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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

FRIDAY



A3LLN0J6

A35

28/11/2014

#183

COMPANIES HOUSE

THE CAMBRIDGE ARTS THEATRE TRUST LIMITED

(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 8
Independent auditors' report	9 - 10
Consolidated statement of financial activities	11
Consolidated balance sheet	12
Company balance sheet	13
Notes to the financial statements	14 - 25

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2014**

Trustees

Baroness Cohen of Pimlico
L Bacon (appointed 24 September 2013)
K Carne
P Cusack
A Glinsman
J Hutt
J Iliffe
M Magnay
D Martin
I Mather
J Smith (resigned 18 June 2013)
A Swarbrick
R Tackley

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

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 2014

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements of The Cambridge Arts Theatre Trust Limited (the company and the group) for the year ended 31 March 2014. The trustees confirm that the annual report and financial statements of the company and the group comply with current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

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 constituted under a Memorandum of Association dated 31 January 2013 and is a registered charity number 1069912.

The trustees who served during the year were:

Baroness Cohen of Pimlico, Chairman
L Bacon (appointed 24 September 2013)
K Carne
P Cusack
A Glinsman
J Hutt
J Iliffe
M Magnay
D Martin
I Mather
J Smith (resigned 18 June 2013)
A Swarbrick
R Tackley

b. Appointment and induction of trustees

New trustees are currently appointed by a combination of open public advertisements or through direct approaches by or to the theatre. The process is managed by a nominations committee of the trustees and all new trustees undergo a formal induction process.

c. 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 nomination committees. The audit committee meets annually, 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.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

d. Related party relationships

The Cambridge Arts Theatre Trust is an independent charity, and works with its local authority, which currently provides a grant for the running of the theatre's services, and with a number of national touring theatre companies.

e. Risk management

The trustees have overall responsibility for the system of internal control for the charity and its subsidiary. 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 through the use of activity 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, operational risks including health and safety, information systems, and customer satisfaction.

f. Going concern

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

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

The overall mission of The Cambridge Arts Theatre Trust Limited is to promote and develop a wide range of high quality performing arts, for the local and wider regional community, which are enriching, enjoyable and are as accessible as possible.

b. Main objectives for the period

The main objectives for the 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. The trustees also sought to continue to deliver the 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. They also invested considerable time and resources in planning for, managing, and completing the major building works which were completed during the year as part of the overall plans to develop the theatre's foyer spaces.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

c. Public benefit disclosure

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 heavily on the income from fees (ticket income) and associated charges to cover its operating costs. In adhering to its overall strategic and financial objectives, the theatre's charitable status allows it to charge lower ticket prices and offer more generous concessions than it would otherwise be able to do. As such the theatre and its activities are more accessible to the community and in particular those on lower incomes who might not otherwise be able to afford to come to the theatre.

d. Strategies for achieving our stated objectives

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

- i) The theatre will continue to build long-term relationships with the most important scale appropriate touring drama, dance and opera companies in the United Kingdom.
- ii) The theatre offers opportunities for a broad range of adults and children to get involved across a range of activities throughout the theatre.
- iii) The theatre monitors tickets sales and customer feedback to ensure that the theatrical programme is in accordance with the tastes and demands of the theatre's patrons.
- iv) In the current economic climate, financial performance and expenditure continues to be carefully planned and monitored as the theatre looks to achieve financial sustainability in the medium term.
- v) The theatre's education, access and community programme will be 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.
- vi) The trustees continue to resource and implement the wider fundraising strategy for the Act Two Foyer project. They constantly review the scope and timing of the Act Two Foyer project in the light of the progress of our fundraising efforts and the need to ensure that the operational capital requirements of the theatre are fully met. In particular the trustees are aware of, and have appropriately prioritised, the need for further capital expenditure on our auditorium and technical facilities.

The programme of activities described above focuses on bringing theatre and performing arts to all people in the local and wider regional community. As the strategy makes clear, through delivery of a varied and affordable programme, 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 is to be enjoyed by all, from small children and those attending local schools or colleges through to more elderly patrons. Affordability and access to the programme is also extremely important and is reflected in our pricing structures.

