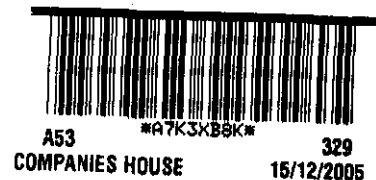


Company Number 1892910

INDEPENDENT THEATRE COUNCIL LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005



Coppard and Co.
Chartered Accountants

114 St. Martins Lane, London WC2N 4BE

INDEPENDENT THEATRE COUNCIL LIMITED

COMPANY INFORMATION

Current Directors	Gavin Stride	Chair
	Lucy Perman	Vice Chair
	Bryan Savery	Vice Chair
	Vicki Balaam	
	Jane Buddle	
	Judith Doherty	
	Paul Fitzpatrick	
	Natasha Graham	
	Rani Moorthy	
	Stuart Mullins	
	Richard Oyarzabal	
	Sarah Phillips	
	Emma Routledge	
	Jeremy Smeeth	
	Timothy Webb	
Secretary	Jacqueline Elliman	
Company Number	1892910	
Registered office	12 The Leathermarket Weston Street London SE1 3ER	
Auditors	Coppard and Co. 114 St. Martins Lane London WC2N 4BE	
Bankers	HSBC plc Southwark Branch 28 Borough High Street London SE1 1YB	

INDEPENDENT THEATRE COUNCIL LIMITED

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INDEPENDENT THEATRE COUNCIL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2005

The directors present their report together with the financial statements for the year ended 31 March 2005.

Principal activities

The company's principal activities continued to be those of protecting, promoting and developing the interests of its membership.

Its membership comprises individuals, partnerships and companies engaged in presenting live entertainment.

Directors

The directors at the end of the year were as follows:

Jane Buddle (elected 25 November 2004)	Richard Oyarzabal
Judith Doherty (co-optee elected 25 November 2004)	Lucy Perman
Gabriel Emordi	Sarah Phillips (co-optee elected 25 November 2004)
Natasha Graham	Bryan Savery
Rani Moorthy	Gavin Stride
Stuart Mullins	Timothy Webb

Gary Hills and Ruth Nutter both stood down on 25 November 2004.

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 affairs of the company and of the income and expenditure for the year. In preparing those financial statements the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;


State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and 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 reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and was approved by the board on 7 December 2005.

By order of the Board



Jacqueline Elliman
Secretary

INDEPENDENT THEATRE COUNCIL LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Income			
Members' subscriptions		147,991	150,386
Core operating grant	2	41,000	38,500
Project grants	2	372,045	257,130
Training, publications and services	3	122,606	98,654
Sponsorship		32,076	9,500
Bank interest		8,238	3,900
		<u>723,956</u>	<u>558,070</u>
Expenditure			
Office	4	39,141	26,863
Management and administration	5	142,716	134,334
Projects	6	247,283	173,897
Training and services	7	200,463	128,265
		<u>629,603</u>	<u>463,359</u>
Operating surplus for the year before taxation	8	94,353	94,711
Taxation	9	-	-
Surplus for the year after taxation	17	<u>94,353</u>	<u>94,711</u>

INDEPENDENT THEATRE COUNCIL LIMITED

BALANCE SHEET

AS AT 31 MARCH 2005

	Notes	2005 £	2004 £
Tangible fixed assets	11	<u>5,622</u>	<u>7,871</u>
Current assets			
Debtors	12	98,864	11,162
Cash at bank and in hand	13	<u>272,639</u>	<u>255,814</u>
		371,503	266,976
Creditors: amounts falling due within one year	14	<u>61,404</u>	<u>53,367</u>
Net current assets		<u>310,099</u>	<u>213,609</u>
Total assets less current liabilities		315,721	221,480
Deferred grants	15	<u>23,207</u>	<u>23,319</u>
Net assets		<u>292,514</u>	<u>198,161</u>
Reserves			
Specific reserves	17	128,000	166,000
Income and expenditure account	17	<u>164,514</u>	<u>32,161</u>
		292,514	198,161
Reconciliation of reserves			
Surplus for the financial year		94,353	94,711
Opening reserves		<u>198,161</u>	<u>103,450</u>
Closing reserves		<u>292,514</u>	<u>198,161</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the board on 7 December 2005 and signed on its behalf.



