatre Hires	-	45,089	45,089	46,340
Other Project Income	-	29,680	29,680	31,944
	-	504,524	504,524	595,625

3. SUBSIDIARY UNDERTAKING

The charity has a wholly owned trading subsidiary (see note 12) which is incorporated in the UK. Southampton Nuffield Theatre Trading Company Limited provides bar and catering services at the Nuffield Theatre and transfers its taxable profits to the company as 'gift aid'. A summary of the trading results is shown below. Audited financial statements are filed with Companies House.

<u>Profit and Loss Account</u>	2005	2004
	£	£
Turnover	101,755	112,305
Cost of Sales	(60,810)	(50,976)
Gross Profit	40,945	61,329
Net Operating Expenses	(40,887)	(47,035)
Profit on Ordinary Activities	58	14,294
Gift Aid	(58)	(14,294)
Retained Profits	-	-

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED**(limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2005 (continued)****4. GRANTS RECEIVABLE**

	Restricted	Unrestricted	Total	Total
			2005	2004
	£	£	£	£
<u>Revenue Grants</u>				
<u>Unrestricted / Core Grants</u>				
Arts Council England – Core Grant	-	531,873	531,873	518,900
Arts Council England – Debt Mitigation	-	87,000	87,000	-
Southampton City Council	-	226,095	226,095	220,580
University of Southampton	-	134,750	134,750	131,450
Hampshire County Council – Core Grant	-	34,350	34,350	33,466
<u>Restricted Grants</u>				
Hampshire County Council – Youth Theatre	14,900	-	14,900	14,500
– Property Grant	10,000	-	10,000	10,000
Portsmouth City Council	5,000	-	5,000	5,000
Other (7 grants)	32,388	-	32,388	28,280
<u>Capital Grants</u>				
Arts & Business Computer Grant	-	-	-	14,000
Arts Council England – Capital Project	21,000	-	21,000	-
Total	83,288	1,014,068	1,097,356	976,176

5. DONATIONS AND SPONSORSHIP

	Restricted	Unrestricted	Total	Total
			2005	2004
	£	£	£	£
Sponsorship	-	11,417	11,417	16,500
Friends of Nuffield Theatre	-	2,633	2,633	2,547
Business Training	-	13,833	13,833	4,700
Sundry Donations	225	1,883	2,108	2,038
Total	225	29,766	29,991	25,785

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
(limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

6. TOTAL RESOURCES EXPENDED

	<u>Staff</u>	<u>Dep'n</u>	<u>Other</u>	<u>Total</u>	<u>Total</u>
				2005	2004
	£	£	£	£	£
Commercial Trading	25,971	-	75,726	101,697	98,011
Fundraising	16,913	-	14,260	31,173	19,232
	<u>42,884</u>	<u>-</u>	<u>89,986</u>	<u>132,870</u>	<u>117,243</u>
Production & Related Support Costs	611,523	9,977	575,589	1,197,089	1,207,198
Premises Costs	-	90,020	94,558	184,578	190,018
Management & Administration of the Charity	96,630	12,038	99,710	208,378	211,073
	<u>708,153</u>	<u>112,035</u>	<u>769,857</u>	<u>1,590,045</u>	<u>1,608,289</u>
Total Resources Expended	<u>751,037</u>	<u>112,035</u>	<u>859,843</u>	<u>1,722,915</u>	<u>1,725,532</u>

Premises costs exclude the value of the use of the main theatre building which is provided by the University of Southampton at a peppercorn rent. This donation in kind is excluded from the financial statements as due to the unique circumstances it is not possible to quantify its value.

7. STAFF NUMBERS AND COSTS

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

	2005	2004
	Number of Employees	
Production	32	32
Administration	17	19
	<u>49</u>	<u>51</u>

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED

(limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

7. STAFF NUMBERS AND COSTS (continued)

The aggregate payroll costs were as follows:

	2005	2004
	£	£
Wages and Salaries	688,523	720,341
Social Security Costs	58,714	61,462
Other Pension Costs	3,800	3,213
	<u>751,037</u>	<u>785,016</u>

No employee earned more than £50,000 per annum (2004 - nil). No remuneration was paid to any trustee. No trustee received any expenses during the year (2004 - nil).

Two employees are members of the University of Southampton 'Pension and Assurance Scheme for Non-Academic Staff', a defined benefit scheme to which contributions are made of 10.3% by the employer and 5% by the employee. The most recent triennial valuation available to the group was at 1st August 2001, and revealed that the scheme's liabilities were more than covered by its assets. Under the terms of the scheme the University is the sponsoring employer and therefore would be liable should any injection of funds be required. Similarly it is the University who benefit whenever there is a contributions holiday.

