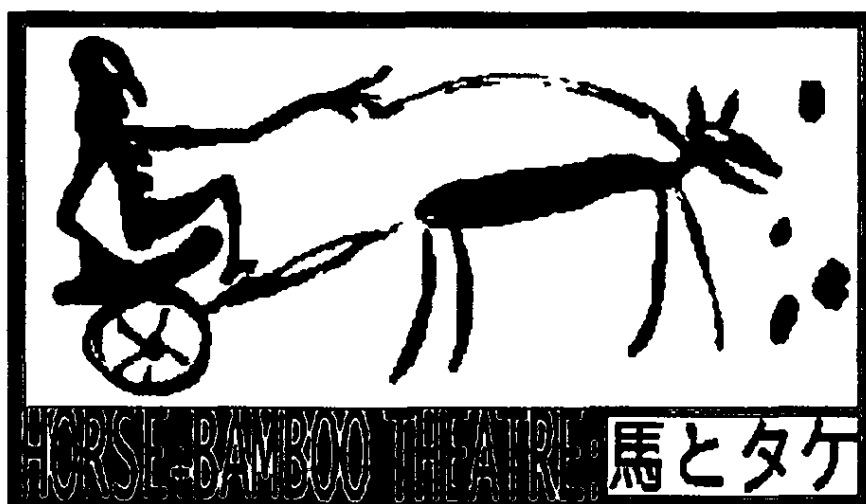


"LITTLE WORLD" LIMITED
(A company limited by guarantee)
TRADING AS
HORSE + BAMBOO THEATRE
ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007



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"LITTLE WORLD" LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

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"LITTLE WORLD" LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2007

DIRECTORS

W Griffiths	Chair
S Martin	Vice Chair
P Brindle	
L Forshaw	
A Squire	
I Brookes	(resigned 22 nd January 2007)
A Boe	(resigned 7 th December 2006)
A Bennett	(appointed 7 th December 2006)
J Hyatt	(appointed 7 th December 2006)

OBSERVERS

Cllr Pickup	Heather Fox
R Gould	Cllr Wilkinson
Cllr Smith	J Bishop

SENIOR STAFF

Helen Jackson – Chief Executive	Jo Williams – Head of Outreach
Richard Hall – Executive Producer	Bob Frith – Artistic Director
Natasha Kent – Company Manager	Alison Duddle – Associate Director

SECRETARY

I McRae	(appointed 22nd January 2007)
I Brookes	(resigned 22nd January 2007)

**REGISTERED OFFICE
PRINCIPAL PLACE OF BUSINESS**

H + B Centre
Bacup Road
Waterfoot
Rossendale
BB4 7HB

AUDITORS

Chittenden Horley Limited
Chartered Accountants and
Registered Auditors
456 Chester Road
Old Trafford
Manchester
M16 9HD

BANKERS

Lloyds TSB Bank PLC
8A Whalley Road
Accrington
BB5 1AB

COMPANY NUMBER

1731859

CHARITY NUMBER

292326

"LITTLE WORLD" LIMITED

TRUSTEES AND DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2007

The Directors, who are the Trustees of the charity, present their annual report and the audited financial statements for the year ended March 31 2007

Little World Limited operates under the name of Horse + Bamboo Theatre (H + B)

STATUS AND ADMINISTRATION

The Company is a registered charity and a company limited by guarantee and is governed by its Memorandum and Articles of Association

CHARITABLE OBJECTIVES AND PRINCIPAL ACTIVITIES

Its charitable objectives are the promotion of public education and the encouragement of the arts through the visual and performance arts. It achieves its charitable objectives through its principal activities. Horse + Bamboo exists to pursue excellence in visual theatre and related activities. In particular the Company seeks to take innovative theatre to sections of the community normally denied access to live performance by reason of location, level of physical, sensory or learning ability, ethnic background or social status.

DIRECTORS AND TRUSTEES RECRUITMENT AND APPOINTMENT

The Directors who served during the year together with any changes are listed on page one of the annual report.

The Board of Directors is known as the Committee of Management. The Directors are appointed by the members in General Meeting. The Committee of Management may appoint directors to fill casual vacancies, but those so appointed hold office until the next Annual General Meeting.

In line with new Racial Equality and Disability policies, the Company is actively seeking to recruit further Trustees.

