

Registered number: 03536370
Charity number: 1069912

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016



THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016**

Trustees

I Mather, Chairman
L Bacon
K Carne
R Christiansen
L Dean
Sir R Dearlove
A Glinsman
S Grady
J Iliffe
D Rapley
J Rodgers
A Swarbrick
G Yorke

Company registered number

03536370

Charity registered number

1069912

Registered office

6 St Edward's Passage, Cambridge, CB2 3PJ

Company Secretary

D Barrass

Chief Executive Officer

D J Murphy

Senior Management Team

D Barrass, Head of Finance
A Morley, Commercial and Operations Director
M Passey, Technical Manager
C Ireland, Programming and Production Manager

Independent auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

Bankers

National Westminster Bank plc, 23 Market Street, Cambridge, CB2 3PA

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Cambridge Arts Theatre Trust Limited (the company and the group) for the year ended 31 March 2016. The trustees confirm that the annual report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2016).

Since the company and the group qualify as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

PURPOSES AND ACTIVITIES

a. POLICIES AND OBJECTIVES

Cambridge Arts Theatre Trust is an independent theatrical charity which exists to inspire and nurture a lifelong love of the performing arts and to secure the future of Cambridge Arts Theatre for future generations of theatre-goers.

The main objectives for the financial year were to continue to broaden, develop and improve the theatrical programme, to increase audience numbers and awareness and to build on the solid financial base of recent years including the restoration of income levels following the completion of the foyer project. In order to deliver these objectives the trustees continue to investigate ways of improving the supply of theatrical productions through "in-house" producing efforts and have committed to the further expansion and resourcing of the Theatre's fundraising efforts.

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The strategies employed to achieve the charity's aims and objectives are as follows:

The Theatre continues to build and develop long-term relationships with the most important scale appropriate touring drama, dance and opera companies in the United Kingdom.

The Theatre closely monitors tickets sales and customer feedback to ensure that the theatrical programme is in accordance with the tastes and demands of its patrons.

Against a background of increasing costs and the absence of any ongoing statutory funding, financial performance and expenditure continues to be very carefully planned and monitored as the Theatre continues to look to achieve financial sustainability in the medium term.

The Theatre's education, access and community programme is designed in co-operation with visiting companies and within the physical constraints of the building, to maximise enjoyment of and access to the theatrical programme.

The trustees constantly review the scope and timing of the Theatre's fundraising efforts and the need to balance the regular funding required to sustain its operational position with the need to ensure that the strategic capital requirements of the Theatre are fully met.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

c. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

In shaping the objectives for the year and planning the Theatre's activities, the trustees have considered the Charity Commission's guidance on public benefit and fee charging. The Theatre relies very heavily on the income from fees (ticket income) and associated charges to cover its operating costs. Affordability and access to the programme is important to the Theatre and is reflected in the pricing policy set out in detail later in this report.

Throughout the year the trustees sought to continue to deliver a coherent and practical educational, community and access programme, and to contribute to the quality of life of the people of Cambridge and the wider regional community by providing affordable access to a varied programme of theatre, opera, dance, jazz, and comedy.

The programme of activities described above focuses on bringing a varied and affordable programme of theatre and performing arts to all people in the local and wider regional community. The trustees try to encourage all within the community to attend the Theatre and to take part in the activities on offer. The drama, musical theatre, dance, and music that the Theatre provides are to be enjoyed by all, from small children and those attending local schools or colleges through to more elderly patrons.

d. VOLUNTEERS

The Theatre runs a formal volunteering programme which provides a broad range of opportunities for local residents to support and participate in the work of the Theatre. The varied roles include welcoming customers and checking tickets, acting as a customer service focal point, and providing invaluable support and assistance to the Front of House management team. The trustees would like to thank the 57 volunteers who provide a vital contribution to the ongoing success of the Theatre and work tirelessly to enhance the theatre experience for customers.

ACHIEVEMENTS AND PERFORMANCE

The Theatre continues to build on the success of the artistic programme of recent years and has upheld and strengthened its reputation as one of the leading UK drama houses through its varied and high quality theatrical offering. Despite challenging income targets across the financial year and an autumn season that performed slightly below expectation, a particularly strong spring and a record-breaking March resulted in an excellent finish for the year.

The year saw a number of hugely successful weeks, both commercially and artistically, in which attendance and income was maximised; David Suchet's performance as Lady Bracknell in 'The Importance of Being Earnest' and Martin Shaw as the eponymous Henry Horatio Hobson in 'Hobson's Choice' both played to 100% occupancy, with the latter reaching an all-time record for the highest grossing week in the Theatre's history. Both productions subsequently transferred to the West End to considerable critical acclaim.

