

REGISTERED COMPANY NUMBER: 06693227 (England and Wales)
REGISTERED CHARITY NUMBER: 1127952

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2014
FOR
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

SATURDAY



A09 *A3L64MM0* 22/11/2014 #256
COMPANIES HOUSE

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
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County of Cardiff
CF23 8RS

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

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FOR THE YEAR ENDED 31 MARCH 2014**

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THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number (registered September 2008)
06693227 (England and Wales)

Registered Charity number (registered January 2009)
1127952

Registered office
30 Castle Arcade
Cardiff
CF10 1BW

Trustees

Chair

Vice Chair from 7 April 2014

Vice Chair until 7 April 2014

Trustees

Phil George

Gemma McAvoy

Chris Ryde

Steve Blandford

Bethan Cousins

Sian Ede

Jon Gower

Ian Hargreaves

Richard Hogger

Buddug Jones

Richard Lynch

Deborah Martell Powell

Clare Pillman

Judi Richards

Peter Stead

resigned 7 April 2014

appointed 20 January 2014

appointed 8 July 2013

resigned 17 April 2013

appointed 8 July 2013

resigned 7 April 2014

appointed 7 April 2014

appointed 15 October 2013

appointed 8 July 2013

resigned 7 April 2014

resigned 17 April 2013

Executive team

Chief Executive/Artistic Director

Executive Producer

Managing Director

John McGrath

Lisa Maguire

Michelle Carwardine-Palmer

Senior Statutory Auditor

Julia Mortimer

Auditors

Watts Gregory LLP

Chartered Accountants & Statutory Auditors

Elfed House

Oak Tree Court

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CF23 8RS

Solicitors

Hugh James

Hodge House

114-116 St. Mary Street

CARDIFF

CF10 1DY

Bank

HSBC

97 Bute Street

CARDIFF

CF10 5NA

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The National Theatre of Wales (NTW) was incorporated as a company limited by guarantee and not having a share capital on 9 September 2008. It is registered as a charity with the Charity Commission and regarded as such by HM Revenue and Customs.

Recruitment and appointment of new trustees

The National Theatre of Wales was established in late 2007 with a core funding commitment from Arts Council of Wales and the Welsh Government. These two bodies advertised and appointed a Chair followed by eight further trustees in 2008. Membership is open to individuals, who apply in the form required by the directors, and are approved by the directors. Membership is non-transferable.

The Company's Articles of Association state that:

A person appointed to the office of Director for two consecutive terms shall, at the third Anniversary Board Meeting arising during his/her second term as a Director, retire from office as a Director and shall therefore be ineligible for re-election as a Director for a period of two years unless the Board resolve that he/she may be eligible for re-election as a Director for such further period not exceeding three years as the Board in its absolute discretion sees fit.

Where a Director is re-elected for a third term pursuant to Article 2 above, he/she shall retire from office as a Director by the third Anniversary Board Meeting following the passing of the resolution referred to in that Article. Any director who retires pursuant to this Article shall thereafter be ineligible for re-election as a Director (for a period of three years).

As a result, having stood down and been re-elected to the Board in February 2011, the company's original trustees have subsequently been subject to retirement in accordance with an agreed process of rotation. This resulted in two trustees standing down at the Anniversary Meeting in April 2013, and a further three in April 2014. Another three are due to stand down in April 2015, with the current Chair retiring in 2017. This rotation approach ensures a continuity of management during the process. The company appointed five new trustees during the course of the 2013/14 financial year, and a further one at the Anniversary Meeting in April 2014 (this individual is a representative of the organisation's TEAM Panel, and will change annually). The remaining appointments of new trustees will take place during the period to 2017, subject to there being a maximum of 12 trustees).

Organisational structure

The Board of Trustees meets on a quarterly basis, and has established two sub-committees - a Finance Committee, which also meets quarterly and a Personnel Committee, which meets twice a year - with appropriate matters delegated accordingly.

The day-to-day running of the company is in the hands of a full staff team, headed by the Chief Executive/Artistic Director. An executive team comprising the Artistic Director, Executive Producer and Managing Director leads the company with delegated authority from the Board on matters of finance, recruitment, fundraising and artistic activity.

Strategic development and risk management

The new Strategic Plan 2012-2016, has been formally adopted by the Board and includes the company's ambitions, objectives, staffing structure and artistic plans. It also contains broad objectives for monitoring and evaluation, the company's first funding development strategy, a communications strategy, environmental policy and risk management. A risk assessment and risk management policy has also been developed.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

OBJECTIVES AND ACTIVITIES

Objectives and core values

National Theatre Wales was created in 2008 with the overall goal of developing and enriching English language theatre in Wales, and in so doing promote and assist in the advancement of the education of the public so far as this shall be charitable. Conceived as a flexible, non-building based organisation, the company was set up with the following key aims:

- Offer radical and imaginative theatre choices both in the selection of plays and in production styles.
- Connect with Welsh audiences and make world-class theatre more accessible, especially to those who currently do not attend mainstream theatre.
- Introduce more and varied directorial voices.
- Facilitate a spirit of collaboration and coordination.
- Create or broker relationships between playwrights, directors, companies and theatres.
- Drive up quality and excellence.
- Raise the international profile of the best work being created in Wales.
- Focus on the identification and nurturing of talent.
- Reflect and comment upon the culture and society of Wales, past and present.