The observers listed on page one are invited to attend Board meetings in order to enable funders and partners to be kept informed of the charity's activities, but take no part in the decision making process.

TRAINING AND INDUCTION OF NEW DIRECTORS

A proper induction and training programme is vital as part of the process of ensuring that Trustees can become valuable and effective members of the H + B board as quickly as possible. H + B follows the Charity Commission Guidance, by providing an induction programme that is suitable for the new Trustee and the size and nature of the H + B organisation as follows:

- introductions to senior management and staff
- providing them with relevant information on H + B, for example business plans, annual accounts, the core Governing document
- visits to see performances and meet with performers
- meetings with existing Trustees and other board members
- an assessment of any training required by the new trustee
- introductions to our professional advisers

All new Trustees joining the H + B are required to attend the Arts Council 'Board Bank' training courses. The induction process marks the beginning of an on-going process of Trustee training and development, to ensure that Trustees can continue to make an effective contribution to H + B.

"LITTLE WORLD" LIMITED

TRUSTEES AND DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2007

DIRECTORS RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the Company and of the surplus or deficit of the Company for that period. In preparing those financial statements the Directors have -

- selected suitable accounting policies and applied them consistently
- made judgements and estimates that are reasonable and prudent
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepared the financial statements on the going concern basis

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

In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

DEVELOPMENT PLANS

Horse + Bamboo is one of Europe's leading visual theatre companies. For 28 years it has created high-quality and original theatre, using masks, mime, animation, puppetry and music, and established an unrivalled reputation in its field. The company's mission is to create and tour theatre productions, which are acclaimed for their excellence, innovation and artistry.

The company is committed to creating and delivering outstanding visual theatre, together with associated educational and workshop/training programmes that embody this same philosophy.

During this year, and building on the proposals from the organisational review undertaken previously, the new structure of Chief Executive and Artistic Director was implemented. This, allied with the introduction of the post of Finance Manager, has enabled the company to move ahead with confidence, despite the financial challenges it faces.

Artistically, the year has built on previous successes. Following on its premiere at the Royal Exchange, *In the Shadow of Trees* was performed at the Charter Theatre, Preston, before being presented at Square Chapel during the Christmas period. One of the pieces originally created for the P-Pod, *Storm in a Teacup*, is being revised for touring to schools during 2007. Work has continued on developing *Veil*, with the intention of touring to both small and middle scale venues during 2007-08. This production marks a new creative phase for the company and would be an important step in moving to a more stable financial position.

Outreach continues to be one of the cornerstones of the company's work and there is constant demand for projects and workshops.

The Visual Futures programme is also developing. Mentoring and training have been provided by the Artistic Director, Chief Executive and Outreach Manager for a number of small and emerging organisations. In addition, funding bids have been submitted to enable improvements to the building which would make it more useable for workshops, rehearsals and performances. The aim is that this will allow for more access for other arts organisations as well as local communities.

**"LITTLE WORLD" LIMITED
TRUSTEES AND DIRECTORS REPORT
FOR THE YEAR ENDED 31 MARCH 2007**

ARTISTIC REVIEW

Touring and large productions

H+B has been working successfully on three major productions during 2006/7

a) In the Shadow of Trees

This production, commissioned and created in collaboration with *Manchester Royal Exchange*, won 'Best New Play' at the 2006 M E N Theatre Awards, and was nominated in two other categories. Although there were originally no plans for it to have a life beyond the Royal Exchange shows, its popularity has resulted in a number of subsequent bookings, most notably a long sell-out Christmas run at Square Chapel, Halifax. It looks likely that this show will continue with a tour late in 2007.

b) Company of Angels

This production, created in 2001, has been in the USA for the past three years. Alison Duddle, the company's Associate Director, once again flew to the US in order to re-direct a production for 2006, when it toured to five venues, from Minneapolis to Tennessee, where it was again extremely well received.

c) Veil

A strong and internationally-based creative team was gathered together throughout the period in order to develop Bob Frith's script for a new touring production. *Veil* is ambitious on many levels, being a two-hour epic partly set in Iraq, both in the 1950's and today. It's also a production that is being developed with a far more extensive team of creative collaborators than we have used before, as well as being a production developed especially for middle-scale touring.