Also playing to near sell-out capacity audiences were English Touring Theatre's co-production with ATG of 'Arcadia' and Kenny Wax Limited's production of 'Peter Pan Goes Wrong', which built on the phenomenal success of the previous year-end result and allowed the Theatre to start the financial year in rude health; the ever-popular 'The 39 Steps' and 'An Inspector Calls', the Olivier award winning 'King Charles III' and 'The Father' also played to packed audiences, and the Theatre finished the year on a high note with 'The Perfect Murder' playing to near sell-out houses.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

The Theatre has continued to host some of the country's leading touring companies, including Shakespeare's Globe ('Romeo and Juliet', 'Much Ado About Nothing' in the Master's Garden, Corpus Christi College), English Touring Theatre ('Arcadia', 'A Mad World My Masters', 'The Odyssey', 'The Herbal Bed'), The Royal Court ('Constellations') and Theatre Royal Bath Productions ('The Father', 'Talking Heads', 'Bad Jews'), showcasing both the commercial and subsidised sectors of the industry. The Theatre also welcomed new producing talent to its stage, forging new relationships with Sell-A-Door Theatre Company ('The History Boys', 'Avenue Q') and Eleanor Lloyd Productions ('Handbagged') that will hopefully prove fruitful in future years.

Proving that student and amateur drama can hold their own against professional touring productions, the Cambridge University Marlowe Society's 'Measure for Measure' and the Cambridgeshire Amateur Operatic Society's production of 'Sister Act' enabled the Theatre to continue to attract a diverse audience and proved very popular.

Younger audiences were particularly well catered for, with productions such as 'The Boy in the Striped Pyjamas', 'Horrible Histories', 'What the Ladybird Heard', 'Room on the Broom', 'The Tiger Who Came to Tea' and 'The Gruffalo' delighting children of all ages in their thousands and showcasing the Theatre's commitment to nurturing a lifelong love of theatre from an early age. The Theatre also offered a diverse range of non-drama productions such as opera (English Touring Opera), dance (Richard Alston, Ballet Black) and one night spoken word and music events (including appearances from Lucy Worsley, David Starkey and the ever-popular Cambridge Footlights) to cater to a wider audience.

The Theatre's annual in-house produced pantomime 'Cinderella' was a resounding success and very well-received by the audience of children, families, schools and groups over a six week period. In addition to strong ticket receipts, the Theatre raised £22,652 through its 'Panto Wheels' appeal that financially and practically assisted 2,624 local schoolchildren to attend who would not otherwise have been able to afford a trip to 'Cinderella', to support the relaxed performance discussed below and to mount three specially tailored relaxed schools performances. Funds were raised from a range of individual and corporate donors including Astra Zeneca and £2,500 from the Cambridge News' Press Relief Trust. The Theatre was also able to raise, through the efforts of its staff and performers during the run, £13,605 for charities with a strong connection to the Theatre including Cambridge Joint Playschemes, Addenbrookes Children's Oncology and Haematology Ward, Centre 33 and Jimmy's night shelter.

There are still considerable ongoing uncertainties surrounding the public funding of the arts and the effect of the tighter economic climate on more risk-averse producers and the subsidised sector; however, the trustees are pleased to report that during the 2015/16 financial year there was minimal reduction in the availability of top quality productions and they remain hopeful that this position will not materially change in the near future.

a. EDUCATION, COMMUNITY AND ACCESS

The Theatre's education, community and access programme continues to be well received. The Theatre continued its efforts with schools and saw a modest increase in the level of schools' bookings for 'Cinderella' with 5,200 schools' Panto tickets sold. The Theatre was also able to offer a varied programme of workshops and discussions to support the productions in conjunction with the visiting companies throughout the year.

Despite production companies' increasing reluctance to fund British Sign Language interpreted, Stagertext captioned and audio described performances, the Theatre has maintained the level of accessible performances from its own resources and they continue to be a welcome addition for visually impaired and hard of hearing customers.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

'Cinderella' saw the presentation of another successful relaxed performance, catering for people with an autism spectrum condition, learning disability or a sensory or communication disorder. Alongside specially tailored performances of the panto for special needs audiences the relaxed performance has now become a permanent part of the panto schedule. 2015/16 also saw the Theatre successfully trial relaxed performances of 'The Tiger Who Came To Tea' and 'What The Ladybird Heard' and the Theatre is now confident that this much-needed service can be extended across a number of other performances to enhance its ability to offer a wide range of accessible work.