ACHIEVEMENTS AND PERFORMANCE

The trustees can report that in a challenging year, with ten weeks closure to the public to carry out building works, the theatre has still been able to present a varied, affordable and high quality artistic programme. They are also pleased to report that throughout the year to 31 March 2014 the theatre's finances remained healthy and stable and that in this challenging year the theatre has still been able to generate a financial surplus which can be re-invested in the theatre to ensure our future sustainability.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

a. Financial review

Overall the theatre achieved a 13% increase in total incoming resources for 2013/2014 from £4,365,995 to £4,937,494. This was mainly due to a significant increase in funding from the Arts Council and Kings College, Cambridge, from £349,833 to £1,235,166 (restricted income to fund the Foyer Project development). Although there was a 13% reduction in performance income of £470,235 this was solely because the theatre was closed for ten weeks over the summer of 2013 in order to carry out building works. Given the closure and the disruption caused by the building works, the trustees are very pleased with the level of ticket income achieved.

Total charitable expenditure reduced by 17% from £4,276,383 to £3,553,102. This is mainly due to the fact that a provision was made against the value of certain assets in the prior year of £443,949. No further such provisions were required in the current year, leading to a lower level of operating expenditure for the period. Theatre running costs reduced by 8.8% and Front of House costs reduced by 18%. The reduction in both costs is directly linked to the extended summer closure period resulting from the building works. Fundraising costs increased from £123,149 in 2012/13 to £143,136 in 2013/14 reflecting a long term commitment to building the theatre's fundraising capacity and the need to administer and obtain the funding necessary to complete the building works carried out during the year.

The net result is that the theatre has produced an overall net increase in funds of £1,231,006 for the financial year 2013/2014 as analysed in the table below. It should be noted, however, that of this amount £1,154,564 was expended in the year on the Foyer project as explained elsewhere in this report and in the financial statements. During the year the theatre was able to increase its general reserves by £70,291 as a result of its normal charitable activities.

	£
Unrestricted funds: General	
General reserves	70,291
Restricted funds	1,154,564
Foyer Fund	6,151
Other	
Net increase in funds	1,231,006

As a result of this net increase in funds the balance sheet continues to strengthen and the trustees are reporting total reserves of £1,972,464.

b. Reserves policy

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 voluntary 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 charity's aim is to achieve this within a five year time horizon.

c. Review of activities

The trustees have continued to build on the success of the artistic programme of recent years and are proud that the theatre has upheld and strengthened its reputation as one of the leading UK drama houses through its varied and high quality theatrical offering, despite the considerable impact of the Foyer project on the building during the year.

Some of the country's leading touring companies visited the theatre this year, including Shakespeare's Globe, English Touring Theatre and Theatre Royal Bath Productions, representing both the commercial and subsidised sectors of the industry. Starting the financial year on a high note with the sell-out success of the

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

West End hit comedy, 'Noises Off', and a critically acclaimed performance from Lenny Henry in 'Fences', the theatre welcomed Nimax Theatres to Cambridge for the first time, with the pre-West End sell-out production of 'The Duck House'; Original Theatre's production of 'Birdsong' was critically-acclaimed and continues to tour, and musicals such as 'Dreamboats and Petticoats' and 'Save the Last Dance for Me' ensured the programme attracted a diverse range of audiences.

The theatre was delighted to open the UK tour of 'Pygmalion', starring Alistair McGowan and Rula Lenska; it also launched the National Touring Group's production of 'Eternal Love'. The National Touring Group is a key recipient of Arts Council England's Strategic Touring Fund that will present three years of high-quality, large-scale touring productions that would not normally be financially viable enough to play in the regions. A packed spring 2014 season also saw the return of Cambridge University Marlowe Society, whose production of 'Doctor Faustus' broke all box office records for student drama, cementing the strong relationship the theatre has with the University and Colleges as a training ground for theatre practitioners of the future. 2013 also saw the return of the tri-annual Cambridge Greek Play, which played to packed houses and attracted audiences, young and old, from across the UK.