Our three key values of our work are:

- Innovative
- Engaged
- International

For the current Strategic Plan the board reviews the initial aims above and identified the following priorities going forward:

- To remain consistently world-class
- To make radical choices and connect with audiences
- To extend the audience
- To make use of existing theatre venues, while remaining radical
- To find, develop and use more 'new writing with interesting things to say'
- To work with others in a genuine, creative collaboration
- To continue to build relationships with others, recognising that this is a gradual, continuous and slow process

The staff team also developed the following description of National Theatre Wales' ambitions and its work:

The nation of Wales is our stage: from forests to beaches, from aircraft hangars to post-industrial towns, from village halls to nightclubs. We bring together storytelling poets, visual visionaries and inventors of ideas. We collaborate with artists, audiences, communities and companies to create theatre in the English language, rooted in Wales, with an international reach. You'll find us round the corner, across the mountain and in your digital backyard.

The company operates on a three-year planning cycle, with annual review and adjustments. Business planning is initiated and signed off by the Board at all stages, with input from key partners including Arts Council of Wales, Welsh Government and the theatre sector, and through assessment of the wider context for growth and development. Business plans will combine a core of financially sustainable good practice with a context of visionary new thinking, in line with the founding spirit of the company.

A series of company policies and procedures have been developed, and National Theatre Wales will strive in all cases to produce policies and procedures which, demonstrate best practice and can be used as a resource by other companies.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

National Theatre Wales aims to belong to all the people of Wales, regardless of age, location, or theatre-going habits. The company aspires to nourish and inspire all of the people across Wales and to link the nation with world-class theatre making and cultural aspiration. Not being based in a building enables us and our work to be truly located in the part of Wales where we are making the work, laying roots and leaving our mark before and after the theatre event. Learning and participation is embedded into the core of all of our work, and engagement with the community we are working within is key to the entire process of making and performing our work. The work we make is all new, and all inspired by the stories, people, places and dreams - past, present, future - that we encounter, explore and encourage across Wales.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

OBJECTIVES AND ACTIVITIES

Public benefit (Continued)

We reach beyond the borders in our communication about the work, ensuring that once marginalized theatre activity and awareness is pushed onto the radar across the British Isles and internationally. We partner with a huge range of bodies and organisations to push and pull leading theatre practice in and out of Wales, providing the people and artists of Wales with an engaged and informed creative dialogue.

Our entire operational system is set up to be open and engaged with the public. Our online presence aspires to be the leading National Theatre web resource, based on a truly interactive and conversational relationship with the public. Alongside a conventional website, which will offer an extensive range of facilities and uses to the public, we run a social network site where members can speak to one another, share skills and ideas, react to the work, inform us of events, etc. It is a home for our audience in the absence of a building and a major resource of information and activity.

Our office is a shop in a high street arcade in central Cardiff, with an open door and the ability for the public to drop in any time. We have hot-desk space for artists to congregate, work, get online and operate alongside us, whether they are actively in production with us or not.

With support from the Paul Hamlyn Foundation, National Theatre Wales has established a TEAM ambassador programme, with full-time Head of Collaboration and part-time TEAM Assistant, who cultivate teams of advocates in each of the locations where we make work. These "super users" champion the work in their community networks and have access to the way we make work.

ACHIEVEMENTS AND PERFORMANCE

"Since its inception, National Theatre Wales have never been afraid to ask what theatre is and what it might be"

The Guardian

2013/14 saw the company complete its Year Three programmed season beginning with *De Gabay* (The Poem) in March, inspired by the lives of Somali poets in Cardiff's Butetown and ending with our first family/Christmas show *Silly Kings* in a magnificent Spiegeltent in the magical grounds of Cardiff Castle.

The start of the financial year in April marked the company's first international commission and residency at the New National Theatre Tokyo with our production of *The Opportunity of Efficiency*.

2013/14 also marked the beginning of the company's residency programme. Physically relocating the company and its staff to where our productions were being performed provided a great depth of engagement within each community and peer arts organisation.

Tokyo Residency: March - April 2013

Our first international commission, written by Alan Harris, directed by our Artistic Director, John McGrath and produced in partnership with New National Theatre Tokyo. Over 2,700 people saw our new play about the obsession of efficiency savings and their consequences, written in English but translated and performed in Japanese. Our work also included our first international Assembly, leading a number of British Council seminars throughout Japan and seeking Japanese artists to come to Wales as part of WalesLab.

"National Theatre Wales have produced their most relevant and interesting show at a time when the world is watching"

Wales Arts Review

Anglesey Residency: June 2013

NTW commissioned Shon Dale-Jones of Hoi Polloi to spend two months on his native island of Anglesey to create a multi-disciplinary theatre project by his alter-ego Hugh Hughes. The show opened in Llangefni and later toured to Theatr Fach in Holyhead. We also produced an Anglesey Assembly in Llangefni and in June we ran our WalesLab Summercamp in a village near Holyhead.

"As Hughes's mam - always his most perceptive critic - says: 'Sometimes small things can make people cry'."

****** The Guardian**

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

ACHIEVEMENTS AND PERFORMANCE (Continued)

Treorchy Residency: October 2013

The whole NTW company spent the month of October resident at the Parc and Dare Miners Institute during its 100th Anniversary. From September we began rehearsals for award-winning Treorchy-based novelist Rachel Trezise's first play *Tonypandemonium* - which performed to sell out audiences. In October we undertook R&D for a new version of Brecht's *Mother Courage* by Ed Thomas and hosted a Treorchy Assembly and WalesLabs. We also created a showcase of scripts from a new wave of Welsh writers, including Matt Trevannion, Lisa Jen Brown, Matthew Bulgo and Alun Saunders, collaborating with Dirty Protest: *Dirty, Gifted and Welsh*.