FINANCIAL REVIEW

a. KEY FINANCIAL PERFORMANCE INDICATORS

The trustees are pleased to report that in a challenging year, with no grant or statutory body funding the Theatre's finances remained stable. With the Theatre predominantly reliant on the income from ticket sales, the trustees are reporting a small surplus on unrestricted funds of £3,229.

Total income for 2015/16 increased slightly by 2%. Although there was a £107k reduction in donations and grant income due to the conclusion of Arts Council catalyst funding programme in the previous year, there was a 4% increase in performance income of £145,677 and a 34% increase in membership income of £30,883.

As costs have been closely monitored and kept under control there was only a small 2% increase in total expenditure of £104,437. This relates largely to theatre running costs which increased by only 1% from £4,202,242 to £4,289,678.

b. PRICING POLICY

Within the context of its overall strategic and financial objectives the Theatre implements a variable ticketing pricing structure, charging lower ticket prices and offering concessions on a range of shows. This ensures its activities are more accessible to the community, in particular those on lower incomes who might not otherwise be able to afford to come to the Theatre.

Full ticket prices vary between £15 and £42 and there are always a minimum of 25 seats (4% of total capacity) available at the lowest price for all performances. In some instances the number of seats available at the lowest price can be as many as 152 (23% of total capacity).

For a number of performances throughout the year, a concession of £2 off the advertised price is offered to senior citizens, students and children; schools can usually book tickets at a reduced rate, normally £15, for many performances. The Theatre also offers tickets for £15 - £20 for customers with a disability and their companion. Pre-booked groups of 10 or more will often be able to receive a 10% discount on bookings for a range of performances throughout the year.

For family events, including the annual pantomime, children's ticket prices vary from £10 - £15; the price for accompanying adults differs from show to show.

c. PRINCIPAL FUNDING

During the year the Theatre received no trust or grant income funding. The principal funding sources of income to the Theatre were: income from admission fees and ticket sales of £3,889,504; front of house trading income of £379,503, and income from corporate and individual supporters of £120,293.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

d. RESERVES POLICY AND GOING CONCERN

The trustees need to ensure that free reserves are maintained so that the charity can continue its operations in the event that an unforeseen shortfall in admission or other income creates a funding issue. It is the charity's current policy to look to hold sufficient reserves, underpinned by available cash, to finance four months' average operating costs. The trustees consider that the ideal level of free reserves would be £625,000.

The Theatre's total reserves at the end of the reporting period are £1,921,944. The unrestricted reserves represent a revaluation reserve relating to the value of the Theatre's lease of £390,000, and unrestricted general reserves of £206,763. The restricted Foyer Fund, arising as a result of the work on the Theatre's Foyer facilities, of £1,325,181 accounts for the remainder of the total reserves.

As unrestricted fixed assets exceed unrestricted reserves, the Theatre has negative free reserves of £67,344 (free reserves defined as unrestricted reserves less fixed assets). However, the charity's continuing aim is to generate sufficient surpluses over the medium term so that the level of free reserves is in line with its policy within 10 years.

The trustees have considered the financial position of the charity, including operational forecasts, sources of funding support and the net asset position, having regard to the current economic environment. They are satisfied that based on their enquiries the going concern basis for preparing the financial statements is appropriate at the present time. The trustees believe that no further disclosures relating to the charity's ability to continue as a going concern are required.

PLANS FOR FUTURE PERIODS

Following on from the success of the capital works on the Foyer facilities during the summer of 2013 the Theatre is now planning to embark on a major refurbishment and upgrade of its auditorium and backstage facilities. This will involve a complete refresh of the interior of the auditorium which has been in constant use for nearly twenty years now and the urgent replacement of key items of backstage technical equipment which are nearing the end of their useable life. Given the requirement to raise the necessary funds before the work can commence and the need to co-ordinate the theatrical programme with the building works, these works may need to be prioritised and phased to ensure that the most operationally critical elements are carried out as soon as is practically possible.

The trustees will continue to invest in the Theatre's fundraising capacity to fund necessary capital projects and to provide ongoing revenue support to ensure the long-term sustainability of the Theatre. The Theatre was greatly assisted in this endeavour during 2014/15 by the award of a catalyst grant by Arts Council England but this grant has now ended meaning that the scope and productivity of the Theatre's fundraising efforts will become even more crucial. The trustees are of the view that in an era of limited and declining state and civic subsidies the development of this fundraising capacity is an essential element of the strategy to ensure that the Theatre remains vibrant and viable for future generations of theatregoers.