Younger audiences were well catered for as ever, with productions such as 'The Butterfly Lion', 'James and the Giant Peach' and the ever-popular 'The Gruffalo's Child' delighting children 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 (Ballet Black, Richard Alston) and one night spoken word or music events to cater to a wider audience.

The trustees were disappointed to lose what would have been a commercial highlight of the year, 'A Passionate Woman' starring Lynda Bellingham, which was cancelled due to the ill-health of its leading lady; however, they were able to replace the production with 'Fallen Angels' starring Jenny Seagrove which performed well as a replacement in the week given the circumstances and the short on sale period and substantially mitigated the effect of the cancellation.

The theatre's annual in-house produced pantomime was 'Robin Hood' which had not been presented since 1965. Breaking all box office records the production was a resounding success both commercially and artistically, playing to nearly 32,000 children and families and made a critical contribution to the annual income of the theatre.

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 current financial year there has been little depreciation in availability of top quality productions and they remain hopeful that this position will not change in the near future.

d. Our education, community and access programme

The theatre's education, community and access programme continues to be well received. The theatre continued its efforts with schools and saw a healthy increase in the level of schools' bookings for the pantomime, and was 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. Following training and advice on best practice, 'Robin Hood' saw the theatre present its first ever 'relaxed performance', catering for people with an autism spectrum condition, learning disability or a sensory or communication disorder. Alongside our specially tailored performances of the panto for our special needs audiences the relaxed performance will now become a permanent part of the panto schedule.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

PLANS FOR THE FUTURE

Following on from the success of the capital works 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 replacement of key items of backstage technical equipment which are nearing the end of their useable life. The earliest that the work can take place is the summer of 2016 given the requirement to raise the funds required and the need to co-ordinate the theatrical programme of the theatre with the building works.

The trustees will continue to invest in the theatre's fundraising capacity to deliver the remainder of its Act Two vision and to provide ongoing revenue support to ensure the long term sustainability of the theatre. The theatre has been assisted in this endeavour by the award of a Catalyst grant by Arts Council England and in an era of limited and declining state and civic subsidies the trustees see the development of this fundraising capacity as an essential element of our strategy to ensure that the theatre remains vibrant and viable for future generations of theatregoers.

The trustees intend to explore opportunities over the coming year to produce 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 occasions 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.

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.

The trustees remain deeply 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. Their view is that a committed, diverse and highly skilled workforce will be critical to the theatre's future success.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2014

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 AUDITOR

So far as each of the trustees are aware at the time the report is approved:

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

AUDITOR

A resolution proposing that Peters Elworthy & Moore be re-appointed as auditors of the company will be put to the Annual General Meeting.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the trustees on *30 Sept 2014* and signed on their behalf by:

Janet Cohen

Baroness Cohen of Pimlico, Chairman

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

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 2014 set out on pages 11 to 25. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 145 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 group's and the parent charitable company's affairs as at 31 March 2014 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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.

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

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

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 prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption in preparing the trustees' report.

Roger Webster (senior statutory auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors

Salisbury House
Station Road
Cambridge, CB1 2LA

Date: 27 November 2014

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
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014
(incorporating an income and expenditure account)

	Note	Restricted funds 2014 £	Unrestricted funds General 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds:</i>					
Cambridge City Council	2	125,000	-	125,000	50,980
Arts Council England	2	435,166	-	435,166	349,833
Kings College, Cambridge	2	800,000	30,000	830,000	-
Trinity College, Cambridge	2	-	25,000	25,000	-
Other grants	2	11,025	20,000	31,025	-
Other voluntary income	2	16,225	8,636	24,861	6,816
Investment income	3	-	1,574	1,574	1,735
Incoming resources from charitable activities	4	-	3,464,868	3,464,868	3,956,631
TOTAL INCOMING RESOURCES		1,387,416	3,550,078	4,937,494	4,365,995
RESOURCES EXPENDED					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income	5	83,914	59,222	143,136	123,149
<i>Charitable activities:</i>					
Charitable activities		142,787	3,410,315	3,553,102	3,832,434
Charitable activities - provision against assets in course of construction		-	-	-	443,949
Governance costs	7	-	10,250	10,250	12,750
TOTAL RESOURCES EXPENDED	8	226,701	3,479,787	3,706,488	4,412,282
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE REVALUATIONS		1,160,715	70,291	1,231,006	(46,287)
Gains and losses on revaluations of fixed assets for the charity's own use	11	-	-	-	140,000
NET MOVEMENT IN FUNDS FOR THE YEAR		1,160,715	70,291	1,231,006	93,713
Total funds at 1 April 2013		226,684	514,774	741,458	647,745
TOTAL FUNDS AT 31 MARCH 2014		1,387,399	585,065	1,972,464	741,458