"...a powerful and raw drama. Siwan Morris is outstanding...she puts in a tour de force performance"

****Western Mail

Tonypandemonium also won two Theatre Critics of Wales Awards in January

- Best production in the English language (public vote)
- Best female performance in the English language (Siwan Morris)

Weaving through these residencies, the company also produced:

Praxis Makes Perfect: May 2013

Over 4,000 people saw this theatrical gig, creatively led and performed by Gruff Rhys from the Super Furry Animals and American artist Boom Bip - together they form a band called Neon Neon. Working with writer Tim Price and a leading site-specific director Wils Wilson they dramatised the concept album of Giangiacomo Feltrinelli's autobiographical story. The show opened in a secret location in Cardiff and later toured to Bristol's Mayfest, Village Underground in London as part of the Barbican's programme and Latitude Festival.

"...it could just be the future of live music"

The Times

The production also won two Theatre Critics of Wales Awards

- Director (Wils Wilson)
- Lighting (Natasha Chivers)

Silly Kings: December 2013 - Jan 2014

This large-scale, musical production for children and very silly adults marked our first family/Christmas show in a magnificent Spiegeltent at Cardiff Castle adapted from the Fairy Tales of Monty Python's Terry Jones.

This was an interactive, family-friendly show packed with Pythonesque coconut shells, slapstick humour and live music from Groove Armada's Patrick Dawes.

"Staging [Terry Jones' Fairy Tales] for the first time is a smart move. Doing so inside Cardiff Castle, combining humour with heritage, is inspired."

The Daily Telegraph

Silly Kings also won a Theatre Critics of Wales Award for

- Best production for children and young people

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

ACHIEVEMENTS AND PERFORMANCE (Continued)

On Tour:

The Radicalisation of Bradley Manning: August 2013

One of our most urgent recent shows was re-booted for the Edinburgh Festival Fringe and was part of the British Council Showcase, performing to almost 3,000 people. Its digital element was significantly developed to reflect the continued political storm surrounding Wikileaks and US soldier Manning - accused of releasing 250,000 secret embassy cables and military logs from the Iraq and Afghan wars.

Along with *In Water I am Weightless* the production was one of five shortlisted plays for the James Tait Black Award. *The Radicalisation of Bradley Manning's* writer, Tim Price, won the award. The show was also shortlisted for the Amnesty International Freedom of Expression Award. During the Edinburgh run Bradley Manning's court martial took place making the production more immediate and relevant. Every production was Livestreamed and the web chat hosted by a number of key individuals, including Bethan Jenkins AM, Patrick Jones, Alexa O'Brien and Peter Tatchell.

Over 6,500 audience members watched the Bradley Manning Livestream from 1,269 cities in 103 countries. 56% of the audience were based in the UK, while other considerable audience bases were from the US, Germany, Japan, Canada, Ireland, Netherlands and Australia.

When watching the real time stats, we could see that there was an audience member in Portland (US) watching at the same time as someone in Port Talbot (Wales).

"Black Watch jacked up on acid and technology"

Time Out

"terrific... [a] fierce 100 minutes of theatre"

**** Scotsman

Forest: The Nature of Crisis - July 2013

Our co-production with DorkyPark and director Constanza Macras, *Branches: The Nature of Crisis*, was restaged at an iconic forest in Berlin, the Müggelwald. Renamed *Forest: The Nature of Crisis*, the show once again featured an interactive live-stream in the city centre, with live music. Produced by Macras's company Dorky Park, and co-produced by Berlin's world-renowned Schaubühne am Lehniner Platz theatre, the show reunited many of the original cast and creative team from 2012.

Surprise Programme

Nuclear Family

by Mr Clevver's Puppet Company - August/September 2013

In collaboration with internationally acclaimed artists Heather and Ivan Morison this travelling puppet show toured, often unannounced, to castles, monuments, towns and villages throughout Wales for six weeks performing to over 1,000 people.

Inspired by a character from the 1980, cult, post-apocalyptic novel *Riddley Walker* by American Russell Hoban - A child learns to become an adult, but an adult struggling to remain afloat within the life he has made for himself. *Nuclear Family* examined some fundamental human truths, whilst also poking fun at governmental and religious power structures.

WalesLab & Artist Development

Alongside the artistic programme NTW continued its new emerging artist programme, WalesLab, providing opportunities for 30 artists across Wales, and hosting our second two-week summer camp for 17 emerging artists in Anglesey. During 2013/14 the company had 9 writers on full commission, 13 writers on seed commission, 19 Research and Development projects, and held a number of Wales Drama Award workshops for the winning scripts - a partnership between NTW, BBC Cymru Wales and BBC Writersroom.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

ACHIEVEMENTS AND PERFORMANCE (Continued)

Assembly

The Assembly programme of one-off performance/debates engaged over 4,000 at the event or online and delivered its first international Assembly in Tokyo in April, exploring the theme of efficiency as a force for change. Our second took place on Anglesey looking at energy, efficiency, economy and environment and in October during our residency at the Parc & Dare we asked 'What Makes the Rhondda?' Our final Assembly took place in Cardigan, which did raise the question 'Who Controls the Drones in Our Skies?'