The trustees intend to continue to explore opportunities over the coming year to mount more productions in-house and to co-produce them with other theatres. The current model whereby the Theatre largely sources its productions from external producers (both commercial and subsidised), whilst both artistically and financially successful, leaves it, on occasion, overly reliant on a relatively small number of commercial and subsidised producers. The trustees feel that the best way to ensure the long-term artistic health of the Theatre is to diversify and strengthen the sources of its productions and to work in partnership with other arts organisations to achieve this aim.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

The trustees remain committed to the long-term development of all the Theatre's staff and they intend to increase investment in the training and education of staff. They are in no doubt that the Theatre's ongoing success is, in no small part, due to the talents and extraordinary efforts of the outstanding staff. Their view is that a committed, diverse and highly skilled workforce will be critical to the Theatre's future success and they will continue to invest in the growth of an industry leading team of theatre professionals.

The trustees would like, as far as the artistic programme permits, to further enhance the scope and reach of community education and engagement activities and will be further investing in fundraising to support these activities. It is also their intention to continue to provide a strong access programme and to build on the opportunities offered by the new foyer spaces to further extend the support offered to patrons with special needs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The company is a charitable company limited by guarantee and was set up by a Memorandum of Association on 27 March 1998.

The company is now constituted and governed by the Articles of Association dated 31 January 2013 and is a registered charity (number 1069912).

b. APPOINTMENT OF TRUSTEES

The management of the company and the group is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

During the year, the following trustees served, were appointed and resigned.

I Mather, Chairman (appointed Chairman 29 September 2015)
Baroness Cohen of Pimlico, previous Chairman (resigned 29 September 2015)
L Bacon
K Carne
R Christiansen (appointed 26 April 2016)
P Cusack (resigned 9 February 2016)
L Dean (appointed 26 April 2016)
Sir R Dearlove (appointed 21 June 2016)
A Glinsman
S Grady (appointed 9 February 2016)
J Hutt (resigned 24 November 2015)
J Iliffe
M Magnay (resigned 24 November 2015)
D Martin (resigned 24 November 2015)
D Rapley (appointed 26 April 2016)
J Rodgers (appointed 9 February 2016)
A Swarbrick
R Tackley (resigned 21 June 2016)
G Yorke (appointed 26 April 2016)

Although there were six resignations during the year they were all in respect of trustees who had come to the end of their tenure or who had left the Cambridgeshire area.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

c. TRUSTEE INDUCTION AND TRAINING

New trustees are briefed on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and are informed of the content of the Articles of Association, the committee and decision-making processes, and recent financial performance of the charity. They also meet key employees and other trustees and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The charity's strategic direction is established by its board of trustees which meets formally five times a year. There are also audit, remuneration and nominations sub-committees of the board of trustees. The audit committee meets up to twice a year; the remuneration committee meets up to twice a year and the nominations committee meets as required. All the committees are chaired by trustees and report to the board of trustees. Implementation of the strategy and day to day management of the organisation is the responsibility of the chief executive. The chief executive is also responsible for the organisation's supporting infrastructure. All remaining staff are involved directly in the delivery of services and fundraising.

e. RELATED PARTIES

None of the trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

The charity's has two wholly owned subsidiaries. Roof Garden Restaurants Limited is wholly owned by the charity. It previously operated the restaurant which was open to both theatre audiences and the general public. In April 2009, due to falling customer numbers and the prevailing economic climate, the restaurant ceased trading and is now dormant. Cambridge Arts Theatre Panto Limited is a wholly owned subsidiary and was established to provide production services to the Theatre's annual Pantomime.

f. PAY POLICY FOR SENIOR STAFF

The trustees, chief executive and senior management team together comprise the key management personnel of the charity. The trustees are responsible for directing and controlling the charity and the senior management team are responsible for the day to day running and operation of the charity.

All trustees give of their time freely and no trustee received any remuneration in the year for their services as trustees. Details of trustees' expenses and related party transactions are disclosed in note 11 to the accounts.

The remuneration committee (which is a sub-committee of the board of trustees) meets at least annually to review the pay and remuneration arrangements for the chief executive and senior management team. Decisions on levels of remuneration would take into account performance reviews, benchmarking against other relevant industry sector organisations, local salary levels and any changes in the scope of duties required as well as considering the impact of changes in the published cost of living data.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

g. RISK MANAGEMENT

The trustees have overall responsibility for the systems of internal control for the charity. However, such a system can provide only reasonable, but not absolute, assurance against errors and fraud.

The charity operates a comprehensive annual planning and budgeting process which is approved by the board. Performance is monitored in detail through the use of key performance indicators and financial targets.