Gavin Stride - Chair
Director

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

Accounting policies

Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The presentation of the income and expenditure account varies from the statutory format to reflect more closely the activities of the company.

Grants

Grants are credited to the income and expenditure account in the same period as the related expenditure, including those grants which are capital in nature but where the company does not benefit from legal ownership of the related assets.

Outstanding grant claims for expenditure incurred in the year are accrued and included in debtors.

Deferred grants are expected to be spent in the twelve months following the company's year end. As some grants may be deferred for longer, subject to future conditions, all deferred grants are shown separately on the balance sheet.

Members' subscriptions

Subscriptions are credited to the income and expenditure account in the same period of membership that the subscription covers.

Other income

All other income is accounted for on an accruals basis and excludes value added tax and discounts.

Expenditure

Expenditure is accounted for on an accruals basis and excludes value added tax and discounts.

Expenditure exceeding £5,000 on fixed assets other than information technology equipment is capitalised and depreciated over four years on a straight line basis.

Salaries and social security costs have been allocated between management and administration, projects and training and services.

Specific reserves

The Board determines the level of reserves to set aside for specific future purposes or projects and reviews these reserves annually.

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

2	Grants	2005 £	2004 £
	<i>Core operating:</i>		
	Arts Council of England	<u>41,000</u>	<u>38,500</u>
	<i>Projects:</i>		
	BME Arts Management programme London Development Agency	118,950	14,000
	National Fast Track programme European Social Fund	23,802	97,093
	Regional Fast Track programme Esmee Fairburn	39,235	-
	Regional Fast Track programme Arts Council of England	48,050	-
	Regional Fast Track programme Regional Arts Boards	500	39,500
	London Fast Track programme Association of London Government	17,000	26,900
	London training and member services Association of London Government	51,000	48,000
	YPT post Arts Council of England	25,000	10,000
	YPT conference grant Arts Council of England	10,000	-
	Overseas touring British Council	5,000	-
	Overseas touring Arts Council of England	5,000	-
	ALM scheme Regional Arts Boards	9,483	-
	Strategic review Arts Council of England	5,000	-
	Training Regional Arts Boards	4,500	18,500
	Website development scheme Greater London Authority	3,875	-
	LA Bursary training project Arts Council of England	3,150	-
	Writers handbook Arts Council of England	2,500	-
	Decibel Arts Council of England	-	3,137
		<u>372,045</u>	<u>257,130</u>
	Total grants credited in the year	<u>413,045</u>	<u>295,630</u>

Grant aid of £68,000 (2004: £68,000) was received in the year ended 31 March 2005 from the Association of London Government for the purposes of contributing to the salary and running costs of its second tier services.

This grant aid was expended for the purposes for which it was awarded, specifically on the services of the Fast Track Training Programme, Advice, Training, Events & Networking and Advocacy.

All other grants credited to income have also been applied to the purposes for which they were awarded with grants carried forward shown in note 15.

