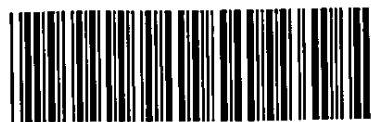


**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2008
FOR
THEATRE RESOURCE LIMITED
(Limited by guarantee)**

**Company Number : 2866315
Registered Charity Number : 1035444**

**Meyer Williams
Queen Alexandra House
2 Bluecoats Avenue
Hertford
Herts
SG14 1PB**

TUESDAY



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COMPANIES HOUSE

THEATRE RESOURCE LIMITED
(Limited by guarantee)

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FOR THE YEAR ENDED 5 APRIL 2008

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THEATRE RESOURCE LIMITED
(Limited by guarantee)
COMPANY INFORMATION
FOR THE YEAR ENDED 5 APRIL 2008

DIRECTORS/TRUSTEES:	J Merrifield R Macaulay K Tait K Wright S Scambler S Gildroy (Chair) J Beddard N Rampley J Dann A Wafula Strike R Little
SECRETARY:	Nicholas Rampley
REGISTERED OFFICE:	Great Stony Ongar Arts & Education Centre High Street Ongar Essex CM5 0AD
REGISTERED NUMBER:	2866315 (England and Wales)
CHARITY NUMBER:	1035444
AUDITORS:	Meyer Williams Queen Alexandra House 2 Bluecoats Avenue Hertford Herts. SG14 1PB REGISTERED AUDITORS
BANKERS:	National Westminster Bank plc 279 High Street Epping Essex CM16 4BT
SOLICITORS:	Holmes & Hills Trinity Street Halstead Essex CO9 1JE

THEATRE RESOURCE LIMITED
(Limited by guarantee)

TRUSTEES' REPORT

(For the purposes of section 45 of the Charities Act 1993 and Directors' Report for the purposes of section 234 of the Companies Act 1985)

The Trustees have pleasure in submitting their Annual Report and Financial Statements for the year ended 5th April 2008 which is detailed as follows.

DIRECTORS/TRUSTEES

The Trustees, who are also directors of the company, and acted throughout the period, except where indicated, are:

S Gildroy (Chair)
R Macaulay
K Tait
K Wright
S Scambler
J Beddard
N Rampley
A Bennett (from 10th June 2008)
J Dann (resigned 9th September 2008)
J Merrifield (resigned 13th March 2008)
A Wafula-Strike (resigned 9th September 2008)
R Little (from 17th March 2008, resigned 27th September 2008)
G Clark (resigned 11th December 2007)
R Snooks (resigned 11th September 2007)

On resigning her position on the Board of Directors/Trustees, Ann Wafula-Strike took on an honorary non-constitutional position as a Patron of Theatre Resource. She joins Paddy Masefield in this role.

CONSTITUTION

Theatre Resource, company number 2866315, is a company limited by the guarantees of the members to a maximum of £1 each. The company is a registered charity, number 1035444. The company gained charitable status on 22nd March 1994.

SPECIFIC INSTRUCTIONS

There are no specific instructions relating to the operation of the charity, nor are there any specific investment powers.

COMPANY OBJECTIVES

The objective of Theatre Resource as stated in the Memorandum and Articles of Association is to 'advance education for the public benefit through the promotion of the arts, particularly but not exclusively for disabled and disadvantaged people'.

RECRUITMENT, APPOINTMENT AND ELECTION OF TRUSTEES

The Board identifies and regularly reviews the skills of existing Board Members and any needs of the Board which are not being met by the current membership

Recruitment is through:

- Targeting individuals known to Theatre Resource
- Advertising for applicants through the media and other sources
- Utilising board 'banks', etc. maintained by support bodies

Recruitment is not limited to within the arts, education or social care field, but reflects the varied needs of the organisation, its creative and capital development. Whilst specific skills may be sought (for example in relation to regular skills audits undertaken by the Board) enthusiasm and vision may also be considered equally valuable.

The Board has established procedures for recruiting and appointing Board members, including initial identification of potential candidates, informal visits or discussions, formal application and interview, consideration by the full Board and, finally, election by a majority of votes.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
TRUSTEES' REPORT – Continued

POLICY AND PROCEDURES FOR THE INDUCTION AND TRAINING OF TRUSTEES

Theatre Resource is committed to full induction and ongoing training of Trustees. A comprehensive induction pack and standing orders are in place and are regularly updated to ensure compliance with company and charity law.

ACHIEVEMENT OF OBJECTIVES

Theatre Resource focuses works to promote the creativity, culture and heritage of disabled people and socially-excluded groups for the benefit of all. In our work we seek to:

- Generate pathways within the arts
- Stimulate high-quality, diverse and experimental project work
- Provide lifelong learning, training and employment opportunities
- Create platforms for the exploration and representation of the cultures and neglected histories of excluded groups
- Initiate informed debate and influence policy-making
- Foster enabling environments
- Advance inclusiveness, accessibility and equality in the wider arts environment, and in the communities in which we live.