TEAM

TEAM moved into an ambitious new phase, winning extended funding from the Paul Hamlyn Foundation to expand the staff, build TEAM on a nationally networked level, produce a year-round programme of events and workshops, and create TEAM panel to act as an advisory board to the Executive and staff team. NTW's TEAM programme has become an internationally celebrated model for leadership, advocacy and participation in the arts and exceeded 6,000 'Encounters' through the programme during the year.

NTW Online

The online community reached over 4,000 members and the company embarked on a renewal of the core website, making it fully bilingual. The site went live on 24 January 2013, when the company announced its third annual season of work.

Over 15,000 people also engaged with an NTW production or project via our free online Livestreaming initiative.

NTW also received a grant from the Jerwood Foundation for The Studio -enabling us to explore a digital model for artists to develop creative ideas and collaborate online.

FUTURE PLANS

Year 4:

Raw Material: Llaireggub Revisited - May 2014

Part of the DT100 celebrations, marking the 100th anniversary of Dylan Thomas' birth, NTW will be re-imagining the world of *Under Milk Wood*, including a live broadcast event in collaboration with BBC Cymru Wales.

The Company has invited Marc Rees, one of Wales' leading exponents of contemporary performance and installation, to create a town-wide performance installation. The show will take the audience on a journey through the underbelly of Laugharne - the place, which inspired *Under Milk Wood*, and 'the strangest town in Wales' according to Dylan Thomas himself.

Mametz - June 2014

A new play written by award winning novelist Owen Sheers and inspired by his poem *Mametz Wood*, the show will form a significant part of the national 14-18 NOW commemorations supported by the DCMS/Heritage Lottery, marking the start of WW1. The play is a large-scale, site-located performance taking audiences into a poetic re-imagining of the WW1 trench and the notorious Mametz Wood, scene of significant Welsh losses in the Somme.

Praxis Makes Perfect - July 2014

Our 2013 production will be remounted for a two-night run at Berlin's famous Berghain club as part of the Berliner Festspiele, one of Europe's most prestigious arts festivals.

Green Man // Red Woman - August 2014

Created by Welsh artist Gerald Tyler, this is a specially created show inspired by the pagan energy that flows through the beautiful Green Man Festival site located deep in the heart of the Brecon Beacons.

The Gathering/Yr Helfa - September 2014

Created and directed by Louise Ann Wilson with poems from National Poet of Wales, Gillian Clarke, this production is a powerful exploration of the annual cycle of sheep-farming. *The Gathering/Yr Helfa* is the culmination of three years' observation of life at Hafod Y Llan, a working hill farm managed by the National Trust, at the foothills of Snowdon.

Bordergame - November 2014

This is an interactive production, taking place online and on the Bristol to Newport train - imagining a world in which migrants are smuggled over the border into Wales.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

FUTURE PLANS (Continued)

Pontio Residency - Spring 2015

As part of the opening season of the new Pontio Arts Centre in Bangor, NTW will create a programme of work including Assembly, WalesLab and TEAM activity, projects with students and local people, readings and conferences.

Crouch, Touch, Pause, Engage - Spring 2015

A co-production with Out of Joint - a 'verbatim' telling of the story of Gareth Thomas in the context of the history and politics of South Wales and Welsh rugby.

FINANCIAL REVIEW

The statement of financial activities for the company is shown on page 13. During the year, the company made a surplus on unrestricted funds of £6,238 (2013: deficit £32,062). This comparison is influenced by a planned spend of designated funds for the programme of productions carried out in 2012/2013. However, although there was a shortfall in box office income compared to that which had been budgeted for, prudent budget management across the company meant this was absorbed and General Reserve balances increased during the 2013/14 financial year.

General reserves now stand at £136,566 (2013: £130,328), of which free reserves account for £123,566 (2013 £115,161). This is below the guideline level set in the company's Reserves Policy (see below). The company is committed to restoring this balance as soon as possible, and has set its 2014/15 budget accordingly. The balance of General Reserves is accounted for by a fixed asset related designated fund, which matches the net book value of fixed assets in the balance sheet.

The Arts Council Wales has committed to including National Theatre Wales in its core group of annually funded revenue organisations to which it commits funding from its Welsh Government support. For 2013/14, following its "Investment Review" undertaken in 2010, Arts Council Wales continued to provide core support to National Theatre Wales to the value of £1.685m (2012/13 £1.685m). However, for 2014/15 the company has received a 2.5% reduction in this funding, in common with other 'national' organisations funded by Arts Council Wales. This is reflective of the reductions in funding that Arts Council Wales has itself experienced. The position for 2015/16 has not yet been confirmed, but there remains a likelihood that this grant may be cut further, though not dramatically so. Longer term, Arts Council Wales will be undertaking its next Investment Review process in 2015, which will inform its funding programme from 2016/17 onwards.

During the course of 2013/14, the company also received unrestricted grant funding from the Tolkien Trust (2014: £15,000; 2013 £20,000). This funding was applied in general support of the company's activities.

During the course of 2013/14, the company received ring-fenced funding from a number of charitable foundations to finance a range of projects and initiatives. This included the continuation of a number of existing sources of funding, as well as successfully obtaining support from a number of new funders. In total, ring-fenced funding received during 2013/14 amounted to £293,451 (2013: £653,269). Although the level of such funding was significantly lower than 2012/13, it was in line with what has been received in previous years. The higher level of funding in 2012/13 reflected the company's significant participation in the Cultural Olympiad during that year.