The trustees confirm that the major risks to which the charity is exposed, as identified by the board, have been reviewed and systems have been established to mitigate those risks. Particular attention has focused on governance and management and operational risks including health and safety, information systems, and customer satisfaction.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of The Cambridge Arts Theatre Trust Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

AUDITORS

The auditors, Peters Elworthy & Moore, have indicated their willingness to continue in office. The designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

This report was approved by the trustees on **21 December 2016** and signed on their behalf by:



I Mather, Chairman
Trustee

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE ARTS THEATRE TRUST LIMITED

We have audited the financial statements of The Cambridge Arts Theatre Trust Limited for the year ended 31 March 2016 set out on pages 13 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE ARTS THEATRE TRUST LIMITED

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the trustees' report, incorporating the group strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a group strategic report.

Paul Chapman (senior statutory auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors

Salisbury House
Station Road
Cambridge, CB1 2LA
22 December 2016

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Donations and grants	2	-	7,004	7,004	114,000
Charitable activities	3	-	4,326,638	4,326,638	4,144,806
Raising funds and generating membership income	4	-	120,293	120,293	89,410
Investments	5	-	600	600	1,136
TOTAL INCOME		-	4,454,535	4,454,535	4,349,352
EXPENDITURE ON:					
Raising funds and generating membership income	6	-	77,250	77,250	70,597
Charitable activities	7	28,116	4,374,056	4,402,172	4,304,388
TOTAL EXPENDITURE	9	28,116	4,451,306	4,479,422	4,374,985
NET INCOME / (EXPENDITURE)		(28,116)	3,229	(24,887)	(25,633)
NET MOVEMENT IN FUNDS		(28,116)	3,229	(24,887)	(25,633)
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,353,297	593,534	1,946,831	1,972,464
TOTAL FUNDS CARRIED FORWARD		1,325,181	596,763	1,921,944	1,946,831

All activities relate to continuing operations.

The notes on pages 17 to 30 form part of these financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
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REGISTERED NUMBER: 03536370

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		1,989,288		1,994,372
CURRENT ASSETS					
Stocks		10,039		6,165	
Debtors	15	225,657		201,052	
Cash at bank and in hand		674,296		603,858	
		<u>909,992</u>		<u>811,075</u>	
CREDITORS: amounts falling due within one year	16	<u>(977,336)</u>		<u>(858,616)</u>	
NET CURRENT LIABILITIES			<u>(67,344)</u>		<u>(47,541)</u>
NET ASSETS			<u>1,921,944</u>		<u>1,946,831</u>
CHARITY FUNDS					
Restricted funds	17		1,325,181		1,353,297
Unrestricted funds: General	17		596,763		593,534
TOTAL FUNDS			<u>1,921,944</u>		<u>1,946,831</u>

The financial statements were approved by the trustees on **21 December 2016** and signed on their behalf, by:



I Mather, Chairman

The notes on pages 17 to 30 form part of these financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03536370

COMPANY BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		1,989,288		1,994,372
Investments	13		101		1
			<u>1,989,389</u>		<u>1,994,373</u>
CURRENT ASSETS					
Stocks		10,039		6,165	
Debtors	15	223,757		201,052	
Cash at bank and in hand		674,296		603,858	
		<u>908,092</u>		<u>811,075</u>	
CREDITORS: amounts falling due within one year	16	(975,537)		(858,617)	
NET CURRENT LIABILITIES			<u>(67,445)</u>		<u>(47,542)</u>
NET ASSETS			<u>1,921,944</u>		<u>1,946,831</u>
CHARITY FUNDS					
Restricted funds	17		1,325,181		1,353,297
Unrestricted funds: General	17		596,763		593,534
TOTAL FUNDS			<u>1,921,944</u>		<u>1,946,831</u>

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The notes on pages 17 to 30 form part of these financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>152,922</u>	<u>125,273</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		600	1,136
Purchase of tangible fixed assets		<u>(83,084)</u>	<u>(34,786)</u>
Net cash used in investing activities		<u>(82,484)</u>	<u>(33,650)</u>
Change in cash and cash equivalents in the year		70,438	91,623
Cash and cash equivalents brought forward		<u>603,858</u>	<u>512,235</u>
Cash and cash equivalents carried forward	20	<u><u>674,296</u></u>	<u><u>603,858</u></u>

The notes on pages 17 to 30 form part of these financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Cambridge Arts Theatre Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiaries are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING PRACTICE

It is the first year that the company has presented its financial statements under SORP 2015 and FRS 102. The last financial statements prepared under previous UK GAAP were for the year ended 31 March 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 April 2014. In preparing these accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required; the policies applied under the company's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.