8. NET OPERATING SURPLUS / (DEFICIT) ON ORDINARY ACTIVITIES

	2005	2004
	£	£
The surplus (2004 - deficit) on ordinary activities is stated after charging / (crediting):		
Depreciation	112,035	116,625
Profit on disposal of tangible fixed assets	(456)	(359)
Auditors' Remuneration - Audit Services (including subsidiary)	6,000	6,000
- Other Services	-	240
	<u>117,579</u>	<u>122,506</u>

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
(limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

9. INTEREST RECEIVABLE

	2005 £	2004 £
On Bank Deposit Accounts	87	1

10. INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £	2004 £
Bank Overdraft Interest	88	1,334
Hire Purchase Interest	-	-
	88	1,334

11. TANGIBLE FIXED ASSETS

<u>Group and Company</u>	Theatre Equipment	Office and Catering Equipment	Leasehold Improve- ments	Motor Vehicles	Total
<u>Cost</u>	£	£	£	£	£
At beginning of year	139,149	161,981	1,632,478	37,850	1,971,458
Additions	10,000	1,930	6,696	-	18,626
Disposals	-	-	-	-	-
At end of year	149,149	163,911	1,639,174	37,850	1,990,084
<u>Depreciation</u>					
At beginning of year	120,219	129,952	688,653	33,125	971,949
Charge for year	5,252	12,038	90,020	4,725	112,035
Eliminated on disposals	-	-	-	-	-
At end of year	125,471	141,990	778,673	37,850	1,083,984
<u>Net Book Value</u>					
At 31 st March 2005	23,678	21,921	860,501	-	906,100
At 31st March 2004	18,930	32,029	943,825	4,725	999,509

As set out in notes 17 and 18, 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:

Restricted - Refurbishment Fund	-	-	79,824	-	79,824
Designated - A&B Fund	-	3,500	-	-	3,500
	-	3,500	79,824	-	83,324

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
(limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

12. INVESTMENTS

	2005 £	2004 £
<u>Company</u>		
Shares in Group Undertaking	<u>2</u>	<u>2</u>

<u>Name</u>	<u>Class of Shares</u>	<u>Group Interest</u>	<u>Registered</u>
			England and Wales
Southampton Nuffield Theatre Trading Company Ltd	<u>Ordinary £1</u>	<u>100%</u>	<u></u>

The principal activity of the Southampton Nuffield Theatre Trading Company Ltd is the provision of bar and catering services at the Nuffield Theatre, Southampton.

13. STOCKS

	<u>2005 Group £</u>	<u>2005 Company £</u>	<u>2004 Group £</u>	<u>2004 Company £</u>
Front of House	<u>2,952</u>	<u>-</u>	<u>4,276</u>	<u>-</u>

14. DEBTORS

	<u>2005 Group £</u>	<u>2005 Company £</u>	<u>2004 Group £</u>	<u>2004 Company £</u>
Trade Debtors	23,456	23,456	21,058	21,058
Amounts Owed by Subsidiary Undertaking	-	27,702	-	6,280
Other Debtors	21,932	21,932	56,162	56,162
Prepayments	68,975	68,975	80,666	80,666
	<u>114,363</u>	<u>142,065</u>	<u>157,886</u>	<u>164,166</u>

Included above is £4,730 (2004: £10,320) of prepaid Computer Support in respect of accounting periods commencing more than 12 months from the balance sheet date.

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

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED

(limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

15. CREDITORS: amounts falling due within one year

	<u>2005</u>	<u>2005</u>	<u>2004</u>	<u>2004</u>
	Group	Company	Group	Company
	£	£	£	£
Bank Overdraft	-	-	48,673	50,679
Trade Creditors	65,651	65,651	91,535	91,535
Taxation and Social Security	24,715	24,715	17,945	17,945
Other Creditors	7,641	7,641	32,315	32,315
Accruals	108,020	108,020	73,679	73,679
Deferred Income	99,604	99,604	95,986	95,986
	<u>305,631</u>	<u>305,631</u>	<u>360,133</u>	<u>362,139</u>

Deferred income comprises:

	<u>2005</u>	<u>2004</u>
	£	£
Advance ticket sales	36,281	43,786
Grants for future productions or periods	45,990	25,450
Other	17,333	26,750
	<u>99,604</u>	<u>95,986</u>

All the brought forward deferred income was released during the year.

