

Company Number 1892910

INDEPENDENT THEATRE COUNCIL LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004



Coppard and Co.
Chartered Accountants

114 St. Martins Lane, London WC2N 4BE

INDEPENDENT THEATRE COUNCIL LIMITED

COMPANY INFORMATION

Current Directors	Gavin Stride	Chair standing for re-election
	Lucy Perman	Vice Chair standing for re-election
	Gary Hills	Vice Chair standing down
	Judith Doherty	Co-optee standing for election
	Gabriel Emordi	
	Natasha Graham	Standing for re-election
	Rani Moorthy	
	Stuart Mullins	
	Ruth Nutter	Standing down
	Richard Oyarzabal	
	Sarah Phillips	Co-optee standing for election
	Bryan Savery	
	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

CONTENTS

	Page
Directors' report	1
Income and expenditure account	2
Balance sheet	3
Notes to the financial statements	4 to 10
Auditors' report	11

INDEPENDENT THEATRE COUNCIL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2004

The directors present their report together with the financial statements for the year ended 31 March 2004.

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:

Judith Doherty (co-opted 8 March 2004)	Richard Oyarzabal (co-optee elected 25 November 2003)
Gabriel Emordi (co-optee elected 25 November 2003)	Lucy Perman
Natasha Graham	Sarah Phillips (co-opted 8 March 2004)
Gary Hills	Bryan Savery (elected 25 November 2003)
Rani Moorthy (elected 25 November 2003)	Gavin Stride
Stuart Mullins (elected 25 November 2003)	Timothy Webb
Ruth Nutter	

Jessica Cohen, Graham Eatough and Christopher Elwell all stood down on 25 November 2003. Nicola Khandpur resigned on 25 November 2003 and Denise Wong resigned on 8 March 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 25 November 2004.

By order of the Board



Jacqueline Elliman
Secretary

INDEPENDENT THEATRE COUNCIL LIMITED**INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2004**

	Notes	2004 £	2003 £
Income			
Members' subscriptions		150,386	128,611
Core operating grant	2	38,500	38,000
Project grants	2	257,130	134,795
Training, publications and services	3	98,654	76,120
Sponsorship		9,500	8,750
Bank interest		3,900	1,362
		<u>558,070</u>	<u>387,638</u>
Expenditure			
Office	4	26,863	21,781
Management and administration	5	134,334	112,811
Projects	6	173,897	116,151
Training and services	7	128,265	101,341
		<u>463,359</u>	<u>352,084</u>
Operating surplus for the year before taxation	8	94,711	35,554
Taxation	9	-	-
Surplus for the year after taxation	17	<u>94,711</u>	<u>35,554</u>

INDEPENDENT THEATRE COUNCIL LIMITED

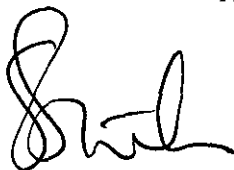
BALANCE SHEET

AS AT 31 MARCH 2004

	Notes	2004 £	2003 £
Tangible fixed assets	11	<u>7,871</u>	<u>-</u>
Current assets			
Debtors	12	11,162	9,103
Cash at bank and in hand	13	<u>255,814</u>	<u>218,716</u>
		266,976	227,819
Creditors: amounts falling due within one year	14	<u>53,367</u>	<u>43,912</u>
Net current assets		<u>213,609</u>	<u>183,907</u>
Total assets less current liabilities		221,480	183,907
Deferred grants	15	<u>23,319</u>	<u>80,457</u>
Net assets		<u>198,161</u>	<u>103,450</u>
Reserves			
Specific reserves	17	166,000	94,000
Income and expenditure account	17	<u>32,161</u>	<u>9,450</u>
	18	<u>198,161</u>	<u>103,450</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 25 November 2004 and signed on its behalf.



Gavin Stride - Chair
Director

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

1 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.

Changes in presentation

The comparative figures include income of £38,523 and expenditure of £28,395 relating to the 21st Century project previously shown separately on the face of the income and expenditure account.

The comparative figures have also been amended to reflect the allocation of salaries and social security costs to projects and expenditure on the Fast Track (EQUAL) programme has been reclassified as project expenditure.