1.3 GOING CONCERN

Management has prepared forecasts and projections for the year to 31 March 2017 which indicate that the charity will be able to operate within its current bank facilities. The forecasts and projections have been prepared on the basis of prudent assumptions and of past performance and experience and have been reviewed and approved by the trustees. The trustees believe that the charity has sufficient financial resources and is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, they continue to adopt the going concern basis in preparing the annual accounts.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Paragraph 10.33 of the Statement of Recommended Practice 2015 has been adopted. Leasehold property is included at valuation. It is not depreciated but reviewed annually for impairment by the Trustees and reviewed professionally every five years. Leasehold property was valued by an independent valuer, Savills UK Limited, Chartered Surveyors, as at 31 March 2013 at £390,000.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	over 50 years
Fixtures and fittings	-	over 4 or 5 years
Computer equipment	-	over 3 years

1.5 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

1.6 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.7 STOCKS

Purchased stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.8 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the trustees named on page 9. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.9 PENSIONS

The company operates a mix of defined contribution stakeholder and personal pension schemes for its employees.

1.10 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

1.11 INCOME

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants and sponsorship income are recognised over the period stipulated by the grantor or sponsor as the charity becomes entitled to the funds.

Donations are recognised upon receipt or where there is certainty of the amount due.

Income from performances is recognised on the date of performance.

Advance ticket sales and booking fees are deferred and included within creditors.

Front of house, membership and other income is recognised as the charity becomes entitled to the income.

1.12 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity and depreciation charges are allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All resources expended are inclusive of irrecoverable VAT.

1.13 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.14 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

1.15 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.16 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.17 FINANCIAL INSTRUMENTS

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	7,004	7,004	34,000
Arts Council England	-	-	80,000
	<hr/>	<hr/>	<hr/>
Total donations and legacies	7,004	7,004	114,000
	<hr/>	<hr/>	<hr/>

In 2015, all the income from donations and grants was unrestricted.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income from performances - admission fees	3,889,504	3,889,504	3,743,827
Front of house	379,503	379,503	356,810
Commission and facilities income	5,285	5,285	7,891
Other income	52,346	52,346	36,278
	<u>4,326,638</u>	<u>4,326,638</u>	<u>4,144,806</u>

In 2015, all of the total income from charitable activities was unrestricted.

4. RAISING FUNDS AND GENERATING MEMBERSHIP INCOME

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Membership income	120,293	120,293	89,410
	<u>120,293</u>	<u>120,293</u>	<u>89,410</u>

In 2015, all of the fundraising income was unrestricted.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Interest receivable	600	600	1,136
	<u>600</u>	<u>600</u>	<u>1,136</u>

In 2015, all of the investment income was unrestricted.

6. EXPENDITURE ON RAISING FUNDS AND GENERATING MEMBERSHIP INCOME

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Fundraising staff costs	77,250	77,250	70,597
	<u>77,250</u>	<u>77,250</u>	<u>70,597</u>

In 2015, all of the expenditure on raising funds and generating membership income was unrestricted.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Theatre running costs	28,116	4,261,562	4,289,678	4,202,242
Front of house costs	-	112,494	112,494	102,146
	<u>28,116</u>	<u>4,374,056</u>	<u>4,402,172</u>	<u>4,304,388</u>

In 2015, expenditure on charitable activities was £4,304,388 of which £4,270,286 was unrestricted and £34,102 was restricted.

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Theatre running costs	3,976,623	313,055	4,289,678	4,202,242
Front of house costs	112,494	-	112,494	102,146
Total	<u>4,089,117</u>	<u>313,055</u>	<u>4,402,172</u>	<u>4,304,388</u>

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

9. ANALYSIS OF EXPENDITURE BY TYPE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	77,250	-	-	77,250	70,597
COSTS OF GENERATING FUNDS	77,250	-	-	77,250	70,597
Theatre running costs	948,344	88,168	3,242,416	4,278,928	4,191,742
Front of house costs	-	-	112,494	112,494	102,146
CHARITABLE ACTIVITIES	948,344	88,168	3,354,910	4,391,422	4,293,888
Governance support costs	-	-	10,750	10,750	10,500
	1,025,594	88,168	3,365,660	4,479,422	4,374,985

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	88,168	106,588
Auditors' remuneration	10,750	10,500
Auditors' remuneration - non-audit	16,570	6,628

Non-assurance services for the Group include fees for other assurance services of £NIL (2015 - £1,750), taxation services of £3,150 (2015 - £1,170) and other services of £13,420 (2015 - £3,708).