The notes on pages 14 to 25 form part of these financial statements.

All amounts relate to continuing activities.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	11		2,067,940		736,406
CURRENT ASSETS					
Stocks		5,894		6,015	
Debtors	13	342,643		159,124	
Cash at bank and in hand		512,235		751,245	
		860,772		916,384	
CREDITORS: amounts falling due within one year					
Trade creditors and accruals	14	(539,479)		(506,518)	
Advance ticket sales	14	(416,770)		(404,815)	
NET CURRENT (LIABILITIES) / ASSETS			(95,476)		5,052
NET ASSETS			1,972,464		741,458
CHARITY FUNDS					
Restricted funds	15		1,387,399		226,684
Unrestricted funds: General	15		585,065		514,774
TOTAL FUNDS			1,972,464		741,458

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the trustees on 30 Sept 2014 and signed on their behalf, by:

Janet Cohen

Baroness Cohen of Pimlico, Chairman

The notes on pages 14 to 25 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 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	11		2,067,940		736,406
Investments	12		<u>1</u>		<u>1</u>
			2,067,941		736,407
CURRENT ASSETS					
Stocks		5,894		6,015	
Debtors	13	342,643		159,124	
Cash at bank and in hand		<u>512,235</u>		<u>751,245</u>	
		860,772		916,384	
CREDITORS: amounts falling due within one year					
Trade creditors and accruals		(539,479)		(506,518)	
Advance ticket sales	14	<u>(416,770)</u>		<u>(404,815)</u>	
NET CURRENT (LIABILITIES) / ASSETS			<u>(95,477)</u>		<u>5,051</u>
NET ASSETS			<u>1,972,464</u>		<u>741,458</u>
CHARITY FUNDS					
Restricted funds	15		1,387,399		226,684
Unrestricted funds: General	15		<u>585,065</u>		<u>514,774</u>
TOTAL FUNDS			<u>1,972,464</u>		<u>741,458</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the trustees on 30 Sept 2014 and signed on their behalf, by:

Janet Cohen

Baroness Cohen of Pimlico, Chairman

The notes on pages 14 to 25 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 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary 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 and paragraph 397 of the SORP.

1.2 Basis of consolidation

The financial statements consolidate the accounts of The Cambridge Arts Theatre Trust Limited and its subsidiary undertaking ('subsidiary').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 and paragraph 397 of the SORP not to present its own income and expenditure account.

The net movement in funds for the year for the charity was £1,231,006 (2013: £93,713).

1.3 Tangible fixed assets and depreciation

Financial Reporting Standard 15 "Tangible Fixed Assets" has been adopted. Leasehold property is included at valuation. It is not depreciated but reviewed annually for impairment. 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 stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	over 50 years
Assets in the course of construction	-	no depreciation until asset is brought in to use
Fixtures and fittings	-	over 4 years or over 5 years
Computer equipment	-	over 3 years

Assets in the course of construction represent work on the foyer project.

1.4 Investments

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

1.5 Operating leases

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

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Company status

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. 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.

1.8 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.

1.9 Pensions

The company operates a stakeholder pension scheme for its employees.

1.10 Incoming resources

All incoming resources are included in the statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For any legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

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.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1. ACCOUNTING POLICIES (continued)

1.11 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

1.12 Irrecoverable VAT

Irrecoverable VAT is charged to the statement of financial activities as incurred or capitalised, depending on the nature of the costs.