Theatre Resource manages a strategic programme of 'First Stage' outreach and centre-based projects, which bring together individuals, schools, community groups, social care providers and arts funding bodies. Longer-term 'Developmental Programmes' offer further opportunities to experience high quality cutting-edge arts practice and a comprehensive range of training and CPD (Continuing Professional Development) opportunities to support individuals in gaining employment in the arts, both with Theatre Resource and elsewhere. Employment opportunities include workshop leading/teaching, touring professional arts product (e.g. theatre performances), and supported employment schemes.

The charity's work takes place in a variety of venues in Essex and Hertfordshire and at its own fully-accessible premises in Chipping Ongar, Essex where the company works to develop the highest standards in accessible venue management. Theatre Resource also undertakes regional and national projects, or projects of national significance, and works with a number of regional and national partners and consortia to deliver these.

GOVERNANCE AND STRATEGIC PLANNING

Theatre Resource continued to develop its Board of Trustees with new recruitment and an ongoing programme of training including facilitated retreats. Sammy Gildroy became the organisation's new Chair, and a number of new Trustees were recruited from the residential adult education, social housing and disability sports sector. Board and staff worked together to develop Theatre Resource's new strategic plan which was approved by the full Board in September 2007 and due for review in the autumn/winter of 2008. Work continued on the PQASSO quality assurance scheme with the organisation working towards Level 2.

After establishing two new full time posts of Project Worker and Community Artist, the company reviewed its senior management structure late in 2007-2008 for Board agreement and action in autumn 2008-2009. This will include the creation of three new posts, Director of Administration and Resources, Head of Creative Education and Learning, and Head of Communication and Development.

Developing and maintaining region-wide networks and consortia to work together to progress common arts and education aims continued to be a priority for the organisation. For a second year, Theatre Resource led Creative Learning in Partnership (CLiP), a consortium of HE, FE and voluntary sector arts education providers across the region who have successfully tendered for funding from the Learning and Skills Council.

A major strategic partnership has been developed with Anglia Ruskin University and East Thames Housing Association in support of the capital development. Both will result in the development of a practical hands-on partnership working to develop new services which will support Theatre Resource's beneficiaries.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
TRUSTEES' REPORT – Continued

ORGANISATIONAL STRUCTURE

Personnel

In 2007-2008 the organisation comprised a Membership of 10 individuals committed to supporting the aspirations of the organisation. The constitution stipulates that Members are automatically elected to a Board of Directors/Trustees to run the affairs of the organisation. When an individual resigns their position on the Board Directors/Trustees their membership of the organisation ceases. In 2007-2008 the Directors/Trustees were as detailed on Page 2.

During the year, the Board employed the following staff team of professional artists, administrators and support workers: -

Director/Chief Executive	- Jeff Banks
Creative Director	- Anna Wallbank
General Manager	- Edwina Simpson
Senior Project Worker/Creative Director	- Miriam Lynn (to 31st March 2008)
Project Worker	- Sonia Cakebread
Project Worker	- Lisa Maule
Community Artist	- Beatrice Owen
Marketing Officer	- Vacant
Assistant Project Worker	- Jessica Foster
Administrator	- Karen Bush (from 29th May 2007)
Finance Officer	- Mandy Welchman
Receptionist/Clerical Assistant	- Caroline Weeden
Director's PA/Support Worker	- Gillian Gardner (from 20th July 2007)
ICT Co-Ordinator	- Rob Smith
Caretaker/Handyman/Cleaner	- Anthony Barrett
Caretaker/Cleaner	- Helen Biscoe (to 5th September 2007)
Caretaker/Cleaner	- Ray Barrett (from 10th September 2007)
Handyman	- Jack Welchman

CAPITAL PROJECT

In 2007-2008 the organisation continued to work on securing funds for its capital development plans to establish the National Centre for Disability Arts and Social Inclusion, expanding the arts centre base to include additional teaching spaces, a performance or conference facility, 25 bedroom fully-accessible overnight-stay accommodation and facilities for training and supported employment. At the very end of the financial year, Theatre Resource secured an investment of £1.45m from the government scheme Futurebuilders England. A loan of £770,000 was agreed with £180,000 of grant funding and a loan in principle of £500,000. Further applications with a number of other funding agencies were progressed. Continued discussions with East Thames Group, a Registered Social Landlord, have centred on a supported housing element that would be available to disabled and socially-excluded adults undertaking longer-term training at the arts centre.

A comprehensive programme of public consultation was undertaken during 2007-2008 based upon the new re-scoped scheme developed with architects APT and East Thames Housing Association. This included extensive engagement with the young people and adults who engage in our services (who have been the key driver in developing the project from the outset) and meetings with a range of stakeholders, community groups and local community leaders. In addition a three month exhibition regarding the proposals was held which showed that over 80% of respondents were 'positive' or very 'positive' towards the scheme. Architects APT Partnership refined the scheme through 2007-2008 incorporating consultation responses and a planning application is anticipated in September 2008.

Capital Appeal Fundraising consultants were appointed in August 2007 and are working towards securing the major build funding alongside money already pledged.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
TRUSTEES' REPORT – Continued

SIGNIFICANT CHANGES IN ACTIVITIES

There have been no significant changes in the charity's activities during the year.

FINANCIAL ACTIVITIES

All income received by the organisation was committed to achieving its charitable objectives.