Small scale productions

pPod

The shows developed for the pPod have taken on a life of their own in 2006, and the third and final show devised for the Pod, *'Storm in a Teacup'* has proved very popular with Early Years and Key Stages 1 and 2 children and their families. The pPod itself was a very useful third performing space at the 2006 Rossendale Puppet Festival and the 'K' Festival.

Futures programme

The Futures programme has been much in demand, and we achieved all our targets with mentoring, supporting and advising up and coming theatre companies including *No Nonsense*, *Random Productions*, *Thingamajig*, *20 Stones High*, and *Dynamic New Animations*. In addition the building has been hired by a number of arts and other organisations for rehearsals, meetings and other projects, including the AGM of *Puppeteers UK*. We have been successful in being awarded a £60K grant to upgrade the technical facilities of the Centre – in particular stage curtains, lighting track, and light and sound resources. This will mean that our ability to develop the Futures programme will be much enhanced from next year on when this equipment is in place.

The first *In The Mix* night in October was a sell-out, offering seven young companies an opportunity to show their work in a highly sympathetic and atmospheric setting. The next month we hosted the Canadian swing-jazz band, *The Polyesters*, which again sold out to a very appreciative audience.

Outreach

Horse + Bamboo Theatre won the Creativity Works 2006 'Creative Inspiration Award' for the past 28 years creative work in East Lancashire. Our Outreach Manager, Jo Williams, has had a very busy year, balancing her management role with delivering *Creative Partnerships* projects, the Puppet Festival, and a wide range of community and education projects. Highlights among these include:

a) Puppet Festival

The 2006 Rossendale Puppet Festival in June was a tremendous success, a busy and sunny weekend with a high proportion of local people attending alongside delegates from the Puppeteers UK AGM to see 16 puppet performances.

b) Valley of Stone

Rossendale Groundwork has been successful with their bid to the Heritage Lottery Fund for the '*Valley of Stone*' project. This is excellent news for a very good community and heritage based project, and our creative involvement in this as a major partner will go a long way to fulfilling our next two years commitment to Rossendale and Lancashire.

Training

In March 2007 we organized a skill-sharing professional training workshop week, run by Loz Kaye and Victoria Lee, in order to inform and share information on the basic techniques and approaches used by H+B, and focusing on mask work. Free-lancers and staff were invited to participate and the week was recorded by the Artistic Director, with the intention of creating a body of knowledge that can be passed between practitioners, both through our website and printed brochures.

"LITTLE WORLD" LIMITED

TRUSTEES AND DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2007

FUTURE PLANS

Horse + Bamboo is the country's only major visual theatre company to be regularly funded by the Arts Council. Celebrating our 30th anniversary next year, we are nationally and internationally acclaimed for our creative and innovative theatre which incorporates a unique combination of mask, mime, music, animation, and puppetry.

Our immediate plans are to consolidate our move into mid-scale touring whilst also developing a strong community base in our Centre in Rossendale, East Lancashire.

Subject to ACE funding, our new production, *VEIL*, will tour to mid-scale venues from February 2008. Provisional bookings for the show have been made by several of the country's major medium-scale theatres, which we hope will augur well both for success with *VEIL* and for our plans to tour regularly to these venues, thus opening up our work to larger and more diverse audiences. We will encourage this move further by seeking to collaborate on a new production with a mid-scale venue.

Our Centre is currently undergoing a huge technical upgrade costing £75,819. We thank ACE for their award of £60,719 towards this. New lighting, curtains, and sound equipment will turn the Centre into an exciting village arts venue with at least monthly performances/events to attract a range of audiences - an exciting and new venture which will go some way towards counteracting East Lancashire's lack of cultural provision identified by ACE. During 2007/8 we will finalise plans to change the front of the building to reflect its function and seek funding to effect these plans.

Development of the Centre's potential as a community arts venue is one strand of the Community Programmes Strategy we will deliver across the next three years. The second strand (subject to funding) will be our annual puppet festival. In 2007/8 the other strand will be year 1 of the Valley of Stone project (with Groundwork). 2008/9 will see the completion of Valley of Stone, and during this year we will identify a replacement community programme project.

Our community programmes will be underpinned by our active participation in local networks and partnerships including the Rossendale Arts Alliance, and the Lancashire Placemaking Network. We will work closely with Lancashire County Council's District Partnership Officer, their Arts Development Service, Groundwork, and Elevate East Lancashire's Creative Community Engagement Officer.