16. CREDITORS: amounts falling due after more than one year

<u>Group and Company</u>	<u>2005</u>	<u>2004</u>
	£	£
Loans	<u>-</u>	<u>-</u>

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED

(limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

17. RESTRICTED FUNDS

	<u>Notes</u>	<u>Balance</u> <u>b/f</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Balance</u> <u>c/f</u>
		£	£	£	£	£
Refurbishment Fund	(i)	888,208	-	-	(79,824)	808,384
Productions	(ii)	4,750	-	(4,750)	-	-
Audience Development	(iii)	18,053	-	(5,011)	-	13,042
Capital Project	(iv)	-	21,225	(14,714)	-	6,511
Youth Theatre	(v)	-	14,900	(14,900)	-	-
Property Grant	(vi)	-	10,000	(10,000)	-	-
Education	(vii)	-	5,000	(5,000)	-	-
Other (7 funds)		-	32,388	(32,388)	-	-
		<u>911,011</u>	<u>83,513</u>	<u>(86,763)</u>	<u>(79,824)</u>	<u>827,937</u>

(i) 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).

(ii) The Production Fund was created by the donations from the Nuffield Theatre Club, following its closure, and is for production sponsorship over a five year period.

(iii) The Audience Development Fund is a specific grant from Arts Council England to fund work in developing the audience from the South Asian community.

(iv) The Capital Project represents grants and donations towards the "Nuffield Appeal", a fundraising project to raise money towards the cost of a major refurbishment and extension of the foyer.

(iv) The Youth Theatre Fund is a specific grant from Hampshire County Council towards the theatre's youth programme.

(vi) 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.

(vii) The Education Fund represents money received from Portsmouth City Council towards the theatre's educational work.

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED**(limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2005 (continued)****18. UNRESTRICTED FUNDS**

	Designated Funds:			
	<u>A&B Fund</u>	<u>Asset Fund</u>	<u>General</u>	<u>Total</u>
	£	£	£	£
Balance brought forward at 1 April 2004	10,500	-	(114,928)	(104,428)
<u>Movements in Designated Funds:</u>				
Designated depreciation transfer	(3,500)	-	-	(3,500)
Transfer to Asset Fund	-	2,000	-	2,000
<u>Movements in General Funds:</u>				
Restricted depreciation transfer	-	-	79,824	79,824
Designated depreciation transfer	-	-	3,500	3,500
Transfer to Asset Fund	-	-	(2,000)	(2,000)
Surplus for the year	-	-	14,504	14,504
Balance carried forward at 31 March 2005	<u>7,000</u>	<u>2,000</u>	<u>(19,100)</u>	<u>(10,100)</u>

Designated Funds:

The A&B Fund was created during 2004. A grant of £14,000 was received from Arts & Business as part of a sponsorship deal in which the Theatre acquired a new computer system in return for a combination of cash paid during the year and promotional benefits for a 3-year period.

It is considered that the commercial substance of the grant meets the conditions set out in para 80 of SORP 2000 and hence a designated fund has been created which will be reduced over the economic life of the computer system in line with its depreciation.

The Asset Fund was created during 2005. The fund has been set up to provide funds for significant capital expenditure (eg Touring Minibus).

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Net Current Assets/ (Liabilities)	Total
	£	£	£
<u>Restricted Funds</u>			
Refurbishment Fund	808,384	-	808,384
Audience Development	-	13,042	13,042
Capital Project	-	6,511	6,511
	<u>808,384</u>	<u>19,553</u>	<u>827,937</u>
<u>Unrestricted Funds</u>			
Designated Fund	7,000	2,000	9,000
General Funds	90,716	(109,816)	(19,100)
	<u>97,716</u>	<u>(107,816)</u>	<u>(10,100)</u>
	<u>906,100</u>	<u>(88,263)</u>	<u>817,837</u>

THE SOUTHAMPTON NUFFIELD THEATRE TRUST LIMITED
(limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2005 (continued)

20. 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 £18,000, is determined by 3-yearly rent reviews the most recent of which was carried out on 24th June 2002.

21. RELATED PARTY TRANSACTIONS

a) During the year the charity incurred legal fees of £93 (2004: £nil) with its solicitors, Paris, Smith and Randall, of which N Vaughan, a board member of the charity, is a partner.

b) At the balance sheet date a loan balance of £ nil (2004: £nil) was due from P Sandford, the artistic director, and £491 (2004: £1,559) from K Anderson, the administrative director. The maximum amounts outstanding during the year were £254 and £1,559 respectively. These loans are interest free and repayable on demand.