In 2007/08, results were similar to the previous financial year, due to a sustained level of programming activity. In the year, a total of £78,991 was granted by revenue funders (Arts Council England East, Essex County Council Arts Development, and Epping Forest District Council) towards the core work of the organisation in Essex, Hertfordshire and the eastern region.

Theatre Resource's own fundraising and income generation activities in respect of its programme of arts in health, arts in social care and disability-related arts raised an additional £401,684 during the year. Major project funding partners were Connexions, European Social Fund (with EEDA, Hertfordshire LSC, Essex and Hertfordshire Community Foundations), Cambridgeshire LSC, Children's Fund Essex and Arts Council England, East (Creative Partnerships programme).

The total raised from hiring facilities at Theatre Resource's arts and education centre in Chipping Ongar was £18,233. The income and expenditure accounts also shows an amount of £21,550 which is the notional 'in kind' rent contribution from the Great Stony School Trust.

Salary and wage expenses, including social security costs, for both project and core/building staff, accounted for £292,842 of all expenditure. The direct external costs of undertaking the charity's project work, i.e. external artists' fees, venue hire, transport and access/facilitation, amounted to £117,284.

Building operation, excluding salaries, cost £31,434. Included within the accounts is provision for a full commercial rent of £22,000 (which is offset by an 'in kind' contribution from the landlords, the Great Stony School Trust, counted as building income).

DESIGNATED FUNDS

Capital Repairs and Renewals Fund

Theatre Resource holds a COIF (Charities Official Investment Fund) Charities Fixed Interest Fund with CCLA Investment Management Ltd., the purpose of which is to cover ongoing capital repairs and renewals of Theatre Resource's premises. It is anticipated that up to 40% of this fund be drawn upon every five years for periodic cyclical repairs / maintenance as necessary (above and beyond annual maintenance) with a higher proportion of up to 70% being drawn upon at 15 yearly intervals for major works during the term of the lease. After seven years the fund balance is £25,892. A withdrawal of £7,491 was made in 2007-2008 to cover the costs of refurbishing the original parquet flooring throughout the building.

RESTRICTED FUNDS

During the year 2007/08, funds were received from Essex County Council Community Initiatives Fund. Of the funding received from Essex County Council Social Care fund for the refurbishment of the balcony space at 5 April 2008 £7,386 of the fund was still held relating mainly to the cost of equipment acquired in fitting out the area. Other restricted funds include the remaining balances of a Regional Arts Lottery Programme fund (£1,171). The capital element of the grants received are being released to the unrestricted general funds over a four year period in line with the depreciation policy of the assets which were capitalized.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
TRUSTEES' REPORT – Continued

UNRESTRICTED RESERVES

Unrestricted funds are needed for the following purposes:

- (a) to provide funds, which can be designated to specific projects to enable these projects to be undertaken at short notice
- (b) to cover administration, fund-raising, staff and support costs without which the charity could not function
- (c) to enable the charity to benefit from fundraising opportunities where a proportion of 'partnership funding' is required which cannot be raised from elsewhere

The directors/trustees consider it prudent that unrestricted reserves should be sufficient:

- (d) to avoid the necessity of releasing fixed assets held for the charity's use
- (e) to cover four months' administration, fundraising, staff and support costs

Unrestricted reserves currently stand at £178,554 and are therefore above that range by £45,237.

The reserves policy and the level of reserves is monitored and reviewed by the directors / trustees regularly and may be called upon as and when necessary for the uses identified above (a, b or c) or to meet other unforeseen circumstances.

PROJECT WORK

2007/08 was an impressive year for Theatre Resource, with the continuation of successful programmes, on-going projects and the development of new initiatives. A summary of the project portfolio is given below, highlighting aspects of the work undertaken.

The year kicked off with the touring of the Tales from the Boarders exhibition and oral history project that worked alongside Epping Forest District Museum to explore the history and experiences of those who lived or worked at Great Stony when it was a residential special school. Great Stony is now the company's arts centre base in Chipping Ongar, Essex.

A major strand of work with Creative Partnerships saw us bring to a close two, three year programmes of work with Pioneer School in Basildon and Treetops School in Grays. Our work with Pioneer School involved taking staff away on developmental residential weekends and equipping the school to run its own creative projects. A highlight was an installation at the Eastgate Shopping Centre as part of Basildon Book Festival. At Treetops the partnership with Theatre Resource focussed on preparing their staff and pupils for a whole school move to a new site and the creation of DVD's, postcards, books focusing on moving and transition. New signage for the new school was also created. This year also saw us start work with Shorefields, a special school based in Clacton-on-Sea.

Ongoing projects continued including:-

ArtSpace - a drop-in project for mental health system users, who this year created an exhibition for World Mental Health Day, that aimed to celebrate the day itself and counteract the stigma associated with mental health issues. The Biz - the year began with the creation of a film about dreams and aspirations, the second term saw a visual art exhibition taking work and employment as its theme, and the year concluded with a performance about independence and decision making.