We will continue to mentor and support new and emerging artists and arts organisations and, additionally, will use the revamped Centre as a showcase for their work.

Our unique interactive theatre project for people with learning differences - Guided Imagery - will be revived in 2008/9, subject to attracting funding. Guided Imagery creates a world of powerful stimuli - sounds, images, colours, textures and smells - through which a 'journey' occurs. This journey lasts about two hours, and takes place within a large, detailed, installed environment, specially created for the purpose. To create an element of surprise, it is not described as a visit to the 'theatre'. Instead it's a visit to a laboratory, a coalmine, a chip-shop, a shoe-factory - whatever suits the particular theme. The Centre will be adapted to run Guided Imagery sessions daily for two months in 2008/9.

A detailed staff development programme will underpin last year's staffing restructure to achieve the twin goals of individual staff development and achievement of immediate development plans and long term business goals.

Alongside this we will seek to develop further the Board's artistic and financial expertise by recruiting two additional members, and produce an action plan to increase the Board's diversity. We will review our systems for achieving interaction between the Board and Horse + Bamboo.

The above will be strongly informed by the priorities of our main funders - Arts Council and Lancashire County Council, whilst also being underpinned by Horse + Bamboo's aims and objectives.

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"LITTLE WORLD" LIMITED

TRUSTEES AND DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2007

FINANCIAL REVIEW

The company had net out going resources on unrestricted funds for the year of £8,829. In light of the difficulties in securing sufficient venues for the pPod to tour to and the lack of a touring grant in the year, the Directors believe this represents a reasonable result for the charity and is manageable within the overall level of free reserves.

REVIEW OF RISKS AND RESERVES POLICY

The Directors have identified the main risks facing the charity, both financial and operational. They have instigated appropriate measures to mitigate those risks. A Risk Analysis document has been prepared by the Directors.

The Directors intend to rebuild the level of unrestricted reserves, not invested in fixed assets, to approximately three to six months operating costs (£66k - £132k). The Directors believe that this would be a sufficient buffer against short-term problems arising from changes in the funding regime and to allow the Company to develop artistically. As at March 31 2007 the free reserves stood at £64,781, just below the bottom end of the desired range.

FUNDS

The funds held by the company are detailed in notes to the accounts.

CHANGES IN FIXED ASSETS

Movements in fixed assets are shown in notes to the accounts.

AUDITORS

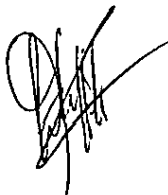
The auditors, Chittenden Horley Limited, have indicated their willingness to accept re-appointment under section 384(1) of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD

Director



Date

12/7/07

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF "LITTLE WORLD" LIMITED

FOR THE YEAR ENDED 31 MARCH 2007

We have audited the financial statements of "Little World" Ltd for the year ended March 31 2007, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity'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

The trustees' (who are also the directors of "Little World" Ltd for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements. In addition we report to you if, in our opinion, 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 the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the charity's affairs as at March 31 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Annual Report³ is consistent with the financial statements.

Chittenden Horley Limited

Chittenden Horley Limited
Chartered Accountants and
Registered Auditors
456 Chester Road
Old Trafford
Manchester M16 9HD



Date - JULY 12 2007

"LITTLE WORLD" LIMITED
STATEMENT OF FINANCIAL ACTIVITY (Including Income and Expenditure Account)
FOR THE YEAR ENDED MARCH 31 2007

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	148,123	-	148,123	148,422
Investment income		1,678	-	1,678	1,749
Incoming resources from charitable activities:					
Project grants	3	-	25,390	25,390	47,966
Fees from performance and workshops		72,992	-	72,992	52,916
Related trading		1,617	-	1,617	6,845
Other incoming resources		478	-	478	600
TOTAL INCOMING RESOURCES		224,888	25,390	250,278	258,498
RESOURCES EXPENDED					
Costs of generating funds:					
Cost of generating voluntary income	4	4,500	-	4,500	22,767
Charitable activities:					
Theatres, performance and workshops	5	220,583	31,111	251,694	244,245
Related trading	5	176	-	176	672
Governance costs:	6	8,458	-	8,458	11,699
TOTAL EXPENDITURE		233,717	31,111	264,828	279,383
NET INCOMING/(OUTGOING) RESOURCES (net expenditure for the period)		(8,829)	(5,721)	(14,550)	(20,885)
TRANSFERS		-	-	-	-
NET INCOMING/(OUTGOING) RESOURCES AFTER TRANSFERS		(8,829)	(5,721)	(14,550)	(20,885)
FUND BALANCES BROUGHT FORWARD		167,798	196,627	364,425	385,310
FUND BALANCES CARRIED FORWARD		158,969	190,906	349,875	364,425