The audit fee for the Trust was £10,750 (2015 - £10,500). Non-audit services for the Trust was £14,770 (2015 - £6,628). Non-audit services for the Trust include fees for other assurance services of £NIL (2015 - £1,750), taxation services of £2,300 (2015 - £1,170) and other services of £12,470 (2015 - £3,708).

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

11. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	904,850	850,814
Social security costs	88,534	86,133
Other pension costs	32,210	28,549
	<u>1,025,594</u>	<u>965,496</u>

The average monthly head count was 52 staff (2015 - 58 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2016 No.	2015 No.
Front of House	11	10
Management, administration and support	18	17
Theatre staff	7	8
	<u>36</u>	<u>35</u>

The number of higher paid employees was:

	2016 No.	2015 No.
In the band £70,001 - £80,000	1	0
In the band £160,001 - £170,000	1	1

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiaries in the year (2015 - £NIL) neither were they reimbursed expenses during the year (2015 - £NIL). No charity trustee received payment for professional or other services supplied to the charity (2015 - £NIL).

The key management personnel of the group comprise the trustees, who are not paid, and the senior management team of the Cambridge Arts Theatre Trust Limited. The total employee benefits including pension contributions of the senior management team of the Trust were £441,951 (2015 - £443,761).

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

12. TANGIBLE FIXED ASSETS

GROUP	Leasehold property £	Leasehold improve- ments £	Fixtures, fittings and equipment £	Total £
Cost / valuation				
At 1 April 2015	390,000	1,562,654	529,722	2,482,376
Additions	-	29,501	53,583	83,084
At 31 March 2016	390,000	1,592,155	583,305	2,565,460
DEPRECIATION				
At 1 April 2015	-	44,055	443,949	488,004
Charge for the year	-	31,852	56,316	88,168
At 31 March 2016	-	75,907	500,265	576,172
NET BOOK VALUE				
At 31 March 2016	390,000	1,516,248	83,040	1,989,288
At 31 March 2015	390,000	1,518,599	85,773	1,994,372
COMPANY	Leasehold property £	Leasehold improve- ments £	Fixtures, fittings and equipment £	Total £
Cost / valuation				
At 1 April 2015	390,000	1,562,654	519,767	2,472,421
Additions	-	29,501	53,583	83,084
At 31 March 2016	390,000	1,592,155	573,350	2,555,505
DEPRECIATION				
At 1 April 2015	-	44,055	433,994	478,049
Charge for the year	-	31,852	56,316	88,168
At 31 March 2016	-	75,907	490,310	566,217
NET BOOK VALUE				
At 31 March 2016	390,000	1,516,248	83,040	1,989,288
At 31 March 2015	390,000	1,518,599	85,773	1,994,372

Leasehold property was valued by an independent valuer, Savills UK Limited, Chartered Surveyors, as at 31 March 2013 at £390,000.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

13. FIXED ASSET INVESTMENTS

COMPANY	Share in group under- takings £
MARKET VALUE	
At 1 April 2015	1
Additions	100
	<hr/>
At 31 March 2016	101
	<hr/> <hr/>

14. PRINCIPAL SUBSIDIARIES

Company name	Percentage Shareholding	Description
Roof Garden Restaurants Limited	100	Dormant
Cambridge Arts Theatre Panto Limited	100	Provision of pantomime services

Roof Garden Restaurants Limited

Roof Garden Restaurants Limited is wholly owned by the charity. It is now dormant.

Cambridge Arts Theatre Panto Limited

Cambridge Arts Theatre Panto Limited is wholly owned by the charity. It was established to provide production services to the Theatre's annual Pantomime.

A summary of the results of the subsidiary undertaking, Cambridge Arts Theatre Panto Limited is set out below:

	2016 £
Turnover	344,005
Cost of sales	(342,205)
	<hr/>
Gross profit	1,800
Administration expenses	(28,054)
	<hr/>
Loss before tax	(26,254)
Tax credit	26,254
	<hr/>
Total	-
	<hr/> <hr/>

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

14. PRINCIPAL SUBSIDIARIES (continued)

	2016 £
Net assets brought forward	-
Shares issued on incorporation	100
Profit for the year	-
	<u>100</u>
Net assets carried forward	<u>100</u>

The purpose of Cambridge Arts Theatre Panto Limited is to carry out the organisation for the annual pantomime put on by The Cambridge Arts Theatre. The subsidiary has been valued in the accounts at the original cost.