The ICT Drop-in - numbers attending swelled this year as Rob Smith, the resident artist worked both with computer beginners, and experienced artists

Discover and Sky's the Limit continued this year. The two year programme of arts opportunities for children and young people in Essex, particularly those 'at risk' or who have experience of social services and/or disabilities included taster arts workshops, art weekends and residencies throughout the year.

There were further formal training opportunities for both adults and young people with 31 young people gaining accreditation in Creative Workshop Leader Skills. The ever-popular Boost programme included one-day training sessions on film-making, disability equality, arts and mental health and arts work with children and young people.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
TRUSTEES' REPORT – Continued

Theatre Resource continued to work with Anglia Ruskin University through the final aspects of the Creative Industries Business Improvement Partnership (CIBIP) work. Links were made with the FE and HE sectors, and the project partners were successful in obtaining some continuation funding to enable the project to extend into early 2008. The programme supported individual artists and small creative businesses with training needs analysis, small training bursaries, mentoring and a range of networking and training events. Furthermore we began to work with ARU to develop a Theatre and Disability BA.

Drama, graffiti and animation workshops were chosen artforms for many of our taster and developmental work. This included three programmes that concluded with young people, and other community members designing high focus arts pieces for community buildings/hoardings in the Pitsea, Wickford and Basildon area. Work at Leverton Hall (secure unit) continued with young people created developing a welcome pack for new residents with original artwork in the form of DVDs, postcards and posters.

Consultation was a major strand of our work with young people informing us through various consultations and participants forum groups on future directions and projects for the organisation.

A major programme for Theatre Resource was the setting up of the Creative Learning in Partnership (CLiP) consortium. Theatre Resource led this consortium of arts and education partners from across the eastern region to develop arts-based skills and learning with people with learning disabilities, young people not in education, employment or training and unemployed adults. CLiP members include ARU, City College Norwich, Colchester Institute, Creative Arts East, Momentum, Signals Media Arts, Inspire and Suffolk Artlink. The end of the year saw a success bid for Learning and Skills Council funding for work with learning disabled people and Neet and Pre-neet young people.

Finally the charity's production of Conquest to the South Pole was devised with creative input from Frantic Assembly. This adaptation of Manfreds Karge's play depicted how four disabled friends staved off the despair of joblessness by re-enacting Amundsens's successful expedition to the South Pole. With sign language fully integrated into the performance this piece toured across the country throughout November. It was very successful with Oval House in London inviting Theatre Resource to re-stage the production for 2008/09.

OTHER ACTIVITIES AT THEATRE RESOURCE'S ARTS CENTRE BASE

2007-2008 saw the arts centre flourish with a wide range of classes, sessions and meetings hosted at Great Stony. Local arts groups, education providers and a variety of other organisations ran activities such as arts, pottery and meditation. The music class for toddlers and yoga class continued to be well attended. Indian dance class became a feature and the music school continued to be popular. A number of local community groups such as Ongar Flower Club and the Alzheimers Carers Support group continued to use the centre. Training sessions were run by Essex County Council amongst others.

Two performances were promoted jointly with Ongar Town Council through the Essex on Tour scheme, hosted and supported by Essex County Council and with additional support from Epping Forest District Council.

Regular drop-in sessions were run on Thursdays and Saturdays in the ICT Workshop, a UK Online Centre, where visitors can be supported to learn basic computer skills, including internet access, or gain an insight into digital arts techniques.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
TRUSTEES' REPORT – Continued

PROJECT PARTNERS 2007/2008

Action in Mental Health, Loughton
Anglia Ruskin University
Arena Theatre Wolverhampton
Arts Council England, East
Basildon District Council - Sustainable Community Services
Basildon & Southend Positive Futures
Basildon Mind
Braintree Foyer
Brentwood Mind
Charles Harper House
City College Norwich
Colchester Arts Centre
Colchester Institute
Colchester Museums
Connexions EST
Connexions - Luton
Creative Arts East
Creative Partnerships Thames Gateway and Tendring
DAIP – Diversity Arts Incubation Programme
East 15 Acting School (University of Essex)
East of England Development Agency
Epping Forest District Council - Epping Forest Arts and Epping Forest District Museum
Essex Coalition of Disabled People
Essex Community Foundation
Essex County Council Arts Development
Essex County Council Social Care Services - Children and Family Services; Community Care Services; Learning Disability, Library Services, Leaving and Aftercare Teams, Traveller Education Services
Essexdance
Essex Forum for Support Groups
Essex Mental Health Joint Commissioning Team
Essex Parent Partnership Service
Essex RAD
Essex Youth Service
Family Mosaic
Frantic Assembly
The Garage, Norwich

Hertfordshire County Council - Children Schools and Families service; Adult Care Services and Libraries and Information Services
Hertfordshire Connexions
Holton Lee
Inspire
Leverton Hall
Little Gypps
Learning and Skills Council
Luton Borough Council - The Hat Factory, Arts Development, Youth Offending Teams, Orchard Centre PRU.
Malting Arts Centre – St Albans
Momentum Arts
Norfolk County Council
Ongar Town Council
Orpheus Centre
Oval Theatre - London
Norwich Arts Centre
Rainer Foundation
Richard Attenborough Centre - Leicester
Rise at Rethink Southend
Riverhead Theatre - Louth
Rumsey House, Rochford
SNAP – Social Needs Awareness Project – Luton
SAVS Southend
Screen East
Signals Media Arts
Stevenage PCT
Southend on Sea Borough Council – Children, Schools and Families
Suffolk Artlink
Tower Arts Centre, Winchester
Thurrock Children Schools and Families service
Thurrock MIND
UKOnline / UFI
Voluntary Sector Training
Wellfield Court Supported Housing
Youth Plus, Ongar