The Paul Hamlyn Foundation, continued to finance the TEAM programme (2014 £110,000; 2013 £110,000). Towards the end of the financial year, they also approved a further (third) phase funding application for the project - commencing with effect from April 2014, for two years, at a further enhanced level of funding.

Income also continued to be received in 2013/14 from Esmée Fairbairn Foundation (to run the WalesLab artist development project) in the sum of £108,951 (2013 £63,350). This funding is due to taper in 2014/15, in line with funding schedule originally approved at the commencement of the project in 2011. However, the growth of this initiative has been facilitated by the diversification of funding from other sources.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

FINANCIAL REVIEW

The company also once again received additional, ring-fenced funding from Arts Council Wales (2014 £20,000; 2013 £40,000) to fund costs associated with the appointment of a Digital Associate. This post was tasked with developing the company's digital content for productions and the BBC's 'The Space' initiative.

A number of funding sources received in the previous year, related to specific productions, especially those forming part of the Cultural Olympiad, did not recur in 2013/14. These included those from the Calouste Gulbenkian Foundation (to develop and stage a production of "De Gabay") (2013 £125,000); Arts Council England (2013 £109,600) and Department for Works and Pensions (2013 £24,806) in respect of the company's production of "*In Water I'm Weightless*"; and from the London Organising Committee of the Olympic Games (2013 £175,000) in respect of the production of "*Branches: The Nature of Crisis*". However, during the 2013/14 financial year, the company did receive funding from Arts Council Wales (2014 £50,000; 2013 £nil) towards its staging of "The Radicalisation of Bradley Manning" as part of the Edinburgh Fringe Festival. The company also received funding from Wales Arts International (2014 £3,000; 2013 £nil) as a bursary to support the attendance of two members of staff at the production of "*Opportunity of Efficiency*" by the New National Theatre of Tokyo (NNTT). This was a show devised for NNTT by National Theatre Wales, and directed by the company's Artistic Director (John McGrath).

A further source of ring-fenced funding received during the year was from iShed (2014 £1,500; 2013 £nil), in the form of a bursary towards the costs of the company's Digital Associate attending the Playable Cities project, which was staged in Recife (Brazil) in April 2014. Other minor sources of one-off ring-fenced funding that did not recur in 2013/14 were those associated with the British Council (2013 £3,150) for the building of artist development links overseas; and from the City and County of Cardiff (2013 £2,363) as part of its Keep Cardiff Moving initiative.

As at 31 March 2014, restricted funds of £70,623 (2013 £81,176) were being carried forward. This balance related to projects funded by the Paul Hamlyn, Esmée Fairbairn and Jerwood Foundations, Arts Council Wales, the City and County of Cardiff, iShed and NESTA. Most of these projects have already been discussed. The Jerwood Foundation funding was originally received in 2011/12, in support of the company's development of an online artist collaboration space, and was applied further in 2013/14, with a small balance of funding still remaining. The NESTA funds relate to an audience data research and development project, undertaken in conjunction with NoFit State Community Circus Ltd, and funded by NESTA. These restricted funds are expected to be drawn down further during the 2014/15 financial year.

The company continues to seek to develop its income streams through developing relationships that will encourage sponsorship and other forms of fundraising, and seeking grants from other funding bodies, in addition to increasing the level of income generated through box office receipts. Such diversification of income sources is a key element of both the company's Strategic Plan and its Funding Development Strategy, both of which were approved in 2013, for the period to 2016. The development of the company's next Strategic Plan is due to commence later in 2014.

The company's expenditure levels reduced in 2013/14, reflecting the absence of the significant one-off funding for the Cultural Olympiad in 2012/13 (as well as the ring-fenced funding referred to earlier, £100,000 was also received from the Royal Shakespeare Company as a co-partner contribution towards costs associated with the production of "*Coriolan/Us*"). However, the underlying trend is one of continued growth in the company's turnover, which is expected to continue into 2014/15 and the future, as the company seeks to further grow and diversify its income sources. Within its turnover, the focus of the company's expenditure will continue to be on its production, artist development and engagement related activities.

Reserves policy

In accordance with good corporate governance and Charity Commission guidelines, the Board's aim continues to be to set aside £150,000 in reserve, as an unrestricted contingency fund for National Theatre Wales operations, and to cover three-months operating expenses of National Theatre Wales should its primary source of income from Arts Council Wales be withdrawn or withheld due to unforeseen circumstances.

This policy is reviewed regularly to ensure its continued sufficiency. Whilst this level of cover is currently considered sufficient for the company, the Finance Committee keeps this policy under regular review.

As mentioned above, the level of free reserves as at 31 March 2014 are below the £150,000 guideline figure. The company is committed to restoring this balance as soon as possible.

It is the intention of the company to further develop its reserves policy during 2014/15, to take account of the holding of designated reserves for specific purposes, most notably related to future productions, and restricted funds relating to unspent resources received from external funders for identified projects. This review process will also incorporate a consideration of links to the company's investment strategy, and risk register - the latter being used to assess the continuing adequacy of the company's level of free reserves.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

Pension

The company has in place a group personal pension scheme, on a defined contribution basis, administered by Scottish Life. The company makes agreed employer contributions to the scheme, on a monthly basis. These are generally at a rate equivalent to 3% of gross salary (although there are contractual obligations to make a contribution equivalent to 5% in certain instances). Contributions are made in respect of all permanently appointed staff that have completed their contractual probationary period satisfactorily, where they have joined the scheme. Where staff have yet to join the scheme, a provision is set aside to fund such costs when they do become due. As at 31st March 2014, the value of the provision set aside for this purpose was £8,901 (2013 £3,276). Employees also make contributions to the scheme, the rates of which vary in accordance with individual discretion.