The Company had no recognised gains or losses other than those shown above

The notes on pages 10 to 16 form part of these financial statements

"LITTLE WORLD" LIMITED
BALANCE SHEET
FOR THE YEAR ENDED MARCH 31 2007

	Notes	2007 £	2007 £	2006 £	2006 £
FIXED ASSETS					
Tangible Assets	9		283,287		299,574
CURRENT ASSETS					
Stock	10	4,380		4,380	
Debtors	11	8,601		9,123	
Cash at Bank and in Hand		<u>74,537</u>		<u>64,709</u>	
		87,518		78,212	
CREDITORS					
Amounts falling due in one year	12	<u>20,930</u>		<u>13,361</u>	
NET CURRENT ASSETS / (LIABILITIES)			<u>66,588</u>		<u>64,851</u>
NET ASSETS			<u>349,875</u>		<u>364,425</u>
FUNDS					
Unrestricted	13		158,969		167,798
Restricted	13		<u>190,906</u>		<u>196,627</u>
TOTAL FUNDS			<u>349,875</u>		<u>364,425</u>

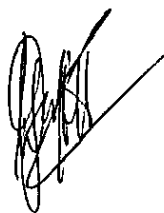
These financial statements have been prepared in accordance with the special provisions for small companies under part VII of the Companies Act 1985 and the Financial Reporting Standard for Small Entities (January 2005)

The notes on pages 10 to 16 form part of these financial statements

Approved by the Trustees on -

And signed on their behalf by -

DIRECTOR



"LITTLE WORLD" LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED MARCH 31 2007

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below

Basis of preparation

The accounts have been prepared under the historic cost convention and comply with the Statement of Recommended Practice "Accounting and Reporting by Charities, (issued in March 2005), and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Fund accounting

General funds are available at the discretion of the Directors in furtherance of the general objectives of the Company

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of the grant Details of the balances on restricted funds at the year end are set out in note 12 to the accounts

Donations and grants

Income from donations and grants, including capital grants and donations, is included in incoming resources when these are receivable, except in the following circumstances, when the income is deferred and included in creditors

- The income relates to a future accounting period
- A sales invoice has been raised ahead of the work being carried out and the Trust is not contractually entitled to the income until the work has been done
- Not all the terms and conditions of the grant have been met, including the incurring of expenditure and the grant conditions are such that unspent grant must be refunded.

Where conditions are imposed which restrict the use of the income to specific purpose then it is included in incoming resources under restricted funds when it is due

Grants received in respect of capital expenditure, which may be repayable in certain circumstances, are treated as restricted funds and included incoming resources in the year of receipt They are released to unrestricted funds, in so far as any restrictions have been met, by means of a transfer each year to match the depreciation charged

Performance, workshop and project fees

Income receivable and charges for performances, workshops and ancillary trading are accounted for in the period in which the performances or workshops take place

Expenditure

Resources expended are accounted for on an accruals basis Expenditure is classified under the principal categories of cost of generating funds and charitable expenditure, rather than the type of expense The cost headings comprise expenditure, including staff costs, directly attributable to the activity Where costs cannot be directly attributed they are allocated to activities on a basis consistent with the use of resources

Charitable expenditure not incurred directly on activities is included in support costs, unless it is directly attributable to the management and administration of the charity This principle is applied to the central overheads of the charity All costs associated with restricted funds are charged as direct costs of the projects

Depreciation and fixed assets

Depreciation is provided on the cost of tangible fixed assets in order to write off the cost after taking account of scrap values over the expected useful lives as follows -

Freehold building – structure	2% straight line
Freehold building - lift & services	5% straight line
Motor vehicles	25% straight line
Fixtures, fittings & equipment	33 1/3% straight lines

Single assets purchases, not forming part of a related series of transactions, costing less than £500 are not capitalised, but are written off as a revenue expense in the year of acquisition