FUTURE PLANS

Theatre Resource is on the cusp of change in 2008-2009 with the new capital build project taking place at the arts centre in Great Stony. It is anticipated that building will begin in June 2009, subject to planning permission to create a new National Centre for Disability Arts. A new development in the project sees the adjoining Highfields bungalow being retained by Theatre Resource with the garden incorporated into the plans for the arts centre. Programmes and activities will continue throughout the capital build project ensuring that disabled young people and adults do not miss out on the activities provided by Theatre Resource.

Our education department continues its excellent programme of work with further residential and non residential workshops with young people at risk of exclusion for education and informal workshops for disabled and non disabled young people wishing to access the arts. A further arts programme will be developed for disabled and disadvantaged young people, those not in education, employment and training and those who are at risk of becoming not involved in education, employment and training. There will be a focus on expanding the centre based activity for disabled people and those with mental health needs.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
TRUSTEES' REPORT – Continued

A range of opportunities at Level 2/3 will be offered through Learning and Skills Council commissioning at Theatre Resource and the CLiP consortium bringing a wider selection of activities to people not in work or young people at risk of social exclusion than previously possible.

Artistic excellent will be at the forefront of programming and producing work with research and development for the new production in 2009-2010. Theatre Resource will renew its collaboration with Frantic Assembly and Oval House for a new production. Continuous professional development work will continue with mentoring for training for CIBIP, the CLiP hosted Learning Disability conference and Sky's the Limit workshops.

TRUSTEES' RESPONSIBILITIES

Company Law requires the Trustees 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 its financial activities for that year. In preparing these financial statements, the Trustees 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 financial statements;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue to operate

The Trustees are responsible for ensuring proper accounting records are kept 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 reasonable steps for the prevention and detection of fraud and other irregularities.

RISK MANAGEMENT

The Trustees have considered and continue to consider the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate those risks.

STATEMENT AS TO DISCLOSURE OF INFORMATION

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a Trustee and Director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

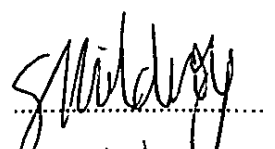
SOCIAL AUDIT

Theatre Resource continues to explore the inclusion of an element of 'social audit' in future annual reports. Social auditing is "the process whereby an organisation can account for its social performance, report on and improve that performance. It assesses the social impact and ethical behaviour of an organization in relation to its aims and those of its stakeholders" (New Economics Foundation). The key to this is that the 'audit' is undertaken by an independent assessor who signs off an annual report which is included in the main annual accounts. Information on our performance in respect of all the key outcomes will be recorded in our annual accounts through this 'social audit' process.

AUDITORS

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Meyer Williams be reappointed as auditors to the company will be put to the Annual General Meeting.

SIGNED ON BEHALF OF THE TRUSTEES


Dated: 19/12/05.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THEATRE RESOURCE LIMITED
(Limited by guarantee)**

We have audited the financial statements of Theatre Resource for the year ended 5 April 2008 on pages 11 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, 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 trustees 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 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 charity's trustees (who are also the directors of Theatre Resource for the purpose of company law) are responsible for the preparation of the financial statements in accordance with applicable law, United Kingdom Accounting Standards and the Charities Statement of Recommended Practice (United Kingdom Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial 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 Trustees' Annual 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 trustees' remuneration and transactions with the charity is not disclosed.

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

BASIS OF AUDIT OPINION

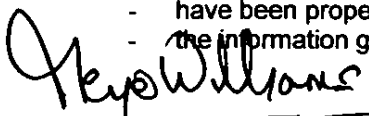
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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, of the state of the charity's affairs as at 5th April 2008 and of its incoming resources and application of resources, including its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.
- the information given in the Trustees' Report is consistent with the financial statements.


Meyer Williams
Queen Alexandra House
2 Bluecoats Avenue
Hertford
Herts.
SG14 1PB
REGISTERED AUDITORS

Dated: 23/12/08

THEATRE RESOURCE LIMITED
(Limited by guarantee)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2008