The company also makes contributions to the defined contribution scheme administered by Aviva on behalf of Equity, where it employs actors and stage managers who are members of the scheme. In accordance with industry conditions of service, the company again makes a contribution equivalent to 3%, where it is applicable to do so, whilst scheme members contribute at a rate of 2%.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The National Theatre of Wales (Trading as National Theatre Wales) for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable 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.

Approved by order of the board of trustees on 17 November 2014 and signed on its behalf by:


P A George - Chair

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

We have audited the financial statements of The National Theatre of Wales (Trading as National Theatre Wales) for the year ended 31 March 2014 on pages thirteen to twenty three. 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. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page ten, 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 charitable 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 Report of the Trustees 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 the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Julia Mortimer (Senior Statutory Auditor)
for and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 17 November 2014

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	Unrestricted funds £	Restricted funds £	Total 2014 funds £	Total 2013 funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	1,700,180	-	1,700,180	1,705,000
Investment income	3	395	-	395	595
Incoming resources from charitable activities					
Promoting, maintaining, improving and advancing education	4	169,227	300,251	469,478	802,016
Other incoming resources		<u>4,703</u>	<u>-</u>	<u>4,703</u>	<u>1,783</u>
Total incoming resources		<u>1,874,505</u>	<u>300,251</u>	<u>2,174,756</u>	<u>2,509,394</u>
RESOURCES EXPENDED					
Charitable activities					
Promoting, maintaining, improving and advancing education	5	1,857,828	310,865	2,168,693	2,571,728
Governance costs	8	<u>10,378</u>	<u>-</u>	<u>10,378</u>	<u>12,792</u>
Total resources expended		<u>1,868,206</u>	<u>310,865</u>	<u>2,179,071</u>	<u>2,584,520</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS					
		6,299	(10,614)	(4,315)	(75,126)
Gross transfers between funds	17	<u>(61)</u>	<u>61</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources		6,238	(10,553)	(4,315)	(75,126)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>130,328</u>	<u>81,176</u>	<u>211,504</u>	<u>286,630</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>136,566</u></u>	<u><u>70,623</u></u>	<u><u>207,189</u></u>	<u><u>211,504</u></u>

The notes form part of these financial statements


THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES) (REGISTERED NUMBER: 06693227)

BALANCE SHEET
AT 31 MARCH 2014

		Unrestricted funds	Restricted funds	Total 2014 funds	Total 2013 funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	12	13,000	-	13,000	15,167
CURRENT ASSETS					
Stocks		7,477	-	7,477	6,868
Debtors	13	81,516	3,800	85,316	238,885
Cash at bank and in hand		<u>147,466</u>	<u>221,300</u>	<u>368,766</u>	<u>109,801</u>
		236,459	225,100	461,559	355,554
CREDITORS					
Amounts falling due within one year	14	(103,992)	(154,477)	(258,469)	(155,941)
NET CURRENT ASSETS		<u>132,467</u>	<u>70,623</u>	<u>203,090</u>	<u>199,613</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		145,467	70,623	216,090	214,780
PROVISIONS FOR LIABILITIES	16	(8,901)	-	(8,901)	(3,276)
NET ASSETS		<u>136,566</u>	<u>70,623</u>	<u>207,189</u>	<u>211,504</u>
FUNDS	17				
Unrestricted funds				136,566	130,328
Restricted funds				<u>70,623</u>	<u>81,176</u>
TOTAL FUNDS				<u>207,189</u>	<u>211,504</u>

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

The financial statements were approved by the Board of Trustees on 17 November 2014 and were signed on its behalf by:


P A George -Chair

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources from generated funds

Voluntary income, including donations, gifts and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

This includes capital grants.

Investment income

Investment income is recognised on a receivable basis.

Incoming resources from charitable activities

Incoming resources from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

It is not the policy of the charity to show incoming resources net of expenditure.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which can not be fully recovered and is reported as part of the expenditure to which it relates.

"Charitable expenditure" comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

"Governance costs" include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

"Support costs" are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. These costs have been allocated to activity cost categories on a basis consistent with the use of resources.

Tangible fixed assets

Fixed assets are initially recorded at cost. The value below which fixed assets are not capitalised is £500.

Depreciation is calculated so as to write off the cost of an asset, less its estimate residual value over the useful economic life of the asset as follows:

Fixtures & fittings	- 25% straight line
Computer equipment	- 33% straight line

However, where assets are acquired as a result of grant funding they will be depreciated over their useful life, or the period of the grant, whichever is the shorter.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

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

1. ACCOUNTING POLICIES - continued

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities incorporating the income and expenditure account.

Provisions

The organisation commits to providing pensions for all core staff via the company pension scheme. Joining the scheme is optional currently, once employees have completed three months service. A number of eligible employees have yet to join the scheme but when they do employer contributions are backdated to their original start date with the company. Provision is made for the organisations potential contribution in respect of these individuals.

Basis of recognition of liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation which commits the charity to the expenditure.

Funds structure

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are funds which have been specifically designated for specific future costs.

Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of support and governance costs.