"LITTLE WORLD" LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2007

2 VOLUNTARY INCOME

	Unrestricted	Restricted	Total 2007	Total 2006
	£	£	£	£
Core grants				
ACE North West	119,200	-	119,200	115,960
Rosendale Borough Council	6,000	-	6,000	5,000
Lancashire County Council	22,923	-	22,923	22,550
Donations		-	-	5,050
	<u>148,123</u>	<u>-</u>	<u>148,123</u>	<u>148,560</u>
Movement in deferred income				
Lancashire County Council		-	-	(138)
Receivable in the year	<u>148,123</u>	<u>-</u>	<u>148,123</u>	<u>148,422</u>

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total 2007	Total 2006
	£	£	£	£
Project grants:				
ACE North West - Story Garden Project	-	5,638	5,638	-
ACE North West - pPod in Cumbria	-	4,580	4,580	-
ACE North West - pPod	-	-	-	1,200
Arts & Business - pPod	-	-	-	8,000
ACE North West - Strange & Unexpected Event	-	-	-	6,960
ACE North West - In the Shadow of the Trees	-	-	-	5,000
Big Lottery Fund - HoBo	-	-	-	24,443
ACE North West - Creative Partnerships	-	12,548	12,548	2,363
Other grants	-	2,624	2,624	-
	<u>-</u>	<u>25,390</u>	<u>25,390</u>	<u>47,966</u>

"LITTLE WORLD" LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2007

4 COST OF GENERATING FUNDS

	2007	2006
	£	£
Staff costs	2,000	5,498
Core fees	2,000	7,063
Marketing costs	-	2,917
Property costs	-	1,937
Motor & travel costs	-	180
Office costs	500	1,273
Depreciation	-	3,899
	<u>4,500</u>	<u>22,767</u>

5 ANALYSIS OF CHARITABLE EXPENDITURE

	THEATRE & WORKSHOPS £	RELATED TRADING £	TOTAL 2007 £	TOTAL Restated 2006 £
Direct costs:				
Staff costs	39,124	-	39,124	27,482
Core fees	49,938	-	49,938	54,580
Artists & freelance staff fees	72,617	-	72,617	68,001
Production/workshop costs	5,739	-	5,739	10,089
Travel & accommodation	7,907	-	7,907	5,685
Motor costs	1,735	-	1,735	5,607
Theatre & premises costs	21,864	-	21,864	14,965
Marketing & publicity costs	4,466	-	4,466	2,873
Merchandise purchases	-	176	176	672
Depreciation	16,481	-	16,481	30,128
Support costs:				
Staff costs	16,802	-	16,802	15,000
Accountancy	5,000	-	5,000	-
Office costs	10,021	-	10,021	9,835
	<u>251,694</u>	<u>176</u>	<u>251,870</u>	<u>244,917</u>
<i>Year ended March 31 2006</i>	<u>244,245</u>	<u>672</u>	<u>244,917</u>	

6 GOVERNANCE COSTS

	2007	2006
	£	£
Direct costs:		
Staff costs	1,428	1,999
Core fees	2,295	2,568
Travel	-	65
Theatre & premises costs	1,151	704
Audit, accountancy & legal	2,163	4,482
Depreciation	867	1,418
Office costs	554	463
	<u>8,458</u>	<u>11,699</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2007

7 STAFF COSTS

	2007 £	2006 £
Salaries	57,354	45,994
Social security costs	4,876	3,985
	<u>62,230</u>	<u>49,979</u>

The average number of employees was as follows -

	Number	Number
Direct charitable	3.4	1.8
Fundraising and publicity	0	0.6
Governance	0.1	0.6
	<u>3.5</u>	<u>3</u>

No employee earned more than £60,000 per annum

8 NET INCOMING RESOURCES BEFORE TRANSFERS

	£	£
This is stated after charging/(crediting)		
Auditors remuneration -		
Audit fees	1,713	2,000
Accountancy fees	450	500
Depreciation of other fixed assets	17,348	35,448
Directors' remuneration & trustees expenses	-	-
	<u>-</u>	<u>-</u>