	<u>Note</u>	<u>Unrestricted General Funds</u> £	<u>Designated Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 2008</u> £	<u>Total Funds 2007</u> £
INCOMING RESOURCES						
Incoming resources from charitable activities:						
Project income	2	-	-	484,309	484,309	401,684
Revenue funding	3	78,991	-	-	78,991	76,961
Income from grants	4	-	-	7,877	7,877	15,000
Building income		48,927	-	1,155	50,082	48,771
Incoming resources from generated funds:						
Investment income		4,462	-	-	4,462	3,912
Other incoming resources		1,618	-	-	1,618	5,312
Total Incoming Resources		<u>133,998</u>	<u>-</u>	<u>493,341</u>	<u>627,339</u>	<u>551,640</u>
RESOURCES EXPENDED						
Charitable activities		81,043	7,491	494,502	583,036	501,055
Governance costs		21,062	-	-	21,062	32,106
Total Resources Expended	5	<u>102,105</u>	<u>7,491</u>	<u>494,502</u>	<u>604,098</u>	<u>533,161</u>
Net incoming/(outgoing) resources for the year before transfers						
		31,893	(7,491)	(1,161)	23,241	18,479
Transfers between funds		2,178	-	(2,178)	-	-
Net incoming/(outgoing) resources before recognised gains and losses						
		<u>34,071</u>	<u>(7,491)</u>	<u>(3,339)</u>	<u>23,241</u>	<u>18,479</u>
Other recognised gains and losses						
Unrealised gain on investments		-	1,592	-	1,592	68
Realised gain on investments		-	285	-	285	-
Net Movement in Funds		<u>34,071</u>	<u>(5,614)</u>	<u>(3,339)</u>	<u>25,118</u>	<u>18,547</u>
Total funds brought forward as at 6 April 2007		144,483	31,506	14,228	190,217	171,670
Total funds carried Forward as at 5 April 2008		<u>178,554</u>	<u>25,892</u>	<u>10,889</u>	<u>215,335</u>	<u>£190,217</u>

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

The notes on pages 14 to 20 form part of these financial statements

THEATRE RESOURCE LIMITED
(Limited by guarantee)
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 5 APRIL 2008

		<u>5.4.08</u>	<u>5.4.07</u>
	Notes	£	£
TURNOVER	6	622,877	547,728
Direct costs		<u>583,036</u>	<u>501,055</u>
		39,841	46,673
Administrative expenses		<u>21,062</u>	<u>32,106</u>
NET INCOMING RESOURCES	7	18,779	14,567
Interest receivable and similar income	8	<u>4,462</u>	<u>3,912</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		23,241	18,479
Tax on surplus on ordinary activities	9	<u>-</u>	<u>-</u>
SURPLUS FOR THE FINANCIAL YEAR		<u><u>£23,241</u></u>	<u><u>£18,479</u></u>

INCOME AND EXPENDITURE

Total income (including investment income) comprises £133,998 for unrestricted funds and £493,341 for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities and Notes 2, 3 and 4.

A detailed analysis of the expenditure is provided in the Statement of Financial Activities and Notes 5 and 6.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 11, which together with the notes to the accounts on pages 14 to 20, provides full information on the movements during the year on all funds.

None of the company's activities were acquired or discontinued during the current and previous year.

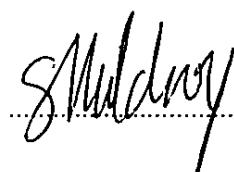
An analysis of staff costs is shown in Note 10 to the financial statements.

The notes on pages 14 to 20 form part of these financial statements

THEATRE RESOURCE LIMITED
(Limited by guarantee)
BALANCE SHEET AS AT
5 APRIL 2008

		<u>5.4.08</u>		<u>5.4.07</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	11		13,156		16,405
CURRENT ASSETS:					
Debtors	12	82,862		66,129	
Investments	13	25,892		31,506	
Cash at bank		<u>836,919</u>		<u>131,143</u>	
		945,673		228,778	
CREDITORS: Amounts falling due within one year	14	<u>743,494</u>		<u>54,966</u>	
NET CURRENT ASSETS:			<u>202,179</u>		<u>173,812</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£215,335</u>		<u>£190,217</u>
RESERVES:					
Restricted funds	18		10,889		14,228
Designated funds - Capital repairs and renewals fund	19		25,892		31,506
General fund - unrestricted			<u>178,554</u>		<u>144,483</u>
TOTAL CHARITY FUNDS:	20		<u>£215,335</u>		<u>£190,217</u>

ON BEHALF OF THE TRUSTEES:



Approved by the Trustees on 19/12/08

The notes on pages 14 to 20 form part of these financial statements

THEATRE RESOURCE LIMITED
(Limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2008

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention with the exception of current asset investments which are included at market value. The financial statements have been prepared in accordance with the Companies Act 1985, the Statement of Recommended Practice: Accounting and Reporting by charities issued in March 2005 and applicable UK accounting standards. The principal accounting policies adopted in the preparation of the financial statements are set out below:

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised at cost.

Depreciation is provided at the following annual rates in order to write off the cost of each asset over its estimated useful life.

Fixtures and fittings - 25% on cost

Limited by Guarantee

The company is limited without share capital. In the event of the company being wound up, each member is liable to contribute to the payment of debts and liabilities of the company as may be required, not exceeding £1.

Investments

Investments are stated at market value. Unrecognised gains and losses on the investment asset are recognised in the Statement of Financial Activities.