2. VOLUNTARY INCOME

	2014 £	2013 £
Donations	180	-
Grants	<u>1,700,000</u>	<u>1,705,000</u>
	<u>1,700,180</u>	<u>1,705,000</u>

Grants received, included in the above, are as follows:

	2014 £	2013 £
Arts Council of Wales - The Space Initiative	1,685,000	1,685,000
The Tolkien Trust	<u>15,000</u>	<u>20,000</u>
	<u>1,700,000</u>	<u>1,705,000</u>

3. INVESTMENT INCOME

	2014 £	2013 £
Bank interest	<u>395</u>	<u>595</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

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

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2014 £	2013 £
Grants	293,451	653,269
Performing and related activities	164,330	146,459
NESTA project management fees	6,800	-
Speaker fees	<u>4,897</u>	<u>2,288</u>
	<u>469,478</u>	<u>802,016</u>

All of the above income is derived from the single charitable activity of Promoting, maintaining, improving and advancing education.

Grants received, included in the above, are as follows:

	2014 £	2013 £
Arts Council of Wales - The Space Initiative	20,000	40,000
Paul Hamlyn Foundation	110,000	110,000
Esmée Fairbairn Foundation	108,951	63,350
Calouste Gulbenkian Foundation	-	125,000
Arts Council England	-	109,600
Department of Works and Pension	-	24,806
London Organisation Committee of the Olympic Games	-	175,000
British Council	-	3,150
City and Council of Cardiff	-	2,363
I Shed - Recife: Playable City	1,500	-
Arts Council of Wales - The Radicalisation of Bradley Manning	50,000	-
Wales Arts International - The Opportunity of Efficiency	<u>3,000</u>	<u>-</u>
	<u>293,451</u>	<u>653,269</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6) £	Support costs (See note 7) £	Totals £
Promoting, maintaining, improving and advancing education	<u>1,802,898</u>	<u>365,795</u>	<u>2,168,693</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2014 £	2013 £
Staff costs	631,166	812,056
Production costs	990,590	1,207,875
Marketing costs	173,376	206,826
Recruitment costs	4,766	15,414
Bad debts	<u>3,000</u>	<u>-</u>
	<u>1,802,898</u>	<u>2,242,171</u>

7. SUPPORT COSTS

	Staff costs £	Other costs £	Depreciation £	Totals £
Promoting, maintaining, improving and advancing education	<u>185,282</u>	<u>171,649</u>	<u>8,864</u>	<u>365,795</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

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

8. GOVERNANCE COSTS

	2014	2013
	£	£
Trustee meetings	2,598	1,306
Trustee travel and other expenses	3,225	1,766
Legal and professional fees	555	5,220
Auditors' remuneration	<u>4,000</u>	<u>4,500</u>
	<u>10,378</u>	<u>12,792</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Auditors' remuneration	4,000	4,500
Depreciation - owned assets	8,864	11,857
Surplus on disposal of fixed asset	<u>(863)</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2014 or for the year ended 31 March 2013.

Trustees' expenses

During the year an amount of £3,225 (2013: £1,766) was paid to 7 (2013 - 5) trustee in respect of travel and other expenses.

11. STAFF COSTS

The number of employees whose emoluments, as defined for taxation purposes, amounted to a rate of over £60,000 during the year were as follows:

	2014 No.	2013 No.
£80,001 - £90,000	1	-
£70,001 - £80,000	-	1
£60,001 - £70,000	-	1

All employees earning more than £60,000 were members of the company pension scheme.

	2014 £	2013 £
Employee costs during the year		
Wages and salaries	720,577	874,271
Employer's National Insurance contributions	74,021	84,011
Pension costs	<u>21,850</u>	<u>18,042</u>
	<u>816,448</u>	<u>976,324</u>

	2014 No.	2013 No.
Number of persons employed		
Permanent staff	15	15

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)

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

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2013	24,931	25,358	50,289
Additions	3,796	4,142	7,938
Disposals	-	(2,823)	(2,823)
At 31 March 2014	<u>28,727</u>	<u>26,677</u>	<u>55,404</u>
DEPRECIATION			
At 1 April 2013	19,951	15,171	35,122
Charge for year	2,946	5,918	8,864
Eliminated on disposal	-	(1,582)	(1,582)
At 31 March 2014	<u>22,897</u>	<u>19,507</u>	<u>42,404</u>
NET BOOK VALUE			
At 31 March 2014	<u>5,830</u>	<u>7,170</u>	<u>13,000</u>
At 31 March 2013	<u>4,980</u>	<u>10,187</u>	<u>15,167</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	14,855	18,262
Other debtors	2,917	3,546
Accrued income	3,910	76,500
VAT	6,391	23,428
Prepayments	<u>57,243</u>	<u>117,149</u>
	<u>85,316</u>	<u>238,885</u>

**THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)**

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	51,796	70,088
Social security and other taxes	16,108	13,744
Other creditors	1,546	3,160
Accruals	41,854	62,330
Deferred income	<u>147,165</u>	<u>6,619</u>
	<u>258,469</u>	<u>155,941</u>

Included within deferred income above is the following:

	2014	2013
	£	£
Arts Council of Wales - DT100 Festival	45,000	-
Arts Council of Wales - Llanreggub Revisited	49,665	-
Esmée Fairbairn - WalesLab	45,500	-
Wales Arts International - Australia bursary	2,000	-
BBC - Raw Material digital presentation	5,000	-
Wales Arts International - Opportunity of Efficiency	-	3,000
New National Theatre of Tokyo - Opportunity of Efficiency	-	3,619
	<u>147,165</u>	<u>6,619</u>

The deferred income relates to income received in advance of project delivery.

15. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2014	2013
	£	£
Expiring:		
Between one and five years	<u>24,053</u>	<u>24,053</u>

Included within the above commitments is £20,000 (2013 - £20,000) in respect of land and buildings.

16. PROVISIONS FOR LIABILITIES

	2014	2013
	£	£
Pension provision	<u>8,901</u>	<u>3,276</u>

THE NATIONAL THEATRE OF WALES
(TRADING AS NATIONAL THEATRE WALES)

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

17. MOVEMENT IN FUNDS

	At 1/4/13 £	Net movement in funds £	Transfers between funds £	At 31/3/14 £
Unrestricted funds				
General fund	130,328	6,299	(13,061)	123,566
Designated fund - fixed assets	-	-	13,000	13,000
	130,328	6,299	(61)	136,566
Restricted funds				
Paul Hamlyn Foundation	14,403	14,618	(513)	28,508
Esmée Fairbairn Foundation	40,331	(5,122)	444	35,653
Jerwood Charitable Foundation	7,173	(5,000)	-	2,173
Arts Council of Wales - 'The Space' Initiative	17,961	(16,228)	130	1,863
City and County of Cardiff - Keep Cardiff				
Moving Initiative	1,308	(1,247)	-	61
I Shed - Recife: Playable City Initiative	-	1,075	-	1,075
NESTA - Audience Research project	-	1,290	-	1,290
	81,176	(10,614)	61	70,623
TOTAL FUNDS	211,504	(4,315)	-	207,189

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,874,505	(1,868,206)	6,299
Restricted funds			
Paul Hamlyn Foundation	110,000	(95,382)	14,618
Esmée Fairbairn Foundation	108,951	(114,073)	(5,122)
Arts Council of Wales - 'The Space' Initiative	20,000	(36,228)	(16,228)
City and County of Cardiff - Keep Cardiff Moving Initiative	-	(1,247)	(1,247)
I Shed - Recife: Playable City Initiative	1,500	(425)	1,075
Arts Council of Wales - The Radicalisation of Bradley Manning	50,000	(50,000)	-
Wales Arts International - The Opportunity of Efficiency	3,000	(3,000)	-
NESTA - Audience Research project	6,800	(5,510)	1,290
Jerwood Charitable Foundation	-	(5,000)	(5,000)
	300,251	(310,865)	(10,614)
TOTAL FUNDS	2,174,756	(2,179,071)	(4,315)

17. MOVEMENT IN FUNDS - continued

Designated funds

Designated fund - fixed assets

The fund represents the net book value of fixed assets.

Restricted funds

The Paul Hamlyn Foundation supports the company's 'TEAM' programme, the role of which is to develop relationships within communities, and thereby promote National Theatre Wales and develop interest in theatre.

The Esmée Fairbairn Foundation supports the company's Wales Lab artist development programme.

The Jerwood Charitable Foundation supports the company's development of an online artist collaboration space.

Arts Council of Wales supports the employment of a Digital Associate post tasked with the development of the company's digital activities, particularly with respect to content for productions and the BBC's 'The Space' initiative.

City and County of Cardiff provided funding as part of its 'Keep Cardiff Moving' initiative, aimed at encouraging the use of alternatives to car travel. The funding approved for the company relates to the purchase of cycling equipment and some associated storage works.

Recife: Playable City is funded by the company as a bursary to support the participation of the Company's Digital Associate in the Playable City project staged in Recife (Brazil) in April 2014.

NESTA Audience Research relates to a joint project undertaken in conjunction with Nofit State Community Circus Ltd. The project is funded via NESTA's 'Digital Research and Development' fund, and is aimed at developing new ways of capturing audience information. The expenditure incurred by National Theatre Wales relates to fees and expenses associated with the appointment of a Project Manager. These costs are recovered from Nofit State, who has the direct funding relationship with NESTA, in accordance with an agreed payment schedule.

Arts Council of Wales - The Radicalisation of Bradley Manning relates to funding provided towards the costs of staging this show as part of the Edinburgh Fringe Festival in August 2013.

Wales Arts International - Opportunity of Efficiency is funding provided as a bursary to support the attendance of two of the Company's Creative Associates at the staging of this production in Tokyo (Japan) in April 2013. The show was developed by National Theatre Wales on behalf of the New National Theatre of Tokyo, and the role of the Creative Associates was to disseminate information on the Company's WalesLab and Assembly projects.

Transfers between funds

Transfers netting down to £61 have been made between the general fund and restricted funds relating to the effect of capitalisation and depreciation release of fixed assets purchased with restricted grant funding.

A transfer of £13,000 has been made from the general fund to a new designated fund - fixed assets to set aside an amount equal to the net book value of the charity's fixed assets.

18. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £21,850 (2013 : £18,042). Contributions outstanding at the year end amounted to £1,390 (2013 : £2,654).

In addition to the above, the charity has made a pension provision of £8,901 (2013 - £3,276). This provision is in respect of the potential employer contribution due in relation to all eligible employees yet to join the scheme.

19. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. Members have agreed to contribute an amount not exceeding £10 in the event of a winding up.

20. CONTROLLING PARTIES

In the opinion of the trustees there is no single ultimate controlling party of the charity.