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

3 Training, publications and services	2005	2004
	£	£
Courses	57,452	46,146
International development advice	26,319	20,239
Contracts	14,164	14,908
Incorporation and charitable registration	6,615	9,771
Publications and photocopier charges	6,962	7,590
Conference fees	4,761	-
Overseas touring fees	4,280	-
Training room fees	2,053	-
	<u>122,606</u>	<u>98,654</u>
4 Office	2005	2004
	£	£
Rent, rates, insurance and utilities	34,473	22,900
Repairs and renewals	4,668	3,963
	<u>39,141</u>	<u>26,863</u>
5 Management and administration	2005	2004
	£	£
Salaries and social security costs	80,384	76,836
Staff recruitment, training and development	5,647	10,187
Fees and travel	3,595	6,957
Council, committee and lobbying expenses	7,738	3,547
Telephone	4,266	7,826
Postage	13,022	6,730
Stationery	3,783	6,430
Photocopier charges	2,390	2,835
Photocopier depreciation	2,249	1,124
Office supplies	620	-
Cleaning and sundry expenses	2,945	3,276
Marketing	9,722	2,713
Books	792	792
Subscriptions	1,095	823
Legal fees	143	104
Auditors' remuneration	2,400	2,400
Bank charges	1,602	1,226
Professional indemnity insurance	323	528
	<u>142,716</u>	<u>134,334</u>

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

6 Projects	2005	2004
	£	£
Salaries and social security costs	26,588	39,736
Regional Fast Track	52,144	-
Fast Track (EQUAL) programme	11,081	99,760
BME Arts Management programme (including staff costs)	115,406	14,859
Website development and information technology strategy	16,360	15,226
Edinburgh festival	1,835	2,086
Management notes	616	987
Members' projects	226	666
Writers' handbook	7,864	500
ALM Scheme	9,483	77
Strategic review	5,675	-
Criminal Records Bureau	5	-
	247,283	173,897

7 Training and services	2005	2004
	£	£
Salaries and social security costs	87,200	80,463
Fees	19,550	16,000
Training room fitting out (excluding IT)	5,314	-
Room hire	749	2,981
Travel and accommodation	1,787	1,363
Training course development	4,423	4,053
Other training costs	3,782	1,992
International development	15,538	12,634
Overseas touring course	11,085	-
Conferences	39,672	8,779
YPT	1,028	-
Brochures	10,335	-
	200,463	128,265

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

8 Operating surplus	2005	2004
	£	£
<i>Operating surplus is stated after charging:</i>		
Auditors' remuneration	2,400	2,400
Depreciation of owned assets	2,249	1,124
Equipment leasing	<u>1,569</u>	<u>2,076</u>
<i>Staff costs included in expenditure comprised:</i>	£	£
Salaries and bonuses	225,005	182,885
Social security	22,359	18,097
Recruitment, training and development	<u>5,647</u>	<u>10,187</u>
	<u>253,011</u>	<u>211,169</u>
 Average full-time equivalent staff numbers during the year	 <u>8.6</u>	 <u>6.7</u>

Operating lease commitments:

The lease on the company's premises was renewed for two years on 1 May 2004 with an rental annual commitment £28,430 increasing to £31,014 from 1 May 2005.

The company also has an annual commitment of £1,808 expiring after more than five years for the rental of office equipment.

9 Taxation	2005	2004
	£	£

Based on interest received in the year:

UK corporation tax @ 0% (2004: 0%)	<u>-</u>	<u>-</u>
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As a mutual not-for-profit organisation the company is not liable to UK corporation tax on the results of its operating activities.

10 Transactions with directors

Fees and expenses of £4,274 (2004: £9,471) were paid to directors as approved by the Board for services other than in their role as directors, in particular for international development, conference and development services.

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

11	Tangible fixed assets	£	
	<i>Cost:</i>		
	As at 1 April 2004	<u>8,995</u>	
	As at 31 March 2005	<u>8,995</u>	
	<i>Accumulated depreciation:</i>		
	As at 1 April 2004	<u>1,124</u>	
	Charge for the year	<u>2,249</u>	
	As at 31 March 2005	<u>3,373</u>	
	<i>Net book value:</i>		
	As at 31 March 2005	<u>5,622</u>	
	As at 1 April 2004	<u>7,871</u>	
12	Debtors	2005	2004
		£	£
	Grants receivable	6,600	2,500
	Training and other debtors	2,655	1,540
	VAT recoverable	3,457	2,641
	Accrued grant income	65,178	-
	Prepayments and accrued income	16,805	3,414
	Deposits with suppliers	<u>4,169</u>	<u>1,067</u>
		<u>98,864</u>	<u>11,162</u>
13	Cash at bank and in hand	2005	2004
		£	£
	Current and money manager accounts	145,118	130,518
	High interest account	127,225	125,199
	Petty cash	<u>296</u>	<u>97</u>
		<u>272,639</u>	<u>255,814</u>