Fund accounting

Funds held by the charity are either:

Unrestricted general funds- these are funds, which can be used in accordance with the charitable 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 a particular restricted purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred, and irrecoverable VAT is included with the items of expense to which it relates:

- Charitable activities includes expenditure comprising those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2008

1. ACCOUNTING POLICIES continued...

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations, grants and funds received for specific projects and subject to specific wishes of the donors are credited to the relevant restricted fund. When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods. The capital element of grants received towards the cost of acquiring fixed assets are released to the unrestricted reserves over a four year period in line with the depreciation policy of the fixed assets capitalised. Other income received for the general purpose of the company is credited to the general fund.
- Investment income is included when receivable.

Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

2. SOURCES OF MATERIAL PROJECT INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2008 £	Total 2007 £
Project grants	-	432,730	432,730	354,124
Fees from organisations	-	46,319	46,319	35,486
Fees from participants	-	5,260	5,260	12,074
	-	484,309	484,309	401,684

3. SOURCES OF MATERIAL REVENUE FUNDING

	Unrestricted Funds £	Restricted Funds £	Total 2008 £	Total 2007 £
ECC Arts Development	18,641	-	18,641	18,222
Arts Council England, East	56,039	-	56,039	54,539
Epping Forest D C	4,311	-	4,311	4,200
	78,991	-	78,991	76,961

THEATRE RESOURCE LIMITED
(Limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2008

4. SOURCES OF MATERIAL GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2008 £	Total 2007 £
Futurebuilders - Capital funding	-	-	-	15,000
Essex CC – Capital funding	-	7,877	7,877	-
	<u>-</u>	<u>7,877</u>	<u>7,877</u>	<u>15,000</u>

5. TOTAL RESOURCES EXPENDED

	Charitable activities 2008 £	Governance costs 2008 £	Charitable activities 2007 £	Governance costs 2007 £
Costs directly allocated to activities				
Project expenses	204,148	-	150,263	-
Project staff costs	117,284	-	116,456	-
Depreciation	7,340	-	20,506	-
Consultancy fees	-	-	1,504	12,447
Core marketing	6,077	-	5,310	-
Auditors remuneration	-	4,671	-	4,171
Legal and professional fees	590	-	283	558
Recruitment costs	4,415	-	5,033	-
Insurance	1,147	-	1,182	-
Support costs allocated to activities				
Salaries and NHI	159,199	16,359	129,127	13,273
Premises costs	64,735	-	60,524	-
Office services and supplies	7,376	-	6,861	-
Capital appeal	4,073	-	-	-
Other costs	6,652	32	4,006	1,657
	<u>583,036</u>	<u>21,062</u>	<u>501,055</u>	<u>32,106</u>

Premises costs incorporate a notional charge of £21,550 in respect of rent. This has been brought in to reflect the difference between the true commercial rent due for the premises, as advised by Mass & Co. – Chartered Surveyors, the sum of £22,000, and the amount physically paid - £450pa. to The Great Stony School Trust as stated in a 99 year lease dated 11 August 1999. The additional charge has been reflected as a donation within Building income.

6. TURNOVER

The turnover and surplus before taxation are attributable to the one principal activity of the company.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2008

7. NET INCOMING RESOURCES

The net incoming resources is stated after charging:

	5.4.08	5.4.07
	£	£
Depreciation - owned assets	7,340	20,506
Auditors' remuneration - audit services	4,671	4,171
- non audit services	-	165
	<u>-</u>	<u>165</u>

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	5.4.08	5.4.07
	£	£
Deposit account interest	<u>4,462</u>	<u>3,912</u>

9. TAXATION

The company's activities fall under the exemption given by the Inland Revenue to charities, consequently no liability to UK Corporation tax has arisen on the ordinary activities of the company, neither for the year ended 5 April 2008 nor for the year ended 5 April 2007.

10. STAFF COSTS

	5.4.08	5.4.07
	£	£
The cost of employing staff which are included within Charitable activities on Note 5 were:		
Wages and salaries	269,008	238,067
Social security costs	23,834	20,789
	<u>292,842</u>	<u>258,856</u>

The average monthly number of employees during the year was as follows:

	5.4.08	5.4.07
Administration and project workers	18	23

No employee's emoluments exceeded £60,000 during the year.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2008

11. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment
	£
COST:	
At 6 April 2007	143,386
Additions	<u>4,091</u>
At 5 April 2008	<u>147,477</u>
DEPRECIATION:	
At 6 April 2007	126,981
Charge for year	<u>7,340</u>
At 5 April 2008	<u>134,321</u>
NET BOOK VALUE:	
At 5 April 2008	<u>£13,156</u>
At 5 April 2007	<u>£16,405</u>

All the above assets are used for charitable purposes.

**12. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	5.4.08	5.4.07
	£	£
Trade debtors	<u>82,862</u>	<u>66,129</u>
	<u>£82,862</u>	<u>£66,129</u>

13. CURRENT ASSET INVESTMENTS

	5.4.08	5.4.07
	£	£
COIF fixed interest fund:		
At 6 th April 2007	31,506	27,226
Additions	-	4,212
Disposals	(7,491)	-
Net unrealised gain	<u>1,877</u>	<u>68</u>
At 5 th April 2008	<u>£25,892</u>	<u>£31,506</u>

Current asset investments are stated at market value and held to provide a return to the charity.