2. VOLUNTARY INCOME

	Restricted funds 2014 £	Unrestricted funds General 2014 £	Total funds 2014 £	Total funds 2013 £
Cambridge City Council	125,000	-	125,000	50,980
Arts Council England	435,166	-	435,166	349,833
Kings College, Cambridge	800,000	30,000	830,000	-
Trinity College, Cambridge	-	25,000	25,000	-
Other Grants	11,025	20,000	31,025	-
Grants	<u>1,371,191</u>	<u>75,000</u>	<u>1,446,191</u>	<u>400,813</u>
Donations	<u>16,225</u>	<u>8,636</u>	<u>24,861</u>	<u>6,816</u>
Voluntary income	<u><u>1,387,416</u></u>	<u><u>83,636</u></u>	<u><u>1,471,052</u></u>	<u><u>407,629</u></u>

3. INVESTMENT INCOME

	Restricted funds 2014 £	Unrestricted funds General 2014 £	Total funds 2014 £	Total funds 2013 £
Interest receivable	-	1,574	1,574	1,735
	<u><u>-</u></u>	<u><u>1,574</u></u>	<u><u>1,574</u></u>	<u><u>1,735</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2014 £	Unrestricted funds General 2014 £	Total funds 2014 £	Total funds 2013 £
Income from performances - admission fees	-	3,070,741	3,070,741	3,540,976
Front of House	-	283,096	283,096	332,082
Membership income	-	67,165	67,165	45,807
Outside events income	-	38,391	38,391	28,082
Commission and facilities income	-	5,475	5,475	6,164
Other income	-	-	-	3,520
	<u>-</u>	<u>3,464,868</u>	<u>3,464,868</u>	<u>3,956,631</u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	Restricted funds 2014 £	Unrestricted funds General 2014 £	Total funds 2014 £	Total funds 2013 £
Fundraising costs	3,914	48,726	52,640	43,998
Fundraising staff costs	80,000	10,496	90,496	79,151
	<u>83,914</u>	<u>59,222</u>	<u>143,136</u>	<u>123,149</u>

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Restricted funds 2014 £	Unrestricted funds General 2014 £	Total funds 2014 £	Total funds 2013 £
Theatre running costs	127,741	3,062,734	3,190,475	3,488,399
Front of house costs	2,133	79,649	81,782	99,693
Administrative expenses	12,913	267,932	280,845	688,291
	<u>142,787</u>	<u>3,410,315</u>	<u>3,553,102</u>	<u>4,276,383</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

6. EXPENDITURE BY CHARITABLE ACTIVITY (continued)

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Theatre running costs	855,408	-	2,335,067	3,190,475	3,488,399
Front of house costs	-	-	81,782	81,782	99,693
Administrative expenses	-	91,100	189,745	280,845	688,291
	<u>855,408</u>	<u>91,100</u>	<u>2,606,594</u>	<u>3,553,102</u>	<u>4,276,383</u>

7. GOVERNANCE COSTS

	Restricted funds 2014 £	Unrestricted funds General 2014 £	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	-	10,250	10,250	10,250
Legal and professional fees	-	-	-	2,500
	<u>-</u>	<u>10,250</u>	<u>10,250</u>	<u>12,750</u>

8. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Costs of generating voluntary income	90,496	-	52,640	143,136	123,149
Costs of generating funds	<u>90,496</u>	<u>-</u>	<u>52,640</u>	<u>143,136</u>	<u>123,149</u>
Theatre running costs	855,408	-	2,335,067	3,190,475	3,488,399
Front of house costs	-	-	81,782	81,782	99,693
Administrative expenses	-	91,100	189,745	280,845	688,291
Charitable activities	<u>855,408</u>	<u>91,100</u>	<u>2,606,594</u>	<u>3,553,102</u>	<u>4,276,383</u>
Governance	<u>-</u>	<u>-</u>	<u>10,250</u>	<u>10,250</u>	<u>12,750</u>
	<u>945,904</u>	<u>91,100</u>	<u>2,669,484</u>	<u>3,706,488</u>	<u>4,412,282</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

9. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2014 £	2013 £
Depreciation of and impairment charge on tangible fixed assets:		
- owned by the group	91,100	67,850
Auditors' remuneration	10,250	10,250
Pension costs	<u>24,396</u>	<u>22,313</u>

During the year, no trustees received any remuneration, benefits in kind or reimbursement of expenses (2013 - £nil).