15. DEBTORS

	GROUP		COMPANY	
	2016 £	2015 £	2016 £	2015 £
Trade debtors	42,867	32,258	42,867	32,258
Amounts owed by group undertakings	-	-	24,354	-
Other debtors	20,000	-	20,000	-
Prepayments and accrued income	162,790	168,794	136,536	168,794
	<u>225,657</u>	<u>201,052</u>	<u>223,757</u>	<u>201,052</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		COMPANY	
	2016 £	2015 £	2016 £	2015 £
Trade creditors	242,735	195,253	242,735	195,253
Other taxation and social security	48,397	51,967	48,397	51,967
Other creditors and accruals	146,329	133,432	144,530	133,433
Deferred income	539,875	477,964	539,875	477,964
	<u>977,336</u>	<u>858,616</u>	<u>975,537</u>	<u>858,617</u>

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

DEFERRED INCOME

	£
Deferred income at 1 April 2015	477,964
Resources deferred during the year	538,375
Amounts released from previous years	(476,464)
	<u>539,875</u>
Deferred income at 31 March 2016	<u>539,875</u>

Deferred income relates to ticket sales in advance.

17. STATEMENT OF FUNDS

	Brought forward £	Income £	Resources expended £	Carried forward £
Unrestricted funds: General				
Revaluation reserve	390,000	-	-	390,000
General reserves	203,534	4,454,535	(4,451,306)	206,763
	<u>593,534</u>	<u>4,454,535</u>	<u>(4,451,306)</u>	<u>596,763</u>
RESTRICTED FUNDS				
Foyer fund	1,353,297	-	(28,116)	1,325,181
	<u>1,353,297</u>	<u>-</u>	<u>(28,116)</u>	<u>1,325,181</u>
Total funds	<u>1,946,831</u>	<u>4,454,535</u>	<u>(4,479,422)</u>	<u>1,921,944</u>

The foyer restricted fund represents specific donations received towards the project to expand and upgrade the theatre foyer.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	1,325,181	664,107	1,989,288	1,994,372
Current assets	-	909,992	909,992	811,075
Creditors due within one year	-	(977,336)	(977,336)	(858,616)
	<u>1,325,181</u>	<u>596,763</u>	<u>1,921,944</u>	<u>1,946,831</u>

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

**19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(24,887)	(25,633)
Adjustment for:		
Depreciation charges	88,168	108,354
Dividends, interest and rents from investments	(600)	(1,136)
Increase in stocks	(3,874)	(271)
(Increase)/decrease in debtors	(24,605)	141,591
Increase/(decrease) in creditors	118,720	(97,632)
Net cash provided by operating activities	152,922	125,273

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	674,296	603,858
Total	674,296	603,858

21. PENSION COMMITMENTS

The company operates a mix of defined contribution stakeholder and personal pension schemes for its employees. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company and amounted to £32,210 (2015 - £28,549). Contributions totalling £4,158 (2015 - £4,730) were payable at the balance sheet date and are included in creditors.

22. OPERATING LEASE COMMITMENTS

At 31 March 2016 the total of the group's annual commitments under non-cancellable operating leases was:

	Land and buildings 2016 £	2015 £	2016 £	Other 2015 £
GROUP AND COMPANY AMOUNTS PAYABLE:				
Between 1 and 5 years	-	-	4,064	10,193
After more than 5 years	123,296	121,938	-	-
Total	123,296	121,938	4,064	10,193

The lease for land and buildings expires on 8 May 2106.

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

23. RELATED PARTY TRANSACTIONS

The Board is satisfied that procedures are in place to ensure that all transactions with related parties are on an arm's length basis and subject to market testing.

R Tackley was Chief Executive of the English Touring Theatre and was a trustee of the charity up until her resignation on 21 June 2016. During the year, the English Touring Theatre brought four (2015 - two) productions to the Theatre. The income recognised in the charity relating to the productions totalled £56,620 (2015 - £56,093) and expenditure of £137,277 (2015 - £38,546) was charged by the English Touring Theatre. At the year end, a balance of £18,639 (2015 - £NIL) was owed to the English Touring Theatre.

P Cusack was a trustee of the charity up until his resignation on 9 February 2016 and Producer with Cusack Projects Limited. During the year, the Royal Court and Mighty Mouth, in association with Cusack Projects Limited brought no (2015 - one) productions to the Theatre. The income recognised in the charity relating to the production totalled £NIL (2015 - £30,950) and expenditure of £NIL (2015 - £20,887) was charged by the Royal Court.

K Carne is a trustee of the charity and First Bursar of King's College, Cambridge. During the year, rent of £123,926 (2015 - £125,188) was paid to King's College Cambridge. At the year end, a balance of £21,429 (2015 - £NIL) was due to the charity from King's College Cambridge.