**14. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	5.4.08	5.4.07
	£	£
Trade creditors	24,821	14,674
Social security and other taxes	7,767	5,959
Deferred income (note 15)	673,542	26,786
Accruals	<u>37,364</u>	<u>7,547</u>
	<u>£743,494</u>	<u>£54,966</u>

THEATRE RESOURCE LIMITED
(Limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2008

15. DEFERRED INCOME

	5.4.08	5.4.07
	£	£
At 6 th April 2007	26,786	69,234
Amount released to incoming resources	(19,786)	(69,234)
Amount deferred in the year	<u>666,542</u>	<u>26,786</u>
At 5 th April 2008	<u>£673,542</u>	<u>£26,786</u>

Deferred income comprises of grants received in advance which the donor has specified must be used in future accounting periods.

16. RELATED PARTY DISCLOSURES

No trustee received any remuneration from the company in the current or previous year. In the year two (2007: three) trustees received reimbursement of expenditure incurred in respect of the charities activities amounting to £528 (2007: £565).

The Great Stony School Trust as mentioned in Note 6 is a registered charity and two of its trustees are also on the board of trustees in this company.

17. RECONCILIATION OF MOVEMENTS IN FUNDS

	5.4.08	5.4.07
	£	£
Surplus for the financial year	23,241	18,479
Unrealised gains on investments	<u>1,877</u>	<u>68</u>
NET ADDITION TO FUNDS	25,118	18,547
Opening funds	<u>190,217</u>	<u>171,670</u>
CLOSING FUNDS	<u>£215,335</u>	<u>£190,217</u>

THEATRE RESOURCE LIMITED
(Limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2008

18. RESTRICTED FUNDS

	Balance at 6.4.07 £	Movement in funds Incoming Resources £	Resources Expended £	Transfers	Balance at 5.4.08 £
Project work	-	484,309	(484,309)	-	-
Building grants	-	1,155	(1,155)	-	-
Capital Refurbishment fund	7,386	-	-	-	7,386
Regional Arts lottery Programme	3,349	-	-	(2,178)	1,171
Futurebuilders- Consultancy fees	3,493	-	(3,493)	-	-
Essex CC Community Initiatives	-	7,877	(5,545)	-	2,332
	<u>14,228</u>	<u>493,341</u>	<u>(494,502)</u>	<u>(2,178)</u>	<u>10,889</u>

The Capital element of grants received is being released to the unrestricted general funds over a four year period in line with the depreciation policy of the assets which were capitalised and is included within the transfer between funds.

19. UNRESTRICTED DESIGNATED FUNDS

	Balance at 6.4.07 £	New designations £	Utilised/ Released £	Balance at 5.4.08 £
Capital repairs and renewal fund	<u>31,506</u>	<u>1,877</u>	<u>(7,491)</u>	<u>25,892</u>

The Capital repairs and renewal fund was created to provide for future anticipated major building costs.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Current Asset Investments £	Net Current Assets £	Cash at Bank £	Total £
Restricted funds	-	-	(651,571)	662,460	10,889
Designated funds	-	25,892	-	-	25,892
General funds	13,156	-	(9,061)	174,459	178,554
	<u>13,156</u>	<u>25,892</u>	<u>(660,632)</u>	<u>836,919</u>	<u>215,335</u>

21. ULTIMATE CONTROLLING PARTY

The company had no ultimate controlling party during the current or previous year.

THEATRE RESOURCE LIMITED
(Limited by guarantee)
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 5 APRIL 2008

	<u>5.4.08</u>		<u>5.4.07</u>	
	£	£	£	£
Income:				
Revenue funding ECC Arts Development	18,641		18,222	
Revenue Funding Arts Council England, East	56,039		54,539	
Revenue Funding EFDC	4,311		4,200	
Sundry income	1,618		5,312	
Project income	484,309		401,684	
Building - other income	36,409		27,221	
Building – notional donation	21,550		21,550	
Futurebuilders England Capital Funding	-		15,000	
		622,877		547,728
Direct costs:				
Project expenditure	204,148		150,263	
Project staff costs	117,284		116,456	
Balcony refurbishment costs	-		7,851	
Consultancy fees	-		13,951	
		(321,432)		(288,521)
GROSS SURPLUS		301,445		259,207
Other income:				
Deposit account interest		4,462		3,912
Carried forward		305,907		263,119
Expenditure:				
Core salary costs	175,558		142,400	
Staff training	5,600		2,406	
Office services and supplies	7,376		6,861	
Core marketing	6,077		5,310	
Staff core expenses	4,025		2,457	
Centre Refurbishment	5,282		771	
Insurance	7,166		7,388	
Rent	22,000		22,000	
Sundry expenses	936		685	
Auditors remuneration	4,671		4,171	
Legal and professional	590		841	
Staff recruitment	4,415		5,033	
Building services and maintenance	31,434		23,696	
		(275,130)		(224,019)
		30,777		39,100
Finance costs:				
Bank charges		(196)		(115)
		30,581		38,985
Depreciation:				
Fixtures, fittings and equipment		(7,340)		(20,506)
NET SURPLUS FOR THE YEAR		<u>£23,241</u>		<u>£18,479</u>

This page does not form part of the statutory financial statements