10. STAFF COSTS

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	840,050	824,828
Social security costs	81,458	80,373
Other pension costs	24,396	22,313
	<u>945,904</u>	<u>927,514</u>

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

	2014 No.	2013 No.
Trading	10	11
Management, administration and support	18	18
Theatre staff	8	8
	<u>36</u>	<u>37</u>

The number of higher paid employees was:

	2014 No.	2013 No.
In the band £100,001 - £200,000	<u>1</u>	<u>1</u>

The charity paid contributions of £12,000 (2013: £12,000) in to a defined contributions pension scheme for the higher paid employee.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

11. TANGIBLE FIXED ASSETS

Group	Leasehold property £	Assets in the course of construct- ion £	Leasehold improve- ments £	Fixtures, fittings and equipment £	Total £
Cost / valuation					
At 1 April 2013	390,000	651,416	-	571,869	1,613,285
Additions	-	1,342,151	-	82,249	1,424,400
Impairment adjustment	-	(443,949)	-	-	(443,949)
Transfer between classes of assets	-	(1,549,618)	1,549,618	-	-
At 31 March 2014	<u>390,000</u>	<u>-</u>	<u>1,549,618</u>	<u>654,118</u>	<u>2,593,736</u>
Depreciation					
At 1 April 2013	-	443,949	-	432,930	876,879
Charge for the year	-	-	12,913	79,953	92,866
Impairment adjustment	-	(443,949)	-	-	(443,949)
At 31 March 2014	<u>-</u>	<u>-</u>	<u>12,913</u>	<u>512,883</u>	<u>525,796</u>
Net book value					
At 31 March 2014	<u>390,000</u>	<u>-</u>	<u>1,536,705</u>	<u>141,235</u>	<u>2,067,940</u>
At 31 March 2013	<u>390,000</u>	<u>207,467</u>	<u>-</u>	<u>138,939</u>	<u>736,406</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Company	Leasehold property £	Assets in the course of construct- ion £	Leasehold improve- ments £	Fixtures, fittings and equipment £	Total £
Cost / valuation					
At 1 April 2013	390,000	651,416	-	561,914	1,603,330
Additions	-	1,342,151	-	82,249	1,424,400
Impairment adjustment	-	(443,949)	-	-	(443,949)
Transfer between classes of assets	-	(1,549,618)	1,549,618	-	-
At 31 March 2014	<u>390,000</u>	<u>-</u>	<u>1,549,618</u>	<u>644,163</u>	<u>2,583,781</u>
Depreciation					
At 1 April 2013	-	443,949	-	422,975	866,924
Charge for the year	-	-	12,913	79,953	92,866
Impairment adjustment	-	(443,949)	-	-	(443,949)
At 31 March 2014	<u>-</u>	<u>-</u>	<u>12,913</u>	<u>502,928</u>	<u>515,841</u>
Net book value					
At 31 March 2014	<u>390,000</u>	<u>-</u>	<u>1,536,705</u>	<u>141,235</u>	<u>2,067,940</u>
At 31 March 2013	<u>390,000</u>	<u>207,467</u>	<u>-</u>	<u>138,939</u>	<u>736,406</u>

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

12. FIXED ASSET INVESTMENTS

Company	Share in group undertaking £
Market value	

At 1 April 2013 and 31 March 2014

1

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. The subsidiary has been valued in the accounts at the original cost of the investment.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

13. DEBTORS

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	134,329	84,916	134,329	84,916
Prepayments and accrued income	208,314	74,208	208,314	74,208
	<u>342,643</u>	<u>159,124</u>	<u>342,643</u>	<u>159,124</u>