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

14 Creditors: amounts falling due within one year	2005	2004
	£	£
Subscriptions received in advance	18,955	24,044
Trade creditors	25,859	16,265
Taxation and social security	7,890	5,621
Deposits held	3,223	1,700
Other creditors and accruals	5,477	5,737
	61,404	53,367

15 Deferred grants		
Regional Arts Boards: ALM scheme	11,442	10,819
Esmée Fairburn: Regional Fast Track programme	10,765	-
Knowledge Services and Arts Management	1,000	-
British Council/Arts Council of England: overseas touring grants	-	10,000
Arts Council of England: Writers handbook	-	2,500
	23,207	23,319

16 Share capital

The company is limited by guarantee and does not have any share capital.

In the event of the company being wound up every Member of the Council undertakes to contribute a sum not exceeding £1 to its assets for payment of any outstanding debts and liabilities.

17 Reserves	Specific reserves	Income and expenditure account
	£	£
As at 1 April 2004	166,000	32,161
Surplus for the year ended 31 March 2005	-	94,353
Transfers between reserves	(38,000)	38,000
As at 31 March 2005	128,000	164,514

Should the company be wound up any remaining reserves shall be distributed to an organisation with similar objects.

The business plan has identified the need to build a general reserve equating to around six months' running costs excluding project expenditure. The accumulated balance on the income and expenditure account provides around three-quarters of this target.

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

18 Analysis of specific reserves

2005	2004
£	£

The company's reserves were considered in the business plan in conjunction with budgets and management accounts and specific amounts set aside as follows.

30th Birthday event	-	35,000
Staffing needs	35,000	25,000
Staff training and development	25,000	25,000
Future projects, research and development	25,000	25,000
Information technology strategy and website development	10,000	23,000
Communications (formerly Marketing and PR)	15,000	15,000
Training room refurbishment	5,000	10,000
Publication reprints	8,000	8,000
Library	5,000	-
	<u>128,000</u>	<u>166,000</u>

Staffing needs, training and development

The Board considers that an increased reserve to cover absence and other eventualities is appropriate and the reserve for training and development has been maintained

Future projects, research and development

ITC has created this reserve in order to be able to initiate and participate in new partnership projects and initiatives.

During the year the company funded training action-learning facilitators for the sector and the reserve has been made to enable funding of research into well-being in the theatre.

Information technology strategy and website development

Significant investment in the ITC website and information technology has been made and a reduced reserve has been retained to ensure that this can be maintained and updated.

Communications

The business plan for ITC has identified communications as a major area needing development and to buy in help with this area the new title broadens the scope of this reserve.

Training room refurbishment

Having spent £5,314 on the new training room ITC has retained a reserve of £5,000 to further develop the facility.

Publication reprints

Constant changes in legislation covering areas concerning members mean that it is prudent to maintain this reserve.

Library

A new reserve has been created to invest in a resource for members, expected to be available in December this year.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

INDEPENDENT THEATRE COUNCIL LIMITED

We have audited the financial statements of Independent Theatre Council Limited for the year ended 31 March 2005 which comprise the Income and expenditure account, the Balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Directors' report.

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 Companies Act 1985.

We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the company 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 directors' remuneration and transactions with the company is not disclosed.

We read the Directors' 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 the 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 by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 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 of the state of the company's affairs as at 31 March 2005 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coppard and Co.
Chartered Accountants and Registered Auditors
114 St. Martins Lane, London WC2N 4BE

Date: 7 December 2005