9 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Motor Vehicles £	Fixtures Fittings & Equipment £	Total £
Cost				
As at April 1 2006	377,340	44,276	76,432	498,048
Additions	-	-	2,311	2,311
Disposals	-	(2,500)	-	(2,500)
As at March 31 2007	<u>377,340</u>	<u>41,776</u>	<u>78,743</u>	<u>497,859</u>
Depreciation				
As at April 1 2006	93,430	43,026	62,018	198,474
Charge for the year	8,592	-	8,756	17,348
Disposals	-	(1,250)	-	(1,250)
As at March 31 2007	<u>102,022</u>	<u>41,776</u>	<u>70,774</u>	<u>214,572</u>
Net Book Value				
As at March 31 2007	<u>275,318</u>	<u>-</u>	<u>7,969</u>	<u>283,287</u>
As at March 31 2006	<u>283,910</u>	<u>1,250</u>	<u>14,414</u>	<u>299,574</u>

"LITTLE WORLD" LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2007

	2007 £	2006 £
10 STOCKS		
Stock of goods for resale	<u>4,380</u>	<u>4,380</u>

11 TRADE DEBTORS

Trade debtors	6,044	8,584
Prepayments	<u>2,557</u>	<u>539</u>
	<u>8,601</u>	<u>9,123</u>

12 CREDITORS falling due within one year

Trade creditors	5,497	3,884
Other taxation and social security	4,097	599
Accruals	5,575	3,240
Income and grants in advance	<u>5,761</u>	<u>5,638</u>
	<u>20,930</u>	<u>13,361</u>

13 STATEMENT OF FUNDS

	Balance 1/4/06 £	Income £	Expenditure £	Transfers £	Balance 31/3/07 £
Unrestricted funds:					
General fund	<u>167,798</u>	224,888	(233,717)	-	<u>158,969</u>
	<u>167,798</u>	224,888	(233,717)	-	<u>158,969</u>
Restricted Funds:					
Revenue fund:					
ACE North West - Story Garden Project	-	5,638	(5,638)	-	-
ACE North West - pPod in Cumbria	-	4,580	(4,580)	-	-
ACE North West - Creative Partnerships	-	12,548	(12,548)	-	-
Other grants	-	2,624	(2,624)	-	-
Capital grants:					
Capital grant received	1,807	-	-	-	1,807
Capital Grants Expended	<u>194,820</u>	-	(5,721)	-	<u>189,099</u>
	<u>196,627</u>	25,390	(31,111)	-	<u>190,906</u>
Total Funds	<u>364,425</u>	250,278	(264,828)	-	<u>349,875</u>

Capital grant received

Money received to purchase fixed assets not yet expended

Capital grants expended

Restricted grants used to purchase fixed assets where there are continuing restrictions, but against which the related depreciation is charged

"LITTLE WORLD" LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2007****13 STATEMENT OF FUNDS (continued)**

The capital grants expended represent amounts received and expended on fixed assets, but not yet released to match the depreciation on the assets so acquired

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fund balances at March 31 2007 are represented by -			
Tangible fixed assets	94,188	189,099	283,287
Current assets	85,711	1,807	87,518
Current liabilities	(20,930)	-	(20,930)
	<u>158,969</u>	<u>190,906</u>	<u>349,875</u>

15 CONSTITUTION

The Company is limited by guarantee and does not have a share capital. In the event of the Company being wound up the members are committed to contributing £1 each.

There were 8 members at the year end (2006 - 8)

16 TAXATION

The Company is a registered charity and is entitled to claim annual exemption from UK corporation tax under s505 of the ICTA 1988.

17 COMMITMENTS

The company had no capital commitments at the year end.

The company had annual operating lease commitments as follows

	2007	2006
Within one year	Nil	Nil
Two to five years	330	330
Over five years	Nil	Nil

19 TRANSACTIONS WITH DIRECTORS

There are no other transactions with Directors in the year which require to be disclosed in these accounts, either under the FRSSE or the SoRP.

"LITTLE WORLD" LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2007

20 CONTINGENT LIABILITIES - CAPITAL GRANTS

The Arts Council of England lottery award of £149,000, received in previous years, is repayable in the event of the company being wound up. The building asset created by this grant cannot be disposed of without the prior written agreement of the grantor.

These liabilities are not expected to crystallise and therefore the grants have been taken to a restricted reserve and are released to the general fund in line with the depreciation policy.

The capital grants expended include £123,570 of ERDF funding for the Horse and Bamboo Theatre project awarded in 1996. If the building is used for purposes outside of those in the grant application within 20 years of the grant award then the grant may become repayable.