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.

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.

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 2004

2 Grants	2004	2003
	£	£
<i>Core operating:</i>		
Arts Council of England	<u>38,500</u>	<u>38,000</u>
<i>Projects:</i>		
European Social Fund: EQUAL programme	97,093	26,105
Association of London Government	48,000	53,280
Association of London Government: EQUAL programme	26,900	-
Arts Council of England: 21st Century lottery	-	38,523
Arts Council of England: other	10,000	9,300
London Development Agency: BME Arts Management programme	14,000	-
Regional Arts Boards: EQUAL programme	39,500	-
Regional Arts Boards: training	18,500	-
Regional Arts Boards: ALM scheme	-	2,011
Other	<u>3,137</u>	<u>5,576</u>
	<u>257,130</u>	<u>134,795</u>
 Total grants credited in the year	 <u>295,630</u>	 <u>172,795</u>

All grants credited to income have been applied to the purposes for which they were awarded.

3 Training, publications and services	2004	2003
	£	£
Courses	46,146	40,695
Contracts	14,908	14,547
Incorporation and charitable registration	9,771	13,260
International development advice	20,239	2,707
Publications and photocopier charges	<u>7,590</u>	<u>4,911</u>
	<u>98,654</u>	<u>76,120</u>

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

4 Office	2004	2003
	£	£
Rent, rates, insurance and utilities	22,900	18,789
Repairs and renewals	3,963	2,992
	<u>26,863</u>	<u>21,781</u>
5 Management and administration	2004	2003
	£	£
Salaries and social security costs	76,836	66,860
Staff recruitment, training and development	10,187	8,594
Fees and travel	6,957	1,881
Council, committee and lobbying expenses	3,547	4,388
Telephone	7,826	5,750
Postage	6,730	6,426
Stationery	6,430	5,122
Photocopier charges	2,835	5,944
Photocopier depreciation	1,124	-
Cleaning and sundry expenses	3,276	1,377
Marketing	2,713	875
Books	792	514
Subscriptions	823	1,223
Legal fees	104	60
Auditors' remuneration	2,400	2,400
Bank charges	1,226	854
Professional indemnity insurance	528	543
	<u>134,334</u>	<u>112,811</u>
6 Projects	2004	2003
	£	£
Salaries and social security costs	39,736	30,775
Fast Track (EQUAL) programme	99,760	26,105
BME Arts Management programme (including staff costs)	14,859	-
Website development and information technology strategy	15,226	11,743
Edinburgh festival	2,086	1,144
Management notes	987	899
Members' projects	666	1,473
Writers' handbook	500	-
ALM Scheme	77	1,911
21st Century	-	28,395
USA research	-	5,576
Membership research	-	4,123
CPD launch	-	3,692
Other projects	-	315
	<u>173,897</u>	<u>116,151</u>

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

7 Training and services	2004	2003
	£	£
Salaries and social security costs	80,463	60,996
Fees	16,000	15,561
Room hire	2,981	3,101
Travel and accommodation	1,363	1,930
Training course development	4,053	2,725
Other training costs	1,992	1,690
International development	12,634	1,811
Conferences	8,779	5,704
Brochures	-	7,823
	<u>128,265</u>	<u>101,341</u>
8 Operating surplus	2004	2003
	£	£
<i>Operating surplus is stated after charging:</i>		
Auditors' remuneration	2,400	2,400
Depreciation of owned assets	1,124	-
Equipment leasing	<u>2,076</u>	<u>4,152</u>
<i>Staff costs included in expenditure comprised:</i>	£	£
Salaries and bonuses	182,885	145,038
Social security	18,097	13,367
Recruitment, training and development	<u>10,187</u>	<u>8,594</u>
	<u>211,169</u>	<u>166,999</u>
Average full-time equivalent staff numbers during the year	<u>6.7</u>	<u>5.4</u>
9 Taxation	2004	2003
	£	£
Based on interest received in the year:		
UK corporation tax @ 0% (2003: 0%)	<u>-</u>	<u>-</u>
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 £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, programming and design services.