**14. CREDITORS:
Amounts falling due within one year**

Trade creditors and accruals

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	318,041	292,080	318,041	292,080
Other taxation and social security	42,967	38,154	42,967	38,154
Other creditors	103,194	95,424	103,195	95,424
Accruals and deferred income	75,277	80,860	75,277	80,860
	<u>539,479</u>	<u>506,518</u>	<u>539,479</u>	<u>506,518</u>

Advance ticket sales

	<u>Group</u>	<u>Company</u>
	£	£
Advance ticket sales at 1 April 2013	404,815	404,815
Resources deferred during the year	416,770	416,770
Amounts released from previous years	<u>(404,815)</u>	<u>(404,815)</u>
Advance ticket sales at 31 March 2014	<u>416,770</u>	<u>416,770</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

15. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Carried forward £
Unrestricted funds: General				
Revaluation reserve	390,000	-	-	390,000
General reserves	124,774	3,550,078	(3,479,787)	195,065
	<u>514,774</u>	<u>3,550,078</u>	<u>(3,479,787)</u>	<u>585,065</u>
Restricted funds				
Foyer fund	226,684	1,171,391	(16,827)	1,381,248
Cambridge City Council	-	125,000	(125,000)	-
Arts Council Catalyst grant	-	80,000	(80,000)	-
Wixamtree Trust - Education Fund	-	3,000	(654)	2,346
Ernest Cook Trust - Education Fund	-	1,925	(1,925)	-
Big Lottery Fund - Volunteering Fund	-	6,100	(2,295)	3,805
Total restricted funds	<u>226,684</u>	<u>1,387,416</u>	<u>(226,701)</u>	<u>1,387,399</u>
 Total funds	 <u>741,458</u>	 <u>4,937,494</u>	 <u>(3,706,488)</u>	 <u>1,972,464</u>

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Carried forward £
General funds	514,774	3,550,078	(3,479,787)	585,065
Restricted funds	226,684	1,387,416	(226,701)	1,387,399
	<u>741,458</u>	<u>4,937,494</u>	<u>(3,706,488)</u>	<u>1,972,464</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2014 £	Unrestricted funds General 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	1,342,748	725,192	2,067,940	736,406
Current assets	44,651	816,121	860,772	916,384
Creditors due within one year	-	(956,248)	(956,248)	(911,332)
	<u>1,387,399</u>	<u>585,065</u>	<u>1,972,464</u>	<u>741,458</u>

17. PENSION COMMITMENTS

The company operates a mix of defined contribution stakeholder and personal pension schemes for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to £24,396 (2013: £22,313). Contributions totalling £1,964 (2013: £2,284) were payable at the balance sheet date and are included in creditors.

18. OPERATING LEASE COMMITMENTS

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

Group	Land and buildings 2014 £	2013 £	2014 £	Other 2013 £
Expiry date:				
Within 1 year	-	-	-	1,252
Between 2 and 5 years	-	-	3,996	3,996
After more than 5 years	<u>121,938</u>	<u>121,938</u>	<u>-</u>	<u>-</u>

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

Company	Land and buildings 2014 £	2013 £	2014 £	Other 2013 £
Expiry date:				
Within 1 year	-	-	-	1,252
Between 2 and 5 years	-	-	3,996	3,996
After more than 5 years	<u>121,938</u>	<u>121,938</u>	<u>-</u>	<u>-</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

19. 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 is a trustee of the charity and Chief Executive of the English Touring Theatre. During the year, the English Touring Theatre brought two (2013: two) productions to the Theatre. The income recognised in the charity relating to the productions totalled £81,420 (2013: £102,765), and expenditure of £50,706 (2013: £72,191) was charged by the English Touring Theatre. At the year end, a balance of £50,706 (2013: £39,481) was owed to the English Touring Theatre. This has subsequently been paid.

P Cusack is a trustee of the charity and Associate Producer of the Royal National Theatre. During the year, the Royal National Theatre brought no (2013: one) productions to the Theatre. The income recognised in the charity relating to the production totalled £nil (2013: £36,239) and expenditure of £nil (2013: £26,597) was charged by the Royal National Theatre.

20. PRINCIPAL SUBSIDIARY

Company name	Percentage Shareholding	Description
Roof Garden Restaurants Limited	100	Dormant