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

11 Tangible fixed assets	£	
<i>Cost:</i>		
Photocopier acquired during the year	<u>8,995</u>	
Balance at 31 March 2004	<u>8,995</u>	
<i>Accumulated depreciation:</i>		
Charge for the year	<u>1,124</u>	
Balance at 31 March 2004	<u>1,124</u>	
<i>Net book value at 31 March 2004</i>	<u>7,871</u>	
12 Debtors	2004	2003
	£	£
Grants receivable	2,500	2,000
VAT recoverable	2,641	422
Training and other debtors	1,540	4,576
Prepayments	3,414	1,038
Deposits with suppliers	<u>1,067</u>	<u>1,067</u>
	<u>11,162</u>	<u>9,103</u>
13 Cash at bank and in hand	2004	2003
	£	£
Current account	130,518	95,842
High interest account	125,199	122,801
Petty cash	<u>97</u>	<u>73</u>
	<u>255,814</u>	<u>218,716</u>
14 Creditors: amounts falling due within one year	2004	2003
	£	£
Subscriptions received in advance	24,044	19,508
Taxation and social security	5,621	4,920
Deposits held	1,700	1,100
Trade creditors	16,265	12,967
Other creditors and accruals	<u>5,737</u>	<u>5,417</u>
	<u>53,367</u>	<u>43,912</u>

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

15 Deferred grants

Regional Arts Boards: ALM scheme	10,819	6,819
Regional Arts Boards: EQUAL programme	-	39,500
Regional Arts Boards: training	-	18,500
Arts Council of England: Writers handbook	2,500	2,500
Association of London Government: Fast Track/EQUAL programme	-	6,900
British Council/Arts Council of England: overseas touring grants	10,000	5,000
European Social Fund: EQUAL programme	-	1,238
	<u>23,319</u>	<u>80,457</u>

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 2003	94,000	9,450
Surplus for the year ended 31 March 2004	-	94,711
Transfers between reserves	72,000	(72,000)
<i>As at 31 March 2004</i>	<u>166,000</u>	<u>32,161</u>

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

The unallocated reserves of £32,161 are available to meet contingencies, included in the budget at £35,000.

18 Reconciliation of reserves

	2004	2003
	£	£
Surplus for the financial year	94,711	35,554
Opening reserves	<u>103,450</u>	<u>67,896</u>
Closing reserves	<u>198,161</u>	<u>103,450</u>

INDEPENDENT THEATRE COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

19 Analysis of specific reserves	2004	2003
	£	£

The company's reserves were considered at the Board Meeting held on 22 June 2004 in conjunction with revised budgets and management accounts and specific amounts set aside as follows.

30th Birthday event	35,000	-
Staffing needs	25,000	25,000
Staff training and development	25,000	18,000
Future projects, research and development	25,000	15,000
Information technology strategy and website development	23,000	23,000
Marketing and PR	15,000	5,000
Training room refurbishment	10,000	-
Publication reprints	8,000	8,000
	<u>166,000</u>	<u>94,000</u>

30th Birthday event

2004 is ITC's 30th Anniversary and the Board created a fund from reserves to finance a profile-raising event to celebrate the success of the sector including an international showcase of ITC members' work

Staffing needs, training and development

ITC's staff has been increasing and with it the need for a reserve to cover absence, redundancy and other eventualities.

As the size and skills requirements of staff increase further reserves have been allocated to maintain their training and development.

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.

A need to train action-learning facilitators for the sector has been identified by ITC and £10,000 has been allocated to fund the project.

Information technology strategy and website development

The website has become a vital communication resource for the membership and the ITC board have made it a priority to invest in this and IT development over the next financial year and beyond.

Marketing and PR

ITC's Statetegic review has identified a need to increase the public profile of the organisation and the sector. This reserve has been allocated in order to facilitate this work.

Training room refurbishment

In May 2004 ITC secured a new training room and this reserve has been allocated to equip the facility.

Publication reprints

This reserve has been allocated to reprint the writers' guide which has been rewritten and is being launched in November 2004.

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 2004 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 2004 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: 25 November 2004